TOYOTA

PRODUCT SUPPORT DIVISION

INTEROFFICE MEMORANDUM

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To: All Region/Private Distributor General Managers/Vice Presidents

From: Bob Waltz,
Group Vice President, Product Quality & Service Support

Subject: Warranty Enhancement Program– ZE3
Certain 2010 – 2014 Model Year Prius Vehicles
Extension of Warranty Coverage to the Intelligent Power Module (IPM)

In our continuing efforts to ensure the best in customer satisfaction, Toyota is announcing a Warranty Enhancement Program to extend the warranty coverage for repairs related to failure of the Intelligent Power Module (IPM). The vehicles covered under this Warranty Enhancement must first have Safety Recall E0E (launched in mid-February, 2014) performed (if applicable).

In these vehicles, Toyota has received some reports where the Intelligent Power Module (IPM) located inside the inverter assembly of the hybrid system may fail. This condition is indicated by hybrid system diagnostic trouble codes (DTCs): P0A94, P324E, P3004, **and/or** P0A1A. If one or more of these DTCs are detected, various warning lamps on the instrument panel will also illuminate and the vehicle will enter fail safe mode.

Although the Hybrid Inverter assembly is covered by Toyota's New Vehicle Limited Warranty for 8 years or 100,000 miles (whichever occurs first), we at Toyota care about the customers' ownership experience. Toyota is now extending the warranty coverage for repairs related to failure of the Intelligent Power Module (IPM). Please see the Warranty Enhancement Program Details for additional information.

Note: *For California-certified vehicles sold, registered, and normally operated in Arizona (12MY only), California, Connecticut, Maine, Maryland (beginning with 11MY), Massachusetts, New Jersey, New Mexico (10MY-11MY only), New York, Oregon, Rhode Island, and Vermont, the Toyota New Vehicles Limited Warranty coverage is 15 years from the date of first use, or 150,000 miles (whichever occurs first).*

The following information is provided to inform you and your staff of the program notification schedule and your degree of involvement.

1. **Dealer Letter Mailing Date**
   The attached Dealer Letter will be mailed to all Toyota dealers in mid-August, 2014.

2. **Owner Notification Mailing Date**
   The owner notification will commence in Late August, 2014 and will be mailed over several months. We have attached a sample owner letter for your reference.

3. **Warranty Enhancement Program Details**

This Warranty Enhancement Program provides an extension to the vehicle's "New Vehicle Limited Warranty" for repairs related to failure of Intelligent Power Module (IPM). The vehicles covered under this Warranty Enhancement must first have Safety Recall E0E performed (if applicable). If the condition is verified, an appropriate remedy will be performed under the terms of this Warranty Enhancement Program*. This Warranty Enhancement covers failure of the IPM and other internal inverter components potentially damaged by IPM failure.

This warranty enhancement provides coverage for ***15 years with no mileage limitation from the date of first use***.

**This coverage is for warranty work performed at an authorized Toyota dealer only. It is subject to the same terms and conditions set forth in the New Vehicle Limited Warranty Section of your Owner's Warranty & Maintenance Guide. For example, damage from abuse, an accident, theft and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement.*

4. Number of Vehicles Covered

There are approximately 711,000 (certain 2010 - 2014 Model Year) Prius vehicles covered by this Warranty Extension.

Model	Model Year	Production Period	Appx. UIO
Prius	Certain 2010 – 2014	Late March, 2009 through Early February, 2014	711,000

5. Region/District Summary Reports

We have enclosed the following Warranty Enhancement Program Summary Reports in the Region/Private Distributor (PD) Service Manager/Customer Operations Manager/Director of Service Package:

- Region/PD Summary Reports that provides an overview of the entire Region/PD for this Warranty Enhancement Program.
- District Summary Reports that indicate the number of involved vehicles registered in each dealership's primary market area for this Warranty Enhancement Program.

Please note that dealerships will not receive reports as this is not a Recall or Special/Limited Service Campaign.

Please review this entire Warranty Enhancement Package with the appropriate associates so that they may provide the necessary support to your dealers and maximize our combined customer satisfaction efforts.

Enclosures

cc: Region/Private Distributor Assistant General Managers
Region/Private Distributor Customer Service Operations Managers
Region/Private Distributor Service Managers/Directors/VPs
Region/Private Distributor Parts Managers/Directors/VPs
Region/Private Distributor Customer Services Field Managers
Region/Private Distributor Technical Services and Training Managers
Region/Private Distributor District Service and/or Parts Managers
Region/Private Distributor Customer Relations Managers
Region/Private Distributor PDC Managers
Region/Private Distributor Field Technical Specialists
Region/Private Distributor Service Training Specialists
Region/Private Distributor Vehicle Operations Managers
Field Product Engineers