

Program Summary Ford Motor Company

Ford Motor Company has agreed to arbitrate certain claims covered by the applicable state lemon law. Ford has also agreed to arbitrate certain warranty claims not covered by the lemon law. This Program Summary describes the claims that may be resolved through BBB AUTO LINE. Please see “Claims That Are Not Eligible” below for a description of the types of claims that will not be handled by BBB AUTO LINE.

WARRANTY CLAIMS COVERED BY LEMON LAW

AGE/MILEAGE REQUIREMENTS

A claim seeking relief under the applicable state lemon law must meet all standards set out by that law. The claim must be received by BBB AUTO LINE within the time period for filing a legal action under that law. Please see the attached description of the applicable lemon law provisions.

[Note: Florida claims involving Ford chassis or chassis cabs in motor homes may be filed with the Florida Pilot RV Mediation and Arbitration Program and are not eligible for BBB AUTO LINE.]

If the claim meets all standards set out by the applicable lemon law, the arbitrator will award a refund or replacement vehicle including all remedies specifically provided by that law. In some states, this may include reasonable attorney’s fees if they can be recovered in a state-run arbitration program or, if no state-run program exists, in court at a capped amount of \$1,500.00. An arbitrator may also award any damages and/or pecuniary losses that the customer would be entitled to under the State Lemon Law.

- ◆ The award will be reduced for the customer’s use of the vehicle in accordance with the applicable lemon law.
- ◆ The arbitrator may adjust the award based on damage to the vehicle exceeding normal wear and tear.
- ◆ The award will not include trade-in over-allowance or debt from a previous transaction.
- ◆ The award will not include any manufacturer rebate or manufacturer-sponsored credit card earnings the customer received or used as a down payment or capitalized cost

reduction.

- ♦ The award takes into consideration that decisions of the third-party mechanism shall not be legally binding on any person, however, if the customer agrees to accept the decision then acceptance is a final adjudication on the merits.

WARRANTY CLAIMS NOT COVERED BY LEMON LAW

AGE/MILEAGE REQUIREMENTS

Claims seeking repurchase 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 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
- ♦ 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. This remedy cannot be awarded if the vehicle already has a previously purchased or goodwill Ford ESP already in place.
- ♦ 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.

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

The arbitrator may award a repurchase 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 will award a refund of the vehicle including all remedies specifically provided by the applicable Lemon Law for the state in which the vehicle was originally purchased. In some states, this may include reasonable attorney's fees if they can be recovered in a state-run arbitration program or, if no state-run program exists, in court at a capped amount of \$1,500.00. However, an arbitrator may also award any penalties or multiple damages and or pecuniary losses that the customer would be entitled to under the applicable State Lemon Law.

- ♦ **Repurchase** – For **purchased or leased vehicles**, Ford will return all amounts and take usage fee (if applicable) per the guidelines of the Lemon Law in which the consumer's vehicle was originally purchased.

Deductions/Exclusions from a Repurchase Award

- ♦ If the arbitrator awards a **repurchase**, the award will be reduced for the customer's use of the vehicle in accordance with Lemon Law guidelines in which the consumer's vehicle was originally purchased.
- ♦ 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 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 lawsuit or state administrative action against Ford.
- ◆ Claims identical to any claim(s) that was resolved by a previous mediation or arbitration via any third-party dispute resolution mechanism, State Arbitration Board, court action, and any settlement or agreement between the customer and Ford.