



FSB #2009-CGR
April 01, 2009

TO: ALL TOYOTA DEALERS
RE: TOYOTA COLLEGE GRADUATE \$1000 REBATE PROGRAM – Select Vehicles

Toyota Motor Sales and Toyota Financial Services (TFS) are pleased to announce an exciting enhancement to the 2009 College Graduate Rebate Program – **a \$1000 Rebate on New Camry, Corolla, Matrix, RAV4 and Yaris vehicles** for eligible College Grads!

This enhanced rebate:

- Allows us to better focus efforts on **core vehicles College Grads purchase/lease**
- Is one of the **highest CG Rebates in the industry**
- Is the **highest CG Rebate we've offered nationwide**
- Will entice **young buyers** to the Toyota family
- Available from **April 1, 2009 through March 31, 2010**

Eligible College Graduates buying or leasing a **new** untitled Toyota Camry, Corolla, Yaris, Matrix or RAV4 **through March 31, 2010** will receive a \$1,000 rebate to be used towards their purchase or lease. The rebate must be used as a down payment on Retail and Preferred Option contracts. On Lease Agreements, the rebate must be applied towards the "*Amount Due at Lease Signing or Delivery*".

As a reminder, there are two College Graduate Programs that can be utilized by the customer:

1. *Enhanced Toyota College Graduate Rebate Program – \$1,000 Rebate*
2. *College Graduate Finance Program – Automatic Tier 1 Rate (Minimum)*

In most cases the eligible customer can benefit from both College Graduate Programs. There are a few instances where the Finance Plan is only available and not the rebate (i.e. TCUV). However, in all cases the customer must qualify for the Finance Plan in order to further qualify for the \$1,000 Rebate Program.

All other parameters of the College Graduate Finance Plan remain unchanged.

Please refer to the attached Program Guidelines for complete program provisions. Should you have any questions regarding this program, please contact your Area Sales Manager (ASM) at your local TFS office.

TOYOTA FINANCIAL SERVICES



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TOYOTA \$1,000 COLLEGE GRADUATE REBATE PROGRAM DEALER GUIDELINES

Program Period

- The College Graduate Rebate Program is effective **April 01, 2009 through March 31, 2010**.
- The TFS College Graduate Finance Plan runs indefinitely.

Eligible Vehicles

- New untitled Toyota **Camry, Corolla, Yaris, Matrix or RAV4**, including dealer demonstrators with 20,000 miles or less qualify for the College Graduate \$1000 Rebate Program.
- Except for the vehicles listed above, no other vehicles are eligible for this rebate. This includes all other New Toyota vehicles (except those listed above), Toyota Certified Used Vehicles and all Scion Vehicles, which are **not eligible for the \$1,000 rebate**.
- New untitled Toyota vehicles and TCUV are eligible for the College Graduate Finance Program.

Participating Dealers*

All participating Toyota dealers

* CCC dealers are not eligible. Toyota dealers in SET states are not eligible.

Customer Eligibility

To qualify for the College Graduate Finance Plan and College Graduate Rebate Program, students must meet the following conditions:

1. Graduate from an accredited four-year college, university, or registered nursing degree program within the next six months; graduate from an accredited two-year college; or be enrolled in an accredited graduate degree program. In all cases, the student will have two years from receipt of their degree to take advantage of the program; or
2. Graduate from the two-year Toyota Technical Education Network (T-TEN) Program, which is equivalent to a two-year junior college degree (accredited by the NATEF (National Automotive Technicians Education Foundation); Graduate from any other two-year post secondary automotive program accredited by the NATEF; In all cases, the student will have two years from receipt of their degree to take advantage of the program; or
3. Complete an electrician apprenticeship/certification program through the NJATC (National Joint Apprentice and Training Committee) and the IBEW (International Brotherhood of Electrical Workers). The program is five-years in length and involves classroom training and 1500 hours practical training; In all cases, the student will have two years from receipt of their certificate to take advantage of the program; and
4. Furnish verifiable proof of present employment or proof of future employment, which will begin within 120 days of credit approval, with a salary sufficient to cover ordinary living expenses and vehicle payments; and
5. Minor credit lapses allowed*

*Obligations paid within 60 days or less of the due date and non-credit related (e.g., rent, utilities, health club membership, etc.) charge-offs less than \$250 are acceptable.

Maximum Terms

The maximum terms (in months) for all eligible vehicles under the Plan are as follows:

<u>Retail</u>	<u>Lease</u>	<u>Preferred Option*</u>
84	60	48

*Preferred Option available in the following states **only** (AR, IL, LA, MS, OK & TX).

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Rate/Rent Charge Factor

Eligible College Graduate contracts for the Finance Plan receive a **Tier 1 minimum rate/RCF** benefit.

Dealer Participation

Standard Rate Participation applies. Please refer to the Dealer Rate Letter.

Flat Fees

Please refer to your rate letters and subvention program announcements for details.

Program Compatibility

The College Graduate Finance Program is compatible with all other special/subvented programs. The College Graduate Rebate Program can be compatible with other special/subvented programs when the special/subvented program parameters permit the compatibility (please refer to your special/subvented program announcement for more detail). **** Note: The College Graduate Rebate Program is NOT compatible with the Military Rebate Program.**

The College Graduate Finance & Rebate Programs are also compatible with:

Retail: Encore Feature (*standard* program only), LTV Equity Discount, 90-Day Deferred Payment Program (except in PA), No Flat Fee Option, Seasonal Payment Plan (where available), Business Solutions and Extended Term Financing (Note: 90 Day Deferred and Extended Term cannot be used together)

Lease: Encore Feature (*standard* program only), Multiple Security Deposits (excluding NY), 1Pay Lease Feature, Business Solutions** and Low Mileage Lease

Preferred Option: Encore Feature, Low Mileage & Business Solutions

**Business Solutions Open-End Leases have different parameters limiting the compatibility. Please refer to the Business Solutions FSB for more detail.

Roadside Assistance

Cross Country Motor Club or Cross Country Motor Club of California administers the Roadside Assistance Plan for TFS. Roadside Assistance services are available for select Toyota vehicles that are financed or leased under the Plan, and are included for one full year from the contract date. The toll-free Roadside Assistance number is 1-866-322-3968.

Documentation Requirements

- Standard Retail, Lease and Preferred Option documents are required.
- All applications must be denoted "**College Grad**" in the upper right hand corner.
- The College Graduate Rebate Form must be forwarded to the DSSO in complete and original form with the contract in order for the dealer to qualify for the rebate.
The College Graduate Rebate Form
 - The College Graduate Rebate Form will be posted in the FSB Database #2009-CGR and Document Center.
 - Rebates are only available on contracts that are actually booked with TFS.

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- To receive the reimbursement, the College Graduate Rebate Form must be submitted **no later than 90 days from the contract date.** Rebate forms received beyond the 90 day reimbursement period will not be processed.

Contract Disclosure

Retail/Preferred Option: The \$1,000 rebate must be disclosed as "**CG Rebate**". Since not all TFS Retail Contracts contain an itemized disclosure for a discount certificate, the dealer should ensure the following contract disclosures are made:

- In the "*Itemization of Amount Financed*" section, the \$1,000 must be included in the amount of any cash down paid by the customer;
- The dealer must type an asterisk (*) following the amount of cash down payment;
- In an available area of the "Down Payment" section, type " *Incl.'s \$1,000 CG Rebate."

FEDERAL TRUTH-IN-LENDING DISCLOSURES				
ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.	Total Sale Price The total cost of your purchase on credit, including your down-payment of \$ _____.
_____ %	\$ _____	\$ _____	\$ _____	\$ _____
Your Payment Schedule Will Be:				
Number of Payments:	Amount of Each Payment:	When Payments Are Due:		
One Deferred Downpayment of _____		Monthly, beginning _____		
Regular Payments of _____				
One Final Payment of _____				
<p>Prepayment. If you pay off all your debt early, you will not have to pay a penalty.</p> <p>Security. You are giving a security interest in the vehicle being purchased.</p> <p>Other Terms. Please read this contract, including the reverse side, for additional information about security interests, nonpayment, default, any required repayment in full before the scheduled date and penalties.</p>				
ITEMIZATION OF THE AMOUNT FINANCED				
1 Cash Price (including any accessories, services, delivery and handling charge of \$ _____ *and \$ _____ (1))				
2 Total Downpayment — Trade-in _____ Make _____ Year _____ \$ _____ Gross Trade-in Allowance _____ (Payoff — made by Seller) _____ Trade-in (Net) _____ plus \$1,000 Downpayment * Incl \$1,000 CG				

Lease: On lease contracts it will be included as part of Section # 7, "*Amount Due at Lease Signing or Delivery*" and disclosed as *Rebates and Noncash Credits* in Section # 8b, "*How the Amount Due at Lease Signing or Delivery will be Paid*" section of the Lease Agreement. See example below:

Itemization of Amount Due at Lease Signing or Delivery			
7.	Amount Due at Lease Signing or Delivery:		
	a. Capitalized Cost Reduction	\$ 0.00	
	b. First Month Payment	\$ 325.00	
	c. Refundable Security Deposit	\$ 0.00	
	d. Title Fees	\$ 0.00	
	e. Registration Fees	\$ 300.00	
	f. License Fees	\$ 0.00	
	g. Tax on Capitalized Cost Reduction	\$ 0.00	
	h. Document Preparation Fee (Not a Government Fee)	\$ 0.00	
	i. Acquisition Fee	\$ 650.00	
	j. N/A	\$ N/A	
	k. Total	\$ 1,275.00	
	8.	How the Amount Due at Lease Signing or Delivery will be Paid:	
	a.	Net Trade-In Allowance	\$ 0.00
	b.	Rebates and Noncash Credits	\$ 1,000.00
	c.	Amount to be Paid in Cash	\$ 275.00
	d.	Total	\$ 1,275.00

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Lease Contract Disclosure (cont.)

In those instances where the first monthly payment is less than the rebate amount and no other fees are collected, the remainder must be treated as a *Capitalized Cost Reduction* in Section #7, "Amount Due at Lease Signing or Delivery" section of the agreement. See example below:

Itemization of Amount Due at Lease Signing or Delivery			
7. Amount Due at Lease Signing or Delivery:	8 How the Amount Due at Lease Signing or Delivery will be Paid:		
a. Capitalized Cost Reduction	\$ 700.00	a. Net Trade-In Allowance	\$ 0.00
b. First Month Payment	\$ 250.00	b. Rebates and Noncash Credits	\$ 1000.00
c. Refundable Security Deposit	\$ 0.00	c. Amount to be Paid in Cash	\$ 0.00
d. Title Fees	\$ 0.00		
e. Registration Fees	\$ 0.00		
f. License Fees	\$ 0.00		
g. Tax on Capitalized Cost Reduction*	\$ 50.00		
h. Document Preparation Fee (Not a Government Fee)	\$ 0.00		
i. Acquisition Fee	\$ 0.00		
j. N/A	\$ N/A		
k. Total	\$ 1000.00	d. Total	\$ 1,000.00

*example based on 7.15% tax rate collected upfront

Dealer Reimbursement

Required STEPS for dealer to receive reimbursement:

1. Complete & forward original copy of the TMS, USA \$1,000 College Graduate Rebate Program Form to your local DSSO.
2. Properly disclose the \$1,000 Rebate in the Retail/Lease contract. The College Grad rebate must be disclosed on the specified areas listed under the Contract Disclosure section in order for the dealer to be eligible for reimbursement.
3. Denote "College Graduate Rebate" on the Dealer Funding Checklist.
4. Provide copies of documents necessary to meet College Graduate Criteria (i.e. College diploma, transcript, proof of employment, etc.) to your local DSSO.
5. Ensure that all parameters are met (i.e. New Toyota Vehicle, eligible college graduate, etc.).

Please note that since it is critical for TFS to receive the Rebate Form, dealers must make certain that the form is submitted no later than 90 days from the contract date, in order to receive the reimbursement. Rebate forms received beyond the 90 day period will not be processed.

Check Disbursement for Dealer Rebate Reimbursement

The month following the booking of the contract, each Dealer will receive a rebate reimbursement check for contracts booked under the College Graduate Rebate Program. Checks will be disbursed by the local TFS Office on a monthly basis.



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