EA02-025

FORD 10/27/03

APPENDIX N

BOOK 43

PART 2 OF 4

```
BEGINNING OF CONTACT
09/28/1999              MASTER OWNER RELATIONS SYSTEM III                16.55.40
==================================================================================
9835MH                  LEGAL ISSUE               CASE NBR: 1525692359
REGION: 10 SDR          ZONE: D2                            OPENED: 08/23/1999
VIN: 2FMZA5140WBE25697  ENGINE: 4                           CLOSED: 08/23/1999
==================================================================================
LAST NAME:      BALL                                        STATUS: CLOSED
TITLE:          MRS             FIRST NAME:  FAITH          MI:     A
ADDRESS:        5996 CALM LAKE DR
CITY:           FARMINGTON      STATE:       NY             ZIP:    14425
HOME PHONE:     716-7423239
MODEL YEAR:     1998            MODEL:       WINDSTAR GL WAGON 2WD
MILEAGE:          28000
DEALER NAME:  EVERETT M LEWIS INC SALES CODE: F44039        P & A:  00687
REASON CODES: 0771              SYMPTOMS:    704165
ORIGIN:CAC    - GENERAL CAC
ACTION:DR0001- NO ACTION REQUIRED; INFORMATION ONLY

COMMENTS:

1999/08/23
  13.10.07
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FM02-025 2244

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50083TM                        LEGAL ISSUE          CASE NBR: 0577943528
REGION: 10 SDR                 ZONE: D2                    OPENED: 12/18/1998
VIN:  2FMDA5146VBD83427        ENGINE: 4                   CLOSED: 12/18/1998
```

1998/12/18
16.00.45 CUSTOMER SAYS: DATE OF FIRE: DEC 17 CUST SAID THAT SHE TURNED ON THE VEH AND DRIVE ABOUT 50 YARDS WITH THE VEH AND THE VEH BACK FIRED ONCE THEN BEGAN SMOKING; CUST THEN GOT OUT AND CALLED THE FIRE DEPARTMENT AND WITHIN 5 MIN THE VEH WAS TOTALLY DEMOLISHED FIRE COMPANY SAID THAT THE SOURE OF FIRE SEEMED TO BE AN ELECTRICAL PROBLEM THAT CAME FROM THE ENGINE; CUST SAID THAT ALSO THERE WAS A STRONG SMELL OF GAS IN THE VEH WHEN SHE WAS DRIVING IT CUST HAS FILED A CLAIM WITH HER INSURANCE COMPANY; VEH IS CURRENTLY AT HER PARENTS HOME AND IT IS NOT REPAIRABLE AT HER PARENTS HOME BECAUSE THAT IS WHERE SHE WAS GOING WHEN THE FIRE OCCURRED;NO ONE WAS INJURED IN THE FIRE CUST AND 8 YEAR OLD SON GOT OUT JUST IN TIME PER CUSTOMER. DEALER SAYS: NONE CAC ADVISED: - THIS INFORMATION HAS BEEN FORWARDED TO THE CONSUMER AFFAIRS DEPARTMENT FOR REVIEW - A REPRESENTATIVE FROM CONSUMER AFFAIRS WILL FOLLOW UP ON YOUR CLAIM - NO TIME FRAME AVAILABLE - IF YOU HAVE NOT ALREADY CONTACTED YOUR INSURANCE CARRIER TO REPORT THE CONCERN, PLEASE DO SO INFERENCE CASE ID: 76

1998/12/31
10.26.24 ***LPA COMMENTS***
MESSAGE LEFT WITH "MAX" REQUESTING NANCY HOUY TO RECONTACT FMC. NAME AND PHONE NUMBER PROVIDED FOR RECONTACT.

1999/01/06
12.08.56 ***LPA COMMENTS***
SALES MGR./PHIL CORNELL CONTACTED LPA AND REQUESTED THAT FORD INSPECT THE BURNED VEHICLE. HE ALSO ADVISED THAT THE CUSTOMER'S INSURANCE CO. HAD BEEN CONTACTED AND THEY HAVE FILED AND PAID THE CLAIM ON THIS VEHICLE. THE CUSTOMER HAS PICKED OUT A 98 WINDSTAR BUT WILL NOT TAKE IT UNLESS THEY KNOW WHAT CAUSED THE FIRE IN THEIR 97 WINDSTAR.
*
PER SR. LPA/ANDREW CHABOT THE CUSTOMER'S INSURANCE CO. IS NOW THE OWNER OF THIS VEHICLE AND THEY WOULD NEED TO CONTACT THEM FOR THE CAUSE OF THE FIRE.

1999/01/14
16.11.28 ***LPA COMMENTS***
CUSTOMER NO LONGER OWNS VEHICLE. NO FURTHER ACTION REQUIRED BY CONSUMER AFFAIRS.

1999/02/12
08.08.32

BEGINNING OF CONTACT

```
09/20/1999              MASTER OWNER RELATIONS SYSTEM III              16.53.40
================================================================================
5008TH                    LEGAL ISSUE              CASE NBR: 0577943528
REGION: 10 SDR            ZONE: D2                           OPENED: 12/18/1998
VIN:  2FMDA5146VBD03427   ENGINE: 4                          CLOSED: 12/18/1998
================================================================================
LAST NAME:      HOUY                                         STATUS: CLOSED
TITLE:          MS              FIRST NAME:   NANCY          MI:     M
ADDRESS:        ALGER RD RD #2
CITY:           ARKPORT         STATE:        NY             ZIP:    14807
HOME PHONE:     607-2959860
MODEL YEAR:     1997            MODEL:        WINDSTAR GL WAGON 2WD
MILEAGE:         30000
DEALER NAME:    WEST-HERR FLM OF DA SALES CODE: F44060      P & A:  00584
REASON CODES:   0771            SYMPTOMS:     704145
ORIGIN:CAC    - GENERAL CAC
ACTION:DR0001- NO ACTION REQUIRED; INFORMATION ONLY
```

COMMENTS:

1998/12/18
16.08.45

1802-023 2248

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09/20/1999              MASTER OWNER RELATIONS SYSTEM III              16.53.40
********************************************************************************
3312AH                   LEGAL ISSUE              CASE NBR: 0520901396
REGION: 15 NEW YORK      ZONE: B1                           OPENED: 08/16/1999
VIN:  2FMZA5143WBC15040  ENGINE: 4                          CLOSED: 08/19/1999
********************************************************************************
1999/08/19
  08.52.47 LPA FAXED FIRE DESCRIPTION TO EAA.

1999/09/07
  12.56.44 EAA FAXED INVESTIGATION REPORT ON 8/19/99 AND MAILED PHOTOS
           TO LPA. INVESTIGATION REPORT INDICATED THAT EAA WAS NOT ABLE
           TO VERIFY A MANUFACTURER DEFECT WHICH MIGHT HAVE CAUSED THE
           FIRE.
           LPA OBC CUSTOMER ON 8/20/99 - LPA ADVISED CUSTOMER THAT EAA
           INSPECTION OF THE VEHICLE DID NOT VERIFY A MANUFACTURER
           DEFECT WHICH MIGHT HAVE CAUSED THE FIRE. BASED ON THIS
           FINDING, FMC PROPOSES NO FURTHER ACTION. CUSTOMER HAS
           REFERRED TO CONTACT HIS INSURANCE COMPANY FOR POSSIBLE
           ASSISTANCE. INSURANCE COMPANY HAS THE RIGHT TO FILE A
           SUBROGATION CLAIM AGAINST FMC IF THEY CHOOSE TO PURSUE THE
           MATTER. LPA MAILED LETTER TO CUSTOMER AND COPY OF LETTER TO
           DEALER TO ADVISE OF SAME. NO FURTHER ACTION REQUIRED BY CA.
```

EA02-025 2247

3312AH LEGAL ISSUE CASE NBR: 0520981398
REGION: 13 NEW YORK ZONE: B1 OPENED: 08/16/1999
VIN: 2FMZA5143WBC15048 ENGINE: 4 CLOSED: 08/16/1999

1999/08/16
13.32.25

CUSTOMER SAYS: CUST STATES THAT THE VEH CAUGHT ON FIRE AUG .16TH AND THE FIRE ORIGINATED UNDER THE HOOD AND THERE WAS A LSO FIRE UNDER THE VEH. CUST STATES THAT POLICE TOWED THE V EH BUT HE HAS TO CALL THEM TO FIND OUT WHERE IT IS CUST STA TES THAT NO FIRE REPORT WAS FILED WITH THE FIRE DEPT. CUST STATES THAT HE HAS NOT CONTACTED HIS INSURANCE CO. AND HE DO ES NOT KNOW IF THE VEH IS REPAIRABLE. PER CUSTOMER. DEALER SAYS: NONE CAC ADVISED: - THIS INFORMATION HAS BEEN FORW ARDED TO THE CONSUMER AFFAIRS DEPARTMENT FOR REVIEW - A REP RESENTATIVE FROM CONSUMER AFFAIRS WILL FOLLOW UP ON YOUR CLA IM - NO TIME FRAME AVAILABLE - IF YOU HAVE NOT ALREADY CON TACTED YOUR INSURANCE CARRIER TO REPORT THE CONCERN, PLEASE DO SO INFERENCE CASE ID: 75

1999/08/18
14.08.12 LPA OBC CUSTOMER - CUSTOMER INDICATED THE FIRE OCCURRED WHILE HE WAS DRIVING THE VEHICLE ON 8/16/99. HE PULLED OVER AND OBSERVED FLAMES COMING FROM UNDERNEATH THE VEHICLE. THERE WAS NO PERSONAL INJURY. THE FIRE DEPT. WAS NOT CONTACTED BECAUSE THE FIRE WAS PUT OUT WITH A FIRE EXTINGUISHER. THE POLICE DEPT. WAS CONTACTED. THE VEHICLE WAS TOWED TO AN INDEPENDENT REPAIR FACILITY IN MONROE, NY. A CLAIM HAS NOT BEEN FILED WITH THE INSURANCE COMPANY. LPA ADVISED CUSTOMER THAT ARRANGEMENTS MUST BE MADE TO HAVE THE VEHICLE TOWED TO A DEALER FOR EAA INSPECTION. LPA WILL CONTACT MONROE FORD TO DETERMINE IF CUSTOMER CAN MAKE ARRANGEMENTS TO TOW VEHICLE TO DEALER FOR EAA INSPECTION. LPA WILL RECONTACT CUSTOMER WITH ADDITIONAL INFORMATION. LPA OBC CUSTOMER - LPA LEFT MESSAGE FOR N. DEMAR/SVC MGR TO CONTACT CA.

16.20.18 N. DEMAR/SVC MGR CONTACTED LPA AND ADVISED THAT CUSTOMER CAN MAKE ARRANGEMENTS TO HAVE THE VEHICLE TOWED TO THE DEALER FOR EAA INSPECTION. LPA OBC CUSTOMER - LPA ADVISED CUSTOMER TO CONTACT N. DEMAR/ SVC MGR TO MAKE ARRANGEMENTS TO HAVE THE VEHICLE TOWED TO THE DEALER FOR EAA INSPECTION.

1999/08/19
08.52.47 LPA OBC EAA - EAA ADVISED THAT VEHICLE INSPECTION WILL BE COORDINATED WITH DEALER AND CUSTOMER FOR THE WEEK OF 8/23/99.

BEGINNING OF CONTACT

09/20/1999 MASTER OWNER RELATIONS SYSTEM III 16.53.40

==

3312AH LEGAL ISSUE CASE NBR: 0320901398
REGION: 13 NEW YORK ZONE: BI OPENED: 08/16/1999
VIN: 2FMZA5143WBC15040 ENGINE: 4 CLOSED: 08/16/1999

==

LAST NAME: GOLDSTEIN STATUS: CLOSED
TITLE: MR FIRST NAME: HAIM MI:
ADDRESS: 7 MESHER CT
CITY: MONSEY STATE: NY ZIP: 10952
HOME PHONE: 914-3714123
MODEL YEAR: 1998 MODEL: WINDSTAR GL WAGON 2WD
MILEAGE: 20000
DEALER NAME: LA FRES FORD INC SALES CODE: F13033 P & A: 03618
REASON CODES: 0709 SYMPTOMS: 704145
ORIGIN: CAC - GENERAL CAC
ACTION: DR0001- NO ACTION REQUIRED; INFORMATION ONLY

COMMENTS:

1999/08/16
13.32.23

2249 025-0062

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******************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                              *
*                                                                            *
*       LEGAL FACSIMILES                                                     *
*                                                                            *
*       ALL STATUS CODES EXCEPT CANCELLED                                    *
*       SALES AND SERVICE CONTACTS                                           *
*       OPENED BETWEEN 01/01/95 AND 12/31/98                                 *
*       MODEL YEARS : R S T                                                  *
*                                                                            *
*       MODELS       : CAPRI0*                                               *
*                                                                            *
*       CAUSAL CODES: ALL                                                    *
*                                                                            *
*       SYMPTOMS     : 704145 704245 704345                                  *
*                                                                            *
*       STATES       : ALL                                                   *
*       DEALERS      : ALL                                                   *
*       ENGINE CODES: ALL                                                    *
*       PLANT CODE   : ALL      REGION: ALL    ORIGIN: ALL                   *
*       CASE TYPES   : ALL                                                   *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: EXCLUDES OWNER DIALOGUE                                        *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: INCLUDES U.S. CUSTOMERS ONLY                                   *
*                                                                            *
*                      OWNER RELATIONS VOP/BENCHMARKING                      *
******************************************************************************
```

CONTACT COUNTS BY SORT FIELDS

XMODYR	MODEL	SYMP_CODE1	SUPL_MICRNBR

```
ATTN: OWNER RELATIONS MANAGER

      LEGAL FACSIMILES

      ALL STATUS CODES EXCEPT CANCELLED
      SALES AND SERVICE CONTACTS
      OPENED BETWEEN 01/01/95 AND 12/31/96
      MODEL YEARS : R S T

      MODELS       : CAPRI0*

      CAUSAL CODES: ALL

      SYMPTOMS     : 704145 704245 704345

      STATES       : ALL
      DEALERS      : ALL
      ENGINE CODES: ALL
      PLANT CODE   : ALL      REGION: ALL    ORIGIN: ALL
      CASE TYPES   : ALL


      NOTE: EXCLUDES OWNER DIALOGUE


      NOTE: INCLUDES U.S. CUSTOMERS ONLY

                         OWNER RELATIONS VOP/BENCHMARKING
```

CONTACT COUNTS BY TYPE

TOTAL

E902-025 2251

ATTN: OWNER RELATIONS MANAGER

SALES AND SERVICE CONTACTS COUNTRY: USA
OPENED BETWEEN 09/02/1997 AND 09/19/1999
MODEL YEARS : 1994 1995 1996

MODEL : ALL

REASON CODES: ALL

SYMPTOMS : 704145 704245 704345

WHERE A29VEHLINE EQ 'VQA'

OWNER RELATIONS

NO RECORDS RETRIEVED

TOTAL

EM02-025 2232

```
6682JB                      LEGAL ISSUE           CASE NBR: 0628802578
REGION: 41 CHICAGO          ZONE: B2                 OPENED: 09/14/1998
VIN:  1FALP54P5SA145095     ENGINE: P                CLOSED: 10/30/1998

1998/10/30
  12.45.32 ***LPA DENYING CUSTOMER DUE TO NO FORD PRODUCT DEFECT FOUND
           BASED ON THE ESP INSPECTION***LPA WROTE A DENIAL LETTER TO
           THE CUSTOMER AND SENT IT WITH A CC TO THE DEALER***

  12.47.11 ***LPA CLOSING CASE AS THERE WAS NO FORD PRODUCT DEFECT FOUN
           D DURING THE INSPECTION BY EXTENDED SERVICE PLAN.  IT WAS DE
           TERMINED THAT AN AFTER-MARKET ACCESSORY CAUSED THE FIRE***
           NO FURTHER ACTION IS REQUIRED.***CASE IS CLOSED. REFERRED
           CUSTOMER TO HIS INSURANCE CO.***

1998/11/25
  14.50.04 ***ADDED MICRO #:  5570525***
```

EA02-025 2283

6682JB LEGAL ISSUE CASE NBR: 0628802578
REGION: 41 CHICAGO ZONE: B2 OPENED: 09/14/1998
VIN: 1FALP54P5SA185095 ENGINE: P CLOSED: 09/14/1998

1998/09/14
17.21.24 CUSTOMER SAYS: 59488 MILES ON THE TAURUS SHO TWO PAGE C OUNTY CITY OF NAPERVILLE, DETIRMINED BY FIRE DEPT COMMANDER THAT IT WAS DUE TO PRODUCT FAILURE, BUT NO REPORT $ POLIC E WERE THERE NO REPORT VEHICLE WAS IN OPERATION ON A ROAD WHEN IT OCCURED; 1.00 IN THE AFTERNOON ON SUNDAY THE 13TH 1998 CONTACTED INSURANCE COMPANY, THEY SAID THAT THE DEFE CT IN THE VEHICLE CAUSED THE FIRE AND SHOULD BE COVERED BY T HE COMPANY THERE MAY BE NEGLIGENCE BY PACKEY WEBB FORD WH EN THEY DID REPAIRS TO THE TRANSMISSION, O2 SENSOR, RADIATOR AND AIR CONDITIONING SENSOR THE VEHICLE IS AT PACKEY WEB B FORD RIGHT NOW PER CUSTOMER, DEALER SAYS: CALL THE INSU RANCE IT HAS NOTHING TO DO WHITH US CAC ADVISED: - CONSUME R AFFAIR WILL BE FORWARDING THIS INFORMATION TO THE EXTENDED SERVICE PLAN DEPARTMENT FOR HANDLING - NO TIME FRAME IS AV AILABLE - IF YOU HAVE NOT ALREADY CONTACTED YOUR INSURANCE CARRER TO REPORT THE CONCERN, PLEASE DO SO; INFERENCE CASE I D: 4506

1998/09/16
14.28.29 ***LPA MADE OBC TO CUSTOMER'S WORK NUMBER AS ONLY A FAX# WAS PROVIDED IN CUSTOMER INFORMATION IN MORSIII; FOUND WORK # IN MORSII DATABASE.***LPA LEFT A MESSAGE ON CUSTOMER'S VOICE MAIL AND LEFT NUMBER FOR CUSTOMER TO CALL LPA BACK***

14.39.46 ***LPA MADE OBC TO DEALER AND SPOKE W/ CHUCK FLOWERS, SERV- ICE MANAGER***CUSTOMER BROUGHT VEHICLE INTO THE DEALER ON 9-15-98, IS A LEASE W/ 59,466 MILES--ESP IS READY TO EXPIRE. **A LOT OF AFTER-MARKET EQUIPMENT ON THE VEHICLE**CUSTOMER IS SEEKING TO HAVE THE VEHICLE REPAIRED UNDER ESP**

15.48.03 ***LPA RECEIVED INBOUND CALL FROM CUSTOMER, KEN NOBER,***PER CUSTOMER: NO INJURIES, NO MEDICAL ATTENTION SOUGHT.**WAS DRIVING DOWN THE FREEWAY AND VEHICLE CAUGHT FIRE AND BLEW UP HAVE CONTACTED INSURANCE CO AND WAS REFERRED TO FORD DUE TO IT BEING A MECHANICAL DEFECT THAT CAUSED THE FIRE. CUSTOMER HAS A PREMIUMGUARD ESP FOR RCL.***WANTS EITHER A REPLACEMENT VEHICLE, HIS VEHICLE REPAIRED OR OUT OF HIS LEASE. HAS BEEN IN CONTACT WITH HIS ATTORNEY***INSURANCE CO IS MERCURY INS. -CUSTOMER HAD SOME MECHANICAL WORK DONE TO THE VEHICLE 3,000 MILES PRIOR TO THE FIRE, WORK WAS PERFORMED BY THE DEALER.** THE FIRE DEPT FEELS THE FIRE STARTED ABOVE THE CONDENSOR**

1998/10/02
11.01.39 CUSTOMER SAYS: **IMAGED LETTER DATED 9-14-98 ADDED TO CONT ACT** HARD COPY GIVEN TO LPA. PER CUSTOMER, DEALER SAYS:

E003-025 2284

```
BEGINNING OF CONTACT
09/20/1999              MASTER OWNER RELATIONS SYSTEM III              16.49.52
================================================================================
6682JB                    LEGAL ISSUE              CASE NBR: 0628802578
REGION: 41 CHICAGO        ZONE: B2                          OPENED: 09/14/1998
VIN:  1FALP54P5SA185095   ENGINE: P                         CLOSED: 09/14/1998
================================================================================
LAST NAME:     HODER                                        STATUS: CLOSED
TITLE:         MR                FIRST NAME:   JOHN         MI:     P
ADDRESS:       1496 LARKSPUR CT
CITY:          ROMEOVILLE        STATE:        IL           ZIP:    60446
HOME PHONE:    815-3722055
MODEL YEAR:    1995              MODEL:        TAURUS SHO 4DR SEDAN
MILEAGE:              1
DEALER NAME:   PACKEY WEBB FORD  SALES CODE:   F41062       P & A:  01676
REASON CODES: 0709               SYMPTOMS:     704145
ORIGIN:CAC    - GENERAL CAC
ACTION:DR0001- NO ACTION REQUIRED: INFORMATION ONLY

COMMENTS:

1998/09/14
  17.21.24
```

2285 025-2082

ATTN: OWNER RELATIONS MANAGER

SALES AND SERVICE CONTACTS   COUNTRY: USA
OPENED BETWEEN 09/02/1997 AND 09/19/1999
MODEL YEARS : 1993 1994 1995

MODEL   : P56

REASON CODES: ALL

SYMPTOMS   : 704145 704245 704345

OWNER RELATIONS

EA02-025 2288

E902-826 2257

ATTN: OWNER RELATIONS MANAGER

SALES AND SERVICE CONTACTS   COUNTRY: USA
OPENED BETWEEN 09/02/1997 AND 09/19/1999
MODEL YEARS : 1993 1994 1995

MODEL   : P34

REASON CODES: ALL

SYMPTOMS   : 704145 704245 704345

OWNER RELATIONS

CONTACT COUNTS BY TYPE

LEGAL	TOTAL
1	1

SORT SEQUENCE: (DEFAULT AND FINAL IS CASE NUMBER)

1. 2.
3. 4.
5. 6.
7. 8.
9.

BEGINNING OF CONTACT
09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.21.44

7020RH LEGAL CONTACT VEH TYPE: CAR
NEW YORK 13 ZN/TR: J1 CONTACT NBR: 104452361 OPENED: 05/28/1997
VIN: 1FALP54P13A169623 ENGINE: P CLOSED: 05/28/1997

LAST NAME: LEE STATUS: CLOSED
TITLE: MR FIRST NAME: JOHN MI:
ADDRESS: 107 HICKORY ROAD
CITY: STAMFORD STATE: CT ZIP: 06903
HOME PHONE: 212-448-3801 BUS. PHONE: 212-448-3801
MODEL YEAR: 95 MODEL: TAURUS
MILEAGE: 22835 NSD:
DEALER NAME: PARK AVENUE FORD SALES CODE: 113148 P & A: 03745
CAUSAL CODE: 0721 SYMPTOMS: 704145
ORIGIN: GO TRANS REGION: 13 TRANS DATE:
VEH REPL:
CASE TYPE: 2-WITHIN VEHICLE WARRANTY MEANS CODE: A-LGL INVEST-PROD LIABILITY
ATTY NAME: ATTY MEMO:
CLAIM AMT: 0 AWARD AMT: 0
MICRO: 5030434

COMMENTS:
1997/05/28
DLR FAX
CUSTOMER HAD FIRE- ALLEGES POWER STEERING LEAK HAS CAUSE
CUSTOMER SEEKING:
- REPAIR BY FMC-
***THIS IS THE CLOSING COMMENT
CONTACTED SM- JOHN CENTANNI- VEHICLE IS AT DLR- POWER STEERING LINE IS BROKEN
AND LAYING ON CONVERTOR- CUSTOMER SAYS HE WAS DRIVING AND LOST POWER STEERING
BUT CONTINUED TO DRIVE FOR A COUPLE OF MILES. IT APPEARS FLUID CAUGHT FIRE AN
D DAMAGED OTHER COMPONENTS- SM FEELS MOST DAMAGE IS FROM CONTINUED DRIVING AND
RESULTING FIRE.
INSURANCE HAS OK'D REPAIR- SAYS THEY WILL SUBROGATE
NO FURTHER ACTION
1997/05/28
ADDED MICRO

E002-029 2239

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********************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                                *
*                                                                              *
*       LEGAL FACSIMILES                                                       *
*                                                                              *
*       ALL STATUS CODES EXCEPT CANCELLED                                      *
*       SALES AND SERVICE CONTACTS                                             *
*       OPENED BETWEEN 01/01/98 AND 12/31/98                                   *
*       MODEL YEARS : P R S                                                    *
*                                                                              *
*       VEHICLES     : P54                                                     *
*                                                                              *
*       CAUSAL CODES: ALL                                                      *
*                                                                              *
*       SYMPTOMS     : 704145 704245 704345                                    *
*                                                                              *
*       STATES       : ALL                                                     *
*       DEALERS      : ALL                                                     *
*       ENGINE CODES: ALL                                                      *
*       PLANT CODE   : ALL      REGION: ALL    ORIGIN: ALL                     *
*       CASE TYPES   : ALL                                                     *
*                                                                              *
*                                                                              *
*                                                                              *
*       NOTE: EXCLUDES OWNER DIALOGUE                                          *
*                                                                              *
*                                                                              *
*                                                                              *
*       NOTE: INCLUDES U.S. CUSTOMERS ONLY                                     *
*                                                                              *
*                      OWNER RELATIONS VOP/BENCHMARKING                        *
********************************************************************************
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OWNER RELATIONS VOP/BENCHMARKING 09/28/99 FAXLGLTG

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*********************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                                 *
*                                                                               *
*        LEGAL FACSIMILES                                                       *
*                                                                               *
*        ALL STATUS CODES EXCEPT CANCELLED                                      *
*        SALES AND SERVICE CONTACTS                                             *
*        OPENED BETWEEN 01/01/95 AND 12/31/98                                   *
*        MODEL YEARS : P R S                                                    *
*                                                                               *
*        VEHICLES     : P54                                                     *
*                                                                               *
*        CAUSAL CODES: ALL                                                      *
*                                                                               *
*        SYMPTOMS     : 704145 704245 704345                                    *
*                                                                               *
*        STATES       : ALL                                                     *
*        DEALERS      : ALL                                                     *
*        ENGINE CODES: ALL                                                      *
*        PLANT CODE   : ALL      REGION: ALL    ORIGIN: ALL                     *
*        CASE TYPES   : ALL                                                     *
*                                                                               *
*                                                                               *
*                                                                               *
*        NOTE: EXCLUDES OWNER DIALOGUE                                          *
*                                                                               *
*                                                                               *
*                                                                               *
*        NOTE: INCLUDES U.S. CUSTOMERS ONLY                                     *
*                                                                               *
*                        OWNER RELATIONS VOP/BENCHMARKING                       *
*********************************************************************************
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CONTACT COUNTS BY SORT FIELDS

XMODYR	MODEL	SYMP_CODE1	SUPL_MICRNBR	
95	TAURUS	704145		1
TOTAL				1

SORT SEQUENCE: (DEFAULT AND FINAL IS CONTACT NUMBER)

1. BY XMODYR
2. BY MODEL
3. BY SYMP_CODE1
4. BY SUPL_MICRNBR
5.
6.
7.
8.
9.

FM02-025 2262

ATTN: OWNER RELATIONS MANAGER

LEGAL FACSIMILES

ALL STATUS CODES EXCEPT CANCELLED
SALES AND SERVICE CONTACTS
OPENED BETWEEN 01/01/95 AND 12/31/98
MODEL YEARS : P R S

VEHICLES : F54

CAUSAL CODES: ALL

SYMPTOMS : 704165 704265 704365

STATES : ALL
DEALERS : ALL
ENGINE CODES: ALL
PLANT CODE : ALL REGION: ALL ORIGIN: ALL
CASE TYPES : ALL

NOTE: EXCLUDES OWNER DIALOGUE

NOTE: INCLUDES U.S. CUSTOMERS ONLY

OWNER RELATIONS VOP/BENCHMARKING

CONTACT COUNTS BY TYPE

LEGAL	TOTAL
1	1

SORT SEQUENCE: (DEFAULT AND FINAL IS CONTACT NUMBER)
1. BY XMODYR 2. BY MODEL
3. BY SYMP_CODE1 4. BY SUPL_MICRNBR
5. 6.
7. 8.
9.

E002-025 2204

09/20/1999 MASTER OWNER RELATIONS SYSTEM III 16.38.32

6682JB LEGAL ISSUE CASE NBR: 0588980579
REGION: 47 CINCINNATI ZONE: E1 OPENED: 02/26/1999
VIN: 1FMEU15N5RLB40654 ENGINE: N CLOSED: 04/12/1999

1999/04/12
09.39.17 ESP HQ FOR A SECOND TIME TODAY AND WILL REQUEST SOMEONE CALL THE CUSTOMER (ON THE FAX COVER SHEET).***NO FURTHER ACTION**

10.01.43 **LPA SENT THE CUSTOMER'S INFORMATION FOR THE SECOND TIME*** SENT TO JEANI TINGLE AND/OR SANDY HERNANDEZ @ ESP HQ; FACSIN ILE NUMBER IS: (313) 390-4864***NO FURTHER ACTION WILL BE TAKEN BY CONSUMER AFFAIRS**

EPRC-025 2285

6682JB LEGAL ISSUE CASE NBR: 0588980579
REGION: 47 CINCINNATI ZONE: E1 OPENED: 02/26/1999
VIN: 1FMEU15H5RLB40654 ENGINE: N CLOSED: 02/26/1999

1999/02/26
16.18.42

CUSTOMER SAYS: CAR BURNT IN AUGUST UNATTENDED - WANTS TO KNOW IF THERE IS A RECALL ON VEH - FIRE DEPT DID AN INVESTIGATION - INSURANCE CLAIM IS IN PROCESS NOW PER CUSTOMER, DEALER SAYS: NONE CAC ADVISED: - CONSUMER AFFAIR WILL BE FORWARDING THIS INFORMATION TO THE EXTENDED SERVICE PLAN DEPARTMENT FOR HANDLING - NO TIME FRAME IS AVAILABLE - IF YOU HAVE NOT ALREADY CONTACTED YOUR INSURANCE CARRIER TO REPORT THE CONCERN, PLEASE DO SO. INFERENCE CASE ID: 4506

1999/03/01
14.18.19 **LPA MADE OBC TO THE CUSTOMER AND INQUIRED ABOUT THE FIRE** --NO INJURIES; THE INSURANCE CO. IS DENYING THE CLAIM...LPA INQUIRED ABOUT THE EXTENDED SERVICE PLAN (ESP), CUSTOMER CLAIMS HE IS SUPPOSED TO HAVE AN ESP BUT CANNOT GET AN ANSWER FROM THE DEALERSHIP. LPA RESEARCHED THE VIN AND FOUND THAT THE CUSTOMER HAS A USED 24/24 BASECARE ESP AND THERE ARE NO RECALLS/OMPS ON THE VEHICLE AT ALL AT THIS TIME**

15.58.08 **LPA MET WITH TEAM LEADER (LBLACK) AND HAVE DETERMINED THAT THE CUSTOMER SHOULD BE REFERRED TO ESP HQ DUE TO HAVING A VALID ESP AND THERE ARE NO OPEN RECALLS/OMPS ON THE VEHICLE.** LPA FORWARDED THE INFORMATION TO ESP HQ VIA FACSIMILE**

15.59.44 **LPA MADE OBC TO THE CUSTOMER AND INFORMED HIM THAT HIS INFORMATION HAS BEING FORWARDED TO THE ESP HQ AND THAT OUR DEPARTMENT PROPOSES NO FURTHER ACTION.**LPA ALSO WROTE A CLOSING LETTER TO THE CUSTOMER AND CLOSED THE FILE**NO FURTHER ACTION IS REQUIRED**FINAL CASE DISPOSITION**

1999/04/12
09.54.04 **ADDING MICRO DOCUMENT #: 5780275***

09.59.17 **LPA MADE OBC TO THE CUSTOMER TO INQUIRE ABOUT ESP HQ NOT MAKING CONTACT WITH HIM**CUSTOMER STATED NO ONE FROM ESP HAS CALLED. LPA INFORMED THE CUSTOMER THAT HIS INFORMATION WAS SENT ON MARCH 1, 1999 VIA FACSIMILE WITH CONFIRMATION REPORT RECEIVED**LPA STATED THE INFORMATION WILL BE FAXED OVER TO

EA02-025 2288

```
BEGINNING OF CONTACT
09/20/1999              MASTER OWNER RELATIONS SYSTEM III              16.30.32
================================================================================
6682JB                  LEGAL ISSUE              CASE NBR: 0588920579
REGION: 47 CINCINNATI   ZONE: EI                             OPENED: 02/26/1999
VIN:  1FMEU15N5RLB40654  ENGINE: N                           CLOSED: 02/26/1999
================================================================================
LAST NAME:      GORBY                                   STATUS: CLOSED
TITLE:          MR              FIRST NAME:   GEORGE     MI:
ADDRESS:        1501 N HIGHWAY 80
CITY:           SOMERSET        STATE:        KY         ZIP:     42503
HOME PHONE:     606-6780628
MODEL YEAR:     1994            MODEL:        U150 BRONCO WAGON
MILEAGE:             1
DEALER NAME:    ALTON BLAKLEY FORD  SALES CODE:   F47616    P & A:   05757
REASON CODES:   0709            SYMPTOMS:     704145
ORIGIN:CAC    - GENERAL CAC
ACTION:DR0001- NO ACTION REQUIRED; INFORMATION ONLY

COMMENTS:

1999/02/26
  16.18.42
```

E002-025 2267

```
* ATTN: OWNER RELATIONS MANAGER

        SALES AND SERVICE CONTACTS          COUNTRY: USA
        OPENED BETWEEN 09/02/1997 AND 09/19/1999
        MODEL YEARS : 1993 1994 1995 1996

        MODEL       : ALL

        REASON CODES: ALL

        SYMPTOMS    : 704145 704245 704345

        WHERE AZ9VEHLINE EQ 'TB1'

                              OWNER RELATIONS
```

EA02-025 2269

```
****************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                            *
*       ________________________________________________                  *
*                                                                          *
*                                                                          *
*       SALES AND SERVICE CONTACTS          COUNTRY: USA                   *
*       OPENED BETWEEN 09/02/1997 AND 09/19/1999                           *
*       MODEL YEARS : 1993 1994 1995 1996                                  *
*                                                                          *
*       MODEL        : ALL                                                 *
*                                                                          *
*       REASON CODES: ALL                                                  *
*                                                                          *
*       SYMPTOMS     : 704145 704245 704345                                *
*                                                                          *
*       WHERE A29VEHLINE EQ 'TB1'                                          *
*                                                                          *
*                                                                          *
*                                                                          *
*                                                                          *
*                                                                          *
*                                                                          *
*                                                                          *
*                                   OWNER RELATIONS                        *
****************************************************************************
```

CONTACT COUNTS BY TYPE

LEGAL	TOTAL
1	1

SORT SEQUENCE: (DEFAULT AND FINAL IS CASE NUMBER)
1. 2.
3. 4.
5. 6.
7. 8.
9.

EA02-025 2276

ATTN: OWNER RELATIONS MANAGER

LEGAL FACSIMILES

ALL STATUS CODES EXCEPT CANCELLED
SALES AND SERVICE CONTACTS
OPENED BETWEEN 01/01/95 AND 12/31/98
MODEL YEARS : P R S T

MODELS : BRONCO

CAUSAL CODES: ALL

SYMPTOMS : 704145 704245 704345

STATES : ALL
DEALERS : ALL
ENGINE CODES: ALL
PLANT CODE : ALL REGION: ALL ORIGIN: ALL
CASE TYPES : ALL

NOTE: EXCLUDES OWNER DIALOGUE

NOTE: INCLUDES U.S. CUSTOMERS ONLY

OWNER RELATIONS VOP/BENCHMARKING

```
09/20/99                MASTER OWNER RELATIONS SYSTEM II                    19.15.32
====================================================================================
1071EN                  LEGAL CONTACT                          VEH TYPE: TRUCK
CHICAGO        41   ZN/TR:  C2    CONTACT NBR: 106354831      OPENED: 12/13/1995
VIN:           1FMEU15H15LA56041        ENGINE: H             CLOSED: 12/18/1995
====================================================================================
1995/12/14
 ***ADDCOMM*
 CONTACTED CUSTOMER TO FIND OUT THE EXTEND OF THE PROPERTY DAMAGE.
 CUSTOMER SAYS:
 - THAT SOMEONE IS COMING OUT TODAY TO INSPECT FOR AN ESTIMATE.
 LA ADVISED CUSTOMER:
 - TO CALL ME BACK WITH THE INFORMATION FOR FURTHER REVIEW OF CONCERN.
1995/12/18
 THIS IS THE CLOSING COMMENT
 ***REFERENCE CONTACT #106371866 FOR CONTACT REOPEN***
 INFORMATION FORWARDED TO OGC FOR HANDLING DUE TO OVER $10,000 IN PROPERTY
 DAMAGE.
```

FAB2-028 2272

BEGINNING OF CONTACT

```
09/20/99                 MASTER OWNER RELATIONS SYSTEM II                 19.15.32
==================================================================================
1071EM                   LEGAL CONTACT                               VEH TYPE: TRUCK
CHICAGO        41   ZN/TR: C2    CONTACT NBR: 106354831     OPENED: 12/13/1995
VIN:           1FMEU15H1SLA54041       ENGINE: H            CLOSED: 12/18/1995
==================================================================================
LAST NAME:     HILD                                         STATUS: CLOSED
TITLE:         MR                FIRST NAME:  JEFF          MI:
ADDRESS:       105 S RIVER RD
CITY:          NAPERVILLE        STATE:       IL            ZIP:    60540
HOME PHONE:    708-778-6476      BUS. PHONE:  708-357-1578
MODEL YEAR:    95                MODEL:       BRONCO
MILEAGE:         4000            WSD:
DEALER NAME:   JOE COTTON FORD INC SALES CODE: 141095       P & A:  01548
CAUSAL CODE:   02                SYMPTONS:    704145
ORIGIN:        GO              TRANS REGION:               TRANS DATE:
VEH REPL:
CASE TYPE:     4-FIRES - FUEL FED  MEANS CODE:  A-LGL INVEST-PROD LIABILITY
ATTY NAME:                         ATTY MEMO:
CLAIM AMT:                0        AWARD AMT:                 0
                                                            MICRO:
```

COMMENTS:
1995/12/13
CUSTOMER SAYS:
- THIS MORNING (12/13) FIRE WAS CALLED IN EARLY THIS MORNING
- CUSTOMER'S VEHICLE WAS SITTING IN THE GARAGE AND FLAMES STARTED UNDER THE HOOD OF VEHICLE (VEHICLE WAS TURNED OFF)
- LAST TIME IT WAS DRIVEN WAS THE NIGHT PRIOR AROUND 10 PM
- THERE WAS A LOT OF PROPERTY DAMAGE
- NO ONE WAS INJURED
- FIRE AND POLICE REPORT WERE FILED - 9557956 IS THE FIRE REPORT NUMBER
- CUSTOMER HAS NOTIFIED HIS INSURANCE COMPANY
- SCOTT HAGEMANN IS THE INVESTIGATOR AT THE FIRE DEPARTMENT
*
CUSTOMER ADDS:
- HE NEEDS SOMETHING TO DRIVE AND WOULD LIKE FMC TO PROVIDE HIM WITH A RENTAL VEHICLE
*
CAC ADVISED:
- CAC CANNOT AUTHORIZE A RENTAL VEHICLE
- WILL FORWARD THE INFORMATION TO THE APPROPRIATE PERSONEL FOR REVIEW AND A COMPANY REPRESENTATIVE WILL BE CONTACTING CUSTOMER
- CANNOT PROVIDE SPECIFIC TIME FRAME FOR CONTACT
*
CUSTOMER WOULD LIKE SOMEONE TO CONTACT HIM TODAY
*
CAC ADVISED: CANNOT GUARANTEE THAT SOMEONE WILL BE CONTACTING HIM TODAY
*

FMC2-025 2273

BEGINNING OF CONTACT

09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.32

3999EE		LEGAL CONTACT		VEH TYPE:	TRUCK
ORLANDO	24 ZN/TR: A2	CONTACT NBR:	106607809	OPENED:	07/01/1997
VIN:	1FMEU15H9RLB40229	ENGINE:	H	CLOSED:	07/08/1997
LAST NAME:	CITY OF MIAMI BEACH			STATUS:	CLOSED
TITLE:		FIRST NAME:		MI:	
ADDRESS:	140 MACARTHUR CAUSEWAY				
CITY:	MIAMI BEACH	STATE:	FL	ZIP:	33139
HOME PHONE:	305-673-7643	BUS. PHONE:	305-673-7643		
MODEL YEAR:	94	MODEL:	BRONCO		
MILEAGE:	20000	WSD:			
DEALER NAME:	SUNSHINE FORD	SALES CODE:	124082	P & A:	04903
CAUSAL CODE:	0709 0726	SYMPTOMS:	704145		
ORIGIN:	GO	TRANS REGION:	24	TRANS DATE:	
VEH REPL:					
CASE TYPE:	4A-FIRES - ELECTRICAL	MEANS CODE:	A-LGL INVEST-PROD LIABILITY		
ATTY NAME:		ATTY MEMO:			
CLAIM AMT:	0	AWARD AMT:	0		
				MICRO:	5062398

COMMENTS:
1997/07/01
*** FLEET FAX RECEIVED 6/27/97 BY CONSUMER AFFAIRS ***
*** MAVIS: PROGRAM ***
-FORD CVO CONTACT: JAMES SEMKEN, 79123
-CUSTOMER CONTACT: DREW TERPAK
-6/20/97-VEHICLE WAS IN USE ON THE BEACH, AND IT CAUGHT FIRE UNDER THE HOOD
-THE BEACH PATROL OFFICERS WERE IN THE VEHICLE, BUT WERE NOT INJURED
-VEHICLE IS ON THEIR PREMISES
*
ERICKA EDWARDS (LEGAL ANALYST) ADVISED:
-ACKNOWLEDGED RECEIPT WITH JIM SEMKEN
-SPOKE TO DREW TERPAK
-WILL SEND EAA TO INSPECT, AND THE RESULTS WILL BE FORWARDED TO CVO FOR HANDLING
1997/07/08
000THIS IS THE CLOSING COMMENT
LPA FORWARDED EAA RESULTS & PHOTOS TO CVO (DARRIN ZIHLICH/JAMES SEMKEN) FOR HANDLING
1997/07/11
ADD MICRO
1997/07/23
CAUSE OF FIRE UNKNOWN-CUSTOMER HAS BEEN DIRECTED TO HIS/HER INSURANCE CO. VIA PHONE(JIM SEMKEN) AND CUSTOMER LETTER

EA02-025 2274

09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.52

3D25RT LEGAL CONTACT VEH TYPE: TRUCK
NEW YORK 13 ZN/TR: D1 CONTACT NBR: 105768534 OPENED: 07/19/1995
VIN: 1FMEU15H9RLB45477 ENGINE: H CLOSED: 08/22/1995

1995/08/02
**ADDCOM*
CUSTOMERS ATTORNEY IS CALLING ON HIS BEHALF.
*
CAC ADVISED OF CONSUMERS AFFAIR ADDRESS AND FAX.
1995/08/04
ATTORNEY FAX DATED 8/3/95, RECEIVED 8/4/95. ATTORNEY REITERATES FIRE CONCERN PREVIOUSLY DOCUMENTED. ATTORNEY SEEKS RESOLUTION OF CONCERN. PLEASE CONTACT THE ATTORNEY ONLY WITH FURTHER INFORMATION.
1995/08/08
LETTER ABOUT THE CONCERNS IN THE PRIOR ADDCO'S WAS RECIEVED BY THE LEGAL AFFAIRS OFFICE FROM THE ATTORNEY AND IS DATED 8/5/95
.CC MICRO ONLY
1995/08/11
MICRO ADDED
1995/08/22
THIS IS THE CLOSING COMMENT
RO CONTACTED CUST 8/21/95. VEHICLE WILL BE TOWED TO CLOSEST DEALERSHIP AND REPAIRS WILL BE PERFORMED UNDER WARRANTY. CUSTOMER IS SATISFIED WILL SITUATION AND WILL BE WORKING WITH DEALERSHIP TO RESOLVE THE CONCERNS.
CONTACT CLOSING APPROVED
OK TO CLOSE. HJC
1995/10/16
MICRO ADDED

0902-025 2270

09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.52

3025RT LEGAL CONTACT VEH TYPE: TRUCK
NEW YORK 13 ZN/TR: D1 CONTACT NBR: 105768538 OPENED: 07/19/1995
VIN: 1FMEU15H9RLB45477 ENGINE: H CLOSED: 08/22/1995

1995/07/19
**ADDCOM*
CUSTOMER SAYS:
-WOULD LIKE TO KNOW WHEN A REPRESENTATIVE WILL CONTACT THE CUSTOMER IN REGARDS TO THE CONCERN.
-HIS INSURANCE COMPANY INDICATED THAT HE SHOULD BE PROVIDED THE NAME, TITLE AND THE TELEPHONE NUMBER OF THE PERSON HANDLING THE CONCERN.
*
CAC ADVISED:
-COULD NOT PROVIDE A TIME FRAME OR THE NAME OF THE PERSON(S) HANDLING THE CONCERN WITH THE VEHICLE.
1995/07/20
FILE SENT TO GRI IN ORDER TOSVHEDULE INSPECTION
**ADDCOM*
*
CUSTOMER SAYS:
- SOMEONE CALLED HIM BACK FROM FORD AND WANTS TO KNOW WHAT IS GOING ON
- WHAT IS FMC GOING TO DO FMC GOING TO FOR HIM
*
PER CUSTOMER, DEALERSHIP SAYS:
- HAS NOT CONTACTED DEALER
*
CUSTOMER ADDS:
- HE IS AT WORK 212-216-2230 (OFFICE) ALTERNATIVE # 212-216-2196 (LEAVE MSSG)
*
CAC ADVISED:
- INFORMATION HAS BEEN DOCUMENTED AND WILL BE ADDED INTO CONTACT
- STILL CANNOT SPECULATE TIME OR ACTION THAT WILL BE TAKEN TO ADDRESS THIS CONCERN
IF CUSTOMER RECONTACTS CAC ADVISED HIM THAT A FIRE INVESTIGATOR WILL CONTACT H IM WITHIN THE WEEK TO SCHEDULE AN APPOINTMENT IN ORDER TO INSPECT VEHICLE. ONC E THE NYRO HAS REVIEWED THE REPORT A DETERMINATION WILL BE MADE AS TO WHAT ACT ION, IF ANY, WILL BE TAKEN. CUSTOMER SHOULD CONTINUE WORKING WITH HIS INSURANC E COMPANY WHILE INVESTIGATION IS GOING ON.
ADDCO
CUSTOMER SAYS:
-SOMEONE FROM FORD CONTACTED HIM
*
CUSTOMER SEEKS:
-ANY NEW INFO
*
CAC ADVISED:
-PER PREVIOUS COMMENTS, FIRE INVESTIGATOR WILL BE CONTACTING CUSTOMER IN ABOUT A WEEK AND CUSTOMER SHOULD CONTINUE WORKING WITH INSURANCE COMPANY DURING INVESTIGATION
1995/07/26
CUSTOMER HAS CONTACTED BY GRI IN ORDER TO SET UP INSPECTION OF VEHICLE. CUSTOM ER REFUSES TO ALLOW THIS UNTIL HE CONSULTS WITH HIS ATTORNEY.

BEGINNING OF CONTACT
09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.32
==
3025RT LEGAL CONTACT VEH TYPE: TRUCK
NEW YORK 13 ZN/TR: D1 CONTACT NBR: 105768538 OPENED: 07/19/1995
VIN: 1FMEU15H9RLB45477 ENGINE: H CLOSED: 08/22/1995
==
LAST NAME: GLIBOWSKI STATUS: CLOSED
TITLE: MR FIRST NAME: WALTER MI: J
ADDRESS: 8562 47TH RD
CITY: REGO PARK STATE: NY ZIP: 11374
HOME PHONE: 718-263-3967 BUS. PHONE: 212-216-2230
MODEL YEAR: 94 MODEL: BRONCO
MILEAGE: 1400 MSD:
DEALER NAME: ABLE FORDSALES INC SALES CODE: 113090 P & A: 03657
CAUSAL CODE: 02 SYMPTOMS: 704165
ORIGIN: 00 TRANS REGION: 13 TRANS DATE:
VEH REPL:
CASE TYPE: 4-FIRES - FUEL FED MEANS CODE: A-LGL INVEST-PROD LIABILITY
ATTY NAME: WENDY ROTHSTEIN ATTY MEMO: 212-267-1600
CLAIM AMT: 0 AWARD AMT: 0
MICRO: 4312745

COMMENTS:
1995/07/19
ALLEGED FIRE
CUSTOMER SAYS:
- HE PURCHASED VEHICLE NEW A FEW WEEKS AGO.
- CUSTOMER GOT TO WORK YESTERDAY AT 2:20 PM.
- AT 4:30 PM, VEHICLE CAUGHT ON FIRE UNDER THE HOOD OF VEHICLE.
- CUSTOMER CONTACTED GENE O'NEILL, SALES MGR.
- MR O'NEILL ORIGINALLY ADVISED CUSTOMER THAT THEY WOULD SEND SOMEONE OUT TO TOW VEHICLE TO DEALER AND PROVIDE CUSTOMER WITH A LOANER VEHICLE WHILE THE VEHICLE WAS REPAIRED OR REPLACED.
- MR O'NEILL RECONTACTED CUSTOMER LATER.
PER CUSTOMER, DEALER SAYS:
(MR O'NEILL)
- THAT THE DEALER IS NOT EQUIPPED TO HANDLE SITUATION AND WOULD NOT ASSIST.
CUSTOMER ADDS:
- THAT THE VEHICLE IS STILL AT HIS WORKPLACE.
- CUSTOMER'S INSURANCE COMPANY - GEICO, HAS BEEN CONTACTED.
CUSTOMER SEEKS:
- FINAL RESOLUTION OF CONCERN.
CAC ADVISED:
- THE INFORMATION WILL BE FORWARDED TO THE PROPER ACTIVITIES WITHIN FORD.
- CUSTOMER WILL BE RECONTACTED BY THE REGIONAL OFFICE, TIME FRAME NOT PROVIDED.
CUSTOMER ADDS:
- THAT THE BEST PLACE TO REACH HIM IS AT WORK TUESDAY - SATURDAY AT 5PM - 11PM

09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.32

8933JO LEGAL CONTACT VEH TYPE: TRUCK
LOS ANGELES 71 ZN/TR: C2 CONTACT NBR: 106176228 OPENED: 10/25/1995
VIN: 1FMEU15N9RLB54640 ENGINE: N CLOSED: 02/09/1996

1995/10/25
-WILL DOCUMENT AND FORWARD INFORMATION TO REGIONAL ANALYST
-CAN'T GIVE TIME FRAME WHEN CUSTOMER WILL BE CONTACTED
*
CUSTOMER ADDS:
-WOULD LIKE FORD TO LOOK INTO BATTERIES, HAVE HAD APPROXIMATELY HALF OF
170 BRONCO BATTERIES BLOWN, PUT IN INDEPENDENT BATTERIES AND HAVEN'T HAD
ANY CONCERNS WITH AFTERMARKET BATTERIES
*
CAC ADVISED:
-SHOULD ALSO CONTACT INSURANCE
*
CUSTOMER ADDS:
-CAN CONTACT HIMSELF JOHN ONEILL, OR FLEET MANAGER CLIFF JOHNSON
BOTH AT SAME NUMBER
1996/02/09
THIS IS THE CLOSING COMMENT
CONCERN WAS HANDLED BY INSURANCE COMPANY

8922-828 2278

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BEGINNING OF CONTACT
09/20/99                MASTER OWNER RELATIONS SYSTEM II                  19.15.32
==================================================================================
8933JO                   LEGAL CONTACT                         VEH TYPE: TRUCK
LOS ANGELES    71   ZN/TR:  C2     CONTACT NBR: 106176228      OPENED: 10/25/1995
VIN:           1FMEU15N9RLB54640         ENGINE: N             CLOSED: 02/09/1996
==================================================================================
LAST NAME:     EMIGRATION AND NATUR                            STATUS: CLOSED
TITLE:         MR                  FIRST NAME:   JOHN          MI:
ADDRESS:       5752 BEYER BLVD
CITY:          SAN DIEGO           STATE:        CA            ZIP:     92173
HOME PHONE:    619-662-7330        BUS. PHONE:   619-662-7330
MODEL YEAR:    94                  MODEL:        BRONCO
MILEAGE:        13385              WSD:
DEALER NAME:   COLONIAL FORD       SALES CODE:   171082        P & A:  05505
CAUSAL CODE:   02     DR           SYMPTOMS:     205400  704145
ORIGIN:        00               TRANS REGION:           TRANS DATE:
VEH REPL:
CASE TYPE:     4-FIRES - FUEL FED  MEANS CODE:   A-LGL INVEST-PROD LIABILITY
ATTY NAME:                              ATTY MEMO:
CLAIM AMT:                0             AWARD AMT:               0
                                                               MICRO:

COMMENTS:
1995/10/25
 **BATTERY EXPLOSION- FIRE UNDER HOOD**
 CUSTOMER SAYS:
 -VEHICLE WAS PARKED AND IDILING AND HEADLIGHTS WERE ON, BATTERY SMELLED,
  BLEW OFF CAPS OF BATTERY, BATTERY WAS MELTED, FIRE STARTED AND ELECTRICAL
  SYSTEMS WENT OUT, SMOKE CAME OUT FROM HOOD, INNER FENDER IS MELTED, HEADLIGHT
  IS MELTED, GRILL MELTED, WIRING HARNESS IS BURNT-BARE WIRES, DAMAGE TO
  COMPONENTS
 -NO FUSES BLEW ON VEHICLE
 -VEHICLE HAS A EMERGENCY LIGHTS INSTALLED AFTER, STROBE LIGHTS
 *
 PER CUSTOMER, DEALER SAYS:
 -STOBE WIRING CAUSED FIRE, SAID BECAUSE INSULATION IS MELTED OFF WIRES, BUT
  COULDN'T SHOW CUSTOMER WHERE OR WHY, NO SCHAFFING, NO FUSE BLOWN
 *
 CUSTOMER ADDS:
 -HE IS MECHANIC, WOULD HAVE BLOWN A FUSE BEFORE STARTING FIRE, WIRES WERE BY
  FIRE AREA SO OF COURSE INSULATION WOULD BE MELTED OFF
 *
 CUSTOMER SEEKS:
 -VEHICLE TO BE REPAIRED BY FMC AT NO EXPENSE
 *
 CAC ADVISED.
```

BEGINNING OF CONTACT
09/20/99 MASTER OWNER RELATIONS SYSTEM II 19.15.52

==

3025RT LEGAL CONTACT VEH TYPE: TRUCK
93 ZN/TR: D3 CONTACT NBR: 106444166 OPENED: 01/11/1996
VIN: 1FMEU15H7FLA69948 ENGINE: H CLOSED: 01/22/1996

==

LAST NAME: CITY OF CHICAGO STATUS: CLOSED
TITLE: FIRST NAME: GREG DENTON MI:
ADDRESS: 1685 NORTH THROOP
CITY: CHICAGO STATE: IL ZIP: 60659
HOME PHONE: 312-744-4300 BUS. PHONE: 312-744-4300
MODEL YEAR: 93 MODEL: BRONCO
MILEAGE: 12235 WSD:
DEALER NAME: SOUTH SIDE FORD TRK SALES CODE: 141900 P & A: 01506
CAUSAL CODE: 02 SYMPTOMS: 704145
ORIGIN: 00 TRANS REGION: TRANS DATE:
VEH REPL:
CASE TYPE: 4-FIRES - FUEL FED MEANS CODE: A-LGL INVEST-PROD LIABILITY
ATTY NAME: ATTY MEMO:
CLAIM AMT: 0 AWARD AMT: 0
MICRO:

COMMENTS:
1996/01/11
FIRE FLEET CONTACT REPORT FAXED FROM DAVID MASON, CVO
FAX STATES:
- THAT VEHICLE CAUGHT ON FIRE UNDER THE HOOD.
- ALL OF THE ENGINE COMPONENTS ON UPPER PART OF THE ENGINE WERE DESTROYED
- THE HOOD AND BOTH FENDERS WERE DAMANGED BY THE FIRE DEPARTMENT.
LA ADVISED MR MASON THAT AN EAA INSPECTOR WOULD BE CONTACTED TO INSPECT THE VEHICLE AND WILL FAX OVER THE INFORMATION WHEN THE INVESTIGATION IS COMPLETED.
ADDCOM
CONTACTED PETE SAVAGE, EAA INSPECTOR. MR SAVAGE SAYS:
- THAT HE WOULD GO OUT TO INSPECT THE VEHICLE AND CONTACT ME WITH THE INFORMATION.
1996/01/22
THIS IS THE CLOSING COMMENT
RECEIVED INSPECTION REPORT ALONG WITH PICTURES.
CONTACTED DAVID MASON, CVO. MR MASON SAYS:
- TO MAIL REPORT AND PHOTOS TO SOUTH SIDE FORD.
INVESTIGATION REPORT MAILED TO SOUTH SIDE FORD ATTN DAVID MASON FOR DETERMINATION.

EM62-025 2288

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******************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                              *
*                                                                            *
*       LEGAL FACSIMILES                                                     *
*                                                                            *
*       ALL STATUS CODES EXCEPT CANCELLED                                    *
*       SALES AND SERVICE CONTACTS                                           *
*       OPENED BETWEEN 01/01/95 AND 12/31/96                                 *
*       MODEL YEARS : P R S T                                                *
*                                                                            *
*       MODELS      : BRONCO                                                 *
*                                                                            *
*       CAUSAL CODES: ALL                                                    *
*                                                                            *
*       SYMPTOMS    : 704145 704245 704345                                   *
*                                                                            *
*       STATES      : ALL                                                    *
*       DEALERS     : ALL                                                    *
*       ENGINE CODES: ALL                                                    *
*       PLANT CODE  : ALL      REGION: ALL   ORIGIN: ALL                     *
*       CASE TYPES  : ALL                                                    *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: EXCLUDES OWNER DIALOGUE                                        *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: INCLUDES U.S. CUSTOMERS ONLY                                   *
*                                                                            *
*                       OWNER RELATIONS VOP/BENCHMARKING                     *
******************************************************************************
```

CONTACT COUNTS BY SORT FIELDS

XMODYR	MODEL	SYMP_CODE1	SUPL_MICRNBR	
93	BRONCO	704145		1
94	BRONCO	203400		1
		704145		2
95	BRONCO	704145		1
TOTAL				5

SORT SEQUENCE: (DEFAULT AND FINAL IS CONTACT NUMBER)

1. BY XMODYR 2. BY MODEL
3. BY SYMP_CODE1 4. BY SUPL_MICRNBR
5. 6.
7. 8.
9.

EM02-0025 2282

OWNER RELATIONS VOP/BENCHMARKING 09/20/99 FAXLGLTG

ER02-025 2285

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******************************************************************************
* ATTN: OWNER RELATIONS MANAGER                                              *
*                                                                            *
*       LEGAL FACSIMILES                                                     *
*                                                                            *
*       ALL STATUS CODES EXCEPT CANCELLED                                    *
*       SALES AND SERVICE CONTACTS                                           *
*       OPENED BETWEEN 01/01/95 AND 12/31/98                                 *
*       MODEL YEARS : P R S T                                                *
*                                                                            *
*       MODELS      : BRONCO                                                 *
*                                                                            *
*       CAUSAL CODES: ALL                                                    *
*                                                                            *
*       SYMPTOMS    : 704145 704245 704345                                   *
*                                                                            *
*       STATES      : ALL                                                    *
*       DEALERS     : ALL                                                    *
*       ENGINE CODES: ALL                                                    *
*       PLANT CODE  : ALL      REGION: ALL    ORIGIN: ALL                    *
*       CASE TYPES  : ALL                                                    *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: EXCLUDES OWNER DIALOGUE                                        *
*                                                                            *
*                                                                            *
*                                                                            *
*       NOTE: INCLUDES U.S. CUSTOMERS ONLY                                   *
*                                                                            *
*                        OWNER RELATIONS VOP/BENCHMARKING                    *
******************************************************************************
```

CONTACT COUNTS BY TYPE

LEGAL	TOTAL
5	5

```
SORT SEQUENCE:  (DEFAULT AND FINAL IS CONTACT NUMBER)
   1. BY XMODYR                       2. BY MODEL
   3. BY SYMP_CODE1                   4. BY SUP1_MICRNBR
   5.                                 6.
   7.                                 8.
   9.
```

E002-020 2284

NO. C-4178-98-F

PAULINE G. GONZALEZ AND JOSE NOE GONZALEZ, SR.	)	IN THE DISTRICT COURT
VS.	)	HIDALGO COUNTY, TEXAS
VAN BURKLEO MOTORS, INC., FORD MOTOR COMPANY AND UNITED TECHNOLOGIES AUTOMOTIVE, INC.	)	332ND JUDICIAL DISTRICT

ORAL DEPOSITION OF

RANDALL WARREN MCCLURE

OCTOBER 8, 1999

Volume 1

THE ORIGINAL OF THIS TRANSCRIPT
WILL BE IN THE CUSTODY OF:

MR. NORMAN JOLLY
1018 PRESTON, SUITE 450
HOUSTON, TEXAS 77002
BAR NO. 10856920

EXHIBIT NOS. 3, 4, 5, 6 & 7

3 EXHIBITS

ER02-025 2288

TI - Russ Baumann (508)236-3314
TI - Charlie Douglas (508)236-3657

Function: The brake pressure switch is a redundant switch for turning off the speed control function.

X-Rays: Taken by Steve LaRouche, Norm LaPointe & Clark Thomas on 12/17/1998. Original photographs and part are in Steve LaRouche's possession.

ON-GOING ACTIVITY:

---

2 service parts have been ordered from Fairlane Ford for X-ray and other testing by Central Lab Services.

Meeting with representatives of TI is planned for 12/22/1998 to discuss intended operation of the switch. The meeting will be at the Central Laboratory Conference room off of the lobby.

QUESTIONS: (in no particular order)

---

1) What is the normal current in the brake pressure switch?

2) Was cruise control standard on Town Car in 1992 and 1993?

3) Under what circumstances is brake fluid flammable?

According to Clark Thomas & Mary Haga, brake fluid is flammable at approximately 300 degrees F.

4) What is the repair history for vehicles that have exhibited a problem? Repair history for the two CQIS vehicles are being gathered by Fred Porter.

5) What other vehicles use this brake pressure switch? What are their electrical configurations?

MODEL YEAR	92	93	94	95	96	97	98
Town Car	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	
Crown Vic	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	
Grand Marquis	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	
Econoline	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx
Club Wagon	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx
F-Series		xxxx	xxxx	xxxx	xxxx	xxxx	xxxx
Bronco		xxxx	xxxx	xxxx	xxxx		
Taurus SHO		xxxx	xxxx	----			
Capri			xxxx	xxxx	----		
Windstar			xxxx	xxxx	xxxx	xxxx	xxxx
Falcon				xxxx	xxxx	xxxx	xxxx
Explorer					----	xxxx	xxxx
Ranger					----	xxxx	xxxx
Expedition						xxxx	xxxx
Navigator							xxxx

xxxx = used in model year
---- = may have been used in model year

McClure
EXHIBIT NO. 3

EXHIBITS

4

Litigation Prevention Work Instructions

CHAPTER ONE

McClure
EXHIBIT NO. 4

April 20, 1998

ER02-028 2289

CAC HANDLING OF INCOMING "LEGAL" PHONE CALLS

The Litigation Prevention department was centralized in the General Office in the Fall of 1995 to provide consistent, timely handling to all alleged Product Liability and Attorney Demand issues. 70% of the department volume is comprised of alleged product defects that have resulted in injury, accident or fire. Occasionally an attorney calls the Customer Assistance Center (CAC). When this occurs, they are advised to make their "demand" in writing.

Following is the description of how Product Liability cases are evaluated by the CAC:

OPENING CRITERIA (PRODUCT LIABILITY)

PERSONAL INJURY

Eligibility - NO Time or Mileage Restrictions

With a few exceptions, personal injury legal cases are generally referred to The Office of the General Counsel (OGC). Any time the Customer has met BOTH of the following criteria, the contact should be referred to OGC:

1. **Customer is claiming that Ford is responsible for the injury**
2. **Customer advises that they are seeking or have sought medical attention**

ACCIDENT (and Personal/Property Damage)

Eligibility = NO Time or Mileage Restrictions

Categories:

1. Product Defect: Customer alleges a defective part caused the accident to occur.
2. Vehicle Surge: Customer alleges that the vehicle spontaneously accelerated and they lost control which resulted in an accident.
3. Airbag: Spontaneous Deployment causes driver to lose control and have an accident. (Refer to Airbag Nuances, this Chapter.)
4. Hood Fly-Up: Customer alleges that hood flew up without provocation resulting in damage to the vehicle and/or other property.

5. Personal/Property Damage - No Accident:

- Personal Damage = Defect caused damage to items that belong to a customer (e.g. customer tears pants on an exposed piece of seat frame or customer has luggage in the trunk and a water leak causes damage to the articles and they are seeking to have them cleaned or replaced).

- Property Damage = Defect caused damage to something other than the vehicle (e.g., customer hits a mailbox because the brakes failed on the vehicle).

FIRE

Eligibility = Bumper to Bumper Warranty, Covered by an Applicable OPEN Recall/ONP or ESP contract.

AIRBAG NUANACES

There is a fine line between what should be opened as a Legal vs. what should be handled normally by the CAC. Legal contacts are only appropriate when the customer alleges that the airbag SPONTANEOUSLY deployed and caused them to lose control and have an accident.

An example would be: A customer says they are driving over a rough road and the airbag deploys after the vehicle hits a pothole. As a result, the customer alleges they can't see where they are driving and the vehicle is involved in an accident.

CAC NORMAL HANDLING SCENARIOS (e.g., <u>not</u> a legal case):

<u>Low Speed Collision:</u>

Customer alleges that they hit another vehicle at 10 mph and their airbag INAPPROPRIATELY deployed. <u>NOTE: there is NOT an allegation of a product defect in this scenario.</u> They allege that the airbag should not have deployed at such a low speed. The customer is typically seeking to have FMC replace the airbag and related damage (e.g. broken windshield) as a result. This would NOT be a Legal contact. Typically the customer would be referred to their insurance carrier or the dealership to have the airbag sensors evaluated to see if they were malfunctioning at the time of the incident. This expense is NOT paid for by FMC. Either the customer can pay out-of pocket or the insurance company can pay for the evaluation.

<u>High Speed Collision:</u>

The reverse situation would involve a customer who alleges that they were driving at a highway speeds, were in an accident, and the airbag did NOT deploy as it should have. <u>NOTE: there is NOT an allegation of a product defect in this scenario.</u> Customer alleges that the airbag SHOULD have deployed at the rate of speed they were traveling. This would NOT be a Legal contact. Typically the customer would be referred to their insurance carrier or the dealership to have the airbag sensors evaluated to see if they were malfunctioning at the time of the incident. This expense is NOT paid for by FMC. Either the customer can pay out-of pocket or the insurance company can pay for the evaluation

CHAPTER TWO

April 20, 1998

Description

The MORS III and SMARTT systems provides the mechanism for documenting each phase in the life of a Legal Contact. Functions include:

- Opening a Legal Contact
- Acknowledging a Legal Contact
- Investigating a Legal Contact
- Documenting Offers and Decisions
- Documenting If/when a Customer Accepts a Decision
- Closing a Legal Contact
- Documenting that a Legal has been Redirected to Another Activity
- Documenting If a Lawsuit Subsequently was Filed

Administrative Assistance Responsibilities

The Administrative Assistant will open all of the Legal Contacts that are received via:

- Attorney Letter
- Dealer Fax
- Fleet Fax

Legal Analyst Responsibilities

The Legal Analyst will be responsible for using the "stair-step" series of Actions in MORSIII and SMARTT to document each phase of the Legal Contact.

Step-by-Step Process

The following chapter provides detailed instruction on how to utilize the features in MORS III and SMARTT.

Opening Legal Contacts

Customer contacts, including Legal's are set up to have a logical flow for recording and accessing information. Following are three key terms to know to understand how each contact is arranged:

TERM	DEFINITION
Case	All information related to a customer and his specific vehicle
Issue	The reason that a customer contacts the Ford Motor Co.
Action	A step taken toward resolving a situation

A <u>Causal Code</u>
Causal codes are designed in two tiers. Legal causal codes will always begin with 07. The second tier options are listed below:

- 04 Repaired but lost confidence
- 05 Repair not acceptable
- 06 Dealer attitude
- 07 Recall/ONP (Need specific program number)
- 08 Media (unfavorable news coverage)
- 09 Fire
- 10 Durability
- 11 Parts Availability
- 12 Unable to Repair
- 13 Repaired but lost confidence
- 14 Other
- *15 Auction* } *Used by*
- *16 Retain by Dealer* } *RAV Only*
- *17 Salvage* }
- *18 Donate* }
- 19 Customer no longer owns vehicle
- 20 Customer is leasing vehicle
- 21 General Office
- 22 Customer no longer owns vehicle
- 23 Smoke
- 24 No Assistance
- 25 Insurance Company Settled
- 26 Insurance Company Referral
- 27 Subrogation
- 28 Multiple Repair Within 12/12
- 29 Multiple Repair Within 24/24
- 30 Multiple Repair Within 36/36
- 31 Multiple Repair Within 48/50
- 32 Motorhome Contact
- RA Regional Assistance

When opening a contact, the Legal Analyst should code the case as accurately as possible. For example; a fire concern should have 0709 as one of the causal codes. Legal Analysts that face off with a Paralegal in a region should code all attorney demand cases 07RA to identify that the contact will be worked in the region. Product liability cases should be coded 0721 to identify that the General Office will work the case. The third causal code position is preferred when coding a case to the region or G.O.

Opening Legal Contacts, cont.

B **Case Type**

These codes are abbreviations for Legal Contact case types. Enter the code only; the system will generate the description.

1	Accident	
1A	Accident- No Injury	
1B	Accident- Injury	
2	Within Vehicle Warranty	
2A	Outside Vehicle Warranty	
3	Vehicle Surge	
3A	Hood Fly-Up	
4	Fires- Fuel Fed	
4A	Fires- Electrical	
4B	Fires- Exhaust- Cat. Converter - Other	
6	Personal Property Damage	
7	Personal Injury - Non Collision	
8	Other	
9	Lemon Laws	
10	*Vehicle Replacement*	}
11	*Vehicle Replacement/Refund*	} *Used By*
12	*Vehicle Replacement(DSB)*	} *RAV Only*
13	*Vehicle Replacement (Prod. Liab.)*	}
14	*RV- Repurchase/Replacement*	}
17	*Vehicle Replacement/OGC*	}

C **Means Code**

These codes are abbreviations representing the means by which the Legal Contact was reported or initiated. Enter the code only.

Code:

- A Legal Investigation (Product Liability)
- B Legal Investigation - Warranty - Attorney Contact
- C Legal Investigation - Referred to/from OGC
- D Consumer Litigation File - Lawsuit Filed
- E Consumer Litigation Assistance (D.L.A.P.)
- G Legal Implication Warranty Claim
- H Other
- J OGC Pass Thru
- K Vehicle Replacement
- L Lawsuit

Note: Means Code J (OGC Pass thru) - Legal Referrals, are not part of daily, weekly or monthly reporting.

Opening Legal Contacts, cont.

D **Atty Name**

Enter attorney's full name. It may be a Ford attorney, client's attorney or a name pertinent to the file.

E **Atty Memo**

Enter the attorney phone numbers

See the sample screen below for an example of where each of the above fields should be input.

```
CSOR0001              MORS II Logon Information          04/15/1998 14:43:37

Enter your MORS II Country Code, Userid and Password

MORS II Country Code:  _          (U or C)
MORS II Userid:        _________
MORS II Password:


MORS II New Password:


Press the ENTER Key


F3=TERMINATE SESSION
LPREL54

E957 PRESS F2 FOR MORSII OR PRESS F4 FOR MORSIII
```

```
SFCHIMMA                    MORS Corporate Menu              04/15/98 14:45:49
 ==> 1

          Sel  Description
          ---  ----------------------------------
           1   Add Issue
           2   Issue List
           3   Dealer List
           4   Customer List
           5   Warranty Repair History
           6   ESP Information
           7   Recall Information
           8   Special Coverage
```

```
   SFCHIFMA                        Add Issue                      04/15/98
14:46:28
 ==>
 VIN            2FMDA5144TBA53117      Year:       Model:
 Sale Type:                            VLC:        WSD:
 Name:
 Address:                                    Home Phone:
 Address:                                    Day Phone:
 City:                                       State/Province:
 Zip/Postal:                                 Country:
 Prev Owner:                                 Owner Status:
 Issue Type:    __                           Odometer Reading: ______
 Comm Type:     _                            Legal Issue Type: _
 Document Nbr:  __________                   CAN Court Code:  ___
 Symptom Desc:                               CAN Award Code:  __
 Reason Desc:                                Last Handled Date:
 Action Desc:
 Dealer:        _____
 ------------------------------ Caller Information ------------------------------
 Last Name:     ____________________  First Name: ____________  MI: _
 Day Phone:     __________            Relationship: __
 F1=Help      F2=CustomerList  F4=UpdCustInfo  F5=AddComments    F6=IssueList
 F9=SympList  F10=ReasonList   F11=Menu        F12=Return        F13=DealerList
 F14=ESP      F15=WarrHistory  F16=Recall/OHP  F17=SpecCoverage  F18=ActionList
 VIN NUMBER IS REQUIRED                                                 LFREL54
```

- Type VIN, Press Enter to display customer and vehicle information

```
SFCHIFMA                        Add Issue                  04/15/98 15:06:25
 ==>
 VIN          2FMDA5144TBA53117    Year: 1996  Model:  WINDSTAR
 Sale Type:   Individual Rtl       VLC:        WSD:    08/31/96
 Name:        MR GARY S MOORE
 Address:     3311 ELM ST APT 319             Home Phone:       214 747 2292
 Address:                                     Day Phone:
 City:        DALLAS                          State/Province:   TX
```

LITIGATION PREVENTION

MORS III/SMARTT

```
Zip/Postal:      75226 2533                        Country:            USA
Prev Owner:                                        Owner Status:       ORIGINAL
Issue Type:      _                                 Odometer Reading:   ______ MI
Comm Type:       _                                 Legal Issue Type:   _
Document Nbr:    ____________                      CAN Court Code:     ___
Symptom Desc:                                      CAN Award Code:     __
Reason Desc:                                       Last Handled Date:  04/14/98
Action Desc:
Dealer:          ______
---------------------------- Caller Information ------------------------------
Last Name:       _________________________ First Name:  _______________  MI: _
Day Phone:       ____________              Relationship: __
F1=Help      F2=CustomerList   F4=UpdCustInfo  F5=AddComments     F6=IssueList
F9=SympList  F10=ReasonList    F11=Menu        F12=Return         F13=DealerList
F14=ESP      F15=WarrHistory   F16=Recall/OWP  F17=SpecCoverage   F18=ActionList
```

To add an issue fill in the following information:

1. Current Mileage on vehicle
2. Type in Communication Type
3. Type in Issue Type 07 (Legal)
4. Press F18 (shift F6) to view Action List
5. Tab to ACTION SEARCH to type in the type of Action you are looking for (e.g. Open)
6. Press Enter, the following screen will be displayed

```
SFCHACMA                        Action List                        04/1
==> _________ ________________________________________________

ACTION SEARCH:  OPEN_______________
A
C ACTION DESCRIPTION
- -----------------------------------------------------------------
  OPEN LEGAL CONTACT - ATTORNEY DEMAND
  OPEN LEGAL CONTACT - ATTORNEY DEMAND OWP RELATED
  OPEN LEGAL CONTACT - ATTORNEY DEMAND RECALL RELATED
  OPEN LEGAL CONTACT - PRODUCT LIABILITY
  OPEN LEGAL CONTACT - PRODUCT LIABILITY OWP RELATED
  OPEN LEGAL CONTACT - PRODUCT LIABILITY RECALL RELATED
  OPEN REGION CONTACT
  REOPEN CASE- CONCERN REPORTED FROM DIFFERENT SOURCE
  REOPEN CASE- CUSTOMER ACCEPTS PREVIOUSLY REJECTED OFFER
  REOPEN CASE- CUSTOMER HIRED DIFFERENT ATTORNEY
  REOPEN CASE- CUSTOMER RETAINED ATTORNEY
  REOPEN CASE- OTHER
```

1. Tab next to the Action you want to select and Press F12 to Select

```
SFCHIFMA                        Add Issue                    04/15/98 15:21:0
==> _______
VIN              2FMDA5144TBA53117      Year: 1996   Model:   WINDSTAR
Sale Type:       INDIVIDUAL RTL         VLC:         WSD:     08/31/96
Name:            MR GARY S MOORE
Address:         3311 ELM ST APT 319                 Home Phone:        214 747 3292
Address:                                             Day Phone:
City:            DALLAS                              State/Province:    TX
Zip/Postal:      75226 2533                          Country:           USA
Prev Owner:                                          Owner Status:      ORIGINAL
Issue Type:      __                                  Odometer Reading:  ______ MI
Comm Type:       __                                  Legal Issue Type:  _
Document Nbr:    ____________                        CAN Court Code:    ___
Symptom Desc:                                        CAN Award Code:    __
Reason Desc:                                         Last Handled Date: 04/14/98
```

LITIGATION PREVENTION

MORS III/SMARTT

```
Action Desc:   OPEN LEGAL CONTACT - ATTORNEY DEMAND
Dealer:        ____
------------------------------- Caller Information ------------------------------
Last Name:     ______________________  First Name: ______________  MI: _
Day Phone:     ___________             Relationship: __
F1=Help        F2=CustomerList  F4=UpdCustInfo  F5=AddComments    F6=IssueList
F9=SympList    F10=ReasonList   F11=Menu        F12=Return        F13=DealerList
F14=ESP        F15=WarrHistory  F16=Recall/OMP  F17=SpecCoverage  F18=ActionList
"X" AND RETURN SUCCESSFUL                                                LPREL54
```

- The Action Description will automatically fill in
- Press F9 to select a symptom
- Tab to SYMPTOM SEARCH and type in criteria, Press Enter

```
SPCRSYMA                        Symptom List
 ==> ________  ______________________________________

SYMPTOM SEARCH: ENGINE___________
A
C SYMPTOM DESCRIPTION
- -----------------------------------------------------
  AUTO TRANS UPSHIFT ENGINE RACES
  BACKFIRES ACCELERATION ALL ENGINE TEMP
  BACKFIRES ACCELERATION COLD ENGINE
  BACKFIRES ACCELERATION HOT ENGINE
  BACKFIRES AT IDLE ALL ENGINE TEMP
  BACKFIRES AT IDLE COLD ENGINE
  BACKFIRES AT IDLE HOT ENGINE
  BACKFIRES DECELERATION ALL ENGINE TEMP
  BACKFIRES DECELERATION COLD ENGINE
  BACKFIRES DECELERATION HOT ENGINE
  BUCK/JERK ACCELERATION ALL ENGINE TEMP
  BUCK/JERK ACCELERATION COLD ENGINE
  BUCK/JERK ACCELERATION HOT ENGINE
  BUCK/JERK AT CRUISE ALL ENGINE TEMP
```

- Tab to symptom you want, type an x, Press F12

```
SPCHIFMA                        Add Issue                    04/15/98 15:34:1
==> ____________________________________________________________
VIN            2FMDA5144TBA53117    Year: 1996   Model:   WINDSTAR
Sale Type:     INDIVIDUAL RTL       VLC:         WSD:     08/31/96
Name:          MR GARY E MOORE
Address:       3311 ELM ST APT 319             Home Phone:        214 747 2292
Address:                                       Day Phone:
City:          DALLAS                          State/Province:    TX
Zip/Postal:    75226 2533                      Country:           USA
Prev Owner:                                    Owner Status:      ORIGINAL
Issue Type:    __                              Odometer Reading:  ______ MI
Comm Type:     __                              Legal Issue Type:  _
Document Nbr:  __________                      CAN Court Code:    ___
Symptom Desc:  BACKFIRES ACCELERATION ALL ENG  CAN Award Code:    ___
Reason Desc:                                   Last Handled Date: 04/14/98
Action Desc:   OPEN LEGAL CONTACT - ATTORNEY DEMAND
Dealer:        _____
------------------------------- Caller Information ----------------------------
Last Name:     ______________________  First Name: ______________  MI: _
Day Phone:     __________              Relationship: __
```

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LITIGATION PREVENTION

MORS III/SMARTT

```
F1=Help        F2=CustomerList  F4=UpdCustInfo  F5=AddComments    F6=IssueList
F9=SympList    F10=ReasonList   F11=Menu        F12=Return        F13=DealerList
F14=ESP        F15=WarrHistory  F16=Recall/ONP  F17=SpecCoverage  F18=ActionList
"X" AND RETURN SUCCESSFUL                                                 LPRELS4
```

F10

```
SFCHRCMA                         Reason List                        04/15/98
 ==> __________ __________________________________________________

 REASON SEARCH: LEGAL FIRE__________

 A
 C  REASON DESCRIPTION
 -  ----------------------------------------------
    LEGAL - FIRE
    LEGAL - LP-FIRE & PERSONAL/PROPERTY DAMAGE
```

x and F12

```
SFCHIFMA                          Add Issue                    04/15/98 16:25:47
 ==> __________ ________________________________________________
 VIN             2FMDA5144TBA53117    Year: 1996  Model:  WINDSTAR
 Sale Type:      INDIVIDUAL RTL       VLC:        WSD:    08/31/96
 Name:           MR GARY S MOORE
 Address:        3311 ELM ST APT 319               Home Phone:          214 747 2292
 Address:                                          Day Phone:
 City:           DALLAS                            State/Province:      TX
 Zip/Postal:     75226 2533                        Country:             USA
 Prev Owner:                                       Owner Status:        ORIGINAL
 Issue Type:     __                                Odometer Reading:    ______ MI
 Comm Type:      __                                Legal Issue Type:    _
 Document Nbr:   ____________                      CAN Court Code:      ____
 Symptom Desc:   BACKFIRES ACCELERATION ALL ENG    CAN Award Code:      ___
 Reason Desc:    LEGAL - FIRE                      Last Handled Date:   04/14/98
 Action Desc:    OPEN LEGAL CONTACT - ATTORNEY DEMAND
 Dealer:         ______
 ------------------------------ Caller Information ------------------------------
 Last Name:      ____________________  First Name:  ______________   MI: _
 Day Phone:      ____________          Relationship: __
 F1=Help        F2=CustomerList  F4=UpdCustInfo  F5=AddComments    F6=IssueList
 F9=SympList    F10=ReasonList   F11=Menu        F12=Return        F13=DealerList
 F14=ESP        F15=WarrHistory  F16=Recall/ONP  F17=SpecCoverage  F18=ActionList
 "X" AND RETURN SUCCESSFUL                                                 LPRELS4
```

Press f13 for dealer

```
SFCHDLMA                         Dealer List                   04/15/98 16:27:25
==> __________ __________________________________________________

NAME SEARCH: _____       CITY:           PLYMOUTH__________      STATE/PROV:  MI
SALES CODE:  ______      SALES REGION:   __                      SALES ZONE:  _
ZIP/POSTAL:  __________  FCSD REGION:    __                      MARKET AREA: _
A                                                                            Sales
C  DEALER NAME                      Address                City              Code
-  -------------------------------- ---------------------- ----------------- ------
   BLACKWELL FORD INC               41001 PLYMOUTH ROAD    PLYMOUTH          148046
   HINES PARK LINCOLN-MERCURY INC   40601 ANN ARBOR ROAD   PLYMOUTH          345274
```

type in search criteria and press enter screen will show up, select dealer with x, F12 to select

LITIGATION PREVENTION

MORS III/SMARTT

```
SFCHIFMA                        Add Issue                      04/15/98 16:27:1
==> 
VIN          2FMDA5144TBA53117      Year: 1996   Model:   WINDSTAR
Sale Type:   INDIVIDUAL RTL         VLC:         WSD:     08/31/96
Name:        MR GARY S MOORE
Address:     3311 ELM ST APT 319               Home Phone:        214 747 2292
Address:                                       Day Phone:
City:        DALLAS                            State/Province:    TX
Zip/Postal:  75226 2533                        Country:           USA
Prev Owner:                                    Owner Status:      ORIGINAL
Issue Type:  _                                 Odometer Reading:  ______ MI
Comm Type:   _                                 Legal Issue Type:  _
Document Nbr: ________                         CAN Court Code:    ___
Symptom Desc: BACKFIRES ACCELERATION ALL ENG   CAN Award Code:    __
Reason Desc: LEGAL - FIRE                      Last Handled Date: 04/14/98
Action Desc: OPEN LEGAL CONTACT - ATTORNEY DEMAND
Dealer:      345274 HINES PARK LINCOLN-MERCURY INC
---------------------------- Caller Information ----------------------------
Last Name:   ____________________  First Name: ______________  MI: _
Day Phone:   __________            Relationship: __
F1=Help      F2=CustomerList  F4=UpdCustInfo  F5=AddComments    F6=IssueList
F9=SympList  F10=ReasonList   F11=Menu        F12=Return        F13=DealerList
F14=ESP      F15=WarrHistory  F16=Recall/OWP  F17=SpecCoverage  F18=ActionList
"X" AND RETURN SUCCESSFUL                                                LPREL54
```

Press f5, to add comments

SFCHCOMA Comments 04/15/98 16:31:18

```
==> ________________________________________________

VIN:      2FMDA5144TBA53117      Year: 1996      Model: WINDSTAR
Name:     MR GARY S MOORE
Symptom:  BACKFIRES ACCELERATION ALL ENGINE TEMP
Reason:   LEGAL - FIRE
Action:   OPEN LEGAL CONTACT - ATTORNEY DEMAND

Comments: ________________________________________________

F1=Help  F5=Add  F9=PrevComments  F10=NextComments  F11=Menu  F12=Return
PLEASE ENTER COMMENTS AND PRESS F5 TO CONTINUE THE ADD PROCESS      LPREL54
```

type comments and press f5 to add

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EA02-025 2381

Issue List

The Issue Review feature allows you to search the database and display the following types of contacts:

- Open
- Pending
- Canceled
- Closed
- Action (DSB Only)

After logging onto MORS II, you will be at the MORS II MAIN MENU. Screen details are below:

```
SFCHRFMA                          Issue List                    04/15/98 16:32:1
 ==> ______________________________________________________________

 SALES REGION: __                 SALES ZONE:  _  ISSUE STATUS: __
 FCSD REGION:  52                 MARKET:     __   ISSUE TYPE:    07
 VIN:          _________________                  CASE NUMBER:  __________
 DEALER:       ______

 A  LAST HND/ Symptom/                          Reason/                         Stat
 C    Dealer  VLC  Customer Name                Year Model                      Type
 -  --------  --------------------------------- ------------------------------- --




 F1=Help    F2=AddAction   F5=CustomerList   F6=DealerInfo
 F7=Prev    F8=Next        F10=IssueDetail   F11=Menu          F12=Return

 PLEASE ENTER SEARCH CRITERIA                                             LPREL54
```

type in search criteria

```
SFCHRFMA                          Issue List                    04/15/98 16:33:55
 ==> ______________________________________________________________

 SALES REGION: __                 SALES ZONE:  _  ISSUE STATUS: __
 FCSD REGION:  52  DALLAS         MARKET:     __  ISSUE TYPE:    07  LEGAL
 VIN:          _________________                  CASE NUMBER:  __________
 DEALER:       ______

 A  LAST HND/ Symptom/                          Reason/                         Stat/
 C    Dealer  VLC  Customer Name                Year Model                      Type
 -  --------  --------------------------------- ------------------------------- --
    04/15/98  A/T ENGAGEMENT SHIFT LVR/LINK.    LEGAL - OTHER ATTORNEY DEMAND   K
      152005       MOORE, GARY S                1996 WINDSTAR                   07
    04/15/98  RESTRAINTS BELT ACCESSORY ATTA    ACCESSORY ISSUE - QUALITY CONC  O
      152001       RITT, JAMES T                1996 WINDSTAR                   07
    04/15/98  TIRES/WHEELS WHEEL COVERS         LEGAL - ACCIDENT                C
```

LITIGATION PREVENTION

MORS III/SMARTT

```
   152101    CLINTON, LISA                      1998 F-SERIES                     07
 04/15/98  GENERAL INQUIRIES REQUEST/NON-  ISSUE INITIALLY CREATED AS A M X
   152522    APPLEGATE, CAROLYN                 1995 RANGER                       07
 04/14/98  PARKING BRAKE INOP/INEFFECTIVE  LEGAL - ACCIDENT & PERSONAL/PR C
   152465    KILLIAN, SCOTT P                   1997 F-SERIES                     07
F1=Help    F2=AddAction     F5=CustomerList    F6=DealerInfo
F7=Prev    F8=Next          F10=IssueDetail    F11=Menu          F12=Return
```

to view an issue, put x next to it and [press F10, issue deatil

```
SFCHIDNA                          Issue Detail                      04/15/98 16:34:
==> ________  ______________________________________________

VIN:             2FMDA5144TBA53117    Year: 1996    Model: WINDSTAR
Name:            MR GARY S MOORE
VLC:                                                Case:    456821048
Symptom:         A/T ENGAGEMENT SHIFT LVR/LINK.
Reason:          LEGAL - OTHER ATTORNEY DEMAND
Dealer:          152005   PLANET PARK CITIES FORD
Issue Type:      07       LEGAL          CAN Court:       Legal Issue Type:
Issue Status:    K        ACKNOWLEDG     CAN Award:       MORSII Contact:    Y

A  ACTION    Action Action
C  DATE      Origin Description
-  --------  ------ ------------------------------------------------------------
X  04/14/98  CALGL  OPEN LEGAL CONTACT - ATTORNEY DEMAND
   04/15/98  CALGL  MAKE OUTBOUND CALL TO ATTORNEY
   04/15/98  CALGL  MAKE OUTBOUND CALL TO OTHER


F1=Help    F2=AddAction    F4=ActionDetail    F6=DealerInfo
F7=Prev    F8=Next         F9=ViewMORSII      F11=Menu          F12=Return
NO MORE RECORDS AVAILABLE                                                LPREL5
```

```
SFCHADNA                          Action Detail                    04/15/98 16:35:31
==> ________  ______________________________________________
VIN:             2FMDA5144TBA53117    Year: 1996    Model: WINDSTAR
Name:            MR GARY S MOORE
VLC:                                                Case:    456821048
Symptom Desc:    A/T ENGAGEMENT SHIFT LVR/LINK.
Reason Desc:     LEGAL - OTHER ATTORNEY DEMAND
Dealer:          152005     PLANET PARK CITIES FORD
Issue Type:      07         LEGAL                   Issue Status:       K  ACKNOWLEDG
Comm Type:       ML         MAIL                    Odometer Reading: 38101    MI
Analyst:         RWHITFIE   ROSALYN WHITFIELD       Document Number:
Action Date:     04/14/98                           Action Data:        Y
Action Time:     12:30:14   EST
Origin Desc:     CONSUMER AFFAIRS - LITIGATION PREVENTION
Action Desc:     OPEN LEGAL CONTACT - ATTORNEY DEMAND
Comments:        CUSTOMER SAYS:   ****DEALERSHIP FAX***ATTORNEY DEMAND LETTER
                 ***DEALERSHIP FAXED REQUEST AND ATTORNEY LETTER 4/10/98.  DE
                 ALERSHIP CONTACT PERSON- DARYL BARRETT.  DEALERSHIP REQUEST
                 CUSTOMERS POSSIBLE WARRANTY CONCERNS BE ADDRESSED.   ATTACHE
                 D  ATTORNEY DEMAND LETTER DATED 4/1/98.  TEXAS LEMON LAW. AT
                 TORNEY,MARTHA KLEIN ALLEGES CUSTOMER HAS RETURNED TO DEALER
F1=Help           F2=ActionData      F4=PrevAction     F5=NextAction
F9=PrevComments   F10=NextComments   F11=Menu          F12=Return
MORE COMMENTS AVAILABLE                                                LPREL54
```

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LITIGATION PREVENTION

MORS III/SMARTT

MORE RECORDS AVAILABLE LPREL54

```
SFCHBCMA                      Customer List              04/15/98 16:36:
==> ______ ______________________________________

VIN:   ________________   CASE: _________   HOME PHONE: ____________
LAST NAME: SOWERS________________________   ZIP/POSTAL: 48188_   CTRY: u

A  CUSTOMER NAME/                Address/                      Address/
C    City                        St/Prov      Zip/Postal       Ctry    Home Phone
-  ----------------------------- ----------------------------  ----------------

F1=Help     F2=VehicleList     F4=UpdCustInfo      F5=AddCustIssue
F7=Prev     F8=Next            F11=Menu            F12=Return
COUNTRY REQUIRED WITH LAST NAME AND ZIP CODE                          LPREL5
```

```
SFCHBCMA                      Customer List              04/15/98 16:36:3
==> ______ ______________________________________

VIN:   ________________   CASE: _________   HOME PHONE: ____________
LAST NAME: SOWERS________________________   ZIP/POSTAL: 48188_   CTRY: US

A  CUSTOMER NAME/                Address/                      Address/
C    City                        St/Prov      Zip/Postal       Ctry    Home Phone
-  ----------------------------- ----------------------------  ----------------
   SOWERS, DAVID J               46000 GEDDES RD TRLR 499
     CANTON                      MI           48188 2351       USA
   SOWERS, ERIC M                46000 GEDDES RD TRLR 499
     CANTON                      MI           48188 2351       USA
   SOWERS, FRANCES A             46000 GEDDES RD TRLR 499
     CANTON                      MI           48188 2351       USA
   SOWERS, MICHELE L             45519 MUIRFIELD DR
     CANTON                      MI           48188 1098       USA     313 844 854

F1=Help     F2=VehicleList     F4=UpdCustInfo      F5=AddCustIssue
F7=Prev     F8=Next            F11=Menu            F12=Return
NO MORE RECORDS AVAILABLE                                             LPREL54
```

```
SFCHBVMA                      Vehicle List               04/15/98 16:37:3
==> ______________________________________________

Name:       MR MICHELE L SOWERS
Address:    45519 MUIRFIELD DR                     Home Phone: 313 844 8540
Address:                                           Day Phone:
```

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LITIGATION PREVENTION

MORS III/SMARTT

```
City:          CANTON                                    State/Prov: MI
Zip/Postal: 48188 1098                                   Country:    USA

A  VIN/                   Year  Model/                         Sale Type/
C    Owner Status               Previous Owner                 Open Issues
-  -----------------      ----  -----------------------------  ---------------
x  1FALP13P5VW252277      1997  ESCORT                         A/X/Z Plan RCL
     ORIGINAL
   4M2DV11W3EDJ20277      1995  VILLAGER                       A/X/Z Plan RCL
     ORIGINAL

F1=Help          F2=IssueList  F5=AddIssue   F7=Prev          F8=Next  F9=ESP
F10=WarrHistory  F11=Menu      F12=Return    F13=Recall/OMP   F14=SpecialCoverag
NO MORE RECORDS AVAILABLE                                               LPRKL54
```

if press f5:

```
SFCHIFMA                          Add Issue                  04/15/98 16:38:
==> ____________
VIN              1FALP13P5VW252277      Year: 1997   Model:   ESCORT
Sale Type:       A/X/Z Plan RCL         VLC:         WSD:     01/11/97
Name:            MR MICHELE L SOMERS
Address:         45519 MUIRFIELD DR                Home Phone:        313 844 8540
Address:                                           Day Phone:
City:            CANTON                            State/Province:    MI
Zip/Postal:      48188 1098                        Country:           USA
Prev Owner:                                        Owner Status:      ORIGINAL
Issue Type:      _                                 Odometer Reading:  ________ MI
Comm Type:       _                                 Legal Issue Type:  _
Document Nbr:    __________                        CAN Court Code:    ___
Symptom Desc:                                      CAN Award Code:    ___
Reason Desc:                                       Last Handled Date:
Action Desc:
Dealer:          _____
------------------------------ Caller Information ------------------------------
Last Name:       ____________________      First Name:  _____________    MI: _
Day Phone:       __________                Relationship: __
F1=Help     F2=CustomerList   F4=UpdCustInfo   F5=AddComments    F6=IssueList
F9=SympList F10=ReasonList    F11=Menu         F12=Return        F13=DealerLis
F14=ESP     F15=WarrHistory   F16=Recall/OMP   F17=SpecCoverage  F18=ActionLis
```

```
CNOR0058            MORS II Contact Review Selection        07/08/1996 14:19:05

                    Y = INELIGIBLE,X = CANCELLED )

Enter one of the following:

1. MORSII Userid:       ________   AND    Follow-up ? :  _

      Market            :  _
      Sales Code        :  ___
```

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```
3. Sales Region     : __
   Sales Zone       : _
   Sales Code       : ______
   Contact Type     : __________

F1=HELP F3=EXIT
```

To display contacts in the MORS II database, fill in the shaded areas above with the following information:

1 Contact Status

Type in the appropriate status:

O = Open	C = Closed	H = Hold	I = Ineligible
A = Action	P = Pending	X = Canceled	

2 FCSD Regions

Type in the region that you want to search.

21	Atlanta	23	Memphis
11	Boston	13	New York
41	Chicago	24	Orlando
47	Cincinnati	16	Philadelphia
52	Dallas	44	Pittsburgh
56	Denver	72	San Francisco
48	Detroit	74	Seattle
57	Houston	10	Select Dealer Region (SDR) *
53	Kansas City	58	Twin Cities
71	Los Angeles	27	Washington

* See Select Dealer Conversion Chart on page 7

3 Contact Type

Type in LEGAL (or other contact types as appropriate) and press Enter.

Select Dealer Region (10)

Market Area	Market	Market City
A	A1	Boston
B	B1	New York
C	C1	Philadelphia
D	D1	Atlanta
	D2	Atlanta
	D3	Atlanta
E	E1	Memphis
	E2	Memphis
	E3	Memphis
	G1	Washington
F	G2	Washington
H	H1	Chicago
	H2	Chicago
	H3	Chicago
J	J1	Pittsburgh
	J2	Pittsburgh
	J3	Pittsburgh
K	K1	Cincinnati
	K2	Cincinnati
L	L1	Detroit
	L2	Detroit
M	M1	Dallas/Orlando
	M2	Dallas/Houston
	M3	Dallas
N	N1	Kansas City
	N2	Kansas City
	N3	Kansas City
P	P1	Denver
	P2	Denver
R	R1	Twin Cities
	R2	Twin Cities
	R3	Twin Cities
S	S1	LA/SF
U	U1	Seattle
	U2	Seattle

The following screen will be displayed:

CNOR0060 MORS II Review by Region/Contact Type/Status 07/08/1996 16:10:03

Region: 48 DETROIT Service/Sales: SERVICE
File Type: LEGAL
Status: OPEN

To VIEW contact information: Type an "X" in the "A" column and Press ENTER.

A	Contact Number	MKT/ ZN	M A	Dealer	Sales Code	V L C	Customer	Open Dt	Last Hdlg Dt	Special Code
_	107160339	A1		RIVERSIDE	148004		CLARDY	07/03/96	07/03/96	0715
_	106983625	A1		JORGENSEN	148017		DAVIS	05/24/96	05/24/96	1217
_	106528864	A1		FAIRLANE	148020		SCALES	05/13/96	05/13/96	
_	107107661	A1		FAIRLANE	148020		ALLEN	06/21/96	06/25/96	0715
_	107113426	A1		FAIRLANE	148020		SAIMATO	06/24/96	06/24/96	
_	106856788	A1		GORNO BRO	148022		BRANDON	04/27/96	04/27/96	
_	107002779	A1		GORNO BRO	148022		BRANDON	05/30/96	06/10/96	1217
_	107024402	A1		GORNO BRO	148022		FAUNCE	06/04/96	06/18/96	
_	107084495	A1		SOUTHGATE	148026	*	CARTER	06/18/96	06/18/96	
_	107111526	A1		SOUTHGATE	148026	*	HONEYCUT	06/24/96	06/25/96	0715
_	107091178	A1		VILLAGE F	148027		REDDICK	06/18/96	06/18/96	

F1=HELP F3=EXIT F7=FIRST F8=NEXT

I092 FIRST SUMMARY SCREEN DISPLAYED LPREL54

In addition to Basic Information, this screen displays the following:

Open Date

- This is the date that the MORS II/MAX contact was opened.

Last Hdlg Date

- Indicates the date of last Addco

Special Code

- Displays the third causal code field from the contact.

Updating a Legal Contact

All information initially collected on the Legal Contact screen will be present and corrections/additions may be made as needed.

Legal Analysts and Paralegals are expected to update any of the following codes, if it is determined that a change is necessary after the case investigation has been completed. Following are the 6 unique fields that can be updated on a Legal Contact:

A. Causal Code

See page 2 for a list of available codes.

B. Case Type

See page 3 for a list of available codes.

C. Means Code

See page 3 for a list of available codes.

D. Atty Name

The Attorney's name.

E. Atty Memo

The Attorney's phone number(s).

Below is a sample screen showing where each field should be updated.

```
CSOR0016                    MORS II Legal Contact              07/08/1996 13:15:14

                    Rn/Tr:       N/A:     CONTACT NBR:              Opened:
VIN:              1FABP55U3KA160092                                 Closed:
Last Name:        FORD                                              Status:
Title:            MR                First Name:   HENRY             MI:        _
Address:          33333 FORD ROAD
City:             ___________________  ST/PV:  __  Zip/PC: 48126        CC: USA
Home Phone:       313 555-1234   Business Phone:  313 555-1234      Ext:       ____
Year:             89                   Model:     TAURUS
Mileage/Km:       _____                WSD:

Dealer Name:      _________________    Sales Code:  _____          P&A:       ____
Causal Code:      ___ ___        __A_   Symptoms:   ____ ____ ____ ____
Serv Sales:       _ (1 or 2)  Origin:                            Trans Date:
Veh Repl:         __
Case Type:        _B_                  Means Code:  _C_
Atty Name:        _D___________________ Atty Memo:  _E____________________
Claimed Amt:      _______              Award Amt:   _______
CANADA ONLY:
Court Code:       ___                  Award Code:  ___

F1=HELP F3=EXIT F4=COMMENT F5=ADD F6=UPD F9=CLOSE F12=CANC
 1034 PLEASE COMPLETE ENTERING CONTACT INFORMATION                          LPHE154
```

Closing a Legal Contact

After the case outcome has been resolved, the Legal Analyst or Paralegal will need to close the case in MORS II.

To close a case:

- Open the contact and press [F9]
- The Contact Comments Screen will appear
- Type in the closing comments
- Press [F5] to Add them to the contact

Closing comments must include:

1. Action taken/resolution
2. How/when the attorney was contacted
3. How/when the customer was contacted
4. Any other pertinent information involved in the decision making process

Below is a sample closing comment screen.

```
CSOB0010               MORS II Contact Comments              07/10/1996 15:31:26

 Last Name:    DASSON                                  VIN: 1FAPP9392KN120622
 Home Phone:   904 574-4974  Bus.Phone: 904 574-4974   Ext:
 Dealer:       TALLAHASSEE MOTORS INC                  Dist/Reg: 24

 CONTACT NBR: 106961941    Date:  06/12/1996           Analyst Code: 5157MW
 File Type:   LEGAL        Time:  11:35:09             Analyst Name: WOLF
 Comm Type:   U  UPDATE    Micro:                      Letter Code:

 Comments:                                                            More?: Y
 $$$THIS IS THE CLOSING COMMENT

 NO CONTACT FROM THE CUSTOMER.  LPA SENT CERTIFIED LETTER (NO. P 282 941 835)
 ADVISING:
 -WE HAVE NOT RECEIVED A REPLY TO OUR REQUEST FOR A COPY OF THE TITLE,
  CURRENT REGISTRATION AND FIRE REPORT
 -HE HAS 10 DAYS FROM RECEIPT OF THE LETTER TO SUBMIT THE INFORMATION OR NO
  ASSISTANCE CAN BE PROVIDED.
```

CHAPTER THREE

April 20, 1998

Description

Legal Analysts will process two types of cases: Product Liability and Attorney Demand Letters. The following chapter describes the case handling procedures for each case type. Below is a brief description:

Product Liability:

Involves situations where a customer/fleet* alleges that a defective component on their vehicle caused one of the following:

- Accident, Including:
  - Product Defect
  - Vehicle Surge
  - Spontaneous Airbag Deployment
  - Hood Fly-Up
- Fire
- Personal/Property Damage

*Fleet - Refer to Page 4 of this Chapter if appropriate

Attorney Demand Letter:

Involves situations where an attorney is requesting assistance and may refer to the following consumer/state statutes:

- Revocation of Acceptance
- Express Warranty
- Implied Warranty
- Magnuson-Moss Act
- Lemon Law
- Product Liability

Note: Personal injury contacts are handled by the Office of General Counsel. (See Personal Injury Tab)

Legal Analyst Responsibilities

The Legal Analyst is responsible for all of the following steps in each type of case:

- Opening
- Investigating
- Resolving
- Closing

Step-By-Step Process

Following is a summary of the steps involved when handling a case:

1. Determine eligibility of the concern(s)
2. Open the appropriate contact
3. Contact all parties involved (attorney, service manager, customer, EAA, regional personnel)
4. Determine the best course of action to resolve the concern
5. Advise all appropriate parties of Ford's decision
6. Update the MORSIII/SMARTT contact upon completion

Getting Started

Each Legal Analyst should develop their own system for processing cases in their assigned Region(s). Following is a suggested set of "core" stages for every case:

- Designated In-Basket to receive new correspondence
- Files should be categorized on your desk-top or in your desk drawer by some or all of the following categories:
  - Work not yet started
  - Customer/Attorney contacted - Waiting for Response
  - EAA Inspection requested - Waiting for Report
  - Offer made - Waiting for Response
  - Waiting to process Replacement/Refund
  - Waiting to process ESP/OAC
  - Case Closed - to be Micro'd/Imaged
  - Waiting for Labels/To be filed

To help you keep track of cases that you are working on, you may want to use an on-going tracking sheet such as the one found on the next page. A clean copy can be printed from Word, the sheet can be found in the following directory; W:\LEGAL\FORMS\ CHKLIST.DOC

Prioritizing the Workload

Legal Analysts receive a tremendous amount of correspondence, following are the most common types:

- Legal contacts opened by CSRs at the CAC
- Dealer Faxes
- NAFA (North American Fleet Services) faxes
- Attorney Demand Letters
- Attorney requests for information
- Region faxes

The Litigation Prevention Department has committed to respond to Dealer faxes within 48 hours. The department also attempts to respond to all other contacts within 48 hours. At times we may not always be able to achieve our goal. If we had to rank the order in which we would address contacts, it would be:

- Dealer faxes - 48 hours
- Attorney Demand Letters- screen for the time allowed for review by the attorney/State and prioritize
- NAFA faxes - 48 hours
- Customer generated Legal contacts- acknowledge within 48 hours
- Attorney requests for information
- Region generated faxes

LEGAL CONTACT INFORMATION GATHERING CHECKLIST

Customer Name____________________ Contact Number____________________

Dealer Name ________________ Phone Number____________ VIN________________

SERVICE FILE

Dealer contact person: ________________

Date request was made: ________________

Request made by: Fax ☐ Phone ☐ Mail ☐

- ☐ Repair Orders (including customer pay & reverse side of hard copy for technician comments)
- ☐ Pre-delivery checklist
- ☐ Miscellaneous (added equipment or aftermarket items put on vehicle)

SALES FILE

Dealer contact person: ________________

Date request was made: ________________

Request made by: Fax ☐ Phone ☐ Mail ☐

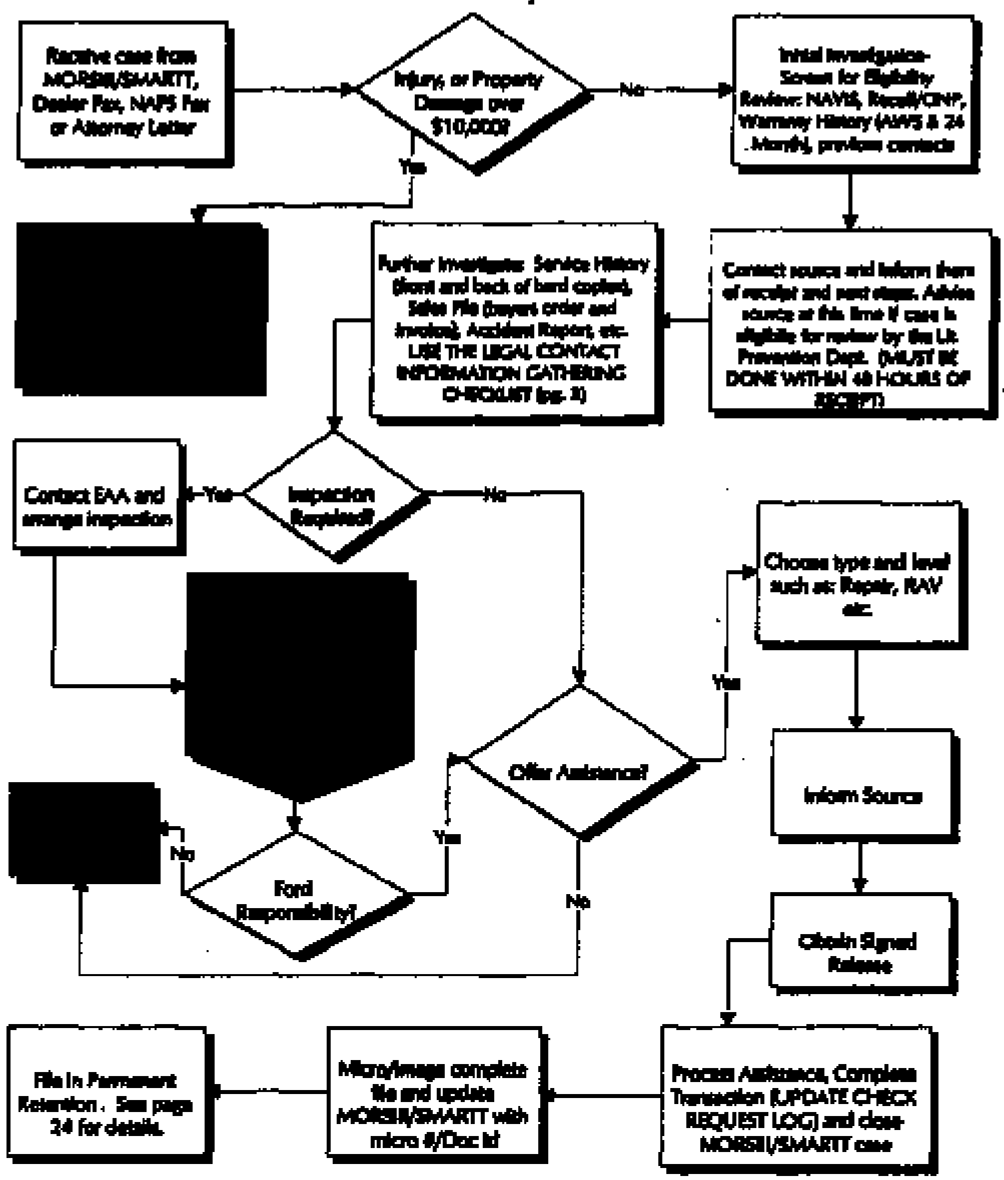
- ☐ Buyer's Order
- ☐ Financing Information
- ☐ Rebate Information
- ☐ Factory Invoice
- ☐ Delivery checklist

MISCELLANEOUS

- ☐ Previous Region Involvement? (Ask Service Manager)
- ☐ Is it documented?
- ☐ Any previous Goodwill/Good faith offer?
- ☐ MORS II/ MORS III/ SMARTT contact
- ☐ 180 day history (found in OAS2)
- ☐ Complete Warranty History (found in AWS or SEII)
- ☐ Has the Title Been Branded (see Chapter 10, pg. 59)
- ☐ Open Recalls or ONP's
- ☐ Technical Hotline assistance?

ER02-025 2314

Product Liability Case Process



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ER02-025 2315

Personal Injury

Specific Guidelines

Opening Criteria

Eligibility - NO Time or Mileage Restrictions

Any time the Customer has met BOTH of the following criteria, the contact should be referred to OGC:

1. Customer is claiming that Ford is responsible for the injury
2. Customer advises that they are seeking or have sought medical attention

Action Required

- Create an INQUIRY contact using one of the following Actions:
  - LP 100: OGC Referral - Safety Restraint Related Injury
  - LP 101: OGC Referral - Non-Safety Restraint Related Injury

- Comments should reflect ONLY who, what, where, and when the alleged incident occurred (including a brief description of the injury, even if that person is not the owner or driver of the vehicle).
- If a third party is calling, the name of the person who was injured should be used on the NCRS III/SMARTT basic information screen.

Legal Analyst Responsibilities

Legal Contact Opened in Error by CAC:
If you receive a Legal contact that was opened by a CSR and personal injury resulting in medical attention being sought was mentioned, do the following:

1. Send a Profs note to Nancy Vert (NVERT) requesting that the case be canceled.
2. Request that the CSR create an inquiry that will go to OGC
3. Request that the CSR call the customer to advise them that their concern is being reviewed by a different department due to the personal injury

Legal Analyst is Advised of Personal Injury Before/During Case Investigation:
1. Close the legal case using appropriate 'redirect' (to OGC) action.
2. Provide acknowledgment to attorney or customer and advise them of redirect.
3. Create an inquiry to direct the concern to OGC using appropriate 'referral' action for SRS or non-SRS. This ensures that an automated letter will be sent to the customer asking for pertinent information. (See Chapter 3).
4. Forward hard copy of attorney letter (if applicable) to OGC using OGC Injury Cover Sheet (see Forms tab).
5. You do NOT need to make a file for the contact

Cases Directed Back to Litigation Prevention from OGC
After reviewing a case that involves personal injury, OGC may re-direct it back to the Litigation Prevention Department. If you receive an OGC re-direct, evaluate the type of concern:

- Accident
- Fire
- Personal/Property Damage

and handle it according to the procedures found in the following sections.

Rev. 3.2

Office of the General Counsel

Ford Motor Company
Parklane Towers West
Suite 400
Three Parklane Boulevard
Dearborn, Michigan 48126-2568

October 29, 1996

Mr. and Mrs. Paul & Dana Larson
28 Amelia Ave.
W. St. Paul, MN 55118

Re: 1995 VILLAGER

Dear Mr. and Mrs. Larson:

We acknowledge your recent contact to Ford Motor Company. Your complaint has been directed to this office for further handling. In order to assist us in evaluating your claim, we request that you provide us with the following information:

1. A COPY of the police and/or fire report.
2. For each person alleged injured: full name, date of birth, home address, marital status and name of spouse, social security number, occupation, a complete description of the injuries, the names and addresses of all treating physicians, and copies of all medical bills and reports.
3. Original photographs of the vehicle's collision/fire damage, *from several different angles*, or color laser copies.
4. Original photographs of the inside of the vehicle showing the steering wheel, dash and roof areas.
5. What is the alleged defect?
6. Documentation to substantiate your defect allegation, including a copy of your expert's report and their original photographs.
7. Has the alleged defective part been repaired or replaced?
8. The present location of the alleged defective part and the vehicle.
9. The repair estimate, repair order, or your total loss worksheet for the vehicle's damage, and copies of draft payments.
10. We will be pleased to conduct non-destructive testing on your alleged defective part should you choose to remove the part and assembly and ship it at your own expense. Please follow the directions listed in the attached shipping instructions.

EXHIBIT NO. 4K

11. Has any insurance company been advised of this incident? If so, please state the name, address, and telephone number of those insurance companies; their claim number; and the agent's name.
12. If an attorney has been retained by you to settle this claim, please include his/her name, telephone number, and address.

Once we are in receipt of the requested information, it will be reviewed and you will be notified of our decision concerning your claim. Should you not send all of the requested information and materials within 45 days, we will assume that you are not interested in pursuing a claim and we will close our file.

Please be advised that all necessary steps must be taken to ensure that the subject vehicle and all of its component parts are maintained and preserved for trial. Ford Motor Company has the right to inspect the vehicle and remove and test any component part that you claim to be defective, and to be presented with the vehicle and the subject component part(s) at the time of trial, should litigation ensue from this informal claim.

If you propose to repair the vehicle for continued usage, such repairs may not be performed until after Ford Motor Company has inspected the vehicle and removed and tested any component part you claim to be defective or advised you in writing that it does not intend to perform such inspection and/or testing at this time. But even in that event, Ford Motor Company will insist that all components claimed to be defective are maintained and preserved for trial.

Sincerely,

Jessie Hollingsworth
Claims Analyst

dmb

OGC1

The allegedly defective parts should be sent to Dearborn for inspection by the Parts Analysis Section. The following steps should be taken when parts are shipped.

1. The parts should be marked by the sender in some manner so that they can be identified as the ones we inspected.

2. The parts should be properly packaged so that they can withstand handling by the carrier to Dearborn.

3. All parts should be labeled with the name of the claimant, complete address and the Claims Analyst name by the sender.

4. The package should be shipped to:

   Ford Motor Company
   Parts Analysis Section
   Parklane Towers West
   Suite 408
   3 Parklane Boulevard
   Dearborn, MI 48126

5. The package should be shipped U.P.S. prepaid.

6. The sender should advise the Claims Analyst by letter when the parts have been shipped.

OGC1

Office of the General Counsel

Ford Motor Company
Parklane Towers West
Suite 400
Three Parklane Boulevard
Dearborn, Michigan 48126-2568

October 29, 1996

Mr. and Mrs. Paul & Dana Larson
28 Amalia Ave.
W. St. Paul, MN 55118

Re: 1995 VILLAGER

Dear Mr. and Mrs. Larson:

We acknowledge your recent contact to Ford Motor Company. Your complaint has
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your claim, we request that you provide us with the following information:

1. A copy of the police and/or fire report.
2. For each person alleged injured: full name, date of birth, home address, marital status and name of spouse, social security number, occupation, a complete description of the injuries, the names and addresses of all treating physicians, and copies of all medical bills and reports.
3. Documentation to substantiate your defect allegation, including a copy of your expert's report and their original photographs.
4. Has the alleged defective part been repaired or replaced?
5. The present location of the alleged defective part and the vehicle.
6. A complete service history for the subject vehicle, including any tune-ups or oil changes.
7. We will be pleased to conduct non-destructive testing on your alleged defective part should you choose to remove the part and assembly and ship it at your own expense. Please follow the directions listed in the attached shipping instructions.
8. Has any insurance company been advised of this incident? If so, please state the name, address, and telephone number of those insurance companies; their

claim number; and the agent's name.

9. If an attorney has been retained by you to settle this claim, please include his/her name, telephone number, and address.

Once we are in receipt of the requested information, it will be reviewed and you will be notified of our decision concerning your claim. Should you not send all of the requested information and materials within 45 days, we will assume that you are not interested in pursuing a claim and we will close our file.

Please be advised that all necessary steps must be taken to ensure that the subject vehicle and all of its component parts are maintained and preserved for trial. Ford Motor Company has the right to inspect the vehicle and remove and test any component part that you claim to be defective, and to be presented with the vehicle and the subject component part(s) at the time of trial, should litigation ensue from this informal claim.

If you propose to repair the vehicle for continued usage, such repairs may not be performed until after Ford Motor Company has inspected the vehicle and removed and tested any component part you claim to be defective or advised you in writing that it does not intend to perform such inspection and/or testing at this time. But even in that event. Ford Motor Company will insist that all components claimed to be defective are maintained and preserved for trial.

Sincerely

Nadine Grabowski
Claims Analyst

dmb

OGC2

Accident

Specific Guidelines

Opening Criteria
Eligibility = NO Time or Mileage Restrictions

Categories:

1. Product Defect: Customer alleges a defective part caused the accident to occur.

2. Vehicle Surge: Customer alleges that the vehicle spontaneously accelerated and they lost control which resulted in an accident.

3. Airbag: Spontaneous Deployment causes driver to lose control and have an accident.

4. Hood Fly-Up: Customer alleges that hood flew up without provocation resulting in damage to the vehicle and/or other property.

5. Personal/Property Damage - No Accident:

   - Personal Damage = Defect caused damage to items that belong to a customer (e.g. customer tears pants on an exposed piece of seat frame or customer has luggage in the trunk and a water leak causes damage to the articles and they are seeking to have them cleaned or replaced).
   - Property Damage = Defect caused damage to something other than the vehicle (e.g., customer hits a mailbox because the brakes failed on the vehicle).

AIRBAG NUANCES

There is a fine line between what should be opened as a Legal vs. what should be handled normally by the CAC. Legal contacts are only appropriate when the customer alleges that the airbag SPONTANEOUSLY deployed and caused them to lose control and have an accident.

An example would be: A customer says they are driving over a rough road and the airbag deploys after the vehicle hits a pothole. As a result, the customer alleges they can't see where they are driving and the vehicle is involved in an accident.

CAC NORMAL HANDLING SCENARIOS (e.g., not a legal case):

Low Speed Collision:
Customer alleges that they hit another vehicle at 10 mph and their airbag INAPPROPRIATELY deployed. NOTE: there is NOT an allegation of a product defect in this scenario. They allege that the airbag should not have deployed at such a low speed. The customer is typically seeking to have FMC replace the airbag and related damage (e.g. broken windshield) as a result. This would NOT be a Legal contact. Typically the customer would be referred to their insurance carrier or the dealership to have the airbag sensors evaluated to see if they were malfunctioning at the time of the incident. This expense is NOT paid for by FMC. Either the customer can pay out-of pocket or the insurance company can pay for the evaluation.

Accident

Specific Guidelines. Cont.

<u>High Speed Collision:</u>
The reverse situation would involve a customer who alleges that they were driving at a highway speeds, were in an accident, and the airbag did NOT deploy as it should have. <u>NOTE: there is NOT an allegation of a product defect in this scenario</u>. Customer alleges that the airbag SHOULD have deployed at the rate of speed they were traveling. This would NOT be a Legal contact. Typically the customer would be referred to their insurance carrier or the dealership to have the airbag sensors evaluated to see if they were malfunctioning at the time of the incident. This expense is NOT paid for by FMC. Either the customer can pay out-of pocket or the insurance company can pay for the evaluation

Action Required

- Re-contact source of contact within 48 hours and advise of next steps.
  - ⇒ Make the initial contact to the customer (if no attorney is involved).
  - ⇒ Make the initial contact to the attorney (if there is an attorney involved, DO NOT CONTACT THE CUSTOMER).
  - ⇒ Contact the Dealer Service Manager.

- If the vehicle is beyond warranty and NO RECALLS APPLY:
  - <u>Refer customer to their insurance carrier</u>

- If the vehicle is beyond warranty but has a VALID ESP CONTRACT:
  - Try to determine if an ESP covered part may have caused the accident
  - See a Team Leader to review the case, if it has merit:
    - Redirect the Legal case using Action 'Redirect to Other'
    - Fax the file to Stacey Sanders (SSANDER2) at 39- 04884
    - Advise dealership if they do not hear from ESP Prior Approval within 24 hours they should call (800) 321-7790 to follow-up.
    - If it is determined that ESP will pay for repairs, and there is <u>property damage</u>, ESP will submit receipts or repair estimates to the LPA so that a direct check can be processed for that expense.

- If the vehicle is within manufacturer express warranty

1. Determine whether or not the customer's insurance company has agreed to settle the claim. If the insurance company has paid to have the vehicle repaired, Ford Motor Company will take no further action. The insurance company will subrogate Ford if they feel Ford is liable. Most insurance companies will refund deductibles paid if Ford is found liable.
2. In <u>rare</u> instances an insurance company may pay for all repairs, except the causal part. If this occurs, the causal part should be repaired and paid for under the Consumer Affairs, After Warranty Adjustment (AWA) commitment code which is P56.

Accident

Specific Guidelines. Cont.

3. If the customer's insurance company is NOT involved; determine whether or not the alleged CAUSAL part is under warranty. Verify that the causal part is a Ford COMPONENT.

   - If yes, Ford is obligated to pay for the mechanical repair. This should be paid as an AWA and submitted on a warranty claim using Program Code P96. In such an instance, Ford would not require a release on the covered component. If you determine that related damage will also be paid for, try to obtain a release for those repairs. If you are unable to get the customer to sign a release, document the reason in MORSIII/SMARTT

   - If no, the customer should be referred to their insurance carrier

   - Repairs due to causal parts that are AFTERMARKET components will NOT be reimbursed by Ford Motor Company

   - If you determine Ford will also pay for related damages, obtain a release for everything except the causal part, or document that customer refuses to sign release.

4. Coordinate the vehicle inspection. Contact EAA and have them inspect the vehicle. In some instances EAA may not be available due to geographic location. If this issue arises, see a Team Leader for instructions.

5 If it is not determined that a manufacturer's defect caused the accident, refer the customer to their insurance company.

- If the vehicle is covered by an OSP/Recall

  1. Follow the five steps listed above under the "if the vehicle is within manufacturer express warranty" heading.

Close the Legal contact with comments that contain all the pertinent details including the outcome, see pages 9 &10 for details.

Areas of Investigation for Vehicle Accidents

1. When reviewing all available records at selling/servicing dealer, consider the following:

   - Vehicle equipment is as manufactured by Ford Motor Company?
   - Vehicle equipment installed by dealer?
   - Any repairs due to prior accidents to the vehicle side structure?
   - Any repairs or service including collision which involved the following Systems?:

     <u>Throttle Linkage System</u>

     <u>Brake System</u> - The entire brake system should be visually checked for evidence of new and/or old fluid leakage including all fitting connections and brake hoses. The color of the brake fluid should be noted.

     <u>Power Steering System</u> - The power steering pump, mounting, pulleys and v-belt should be checked for any damage/deformation.

     <u>Automatic Transmission/Transaxle System</u> - Very important to have an extensive inspection on this system if the customer is alleging park/reverse problems.

     <u>Suspension System</u> - It should be noted if any abrasions on undercarriage or any frame, control arm or body support member deformation, wear or polishing.

     <u>Drivetrain</u>

     <u>Rear Axle Assembly</u>

     <u>Wheels</u> - Check tires and wheels for any damage or evidence of impact. The type and condition of the tires should be noted along with any abnormal wear conditions, tire pressures and any deflated tires.

2. Speak with the attorney/customer within 48 hours of receipt of the complaint to obtain description of the incident. This will be an opportunity for fresh, spontaneous and vivid description of the incident.

   - Was there a police report?
   - Time and date of accident?
   - Where did the accident occur?
   - What were the weather conditions at the time of accident?
   - Is the customer alleging the accident was caused by a component malfunction?
   - Clarify if any injuries to customer or other individuals which required medical attention.

3. Arrange for vehicle inspection. Proper documentation of all physical evidence is important for accurate and meaningful accident reconstruction. The physical evidence includes the subject vehicle, other vehicles or objects as well as the site. Photographs are extremely helpful in evaluating many product liability claims.

4. Site Inspection. If structure was involved or operating environment was a contributing factor or cause, an effort should be made to document physical evidence before damaged components are removed or repaired.

Fire

Specific Guidelines

Opening Criteria

- Within Bumper to Bumper Warranty or covered by an exception.*

* If an applicable Recall or OMP are open and refer to the alleged causal part, a LEGAL contact should be opened. Additionally, if a valid ESP Plan is on the vehicle, a LEGAL contact should be opened for re-direct to ESP Headquarters.

Action Required

- Re-contact source of contact within 48 hours and advise of next steps.
  - ⇒ Make the initial contact to the customer (if no attorney is involved).
  - ⇒ Make the initial contact to the attorney (if there is an attorney involved, DO NOT CONTACT THE CUSTOMER).
  - ⇒ Contact the Dealer Service Manager.
- If personal injury is alleged and the customer has sought or is seeking medical attention and reimbursement for medical bills, see the Personal Injury Tab, pg.11 for instructions.
- If the vehicle is beyond warranty and NO RECALLS APPLY:
  - Refer customer to their insurance carrier
- If the vehicle is beyond warranty but has a VALID ESP CONTRACT:
  - Try to determine if an ESP covered part may have caused the fire
  - See a Team Leader to review the case, if it has merit:
    - Redirect the Legal case using Action "Redirect to Other"
    - Fax the file to Stacey Sanders (SSANDER2)
    - Advise dealership if they do not hear from ESP Prior Approval within 24 hours they should call (800) 321-7790 to follow-up.
    - If it is determined that ESP will pay for repairs, and there is property damage, ESP will submit receipts or repair estimates to the LPA so that a direct check can be processed for that expense.
- If the vehicle is within manufacturer express warranty

1. Determine whether or not the customer's insurance company has agreed to settle the claim. If the insurance company has paid to have the vehicle repaired, Ford Motor Company will take no further action. The insurance company will subrogate Ford if they feel Ford is liable. Most insurance companies will refund deductibles paid if Ford is found liable.

2. In rare instances an insurance company may pay for all repairs, except the causal part. If this occurs, the causal part should be repaired and paid for under the Consumer Affairs, After Warranty Adjustment (AWA) commitment code which is P96.

Fire

Specific Guidelines

3. If the customer's insurance company is NOT involved; determine whether or not the alleged CAUSAL part is under warranty. Verify that the causal part is a Ford COMPONENT.

   - If yes, Ford is obligated to pay for the mechanical repair. This should be paid as an AMA and submitted on a warranty claim using Program Code P86. In such an instance, Ford would not require a release on the covered component. If you determine that related damage will also be paid for, try to obtain a release for those repairs. If you are unable to get the customer to sign a release, document the reason in MORSIII/SMARTT

   - If no, the customer should be referred to their insurance carrier

   - Repairs due to causal parts that are AFTERMARKET components will NOT be reimbursed by Ford Motor Company

   - If you determine Ford will also pay for related damages, obtain a release for everything except the causal part, or document that customer refuses to sign release.

4. Coordinate the vehicle inspection. Contact EAA and have them inspect the vehicle. In some instances EAA may not be available due to geographic location. If this issue arises, see a Team Leader for instructions. Generally, vehicles within bumper to bumper warranty are eligible for inspection:

   - 36 months/36,000 miles; Ford and Mercury products
   - 48 months/50,000 miles; Lincoln Products
   - However, consideration should be given to vehicles that are covered by an applicable exception

5. If it is not determined that a manufacturer's defect caused the fire, refer the customer to their insurance company.

- If the vehicle is covered by an OWP/Recall

  1. Follow the five steps listed above under the "if the vehicle is within manufacturer express warranty" heading.

- Determine the offer of assistance. If no assistance is being offered, refer the attorney/customer to the customer's insurance company.

Cash Settlements on Fire Damaged Vehicles

The LPA will be responsible for determining the following:

1. Is there a lien on the vehicle?

2. Where is the vehicle located?

Fire

Specific Guidelines

3. A Ford dealership that is willing to have the vehicle brought to their facility for inspection and who will NOT charge storage fees.

4. If storage fees will be charged by a non-Ford dealership facility, and how much they will be.

NOTE: Using a non-Ford dealer facility should be the EXCEPTIONAL case. If this situation arises, the LPA will need to fax a letter confirming the storage fees to the independent company for their concurrence

Customer will be responsible for:

1. Making the vehicle available for Ford to inspect (e.g., they will be responsible for paying to have the vehicle towed to a Ford dealership for inspection).

2. The towing cost will initially be at the customers expense. A goodwill reimbursement of the tow charges may be appropriate if there is a confirmed product defect.

3. <u>If the vehicle has been paid for</u>: Faxing in a copy of the title.

4. <u>If their is a lien on the vehicle</u>: Faxing in a copy of the title. Providing a copy of their finance agreement (if not available, they will be required to submit the name of their financial institution, phone/account numbers and their social security number).

******** THE BURDEN OF PROOF IS INCUMBENT UPON THE CUSTOMER ********

If it is determined that a Ford product defect caused the fire, the LPA should take the following actions:

1. Upon receipt of the title or financial institution information, send the customer an offer letter. DO NOT TENDER AN OFFER UNLESS THIS INFORMATION HAS BEEN PROVIDED BY THE CUSTOMER!!

2. After the signed offer letter is received, upload RAVFast.

   - Vehicles with NO lien should be uploaded as CASH deals
   - Vehicles WITH a lien should be uploaded as FINANCE deals

RAV Headquarters Responsibilities:

1. If a lien exists on the vehicle, RAV Headquarters will use the information provided by the LPA to confirm a payoff with the lending institution.

2. Send a packet to the dealership with the following information: Power of Attorney, Release, Odometer Statement (if applicable)- customer will sign over title at that time.

3. CoParts will arrange to pick up the vehicle within approximately 30 days. In most every instance there should be NO STORAGE FEES THAT ARE DUE.

4. Average turnaround timing from RAV upload to check distribution is 10 days.

Areas of Investigation for Vehicle Fires

1. When reviewing all available records at selling/servicing dealer, consider the following:

   - Vehicle equipment is as manufactured by Ford Motor Company?
   - Vehicle equipment installed by dealer?
   - Were there any repairs to the vehicle (including previous collision) which involved the following systems?:
     1. Cooling System
     2. Power Steering System
     3. Fuel System
     4. Exhaust System
     5. Electrical Systems
     6. Automatic Transmission/Transaxle System
     7. Hot Manifold Ignition Temperatures

2. Speak with the attorney/customer within 48 hours of receipt of the complaint to obtain description of the incident.

   - Was there a police or fire report?
   - Time of fire?
     -- Most arson fires occur between 2:30 a.m. and 4:00 a.m. and away from passersby.
   - Where was vehicle parked at the time of fire? A site inspection is recommended if at all possible.

3. Arrange for vehicle inspection. Photographs should be taken of the left and right side exterior, front and rear exterior, coolant, power steering fluid, automatic transmission/transaxle fluid, engine oil, fusible links - intact and open, fuses - proper size/intact/open-wiring insulation at fuse box, electric switch positions, catalytic converter-normal/expanded, body mounts - intact/burned, exhaust system - intact/modified/rusted through/clearance to body, fuel filler neck "lead free" restrictor - intact.

4. Site Inspection. If structure was involved or operating environment was a contributing factor or cause, an effort should be made to document physical evidence before damaged components are removed or repaired. Notes and photos of possible causes such as: building electrical, gas cans, water heaters, tall grass, dry leaves, ruts indicating vehicle was stuck, etc. should be taken. Also, a description of the ground should be noted if unusual spots exist.

5. Important points to remember when conducting a fire-related investigation:

   - The description of an instrument panel's fire damage should include mention of fuses. Are there any blown, which ones, and are any fuses of higher rating than should be?
   - Properly installed bulbs do not fall out; they must be pulled out.
   - Careless smoking or improperly routed tailpipes may also result in luggage compartment fires.
   - Ash Tray Fires - Flame and damage pattern in a "V" upwards from ash tray. There will be little damage at the instrument panel right and left extremities.

- A cigarette lighter fire as result of a stuck element will generally overheat the feed wire. The damage will be worse at the lighter and diminish as the wire is followed away from the lighter.
- Underdash fires may result in smoke notices first emanating from the defroster/heat ducts.
- Underhood fires send smoke and flame rearward under the vehicle if the vehicle is moving.
- Observe for smoke or fire damage at the door jamb area. This will assist in determining if the doors were open during the fire, and which doors.
- Hood open or closed? When the hood is closed, hood springs are stretched and will lose tension in a severe fire. A fire with the hood open will not likely cause a loss of tension in hood springs.

Areas of Investigation for Vehicle Fires, Cont'd.

6. Don't think gasoline "only" when investigating an underhood fire.

   - Coolant Fires - when engine coolant is under pressure, a small leak may spray coolant out. The water will quickly vaporize and the ethylene glycol may potentially ignite if there is a source of ignition. Account for proper radiator cap and all hose attachments.
   - Power Steering Fluid Fires - Power steering fluid may spray in a fan pattern. Account for all hose attachments and observe pump reservoir for path of fluid.
   - Automatic Transmission/Transaxle Fires - Overfill of automatic transmission or transaxle can cause fluid aeration and leakage onto hot exhaust system components.
   - Hydraulic Brake Fluid Fires - Look for hydraulic brake line modifications/connections which are not tight and leak fluid onto a hot exhaust system component.

-- Memo: Hot Manifold Ignition Temperatures

Degrees Fahrenheit	
1550	Gasoline
850	Diesel Fuel #2
1250	Diesel Fuel #1
760 - 870	Engine Oil
590 -- 855	Auto Trans/Transaxle Fluid
740 -- 900	Differential Lube
610 -- 800	Power Steering Fluid
680 -- 860	Hydraulic Brake Fluid
720 -- 1143	Ethylene Glycol
740	Washer Solvent

7. Supplemental Photographs - In fire cases, photographs showing all areas affected by the fire should be taken. If an underhood fire, pictures of both the left and right side of the engine compartment should be taken. Close-up pictures of fuel system, automatic transmission, power steering, cooling system, electrical system and exhaust system components, if potential contributing factors, are most useful. In addition, several photographs from different angles of fire "hot spots" should be taken.

It is of utmost importance photographs be taken from all angles of the vehicle's exterior and interior. In many instances, a determination must be made from the pictures taken if the vehicle is repairable or if it should be considered a total loss.

Description

When an attorney contacts Litigation Prevention on behalf of their client, there are laws and statutes that may be cited in their Demand Letters. They are:

<u>Revocation of Acceptance</u>

The buyer has established that the purchased goods do not conform to the contract and that their non-conformities <u>substantially</u> impair their value. Further, the buyer must revoke acceptance within a reasonable time and before any substantial change in the condition of the goods which is not caused by their own defects.

<u>Express Warranty</u>

Ford's New Vehicle Limited Warranty expressly provides that its authorized dealers will repair or replace warranted parts that are found to be defective within the prescribed warranty period.

<u>Implied Warranty</u>

An implied warranty of merchantability is given by statute to every new car buyer. The vehicle will provide for a minimum level of quality and will provide for the ordinary purposes for which it is used.

<u>Magnuson-Moss Act</u>

The Magnuson-Moss Warranty Act is plead to bootstrap attorney fees rather than as an independent cause of action. The Act allows recovery of attorney fees upon successful suit of an express or implied warranty under state law. The Act becomes applicable only in the event that the Plaintiff can prove a breach of express or implied warranty.

<u>Lemon Law</u>

Laws enacted to protect the rights of vehicle owners. See your specific Regional/State handbooks for details.

<u>Accepting Service</u>

Attorney wants to serve lawsuit papers to Ford Motor Company. Following is the address that should be provided:

Ford Motor Company
Office of the Secretary
Room 1187
The American Road
Dearborn, MI 48121

The following information has been extracted from a presentation made by the law firm, O'Melveny & Myers, to Ford Motor Company dated August 1995.

Warranties

Generally speaking, there are two kinds of warranties that potentially apply to motor vehicles: express warranties and implied warranties. When a consumer complains about an alleged defect in their vehicle, chances will be that he contends Ford has breached one or both of these warranties. The following discussion summarizes the major issues presented by allegations of breach of warranty.

Express Warranties

Express warranties are governed by UCC (Uniform Commercial Code) section 2-313, as enacted by the legislatures of various states (except Louisiana) and interpreted by the courts in those states. Section 2-313 provides that:

1. Express warranties by the seller are created as follows:

   a) Any affirmation of fact or promise made by the seller to the buyer which relates to the goods and becomes part of the basis of the bargain creates an express warranty that goods shall conform to the affirmation or promise.
   b) Any description of the goods which is made part of the basis of the bargain creates an express warranty that the goods shall conform to the description.

2. It is not necessary to the creation of an express warranty that the seller use formal words such as "warrant" or guarantee or that he have a specific intention to make a warranty, but an affirmation merely of the value of the goods or a statement purporting to be merely the seller's opinion or commendation of the goods does not create a warranty.

Ford offers an express warranty with respect to every vehicle it manufacturers in the form of a "limited written warranty". Thus, the starting point for evaluation of a vehicle defect claim will invariably be to determine whether there has been a breach of this limited written warranty.

Ford's Limited Written Warranty

The idea is that, at the time of initial sale, Ford and the customer agree on how to allocate the risk that the vehicle at some point would require repair - under its limited written warranty, Ford agreed to assume most of the repair risks during the warranty period, but after the warranty expires, the customer assumes all responsibility for repairs.

1. How Ford's Warranty Works

   Generally speaking, all Ford limited written warranties work the same way. They promise that (a) if a defect in the vehicle manifests itself in some fashion (e.g., by a malfunction) during the warranty period and (b) if the customer presets the vehicle to a Ford dealer within the warranty period, then Ford is obliged to repair the defect (if it is covered by warranty in the first place).

-- Prior to the early 1990's, most Ford warranty coverage periods were 12 month/12,000 miles. However, beginning several years ago, these coverage periods were generally expanded to 36 months/36,000 miles.

-- The Company also makes available "extended service plans" pursuant to which, for an added fee, repairs will be provided for defects that manifest after the expiration of the standard warranty.

Having identified the scope of the applicable warranty coverage, your next task is to determine whether a breach of warranty has occurred. Vehicle owners often assert that Ford's warranty promised that their vehicle would be defect-free at the time of delivery or that they would perform without flaw. This is wrong. Before there can be breach of Ford's limited written warranty, three events must occur:

1. Manifestation - - the vehicle must have malfunctioned) or the defect must have otherwise manifested itself) within the warranty period.

2. Presentment - - the customer must have presented the vehicle to an authorized Ford/Mercury dealer for warranty service within the warranty period.

3. Refusal - - the dealer must have refused to provide the requested warranty service.

2. Evaluating A Limited Written Warranty Claim

To determine whether a breach of the limited written warranty has occurred, you should obtain the following information:

- -When was the vehicle first sold?
- -What malfunction (if any) occurred?
- -What date did it first occur?
- -What was the mileage on the vehicle at the time?
- -Did the customer take the vehicle to a dealer and request warranty service?
- -Did the dealer provide warranty service?

Usually, one of the following fact patterns will emerge:

1. The malfunction did not occur until after the coverage period for that component part expired. In this event, Ford is not liable for breach of the limited warranty. It is the customer's responsibility to pay for necessary repairs.

2. The malfunction occurred during the warranty period, but the customer failed to present the vehicle to a Ford dealer for warranty service. If the vehicle is still under warranty, the proper response is to advise the customer to take the vehicle to a Ford dealership for warranty service. If the warranty has now expired, then Ford is not liable.

3. The malfunction occurred during the warranty period, the vehicle was properly presented for warranty service, but the repair did not solve the problem. These are the "hard" cases, as to which further investigation is necessary and judgment calls must usually be made.

-- You might begin by determining how many times the vehicle was presented for repair. If it was only once or twice, it may be argued that the customer did not give Ford an adequate opportunity to correct the problem. (Sometimes several repair attempts are required to identify the root cause of a problem and apply the definitive repair.) However, if repeated repair attempts have been made without success, the owner may have a viable breach of express warranty claim. (Alternatively, the owner may have a valid claim under the state lemon law.)

-- You might also determine whether the "problem" in fact continues to exist. If it appears that an objectively adequate repair has been made but that the customer is merely imagining a continued problem or is being unreasonable in his expectations, then Ford may be able to demonstrate that it has satisfied its warranty obligations. However, if the problem objectively appears "unfixable", Ford may be held liable for breach of warranty.

Express Warranties by Affirmation of Fact or Promise

Consumers often try to circumvent the restrictions in their limited written warranties by alleging that a separate express warranty may be inferred from the manufacturer's advertising. For example, they may contend that Ford advertising slogans such as "Quality is Job 1" created an aura that the vehicle would be perfect and therefore created a warranty to that effect under UCC section2-313, such that any imperfection in the vehicle (regardless of when (if ever) it manifests itself in a tangible way) gives rise to a claim for breach of express warranty

But UCC section 2-313 provides that, in order to rise to the level of an express warranty, the seller's statement must be one of "fact." "[A]n affirmation merely of the value of the goods or a statement purporting to be merely the seller's opinion or commendation of the goods does not create an express warranty under this provision. It must be an assertion of fact whose truth or falsity can be objectively measured (i.e., "this vehicle is designed to tow a two-ton trailer"). Vague opinion slogans such as "Quality is Job 1" are commonly viewed as non-actionable "puffing".

Implied Warranties

In every state but Louisiana, when a person buys a new product it is automatically covered as a matter of law by certain "implied warranties." These implied warranties supplement any express warranties that the manufacturer/seller may have provided. There are two kinds of implied warranties that commonly arise in disputes involving alleged vehicle defects: (1) the implied warranty of merchantability, and (2) the implied warranty of fitness for particular purpose.

1. **Implied Warranty of Merchantability**

In most states, when a person buys a new product it is automatically covered as a matter of law by an "implied warranty of merchantability" -- in short, the law implies a promise by the seller that the product is "merchantable".

Consumers who cannot mount viable claims for breach of Ford's limited written warranty will often contend that the presence of a latent defect in the vehicle (which may or may not have manifested itself during the warranty period) rendered the vehicle "unmerchantable" at the time it was sold.

a) **"Vertical Privity" Considerations**

In assessing the viability of an owner's implied-warranty-of-merchantability claim, the first issue to consider is whether the state in which the owner resides allows a consumer to bring an implied warranty claim against a remote manufacturer like Ford. Ford does not sell directly to consumers, dealers do, therefore Ford Motor Company is considered a remote manufacturer.

In many jurisdictions, a customer may assert a claim for economic losses based on breach of implied warranty only against a person with whom they are "in privity". In other words they can only bring an implied warranty claim only against the person from whom they directly bought the product, not the manufacturer with whom they did not enter into a direct sales contract.
In all states, except those listed below, it is appropriate for Ford to oppose an implied warranty claim on the grounds of lack of privity. Some cautionary notes in regard to vertical privity:

-- These states DO NOT have a vertical privity requirement: Arkansas, Colorado, Delaware, Hawaii, Iowa, Maine, Massachusetts, Minnesota, Mississippi, New Hampshire, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia and Wyoming.

-- Also, state law privity requirements are all over the lot and often involve case-specific considerations. Further, they are constantly subject to judicial and legislative refinement and there applicability is sometimes unclear.

Consequently, it would be wise to research the current law in this area as it applies to the particular claimant before taking a definitive position on the availability of vertical privity as a defense to an implied warranty claim.

b) What Does Merchantable Mean?

If a vertical privity defense is not available, the next consideration should be whether, under the facts presented, the consumer's vehicle could be considered un"merchantable". Essentially, the implied warranty of merchantability is designed to guarantee that a good will be of at least minimally adequate quality at the time of delivery.

Although UCC section 2-314 (which describes the implied warranty of merchantability) does not define "merchantability, it provides six criteria for assessing whether a good is merchantable. Probably the most frequently applied test is whether the goods are:

"fit for the ordinary purposes for which such goods are used"

Inasmuch as motor vehicles are ordinarily used for driving on roads, a court's inquiry typically will involve the question whether the vehicle is:

"capable of providing basic transportation"

This does not mean that the vehicle must operate perfectly, that it must never wear out, or that it must be capable of performing unusual feats. On the other hand, if the defect renders the driver unable to use the vehicle under normal conditions, it may be viewed as "unmerchantable".

As a practical matter, assessing whether the consumer may have a viable implied warranty of merchantability claim will be a judgment call based on the totality of the circumstances. Some factors to consider, however, are the following:

-- Has the alleged defect actually manifested itself? If so, the vehicle is more likely to be viewed as unmerchantable. If not, such a finding is less likely.

-- How old was the vehicle before the problem occurred? If the owner was able to drive the vehicle for several years before the problem occurred, it is less likely that a court will consider the vehicle to have been unmerchantable at the time of sale.

-- How serious is the problem? If the problem is largely cosmetic, does not render the vehicle unsafe or undriveable, or is something that one would readily expect to occur on a vehicle, it is <u>less</u> that the vehicle will be viewed as unmerchantable. If it is a safety problem, renders the vehicle essentially inoperable, or is unusual, the vehicle may be found unmerchantable.

2. Implied Warranty of Fitness for Particular Purpose

The implied warranty of fitness for particular purpose is narrower and more precise than the implied warranty of merchantability. UCC section 2-315 provides that:

> Where the seller at the time of contracting has reason to know any particular purpose for which the goods are required and that the buyer is relying on the seller's skill or judgment to select or furnish suitable goods, there is unless excluded or modified...an implied warranty that the goods shall be fit for such purpose.

Unlike the implied warranty of merchantability, the implied warranty of fitness does not arise automatically in all sale-of-goods transactions. Instead, for the warranty to arise:

(1) the goods must be bought for a particular purpose,
(2) the seller must at the time of sale be aware of this particular purpose, and
(3) the buyer must have relied on the seller's "skill or judgment" to select suitable goods.

The prototypical situation in which the implied warranty of fitness may arise is when the buyer walks into a store and advises the sales representative of a specific, unusual purpose for which he needs a product and the sales representative recommends that the buyer purchase a certain model to accomplish that purpose.

In considering whether a consumer may have a viable implied warranty of fitness claim against Ford, you should take the following factors into account:

-- Does the consumer live in a state where "vertical privity" is required? If so, Ford has a valid defense to this claim.

-- Did the owner advise the dealer of a "particular purpose" for which he wanted his vehicle? A "particular purpose" is distinct from the "ordinary purpose" for which the vehicle is purchased. It is rare that a claimant will be able to satisfy this requirement inasmuch as most consumers will not be able to say anything more than that they advised the dealer that they wanted a high quality, dependable vehicle. But there is plenty of case law holding that buying a car for the purpose of providing safe, reliable transportation is only a "general purpose" -- not a "particular purpose" giving rise to an implied warranty of fitness.

<u>The Statute of Limitation Defense</u>

Typically, an express or implied warranty claim will be governed by the statute of limitations in UCC section 2-725 as adopted by that state. That section provides that one must bring a breach of warranty claim within four years after tender was made, regardless of whether the consumer knew of the breach. In this respect, this statute varies from others, which normally do not begin running until the plaintiff discovered the claim.

-- In Mississippi, Wisconsin, and South Carolina, the period is six (6) years.

-- This section makes an exception if the warranty at issue explicitly addresses future performance:

  -- Is a promise to repair (like Ford's limited written warranty) such a warranty? Most courts have said "no."
  -- By definition, an implied warranty of merchantability - which addresses the quality of the product at the time of sale - does not address future performance.
  -- Moreover, since it is "implied" it cannot be explicit.

-- The statute of limitations ("when one may bring an action to obtain a remedy") should not be confused with the warranty period ("the period during which a breach of warranty may have occurred").

<u>Remedies for Breach of Warranty</u>
If a breach of warranty (either expressed or implied) has occurred, the buyer generally has a choice between two remedy routes (1) he can cancel the sale, or (2) he can keep the vehicle and sue for damages from the breach of warranty.

1. Cancellation of Sale

If a breach of warranty has occurred, the buyer may cancel the sale by rejection (under UCC 2-602) or by revocation of acceptance (under UCC 2-607). The buyer may in addition, seek damages.

a) **Rejection**

Rejection of the sale is only available before the buyer has legally accepted the vehicle. Rejection is available for any breach of warranty, but the burden is on the seller to show that no breach has occurred. Based on the assumption that most defect complaints Ford receives occur after the customer has accepted his vehicle, it is unlikely that you will often be presented with a rejection scenario.

b) **Revocation of Acceptance**

A buyer may revoke his acceptance of the vehicle when the breach of warranty substantially impairs the value of the vehicle to the buyer. Further, the burden is on the buyer to show breach of warranty. Generally speaking, there are five conditions that must be met for a buyer to revoke his acceptance.

1) The non-conformity must substantially impair the value of the vehicle to the buyer;

   ⇒ In car cases, a defect that substantially interferes with the normal operation or enjoyment of the car will be necessary in order to justify a revocation. Obviously, this will be a judgment call in many cases, and will be dependent upon the law of the state whose law governs.

2) The buyer must have been justifiably unaware of that non-conformity when he accepted, or, if he knew about it, reasonably assumed the seller would cure it;

3) The revocation must occur within a reasonable time after the buyer discovers or should have discovered the non-conformity;

4) The goods must be in essentially the same condition as when delivered, except for damage caused by the non-conformity; and

5) The buyer must notify the seller of the revocation

c) **Damages**

If the buyer rejects or revokes his acceptance of the vehicle, he may under the UCC obtain a refund for all money paid toward the purchase price, plus incidental and consequential damages. He also may be able to recover any extra cost incurred in buying another car ("cover").

The Ford limited written warranty, however, states that "Ford and your dealer are not responsible for any time that you lose, for any inconvenience you might be caused, for the loss of your transportation, or for any other incidental or consequential damages you may have." States vary in the extent to which they will enforce this kind of limitation of damages clause.

2. **Keeping the Vehicle and Suing For Damages**

Alternatively, the buyer may keep his vehicle and sue for damages under UCC 2-714. Damages generally are measured by the difference between the value of the vehicle as warranted and it's value as delivered. In motor vehicle cases, the cost of repair is frequently used as a measure of the difference in value. Alternatively, a court might take the difference between the purchase price and the current resale price (minus normal depreciation).

Again, although the UCC generally authorizes recovery of incidental and consequential damages, Ford's limited written warranty purports to exclude such damages.

3. **Limitations on Buyer's Remedies**

There are three major limits on the buyer's right to cancel and to damages.

-- First, UCC section 2-607 (3) requires the buyer to give the seller notice of breach within a reasonable time after the buyer discovered or should have discovered the non-conformity in the vehicle. If the buyer fails to give this notice, he is barred from all remedy.

-- Second, the seller may have aright pursuant to UCC section 2-508 to cure the non-conformity when the buyer tries to cancel the sale by rejection. Failure to allow the seller the opportunity to correct the non-conformity when the seller has that right renders the attempted cancellation ineffective an wrongful.

-- Third, as noted above, many states will enforce limitations on buyer's remedies written into the warranty itself.

Lemon Laws

All fifty states now have statutes that compel automobile manufacturers to give purchasers a refund or replacement vehicle if, after a reasonable number of attempts at repair, the vehicle fails to conform to the terms of the warranty. These "lemon law" statutes vary in many respects from state to state and it is therefore crucial that you analyze the claim by reference to the appropriate statute.

The basic elements of a typical new car lemon law are:

⇒ If the manufacturer,
⇒ After being notified by the consumer,
⇒ Does not conform the new motor vehicle to the applicable warranties,
⇒ After a reasonable number of attempts,
⇒ The manufacturer shall accept return of the motor vehicle and replace the motor vehicle with a comparable motor vehicle, or
⇒ Return the buyer's purchase price,
⇒ Less a reasonable allowance for use.

1. **Evaluating a *Lemon* Law Claim**

In evaluating the validity of a potential lemon law claim, the following issues should generally be considered:

-- Is the vehicle covered under the lemon law? Lemon laws generally cover all "passenger motor vehicles". Although this may conceivably eliminate certain vehicles manufactured by Ford (e.g., large commercial trucks) the vast majority of Ford vehicles would probably fall within the law.

-- Is the owner covered under lemon law? Lemon laws in some states apply only to "consumers" who are defined as persons who bought their cars primarily for "personal, family or household purposes." Thus a person who bought the car primarily for use in a business may be excluded from coverage.

-- Did the non-conformity arise during the lemon law period? Most new car lemon laws apply only to non-conformities in a car that arise either during the term of the express warranty or within one year, whichever comes first. (Some states have expanded this coverage to two years.) Thus, you should determine when the defect first manifested itself in the vehicle.

-- Is the defect covered by lemon law? Most lemon laws protect consumers only from defects covered by express warranties. As a practical matter, any defect in a component part covered by Ford's warranty will fall within the scope of the lemon law. Note: in some states, the defect must result in a "substantial impairment" in the use, value and safety of the vehicle.

-- Has the consumer complied with applicable notice and right-to-cure requirements? The lemon laws require consumers to notify the manufacturer of the defect and give the manufacturer a reasonable opportunity to cure the defect prior to initiating any lawsuit. Because lemon law claims often arise after several allegedly unsuccessful repair attempts have been made, the question arises, at what point (in terms of number of repair attempts) does a lemon law claim arise? Although state laws once again vary on this issue, the consumer's refund/replacement rights are often triggered after:

⇒ the manufacturer unsuccessfully makes three or four repair attempts,

or

⇒ the vehicle has been out of service for 30 days or more

-- Has the consumer abused the vehicle? If it can be shown that the problem in the vehicle stems from the owner's abuse, neglect or unauthorized modifications to the vehicle, then lemon law remedies are not available.

2. Remedies Under a Lemon Law Claim

New car lemon laws provide that, after the manufacturer has had a reasonable number of attempts to cure, the manufacturer shall replace the defective vehicle or refund the purchase price. Most state lemon laws give the consumer the option of choosing between replacement or refund, although some states allow the manufacturer to choose. The consumer must return the car to the manufacturer.

a) Replacement

State laws vary concerning the guidelines for selecting the replacement vehicle. Some states require the manufacturer to provide a "new and comparable" vehicle, others just a comparable (but not necessarily new) vehicle, others just a new (but not necessarily comparable) vehicle, and still others a comparable vehicle that is "acceptable to the consumer"

This of course raises the question of what is a "comparable" vehicle, especially where, because of the passage of time or the unavailability of a vehicle that is identical in all respects to the consumer's vehicle, a dispute may occur concerning the selection of the replacement vehicle. There are no explicit guidelines to resolve this questions. Essentially, the adequacy of the manufacturer's proposed replacement vehicle turns on whether a reasonable person would consider the vehicle comparable.

b) Refund

Many lemon laws require that the manufacturer refund the "purchase price", which may or may not include collateral charges such as sales tax and registration fees. A few laws require that the manufacturer reimburse the consumer for incidental or consequential damages.

Deceptive Trade Practices

All fifty states have enacted statutes prohibiting unfair or deceptive trade practices. Although arguably drafted to address instances of classic consumer fraud, consumers frequently invoke these statutes when suing automobile manufacturers over alleged defects because the statutory language is so vague and because the remedies often are quite generous.

The Texas Deceptive Trade Practice Act (DTPA), is an example. The statute generally declares it is unlawful for a seller to engage in "false, misleading or deceptive acts or practices" and then provides a laundry list of unlawful practices. In vehicle defect cases, plaintiffs typically invoke the broadest definitions in support of their claim (i.e., that Ford "represent[ed] that goods ...have... characteristics, ingredients, uses, benefits... which they do not have" or "represent[ed] that goods... were of a particular standard, quality or grade...when they were, in fact, of another").

Most states allow consumers to sue manufacturers directly under the deceptive trade practice statutes, and the remedies authorized for a successful claim. The Texas DTPA is among the more pro-consumer statutes, authorizing the consumer to obtain three times his compensatory damages for knowing violations of the Act, plus attorney's fees.

In resisting a deceptive trade practice act claim, you might consider the following defenses:

-- Statute of limitations. Limitations periods for these kinds of claims vary widely. In Texas, the period is two years from the date of the allegedly unlawful act, or the date when, by reasonable diligence, the plaintiff could have discovered the act. Inasmuch as plaintiffs generally attack representations allegedly made by Ford at the time of sale, the limitations period arguably should e gin to run at the time of initial sale (although this would arguably be a matter of debate).

-- Failure adequately to allege deceptive practices. Typically, the Ford representations that a plaintiff invokes to support a deceptive trade practice claim are vague advertising slogans such as "Quality id Job 1". We have usually opposed such claims using the same arguments used above in connection with alleged express warranties by advertisement -- that these are not statements of fact upon which anyone could reasonably rely, and hence cannot be actionable under the statute. Whether such an argument succeeds or fails will typically be difficult to predict, inasmuch as judges often view this issue as falling within the province of a jury, whose behavior is difficult to predict.

-- Failure to comply with notice and cure provisions. Many states (including Texas) require a claimant to provide the defendant with written notice of the alleged violation and give the defendant a reasonable opportunity to cure the violation before bringing suit. Plaintiffs often overlook this prerequisite in their zeal to pursue litigation, however courts generally will enforce the requirement.

Redhibition

As mentioned earlier, in all states but Louisiana, when a person buys a new product it is automatically covered as a matter of law by certain implied warranties. In Louisiana, the Redhibition Act dates back to the Louisiana Civil Code of 1870 and is analogous to an implied warranty.

Following are several articles from the 1993 Revision to the Louisiana Civil Code to consider when evaluating claims for redhibitory defects:

Art. 2520 Warranty against redhibitory defects

The seller warrants the buyer against redhibitory defects, or vices, in the thing sold.

A defect is redhibitory when it renders the thing useless, or its use so inconvenient that it must be presumed that a buyer would not have bought the thing had he known of the defect. The existence of such a defect gives a buyer the right to obtain recission of the sale.

A defect is redhibitory also when, without rendering the thing totally useless, it diminishes it's usefulness or its value so that it must be presumed that a buyer would still have bought it but for a lesser price. The existence of such a defect limits the right of the buyer to a reduction of the price.

Art. 2521 Defects that are made known to the buyer or that are apparent

The seller owes no warranty for defects in the thing that were known to the buyer at the time of sale, or for defects that should have been discovered by a reasonably prudent buyer of such things.

Art. 2522 Notice of existence of defect

The buyer must give the seller notice of the existence of a redhibitory defect in the thing sold. That notice must be sufficiently timely as to allow the seller the opportunity to make the required repairs. A buyer who fails to give that notice suffers diminution of the warranty to the extent the seller can show that the defect could have been repaired or that the repairs would have been less burdensome, had he received timely notice.

Such notice is not required when the seller has actual knowledge of the existence of a redhibitory defect in the thing sold.

Art. 2524 Thing fit for ordinary use

The thing sold must be reasonably fit for its ordinary use.

When the seller has reason to know the particular use the buyer intends for the thing, or the buyer's particular purpose for buying the thing and that the buyer is relying on the seller's skill or judgment in selecting it, that thing sold must befit for the buyer's intended use or for his particular purpose.

If the thing is not so fit, the buyer's rights are governed by the general rules of conventional obligations.

Art. 2529 Thing not of the kind specified in the contract

When the thing the seller has delivered, though in itself free from redhibitory defects, is not of the kind or quality specified in the contract or represented by the seller, the rights of the buyer are governed by other rules of sale and conventional obligations.

Art. 2530 Defect must exist before delivery

The warranty against redhibitory defects covers only defects that exist at the time of delivery. The defect shall be presumed to have existed at the time of delivery if it appears within three days from that time.

Art. 2531 Liability of seller who knew not of the defect

A seller who did not know that the thing he sold had a defect is <u>only bound to repair, remedy or correct the defect. If he is unable or fails so to do, he is then bound to return the price to the buyer with interest from the time it was paid</u>, and to reimburse him for the reasonable expenses occasioned by the sale, as well as those incurred for the preservation of the thing, less the credit to which the seller is entitled if the use made of the thing, or the fruits it has yielded, were of some value to the buyer.

A seller who is held liable for a redhibitory defect has an action against the manufacturer of the defective thing, if the defect existed at the time the thing was delivered by the manufacturer to the seller, for any loss the seller sustained because of the redhibition. Any contractual provision that attempts to limit, diminish or prevent such recovery by a seller against the manufacturer shall have no effect.

Art. 2532 Return of the thing, destruction of the thing

A buyer who obtains recission because of a redhibitory defect is bound to return the thing to the seller, for which purpose he must take care of the thing as a prudent administrator, but is not bound to deliver it back until all his claims or judgments, arising from the defect are satisfied.

If the redhibitory defect has caused the destruction of the thing the loss is borne by the seller, and the buyer may bring his action even after the destruction has occurred.

If the thing is destroyed by a fortuitous event before the buyer gives the seller notice of the existence of a redhibitory defect that would have given rise to a recision of the sale, the loss is borne by the buyer.

After such notice is given, the loss is borne by the seller, except to the extent the buyer has insured the loss. A seller who returns the price, or a part thereof, is subrogated to the buyer's right against third persons who may be liable for the destruction of the thing.

Art. 2534 Prescription

The action for redhibition against a seller who did not know of the existence of a defect in the thing sold prescribes in four years from the day delivery of such thing was made to the buyer or one year from the day the defect was discovered by the buyer, whichever occurs first.

The action for redhibition against a seller who knew, or is presumed to have known, of the existence of a defect in the thing sold prescribes in one year from the day the defect was discovered by the buyer.

In any case prescription is interrupted when the seller accepts the thing for repairs and commences anew from the day he tenders is back to the buyer or notifies the buyer of his refusal or inability to make the required repairs.

Art. 2541 Reduction of the Price

A buyer may choose to seek only reduction of the price even when the redhibitory defect is such as to give him the right to obtain recission of the sale.

In an action for recission because of a redhibitory defect, the court may limit the remedy of the buyer to a reduction of the price.

Evaluating Repair Attempts:

A repair is defined as the replacement of a part or an adjustment.

Maintenance, no problem found (NPF) repair orders and non-manufacturer repairs are not considered a repair attempt; e.g., collision repair, tire repair, etc. NPF repairs are intended to compensate dealers for abnormal diagnosis and must be used within Company guidelines.

Note: A jury may interpret multiple NPF repair orders as a repair attempt; however, NPF is not considered a repair attempt under the law.

Repair Attempt Examples:	Non-Repair Attempt Examples:
Door Adjustment	Damaged/Dented Door
Front End Alignment	Oil Change
Deglazing Brake Pads	SBDS Hook-Up (DIAG)
Recharge A/C	Remove Nail From Tire

In addition to NPF Diagnosis Repairs, Non-Defect Part Replacement/Adjustments can create non-defendable cases for the following reasons:

1) Confirms to the customer that a defect exists
2) When paid for under warranty, confirms to the customer that Ford agreed that a defect exists

Non-Defect repair orders, if properly documented, can be helpful. If a defect does not exist, and the dealership makes an adjustment or replaces a part, that visit counts as a Lemon Law repair attempt. In addition, if there is no defect in Ford materials or workmanship and the dealership makes an adjustment or replaces a part, that repair is non-reimbursable under warranty.

Non-conformities which are (subsequently) verified after the presumption of the law should be reviewed carefully for NPF/Non-Defect repairs before declining assistance. Should a lawsuit be filed, the courts may rule in favor of the customer. Each case should be reviewed on a case-by-case basis with a team leader.

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