



BBB AUTO LINE PROGRAM SUMMARY

Ford Motor Company – Indiana

Ford Motor Company has agreed to arbitrate certain warranty claims through BBB AUTO LINE. Ford's participation in BBB AUTO LINE covers Ford, Lincoln, and Mercury vehicles.

This *Program Summary* describes the claims that may be resolved through BBB AUTO LINE. Please also see *Claims That Are Not Eligible* below for a description of the types of claims that will not be handled by BBB AUTO LINE.

Please note that although most customers choose to represent themselves in the BBB AUTO LINE process, customers may also be represented by an attorney at their own expense.

AGE/MILEAGE REQUIREMENTS

Claims seeking repurchase or replacement of a **Ford** or **Mercury** vehicle must be filed with BBB AUTO LINE within three years or 36,000 miles – whichever occurs first – after the vehicle's warranty start date.

Claims seeking repurchase or replacement of a **Lincoln** vehicle must be filed with BBB AUTO LINE within four years or 50,000 miles – whichever occurs first – after the vehicle's warranty start date.

Claims seeking any other remedy listed below must be filed with BBB AUTO LINE before the expiration of the applicable Ford U.S. New Vehicle Limited Warranty coverage period.

ELIGIBLE CLAIMS

Claims must be based on a defect in the vehicle's factory-supplied material or workmanship covered by the applicable Ford U.S. New Vehicle Limited Warranty.

ELIGIBLE VEHICLES

Claims may be filed for Ford, Lincoln, and Mercury cars and light trucks that are:

- ◆ Owned or leased in the name of an individual **or** owned or leased by a business that owns or leases no more than three vehicles;

- ◆ Currently registered in Indiana; and
- ◆ Purchased or leased in the United States and normally operated in the United States.

The following vehicles are **not eligible** for BBB AUTO LINE:

- ◆ F-450, F-550, and F-650 pick-up trucks.
- ◆ Ford E-series Cut Away vehicles, F-series cab and chassis, and motor homes.

BBB AUTO LINE REMEDIES

The arbitrator may award the following remedies:

- ◆ Repairs.
- ◆ A Ford Extended Service Plan for the customer's current vehicle.
- ◆ Reimbursement for money the customer paid to repair the vehicle if those repairs should have been covered by the Ford New Vehicle Limited Warranty.
- ◆ Repurchase of the vehicle.
- ◆ Replacement of the vehicle **only** if it was purchased or leased *new*.

REPAIRS/REIMBURSEMENT FOR REPAIRS

The arbitrator may award repairs to defects covered by the Ford New Vehicle Limited Warranty. If repairs are awarded, the arbitrator may not order a change in the vehicle's options or its design.

The arbitrator may award reimbursement for money paid for the repair of defects covered by the Ford New Vehicle Limited Warranty only if Ford or its dealer declined to repair the defects under warranty or to reimburse under the warranty's emergency repair provisions.

REPURCHASE/REPLACEMENT

The arbitrator may award a repurchase or replacement only if the arbitrator finds that the claim meets the following conditions:

- ◆ The defect(s) in material or workmanship covered by the Ford New Vehicle Limited Warranty was first reported to Ford or an authorized dealer within 18 months or 18,000 miles – whichever occurs first – after the vehicle's warranty start date; and
- ◆ Either (1) the same defect was subject to repair four or more times and continues to exist, or (2) the vehicle was out of service for 30 or more cumulative calendar days for repairs to any defect(s); and
- ◆ The defect(s) substantially impairs the use, value, or safety of the vehicle to the reasonable consumer.

If the arbitrator finds that the claim meets these conditions, the arbitrator must award a repurchase or replacement that will consist of the following remedies:

- ♦ **Repurchase** – If the vehicle was **purchased**, Ford will refund the actual amount that the customer paid for the vehicle (not including any modifications or additions after the vehicle's purchase or lease), including finance charges, less a reasonable allowance for use. If the vehicle was **leased**, Ford will refund to the customer payments made to the lending institution or lessor plus net trade-in and cash down payment (not including rebates, if any), less a reasonable allowance for use. For both **purchased** and **leased** vehicles, Ford will also provide the pay-off amount to the lienholder or lessor in accordance with the financing or lease agreement.

If the vehicle being repurchased is covered by a Ford Extended Service Plan that the customer purchased, that plan will be cancelled and its pro-rated cost refunded. If the vehicle is covered by a non-Ford service contract, the customer is responsible for obtaining any refund that may be available from the issuer of that non-Ford plan.

Ford will also refund sales tax; the unexpended portion of any prepaid license fees, original registration fees, and excise tax; and reasonable towing and rental costs directly incurred because of the claimed defect.

- ♦ **Replacement of a vehicle purchased or leased new** – The customer will select a new vehicle from dealer inventory that is from the same model year as, and substantially identical to, the vehicle being replaced (not including any modifications or additions after the vehicle's purchase or lease). Ford will reimburse the customer for fees for transfer of registration, sales taxes, and other charges or fees incurred as a result of the replacement; and reasonable towing and rental costs directly incurred because of the claimed defect.

If the customer selects a vehicle that has different equipment options, the customer will incur the cost of upgraded equipment.

If a replacement vehicle of the same vehicle model or from the same model year as the current vehicle is not available, the customer may select a different model or model year vehicle but will be required to pay the difference between the Manufacturer's Suggested Retail Price (M.S.R.P.) of the vehicle being replaced and the M.S.R.P. of the new replacement vehicle.

If the vehicle being replaced is covered by a Ford Extended Service Plan that the customer purchased, Ford will provide the customer with the most nearly equivalent Ford Extended Service Plan available for the replacement vehicle at no cost to the customer. If the vehicle is covered by a non-Ford service contract, the customer is responsible for obtaining any refund that may be available from the issuer of that non-Ford plan.

Important: Replacement is not an available remedy if the current vehicle was purchased used.

Deductions/Exclusions from a Repurchase or Replacement Award

- ◆ If the arbitrator awards a **replacement**, the award will require payment for the customer's use of the vehicle in accordance with the following formula:

$$\frac{\text{mileage at first repair of the defect for which a replacement is awarded}}{100,000} \times \text{purchase price}$$

- ◆ If the arbitrator awards a **repurchase**, the award will be reduced for the customer's use of the vehicle in accordance with the following formula:

$$\frac{\text{all accrued mileage} - 100 \text{ miles}}{100,000} \times \text{purchase price}$$

- ◆ The award may be reduced or may require payment for any missing equipment or damage to the vehicle exceeding normal wear and tear.
- ◆ The award will not include any trade-in over-allowance or debt from a previous transaction.
- ◆ The award will not include any manufacturer rebate the customer received or manufacturer-sponsored credit card earnings used as a down payment or capitalized cost reduction.

CUSTOMER RESPONSIBILITIES

At the time of the repurchase or replacement transaction, the customer's vehicle must be currently registered to the customer who applied to BBB AUTO LINE. The customer will be responsible for turning over the vehicle with all of the original equipment, and without abnormal wear or damage evident on the vehicle (e.g., cracked windshield). The customer will also be responsible for providing clear title to the vehicle and signing all documents necessary to effect transfer of the title, including a power of attorney for title transfer.

CLAIMS THAT ARE NOT ELIGIBLE

The following claims are **not** eligible for arbitration in BBB AUTO LINE:

- ◆ Claims involving a vehicle no longer owned or leased by the customer.
- ◆ Claims not covered by the Ford New Vehicle Limited Warranty, including but not limited to:
 - (1) maintenance and wear items not covered by the Warranty;
 - (2) damage caused by alterations or modifications of the vehicle after it leaves the control of Ford Motor Co.;
 - (3) damage caused by tampering with the vehicle, its emissions systems, or other parts that affect these systems; and
 - (4) damage caused by the installation or use of a non-Ford Motor Co. part or of any part designed for “off-road” use installed after the vehicle leaves the control of Ford Motor Co.
- ◆ Claims involving vehicles with a non-U.S. warranty, or salvaged, “total loss” or similarly branded titled vehicles.
- ◆ Claims alleging that an airbag failed to deploy or deployed when it should not have.
- ◆ Claims covered by insurance or by warranties of other manufacturers.
- ◆ Claims involving a vehicle defect if the customer alleges – either as part of the BBB AUTO LINE claim or at any other time – that the vehicle defect has (1) caused bodily injury, or (2) caused an accident or fire that resulted in damage to any vehicle or damage to property.
- ◆ Allegations of fraud.
- ◆ Claims seeking punitive damages or compensation for loss of wages, personal injury or mental anguish.
- ◆ Claims that are the subject of a law suit or state administrative action against Ford.
- ◆ Claims identical to any claim that was resolved by a previous mediation or arbitration, court action, settlement, or agreement between the customer and Ford.