■ IMPORTANT UPDATE ►

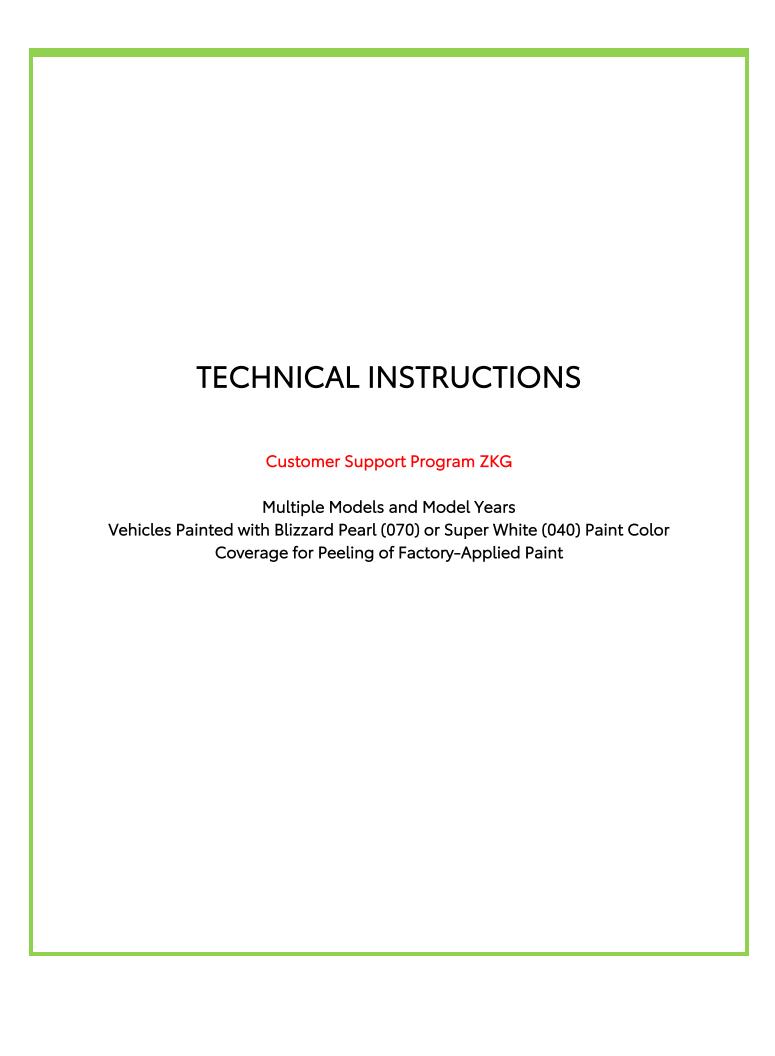
The attached Technical Instructions have been updated. Refer to the details below.

DATE	TOPIC	
May 15, 2020	 The training requirements section has been updated to include Toyota Certified Collision Centers The ZKG website now requires dealers to input the labor rate for body/paint work 	
February 5, 2020	 Tips for how to get a preliminary estimate approved by the website have been added to the Technical Instructions The process for requesting Toyota to review a rejected preliminary estimate has been enhanced 	
December 12, 2019	This document has been updated to clarify that only authorized Toyota dealerships are authorized to confirm if the paint peeling condition is covered by this program. However, after confirming that the paint peeling condition is covered by this program, the authorized Toyota dealership may choose to coordinate to have the repainting repair performed by a non-Toyota repair facility (e.g. third-party collision repair facility, body shop, etc). Note that as of May 15, 2020, Toyota Certified Collision Centers are now permitted to confirm if the peeling condition is covered by this program. Review the Dealer Letter for detailed information, polices, and training requirements.	

The most recent update in the attached Technical Instructions will be highlighted with a red box.

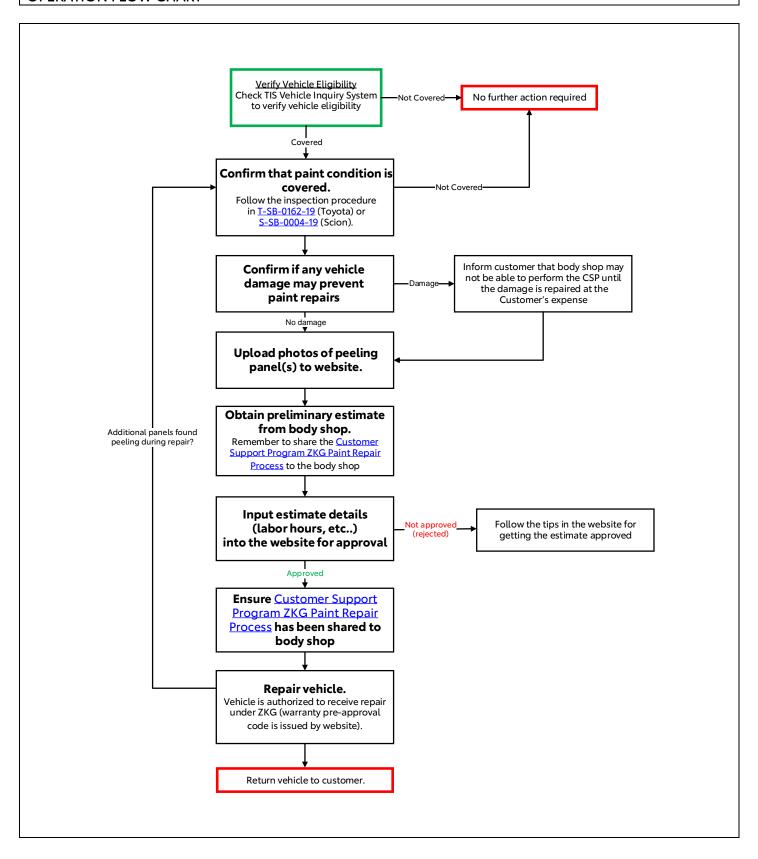
Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.



Customer Support Program ZKG – Technical Instructions

OPERATION FLOW CHART



TRAINING REQUIREMENTS

Training Requirements

The following training requirements are only applicable to the personnel performing <u>T-SB-0162-19</u> or <u>S-SB-0004-19</u>. T-SB-0162-19 (Toyota) or S-SB-0004-19 (Scion) contains the process used to confirm if the vehicle's paint peeling is applicable to this program. These training requirements are not applicable to the other steps in the ZKG process such as completing the mandatory website photo upload process, repairing/refinishing the vehicle, etc. Only authorized Toyota dealerships and Toyota Certified Collision Centers are authorized to perform the condition confirmation inspection included in T-SB-0162-19 or S-SB-0004-19.

<u>Training Requirements: Authorized Toyota Dealership</u>

All Toyota dealership staff performing T-SB-0162-19 or S-SB-0004-19 are required to successfully complete the most current version of the E-Learning course "Toyota Recall and Service Campaign Essentials" (course number SC19A). To ensure that T-SB-0162-19 or S-SB-0004-19 is performed correctly; Toyota dealership staff performing T-SB-0162-19 or S-SB-0004-19 are required to currently hold at least one of the following certification levels:

- Certified Technician any Specialty
- Expert Technician any Specialty
- Master Technician
- Master Diagnostic Technician

Always check which technicians can perform T-SB-0162-19 or S-SB-0004-19. It is the dealership's responsibility to select staff with the above certification level or greater to perform T-SB-0162-19 or S-SB-0004-19.

Training Requirements: Toyota Certified Collision Center

All Toyota Certified Collision Center staff members performing T-SB-0162-19 or S-SB-0004-19 are required to successfully complete the most current version of the E-Learning course "Toyota Recall and Service Campaign Essentials" (course number SC19A). To ensure that T-SB-0162-19 or S-SB-0004-19 is performed correctly; Toyota Certified Collision Center staff members performing T-SB-0162-19 or S-SB-0004-19 are required to currently hold at least one of the following certification levels:

- Certified Refinish Technician
- Master Refinish Technician

Always check which technicians can perform T-SB-0162-19 or S-SB-0004-19. It is the Collision Center's responsibility to select staff with the above certification level or greater to perform T-SB-0162-19 or S-SB-0004-19.

I. IDENTIFICATION OF AFFECTED VEHICLES

Check the TIS Vehicle Inquiry System to confirm the VIN is involved in Customer Support Program ZKG.

II. CONFIRM THAT THE PAINT CONDITION IS COVERED BY THIS CUSTOMER SUPPORT PROGRAM

You must confirm if the paint peeling condition is covered by this Customer Support Program (ZKG).

1. Follow the procedure in <u>T-SB-0162-19</u> (Toyota) or <u>S-SB-0004-19</u> (Scion) to confirm that the paint peeling condition is covered by this Customer Support Program.

III. CONFIRM ANY VEHICLE DAMAGE THAT MAY PREVENT PAINT REPAIRS

Damage to the vehicle exterior (such as collision damage, deep scratches, dents, etc..) may prevent a repair facility from performing the paint repair covered by this Customer Support Program.

This Customer Support Program does not cover repair of such damage.

If any damage must be repaired prior to performing the paint repair covered by this Customer Support Program, the dealer may offer to repair the damage at the customer's expense.

- 1. Confirm if there is any damage. Examples of damage that <u>might</u> prevent paint repair are:
 - Collision damage.
 - Dents.
 - Deep scratches.
 - Deep rock chips.
- 2. If you believe the vehicle has damage that could prevent paint repair, inform the customer about this possibility prior to sending the vehicle to the body shop.
- 3. If the customer agrees to pay for such repair, the body shop must estimate this cost in a <u>separate</u> <u>preliminary estimate</u>. If the repair is included in the preliminary estimate for the Customer Support Program paint repair, the website will likely reject the estimate.

IV. UPLOAD PHOTOS OF PEELING PANEL(S) TO WEBSITE

You must upload 2 specific photos of each metal panel that was confirmed to have paint peeling covered by this Customer Support Program (ZKG). Read below for instructions on how to take these photos.

 Log in to the Website: URL: https://zkq-zll-inspection.imagespm.info/toyota

If accessing for the first time, use the default credentials below:

User ID: Your dealer code

Password: XXXXX

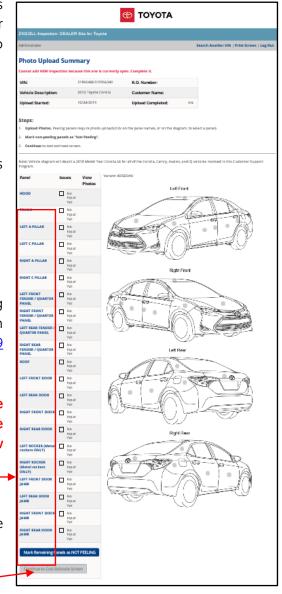
- 2. Enter the VIN.
- 3. Each <u>peeling</u> panel requires photo upload. Peeling covered by this program is identified using inspection procedure in <u>T-SB-0162-19</u> (Toyota) or <u>S-SB-0004-19</u> (Scion).

Click on each <u>peeling</u> panel in the website and <u>refer to the</u> website, or the Dealer Daily Message attached to the bottom of this document for detailed instructions on how to take correct photographs.

List of panels.

4. After you're finished uploading photos, continue to the "Preliminary Estimate" screen. Be sure to mark all non-peeling panels as "Not Peeling".

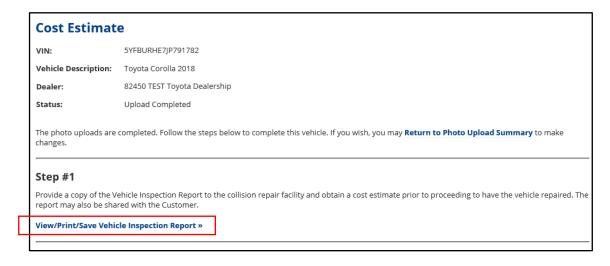
Preliminary Estimate screen button



V. OBTAIN PRELIMINARY ESTIMATE FROM BODY SHOP

You must obtain a preliminary estimate from a body shop for repairing the peeling. The labor hours, labor rate, and total cost from the preliminary estimate will be inputted into the website in later steps. The website will automatically pre-approve (or deny) the count of hours (based on the panels that were marked as peeling in earlier steps), the labor rate, and total cost.

- 1. Share <u>Customer Support Program ZKG Paint Repair Process</u> to Body Shop: It is critical to provide the <u>Customer Support Program ZKG Paint Repair Process</u> document to the body shop so that the body shop can write an accurate preliminary estimate and help ensure the vehicle is repaired correctly for this program.
- 2. Generate a Vehicle Inspection Report PDF from the Website. Use the website to generate a vehicle inspection report and provide it to the body shop for the purpose of writing a preliminary estimate. Only panels indicated as peeling in this report are authorized for repair by the body shop. The body shop requires this document to understand which panel are authorized for repair and which panels are not authorized for repair.



3. Obtain a preliminary estimate from the body shop. After your dealership (or Toyota Certified Collision Repair Facility) has confirmed that the condition is covered by this program by following T-SB-0162-19 or S-SB-0004-19, and completed the website photo upload process, your dealership may sublet the repainting repair to a non-Toyota certified repair facility (body shop, collision repair facility, etc.). A Toyota certified collision center is not required to perform the repainting repair.

VI. INPUT ESTIMATE DETAILS INTO WEBSITE

The labor hours, labor rate, and total cost from the preliminary estimate must be inputted into the website. The website will automatically approve, or deny the count of hours (based on the panels that were marked as peeling in the earlier steps), the labor rate, and total cost. This step is necessary to ensure the estimate is not written with excessive count of hours, or with excessive labor rate.

1. Find the "Estimate Totals" section near the bottom of the Preliminary Estimate.

Estimate Totals Section (Example) Estimate Totals Discount \$ Markup \$ Total Hours Total \$ Sublet/Miscellaneous 190.00 65.00 28.7 1,865.50 Labor, Body 65.00 22.6 1,469.00 Labor, Refinish Labor, Mechanical 119.34 2.0 238 68 40.00 22.6 904.00 Material, Paint Material, Shop 15.20 Subtotal 4,930.04 Sales Tax 96.68 **Grand Total** 5,026.72 Net Total 5,026.72 Estimate Version Total \$ Original 5,026.7 A: Body labor rate

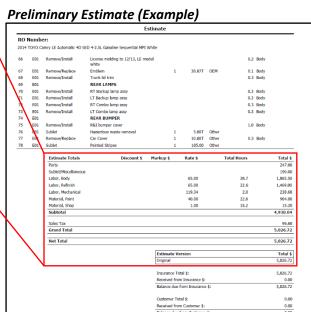
B: Paint <u>labor rate</u>

C: Body labor hours

D: Paint labor hours

E: Mechanical <u>labor hours</u>.

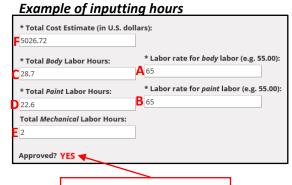
F: Total cost (dollar amount).



- 2. Input the follwing information from the preliminary estimate into the website:
 - a) Total body labor hours
 - b) Total paint labor hours
 - c) Body labor rate
 - d) Paint labor rate
 - e) Total mechanical labor hours*.
 - f) Total cost (dollar amount).

*Note: mechanical labor hours are uncommon and may not necessarily exist on every preliminary estiamte. In these cases, enter 0 hours or leave this section blank.

g) Upload the PDF copy of the preliminary estimate.



After clicking submit, website will approve or reject.

3. Click submit.

The website will either approve or reject the inputs. Approval is required before authorizing the repair to proceed.

INPUT ESTIMATE DETAILS INTO WEBSITE (Continued...)

Website Rejection: If the website rejects your inputs, follow the tips issued by the website to assist you with getting the estimate approved. For your reference, the website's tips are also listed below. Also, note that the website will provide you with a reason for rejection (see below example).

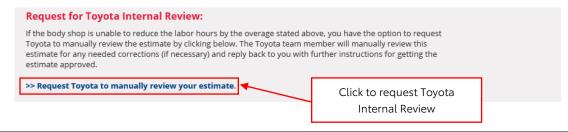


Tips for Getting the Preliminary Estimate Approved:

- 1. Ensure that you have entered the body and paint hours from the preliminary estimate correctly.
- 2. Ensure that you have uploaded photos, and marked as peeling, all of the panels that are actually peeling. The maximum allowable hours are based upon the panels that are marked as peeling. Only peeling panels may be marked as peeling. Do not mark panels as peeling for any other reason beyond that they are peeling (affected by the condition).
- **3.** Ensure that the preliminary estimate doesn't include repairing (stripping OEM paint from) panels that are not marked as peeling in the website. Only peeling panels may be repaired and marked as peeling in the website.
 - Blending" non-affected panels is acceptable.
 - Repairing" (stripping OEM paint from) non-affected panels is not acceptable.
 - For example, if only the Left Rear Door is affected and correctly marked as peeling in the
 website, but the preliminary estimate also includes "repairing" the Left Front Door and
 Left Quarter Panel, the website will likely reject the estimate because the Left Front Door
 and Left Quarter Panel should not be "repaired". Note that those panels may be blended.
- **4.** Make sure the body labor time quoted to repair (remove OEM paint) from affected panels does not exceed the maximum times outlined on page 2 of the Customer Support Program Paint Repair Process.
- **5.** Ensure the preliminary estimate was created with industry standard estimating software. Note that CCC Estimating Solutions is most compatible. However, other estimating systems will work.
- **6.** Ask the body shop if it's possible to reduce the sum of the body+paint labor by the overage hours shown above. If they are unable to do so, proceed to "Toyota Internal Review" below.

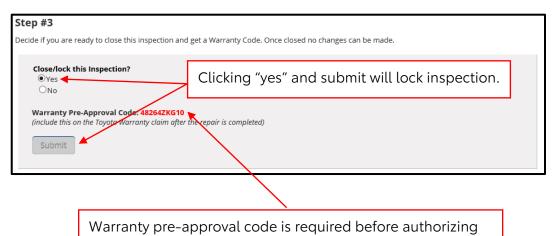
Request for Toyota Internal Review

If the body shop is unable to reduce the labor hours by the overage stated above, you have the option to request Toyota to manually review the estimate by clicking below. The Toyota team member will manually review this estimate for any needed corrections (if necessary) and reply back to you with further instructions for getting the estimate approved.



VII. Warranty Pre-Approval Code

After the website approves your estimate, proceed to step 3 in the website where you will be prompted to close/lock the inspection. After you decide to close/lock the inspection, you will be locked-out of modifying your inspection and the website will issue a "warranty pre-approval code" which should be included in the CCR of the warranty claim.



repair and needs to be included in CCR of warranty claim.

A "warranty pre-approval code" must be issued by the website prior to authorizing any repairs. Include the code in the CCR of the claim. This warranty pre-approval code is not a guarantee for payment of the claim. All ZKG claims are subject to warranty department review for proper claim submission and compliance with Toyota Warranty Policy and Procedures including Policies 8.22 and 4.12.

VIII. ENSURE <u>Customer Support Program ZKG Paint Repair Process</u> HAS BEEN SHARED TO THE BODY SHOP

Before repair begins on the vehicle, it is critical to ensure the <u>Customer Support Program ZKG Paint Repair Process</u> has been shared to the body shop to ensure the proper repair process is used. This document should have already been shared in step V.

IX. REPAIR VEHICLE

Send the vehicle to the body shop for repair once you have obtained a warranty pre-authorization code from the website. A warranty pre-authorization code is required before starting any repairs under this program.

Additional peeling during repair: In the RARE instance that additional panels are found to be peeling while the vehicle is undergoing repair, you must restart this process beginning with step #1 to ensure that the peeling is covered by this program and that pictures of the newly peeled panels get uploaded to the website. Follow any special prompts issued by the website.

X. POST REPAIR PROCEDURES

Administrative Procedures: For instructions related to warranty claim filing, parts ordering, maximum claimable rental vehicle cost, etc.. refer to the <u>Dealer Letter</u> on TIS.

Comebacks on repaired panels: If a vehicle is exhibiting a paint quality issue (poor adhesion, flaking, clear coat peeling, etc..) on a panel that was repaired under this program, you should coordinate with the body shop who performed the repair to understand why the panel is peeling.

Previously non-affected panel now appears to be affected (peeling) after first repair on the other affected panels: If a previously non-affected (non-peeling) panel is now exhibiting the condition (peeling) and the vehicle has returned to the dealership for repair, this process should be <u>completely restarted</u>. If the peeling is confirmed to be covered by this program and if the vehicle has not yet expired from the program, the vehicle is eligible to have the panel repaired. Follow any special prompts the website issues you during the photo upload process.

Website questions: Please contact quality_compliance@toyota.com with any questions regarding the website.



Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

Original Publication Date: September 14, 2020

To: All Toyota Dealer Principals, General Managers, Service Managers, and Parts Managers

CUSTOMER SUPPORT PROGRAM ZKG

Multiple Models and Model Years

Vehicles Painted with *Blizzard Pearl (070)* or *Super White (040)* Paint Color

Coverage for Peeling of Factory-Applied Paint

ZKG WEBSITE PROPER PHOTOGRAPH SUBMISSION

As described in the Technical Instructions, uploading photographs to a specified web application is a required step for performing the remedy in Customer Support Program ZKG. The web application provides detailed instructions on uploading these photographs. However, Toyota has identified several cases of photographs submitted to the ZKG web application that did not follow these instructions.

Dealers are requested to review this message as a reminder of the instructions on taking the required photographs to help ensure that the photographs provide the necessary information.

Photographs Submission Instructions

- For each <u>affected</u> panel, you are required to submit two photographs, one of the entire panel, and one that is a close-up of the peeling.
- Only <u>affected</u> (peeling) panels require photos for the website. If a panel is not exhibiting the peeling condition covered by this program, then it is not eligible for repair, should not be marked peeling in the website, and should not have any photos uploaded.
- If a <u>non-affected</u> panel is going to be blended due to repairing an adjacent panel, <u>do not</u> mark it "peeling" in the website and <u>do not</u> upload photos for it.
- Ensure the picture is high quality (e.g., does not appear blurry).

Photo #1 (Entire Panel) Photo #2 (Close-up) **INSTRUCTIONS INSTRUCTIONS** The <u>entire panel</u> plus <u>additional area of the vehicle</u> must be captured in Capture a *close-up* photograph of the *peeling area*. this photo. 2. If there are multiple areas of peeling on the subject panel, it is not necessary to upload photographs of each peeling area. Upload a single Refer to the diagram below to help visualize how the entire panel plus additional area of the vehicle must be captured by photograph of the largest peeling area. this photograph. If there are multiple peeling areas on the panel, make sure that each peeling area is sufficiently captured by the single photograph. The vehicle doesn't necessarily need to be oriented as shown in the diagram below as long as point #1 is met. Peeling area (red) Peeling area (red)

EXAMPLE PHOTOGRAPH

- The <u>entire panel</u> has been captured sufficiently in addition to other portions of the vehicle.
- All of the peeling areas on the panel have been captured successfully in this single photograph.



EXAMPLE PHOTOGRAPH

A <u>close-up</u> of the largest peeling area has been captured.



Example	Panel	Photo #1 (Entire Panel)	Photo #2 (Close-up)
		No problems with this photograph	Problems: The photo does not provide a "close-up" of the peeling condition. There is no visible peeling on this panel (hood).
#1	Hood	G2(0)2/2029 GUG) AM	02,652,E0250 03-92 AM
#2	Back Door	No problems with this photograph	 Problems: The photo appears identical to the photo that was submitted for Photo #1 on the left. The photo does not provide a "close-up" of the peeling condition.
		05/21/21/20 SIC37 PM	Small Peeling Area
#3	Left Front Fender	 Problems: This photo does not provide an image of the entire panel. The entire fender is not visible from this photo. This photo appears identical to the photo that was submitted for Photo #2 on the right. 	submitted for Photo #1 on the left.
		 Problems: The submission indicates that the panel in question is the Right Rear Door, but the submitted photo is of the hood and right front fender. Make sure the correct photo of the correct panel is uploaded to the website. 	 the Right Rear Door, but the submitted photo is of the hood and right front fender. Make sure the correct photo of the correct panel is uploaded to the website. This photo appears to be of a different vehicle compared to the photo on the left based on the difference in peeling. Please ensure that both photos
#4	Right Rear Door		#1/#2 are of the same vehicle.

Refer to the <u>Dealer Letter</u> and <u>Technical Instructions</u> on TIS for additional information.