

EA02-025

FORD

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APPENDIX N

BOOKS 44 OF 61

PART 1 OF 4

Field Contact Sales-Related Concerns



A contact involving sales issues will be opened as a Region Contact and coded "sales." Examples of some sales issues include:

- Purchase deposits
- Misrepresentation of new or used vehicles
- Used vehicle warranties
- Purchase price misrepresentation
- Delivery problems
- Rebates
- Finance and insurance concerns
- Misbuilt/mis invoiced vehicles

Sales Contacts can be opened for information, Regional involvement or Priority Contacts. A Sales Contact is identified as a "2" in the SERV/SALES indicator on the MORSH contact screen. When a customer indicates there are both sales and service issues, the contact is opened as a Concern Contact and the sales issues are noted in the comments.

DEALERSHIP RESPONSIBILITIES

- Receive contact the morning after opening, review the customer's sales history and phone the customer the SAME DAY.
- Work with the Ford/Lincoln Mercury Vehicle Division Representative to resolve the concern.
- Notify the Ford/Lincoln Mercury Vehicle Division Representative when the concern is resolved and the case can be closed.

Field Contact Sales-Related Concerns

(Continued)

FORD/LINCOLN MERCURY VEHICLE DIVISION REPRESENTATIVE RESPONSIBILITIES

- Contact the customer upon receipt of the sales contact.
- Work with dealership to resolve the customer's concern.
- Recontact the customer after resolution of the concern.
- Submit closing comments via MORSEII to indicate actions taken to resolve concern.

FCSD REGIONAL CUSTOMER SERVICE MANAGER RESPONSIBILITY

- Assist the Vehicle Division Representative or dealership, as required, to resolve concern.

Additional Comment Contact

When a customer recontacts the NACAC with information pertinent to an open or closed contact, an Additional Comment Contact is generated.

Some examples of Additional Comment Contacts are:

- A customer recontacts the NACAC and requests further assistance on an Information or Concern Contact that is currently open. (These will appear within the call-back ratio information in the Customer Handling Composite Report.)
- A contact is updated (e.g., customer address, phone number).
- A dealership and/or Ford Customer Service Manager decision can be supported.



DEALERSHIP RESPONSIBILITIES

- Receive a copy of the Additional Comment Contact the morning after it is generated.
- When appropriate, acknowledge to the customer the receipt of the additional information.
- Continue to work toward resolution and closure of the original contact if it is still open.
- Generate Additional Comment Contact, as necessary, to provide status or additional information.

Additional Comment Contact
(Continued)

FCSD REGIONAL CUSTOMER SERVICE MANAGER RESPONSIBILITIES

- Receive a copy of the Additional Comment Contact.
- Follow up with the dealership when the additional information warrants attention.
- Assist the dealership with the resolution of the concern when the additional information warrants assistance. There are no limits to the number of Additional Comment Contacts which can be made.

Commonly Asked Questions



Q. Why did I receive a contact when it states in the comments the customer hasn't contacted the dealership?

A. Contacts are opened when there is action required by the dealership to resolve the concern.

Q. Won't the contacts count against me?

A. No, the DMV's emphasis is on processes (contacting the customer after receipt), not on contact ratio.

What is a Priority Contact?



A request for assistance that requires FCSD Customer Service Manager involvement and a resulting closing report is classified as a Priority Contact.

A Priority Contact must be closed by Consumer Intervention or Special Liaison. The dealership or Region cannot close a Priority Contact. The Region can only put a Priority Contact into a "pending" status by filling out the Closing Report. Priority Contacts include but are not limited to:

Consumer Intervention:

- State, federal or local consumer protection agency requests
- State attorney general requests
- Better Business Bureau referrals

Special Liaison:

- Media referrals
- State legislative referrals
- Federal department, U.S. Congressional and Senatorial referrals
- Referrals from company executives requesting closing reports
- UAW Quality Committee referrals

Due to the high visibility of Priority Contacts, it is in the best interests of the dealership and Ford Motor Company that they be handled quickly and that detailed closing information be provided to facilitate an accurate and timely response by Consumer Intervention or Special Liaison. Every effort should be made to bring a Priority Contact to conclusion within 14 days.

The Process



- Upon receipt of a request for customer assistance, Consumer Intervention or Special Liaison sends an acknowledgment letter or postcard to the referral agency (and customer, if appropriate) indicating a copy of the request has been forwarded to the dealership and Regional Office for handling. The customer is told he/she will be contacted by a company representative.
- The contact is sent to the dealership and Region electronically. Necessary backup correspondence is faxed/mailed to the Regional Office.
- Upon receipt of the Priority Contact, the customer must be contacted and advised of planned action by the dealership and/or Ford Motor Company.
- The FCSD Customer Service Manager should monitor the dealership closely to ensure the matter is being properly handled.

Region Recontact Procedures



A telephone follow-up contact to the customer by the FCSD Customer Service Manager must be made prior to submitting the Priority Contact closing report in MORSE to Consumer Intervention or Special Liaison. The customer should be asked these specific questions:

- Were all the concerns you reported to Ford resolved to your satisfaction?
- Are you expecting any further action from us or your dealership?

All contacts made by the FCSD Customer Service Manager and dealership should be documented in the MORSE Priority Contact file.

If the Regional Office is unable to reach a customer by telephone, a letter should be sent by certified mail to the customer. The customer's response will indicate if the problem has been resolved or if further action is required. If the customer does not respond within 10 days, the file should be submitted to Consumer Intervention or Special Liaison with a copy of the letter.

Consumer Intervention or Special Liaison is then responsible for closing the case.

Closing Procedures

A Regional Office representative must complete and enter the Priority Closing Information in MORSE for review by Consumer Intervention or Special Liaison. This will put the contact in a "Pending" status. Consumer Intervention or Special Liaison will review these pending files and either approve or reject the closing.

Customers Who Remain Dissatisfied



All Priority Contacts indicating the owner remains dissatisfied should clearly state the owner's expectations and be forwarded to the Regional Office Operations Manager or his/her designate for review, with recommendations for possible alternative actions. If no alternative action is recommended, the Regional Office Operations Manager should concur with the closing comments.

Commonly Asked Questions



Q. What is the maximum period of time allowed to bring a Priority Contact to conclusion?

A. Every effort should be made by the dealership and Ford Motor Company to bring a Priority Contact to conclusion within 14 days.

Q. Can the dealership or Regional representative close a Priority Contact?

A. No. Only Consumer Intervention or Special Liaison can close a Priority Contact.

Q. What type of comments are required to close a Priority Contact?

A. A detailed description of the resolution/decision.

Q. Who reads the closing report?

A. The agency or executive initiating the request.

What is Media Awareness?



There are two scenarios with the media that might impact dealership operations in both service and sales departments:

- A story in the national or local media that causes a customer to contact your dealership with questions or concerns about the event. Examples might be a large recall announcement, an investigative story, or a National Highway Traffic Safety Administration (NHTSA) investigation announcement. Often, these reports are not completely accurate or not out into an appropriate perspective which causes increased customer anxiety. In most cases, customers simply want accurate information and instructions on what to do if they believe their vehicle is involved.
- A representative from the local or national media contacts someone within your dealership either with questions about a specific customer's vehicle or looking for comments about a more general event.

What to Do



If there is a story in the media that is causing your customers to contact you with questions or requests for clarification, look for all available information about the subject that might have been sent from Ford Motor Company to your dealership via:

- OASS
- DOES II
- COMBAT
- TIGON message from the Regional Office
- FORDSTAR broadcast
- Mail (regular/overnight)
- FAX or E-Mail

What to Do (Continued)

If there is no information available from Ford at the time of the media event, take the following steps:

- Contact your Customer Service Manager and let him/her know what types of questions you are receiving from customers with regard to the media event.
- Inform all your frontline people of what the proper response is and what actions to take if a customer's vehicle is involved. This would include:
 - Service Advisors
 - Sales Consultants
 - Cashiers
 - Parts Department Personnel
 - Switchboard Operators
 - Anyone in the dealership who interacts with customers

What to Do (Continued)

- To ensure a consistent and accurate message, we recommend that you hold a meeting with everyone involved in answering a customer's inquiry about a media event. This would allow you to answer questions from these people as well as collect questions that the information from Ford does not address. This could then be passed on to the Customer Service Representative.

If you still do not have an appropriate response from Ford Motor Company, be truthful with the customer and let him/her know that you will respond with the most up-to-date and accurate information when it becomes available.

Do NOT:

- Speculate what Ford may or may not do
- Rely on rumors for information to tell the customer
- Guess what action you should tell the customer to take
- Tell the customer it is Ford's problem and he/she should call the North American Customer Assistance Center

What to Do (Continued)

If anyone in your dealership is contacted by the media looking for a response about a media event involving a Ford Motor Company issue, take the following steps:

- Instruct dealership personnel to inform the reporter that Ford Motor Company has a Public Affairs Office that will answer any questions from the media.

The contact is:

Ford Public Affairs Office

800-665-1515

- Do not attempt to give a comment on behalf of Ford Motor Company.



What Is the Customer Handling Diagnostic Report?



The Customer Handling Diagnostic Report (FCSD-96/100) contains important information and provides you with a "snapshot" of key customer handling measurements. It is published monthly and can be used to evaluate your dealership's individual customer handling. (Note that the dealership version of this report is FCSD-96/100-D.)

How to Read the Customer Handling Diagnostic Report

1. CERTIFICATION

This section lists the eligible positions for certification and the number of people certified for those positions for the current year and previous year.

2. PRODUCT CONCERNS (SYMPTOM CODES)

Product Concerns displays the five leading vehicle concerns as reported to the NACAC by retail customers for the measured month and year to date (YTD).

3. NON-PRODUCT CONCERNS (REASON CODES)

Non-Product Concerns displays the five leading non-product concerns as reported to the NACAC by retail customers for the measured month and YTD.

4. MORSII CONTACT DATA

This area contains MORSII contact data, divided into two subsections: Contacts (based on the opening date of the contact) and Average Handling Days (based on the opening and closing dates of the contact). Data is provided for the measured month, six prior months, year to date and prior year to date (PYD). For additional information on Specific Contact types, please refer to the MORSII section.

How to Read the Customer Handling Diagnostic Report (Continued)

5. VIEWPOINT

This section displays the measured dealership's performance in three month increments, twelve month, +/- three month prior year and +/- twelve month prior year.

- **Was Concern Resolved** — The percentage of respondents selecting "Yes" to the question "Was the concern(s) resolved?" on the Customer Viewpoint Service Survey for the measured time frame.
- **Concerns With Dealer Handling** — The percentage of respondents selecting "Yes" to the question "Did you have any concerns with the dealership's handling of your service experience?" on the Customer Viewpoint Service Survey for the measured time frame.
- **Dealer Knowledge of Concern** — The percentage of respondents selecting "Yes" to the question "Did you let the dealership know about this concern(s)?" on the Customer Viewpoint Service Survey for the measured time frame.
- **Service Experience** — The percentage of respondents selecting "Completely Satisfied" to the question "Ability of dealership to answer your questions or resolve your concerns after service the first time you asked" on the Customer Viewpoint Service Survey for the measured time frame.
- **Service Follow-up (Call)** — The percentage of respondents selecting "Yes" to the question "Did you receive a follow-up call from the dealership?" on the Customer Viewpoint Service Survey for the measured time frame.
- **Service Follow-up (Timeliness)** — The percentage of respondents selecting "Excellent" to the question "Timeliness of follow-up call from the dealership, if received" on the Customer Viewpoint Service Survey for the measured time frame.

How to Read the Customer Handling Diagnostic Report (Continued)

6. CONCERN RESOLUTION

This section displays the measured dealership's performance for the current month, three prior months, year to date (YTD) and prior year to date (PYD). Best-in-Market data represents the best scores in the market area for each of the measured periods (measured month, YTD, PYD).

- **Satisfaction with Dealer Handling** — The percentage of respondents selecting 7 through 10 to the question "At this point in time, how satisfied are you with the dealer's handling of your concern?" on the Dealer CCP Survey for the measured time frame.
- **Dealer Initiated Contact within 48 Hours** — The percentage of respondents reporting that the Dealer initiated contact within 2 days/48 hours, to the question "After your contact with the Customer Assistance Center (NACAC), were you in contact with the dealership about this concern?" on the Dealer CCP Survey for the measured time frame.
- **Dealer Kept Customer Informed of Status** — The percentage of respondents selecting "Yes" to the question "Did the dealership keep you informed as to the status of your concern?" on the Dealer CCP Survey for the measured time frame.
- **One or Less Visit to Dealer for Final Outcome** — The percentage of respondents selecting "None" or "One" to the question "After contacting the Customer Assistance Center (NACAC), how many visits did you need to make to this dealership before receiving a final decision on your concern?" on the Dealer CCP Survey for the measured time frame.

How to Read the Customer Handling Diagnostic Report (Continued)

- **Intended Loyalty** — The percentage of survey respondents answering "Yes" to the question "Is your next vehicle likely to be a Ford product?"
- **Recommended Dealer** — The percentage of survey respondents answering "Yes" to the question "Would you recommend the dealer?"

7. TREND DATA

Trend data represents the measured dealership's performance for the current month, six prior months, YTD and PYD. There are no comparison or "Best in" measurements in the trend data sections.

- **Dealer Returns** — Number of MORSI contacts in which dealership personnel have instructed a customer to contact the NACAC for assistance.
- **12-Month Rollback Ratio** — The percentage of MORSI contacts in which a customer recontacted the NACAC regarding the same concern.
- **Dealer Generated Infos** — The number of MORSI Information Contacts opened by dealership personnel.
- **Tech Hotline Calls** — The number of calls requesting assistance from the Technical Hotline.
- **Tech Assistance Requests** — The number of Field Service Engineer (FSE) assignments made via Technical Assistance Requests (TAR).
- **RAV (Reacquired Vehicles)** — The number of vehicles repurchased by the Company from retail customers.
- **RAV (% Returns)** — RAV refunds as a percentage of RAVs.
- **RAV (% of total sales)** — The number of RAVs as a percentage of new vehicle sales.

How to Read the Customer Handling Diagnostic Report

(Continued)

- **OAC** — Number of Owner Appreciation Certificates issued.
- **OAC (% of total sales)** — The number of OACs as a percentage of new vehicle sales.
- **OAC (Average \$ Amount)** — Average dollar value of OACs issued.
- **ESP** — Number of Extended Service Plans issued.
- **Owner Connection** — The number of MORSEI contacts opened as a result of an e-mail being sent to Owner Connection.
- **ICCD** — The number of MORSEI contacts opened as a result of the ICCD process.
- **Customer Focus** — The number of MORSEI contacts opened as a result of customers documenting comments on a Ford Motor Company Survey.

What is an After-Warranty Adjustment?



An After-Warranty Adjustment should be made quickly and proactively. Research shows that customer satisfaction decreases significantly when:

- A customer concern takes more than one day to resolve.
- A customer concern takes more than two people to resolve.

After-Warranty Adjustments are payments made on a case-by-case basis for repairs not covered by the vehicle warranty, service parts warranty, or an ESP service contract. After-Warranty Adjustments are made when a Ford Motor Company vehicle is not performing to customer expectations and there is an opportunity for increased customer satisfaction and owner loyalty. In other words, AWA should be used in cases when it is believed the customer's future purchase intentions can be influenced favorably.

As a result, After-Warranty Adjustment decisions should be made quickly and proactively, rather than as a reaction to the customer. Dealer approval of AWA is important because it encourages on-the-spot settlements and increases the likelihood of satisfying customers. This can only be achieved through the effective empowerment of those employees (e.g., Service Advisors) who have day-to-day contact with the customer. Dealers are urged to empower their Service Advisors within the boundaries provided by Ford Motor Company. In the event that dealers do not use the authority as intended or misuse the program, the self-approval After-Warranty Adjustment authority will be withdrawn.

When Do I Make an After-Warranty Adjustment?

After-Warranty Adjustments should be made on a case-by-case basis with the objective of favorably influencing customer repurchase intentions. Each AWA decision should be addressed on its individual merits. To help determine if a particular case may or may not deserve an AWA, ask yourself the following questions:

"Yes" answers increase the appropriateness of an After-Warranty Adjustment.

KNOW THE CUSTOMER PROFILE

- Has this person been a long-time customer?
- Does this person own multiple vehicles?
- Is the customer loyal to the dealership, for either service or purchase?
- Is the customer currently in the market for a new vehicle?
- Could this customer influence the vehicle purchase for a fleet or small business?
- Does the customer like his/her vehicle aside from the present concern?

The newer the vehicle, the lower the mileage, and the better maintained it is, the more appropriate an After-Warranty Adjustment.

KNOW THE VEHICLE PROFILE

- What is the vehicle mileage and age?
How far out of warranty did the concern occur?
- What is the vehicle repair history?
- Has the vehicle been properly maintained?
- Was an ESP contract purchased?
- What is the overall condition of the vehicle?

When Do I Make an After-Warranty Adjustment? (Continued)

The more reasonable the expectations and the more extreme the experience, the more appropriate an After-Warranty Adjustment.

KNOW THE SITUATION

- Do you believe the customer expects an AWA? If yes, how strong is the expectation?
- Is this a problem that first occurred during warranty?
- Did the complaint involve a repair made at lower mileage?
- Has the customer received an adjustment for the same problem?
- Were the prior repair attempts satisfactory?
- Was this a problem that generally would not be expected to occur at this age/mileage of the vehicle?

KNOW THE CLIMATE

- Was this an especially upset customer?
- Does the case represent high potential for litigation, Dispute Settlement Board, lemon law or public relations impact?

SUMMARY

- Do you believe an AWA would favorably influence this customer's future new car purchase decision?
- Will the customer participate in the repair cost? Will the dealer participate in the repair cost?
- In your opinion, would offering an AWA in this case be in the best interest of the dealership and Ford Motor Company? Why?

Dealer Authority Guidelines



Once it is established that an AWA will help prevent or resolve a customer concern, you then must determine if the adjustment is within dealership authority. Dealer-approved After-Warranty Adjustments (PO5) are subject to the following guidelines:

- Ford's share of the total repair cost must be less than \$500 per repair visit for cars and light trucks and \$1,000 per repair visit for medium trucks.
- Incidental expenses up to \$150 per claim may be covered; however, Ford's share of the total repair cost must remain within the specified limits.
- Customer and dealer participation are encouraged but depend on the individual circumstance. The company expects 20% total participation for AWA at warranty repair rates (dealer and customer combined percentage — 10% average dealer participation).
- All repairs covered under a dealer-approved After-Warranty Adjustment (PO5) and performed at the dealership offering the assistance must be at Ford Warranty Labor Rates and Ford Service Labor Time Standards.
- A refund (net of customer and dealer participation) submitted as an After-Warranty Adjustment must be calculated at Warranty Labor Rates.
- Refunds for emergency repairs within AWA guidelines are eligible for AWA consideration. A refund claimed within AWA guidelines counts as a repair visit.
- Ford-sourced and/or Ford Authorized Remanufactured Parts are required (except for reimbursement of emergency repairs).
- The AWA notification with the customer's signature must be maintained.

What Is Eligible for a Dealer-Approved After-Warranty Adjustment?



The following can be considered for an AWA:

- Cars and light trucks with less than 5 years/50,000 miles in service.
- Medium trucks with less than 4 years/200,000 miles in service.
- Fleet vehicles on an individual vehicle-by-vehicle basis.
- Warranty-type repairs only.
- Repairs not covered by the vehicle warranty, service parts warranty, or any Ford ESP service contract.

What Is Ineligible for a Dealer-Approved After-Warranty Adjustment?



The following cannot be considered for an AWA:

- A used vehicle in dealer stock.
- Repairs for dealer employees, Ford employees with dealer contact responsibility, or dependents of either.
- Second- or subsequent-owner vehicles (except first retail owner of program vehicles or RCI vehicles purchased by original lessee).
- Maintenance items (e.g., oil change, tire/wheel balance, wheel alignment, tune-up, etc.).
- Repeat repairs.

What Is Ineligible for a Dealer-Approved After-Warranty Adjustment? (Continued)

- Refunds for nonemergency outside repairs.
- Vehicles that have already had two After-Warranty Adjustment repair visits. (A repair visit is defined as each time a vehicle is dropped off at the repairing dealership for repair and returned to the customer.)
- Costs associated with competitive service contracts.
- Costs for rental vehicles. If a loaner vehicle is provided to the customer, the dealer may claim reimbursement using available loaner days under the Transportation Assistance Program.
- Consequential damages, including commercial loss, loss of perishables, lost wages, etc.

What Can I Do If an AWA Is Denied?

Authorized Regional or Select Dealer Region (SDR) personnel may determine that a customer's circumstances do not justify an After-Warranty Adjustment. However, in certain cases, Company representatives or the dealership may want to show Ford's appreciation for the customer's loyalty. In this case, an authorized Ford representative may issue the customer an Owner Appreciation Certificate or a 12-month Ford Auto Club membership. Please refer to the Owner Appreciation Certificate section for guidelines and eligibility information.

Making It Happen

Please refer to your Warranty Policy and Procedures Manual for details on After-Warranty Adjustment claim preparation.

Commonly Asked Questions



Q. Will spending more AWA dollars automatically increase customer satisfaction?

A. No, it must be accompanied by a quick and effective response to the customer's need.

Q. What's the purpose of having a customer sign an AWA notification?

A. To ensure that the customer understands that his/her repair was not covered under normal warranty and an adjustment was provided by the dealer and Ford Motor Company.

Q. Do customers participate in the AWA?

A. Customer and dealer participation are encouraged but depend on the individual circumstance. Research tells us that customers expect to participate in most AWA repairs, especially in higher mileage situations. The company expects 20% total participation for AWA at Warranty Labor Rates (dealer and customer combined percentage — 10% average dealer participation).

Q. Are refunds eligible for AWAs?

A. Yes, refunds are eligible and must be calculated at warranty rates. A refund claimed under AWA guidelines counts as a repair visit.

Q. Why should the dealership share the cost of an AWA?

A. As partners with Ford Motor Company in efforts to improve customer satisfaction, dealers benefit from increased parts and service business and repeat new vehicle purchases.

How to Obtain an Owner Appreciation Certificate



- Dealers are to consult with the appropriate representative of their FCSD Dealer Contact Team (CSM, DOM, NAFS-FM, NAFS-RM, etc.) to discuss the possibility of offering an Owner Appreciation Certificate.
- FCSD Dealer Contact Team determines the appropriate amount of assistance to provide.

Dealership Action Required

- Dealers are to meet with the customer and the appropriate FCSD Dealer Contact Team representative to discuss the customer situation and agree on a course of action.

Commonly Asked Questions



- Q.** How do I redeem an Owner Appreciation Certificate?
- A.** Owner Appreciation Certificates are forwarded to dealerships or customers with a letter that provides redemption instructions. Additional questions may be directed to Owner Appreciation Certificate Headquarters at 1-800-404-4980.

All other questions regarding Owner Appreciation Certificates are to be directed to your FCSD Dealer Contact Team.

What is Reacquired Vehicle Operations?



The mission of Reacquired Vehicle (RAV) Operations is to provide the policies and tools to Ford personnel to reestablish positive relationships with customers dissatisfied with their vehicle ownership experience and encourage them to become lifetime Ford/Lincoln Mercury owners.

RAV OPERATIONS IS RESPONSIBLE FOR:

- All policies and procedures associated with RAV prevention tools (e.g., Owner Appreciation Certificates, free ESP, etc.)
- All policies and procedures associated with vehicle replacements and refunds
- Management of the Company's Inventory of RAVs
- RAV process measures and reporting
- Compliance with applicable state and federal laws

THE GOALS OF RAV OPERATIONS ARE:

- Maximize customer satisfaction and owner loyalty among customers involved with RAV transactions
- Establish clear policies and procedures for both internal and external customers
- Improve the timeliness and efficiency of the RAV process to:
 - Reduce Company expense
 - Avoid costly litigation
 - Become proactive in complying with the requirements of state and federal laws
 - Establish process controls and measurements

What Is Reacquired Vehicle Operations? (Continued)

FCSD REGION ACTION REQUIRED

- FCSD Dealer Contact Team determines the appropriate level of assistance to provide.
- FCSD Dealer Contact Team consults with Dealer to discuss the possibility of offering a vehicle replacement/refund.

DEALERSHIP ACTION REQUIRED

- Responsible for facilitating a vehicle replacement/refund and providing to Ford the following documentation (dealership receives a \$400 administrative allowance):

- Factory Invoices for the new and replaced vehicles
- Bill of sale for the new and replaced vehicles
- Odometer statement for the replaced vehicle
- Title and lien release for the replaced vehicle
- Power of attorney for the replaced vehicle
- Release agreement for the replaced vehicle
- RAV Inspection/Condition Report for the replaced vehicle



What Is Reacquired Vehicle Operations? (Continued)

DEALERSHIP ACTION REQUIRED (Continued)

- **Responsible for disclosure of ALL RAVs resold to customers:**
 - Dealers are required to disclose all RAVs resold to customers at the time of the sale. Ford Motor Company urges its dealers to ensure that RAV disclosure is completed prior to the time of the sale.
 - If the dealer fails to disclose, the Company will contact the customer and complete the disclosure.
- **Dealers who fail to complete proper disclosure will be contacted by RAV Headquarters and will be subject to the following penalties:**
 - Loss of Ford RAV auction privileges.
 - Payment to Ford in the amount of \$5,000 in liquidated damages for each occurrence.
 - Reimbursement to Ford of any costs, penalties or expenses, including reasonable attorneys' fees that Ford incurs or may incur as a result of the Dealer's failure to disclose. Ford may elect to collect these damages, costs, penalties or expenses by debiting any open accounts Ford has with the Dealer.
 - Chargeback to the nondisclosing Dealer of any costs incurred by the Company if the vehicle must be repurchased as a result of the nondisclosure.

Disclosure Follow-up Process

- **RAV Headquarters will hold the original title until they receive a fully completed and signed RAV Disclosure and Warranty form (#8520) faxed by the Dealer.**
- **Title will be sent next-day-air to the dealership when the form #8520 is received.**
- **RAV Headquarters will contact Dealers to obtain information about RAVs when disclosure has not been completed within 30 days of Dealer purchase and continue contact with Dealers until vehicle is sold and disclosed.**
- **Letters advising customers of the vehicle's status will be mailed by RAV Headquarters when appropriate.**

Making It Happen

Contact RAV Headquarters at 1-800-367-3060 for details.

Commonly Asked Questions



Q. Whom should I contact to discuss RAW issues?

A. There are two answers to this question:

1. To discuss the possibility of offering a vehicle replacement/refund, Dealers are to contact the appropriate member of their FCSD Dealer Contact Team (CSM, DOM, etc.).
2. To discuss administration of an RAW transaction or to discuss the inventory status of an RAW (e.g., transport arrangements, repair instructions, disclosure status, etc.), Dealers are to contact RAW Headquarters Inventory Section at 1-800-967-3050.



What is the Dispute Settlement Board?



The Dispute Settlement Board (DSB) is a voluntary, free and independent dispute settlement program available to owners or lessees of qualifying Ford Motor Company vehicles. The Board reviews service or product performance concerns involving Ford, Mercury and Lincoln cars and light trucks that are within the terms of the New Vehicle Limited Warranty. (Additional DSB information can be found in the DSB brochure/application.)

ELIGIBILITY

The following are not eligible for DSB review:

- A non-Ford product
- A non-Ford dealership
- Sales disputes between customer and Dealer except those associated with warranty repairs or concerns with the vehicle's performance as designed
- A request for reimbursement of consequential expenses unless incidental to a service or product concern being reviewed
- Items not covered by the New Vehicle Limited Warranty (including maintenance and wear items)
- Alleged personal injury/property damage claims
- Cases currently in litigation
- Vehicles not used primarily for personal, family or household purposes (except in Wisconsin and California)
- Vehicles with non-U.S. warranties

Note: Concerns are ineligible for review if the New Vehicle Limited Warranty has expired at receipt of an application and in certain states, eligibility is dependent upon the customer's possession of the vehicle.

Customers are encouraged to observe the following procedures:

- Review the concern(s) with the dealership's Service Manager.
- Contact the Ford Customer Assistance Center (CAC) at 800-392-3673 (FORD) if the concern(s) is not resolved to the customer's satisfaction.
- Complete the DSB Application. Legible copies of any documents, including receipts for maintenance and Repair and Work Orders, related to the concern may be attached.
- Mail the completed application to:



Dispute Settlement Board
PO Box 6120
Southfield, MI 48066-6120

The application will be reviewed by an independent consultant to determine eligibility. If the concern is eligible for Board consideration, an acknowledgment letter will be mailed to the customer, indicating an assigned case number and the address of the local DSB that will review the case.

A letter of explanation will be mailed to the customer if the concern(s) listed on the application does not qualify for review.

A complete explanation of the DSB process is contained in the DSB brochure/application, which can be obtained from:

- Dealership sales and service personnel
- Dispute Settlement Board
PO Box 6120
Southfield, MI 48066-6120
- Ford's CAC at 800-392-3673.

Some state laws require dealerships to distribute arbitration information to the customer with the sale or lease documents.

Commonly Asked Questions



- Q.** What should I do if I become aware that a concern was inadvertently omitted?
- A.** Address the concern (if warranty related) and include Company and Dealer actions in the Dealer Report (DSB-5 and DSB-6).
- Q.** What if the customer no longer owns the vehicle?
- A.** Advise the Regional Dispute Resolution Specialist (DRS), and he/she will prepare the Company Statement stating that the customer is no longer in possession of the vehicle.
- Q.** Are commercial vehicles eligible for Board review?
- A.** Commercial vehicles (vehicles that are not used primarily for personal, family or household purposes) are NOT eligible (except in Wisconsin and California).
- Q.** Whom should I call with DSB questions?
- A.** Contact the Regional DRS.

The Dealership's Role

Dealership personnel should coordinate efforts with the Regional FCSD Customer Service Manager and assigned Regional DRS to resolve DSB cases prior to scheduled Board hearings whenever possible.

The DSB Administrative Office (DeMars and Associates) will contact the Dealer to advise of the DSB case and request the Dealer Report and the Repair History Summary (see pages DSB-5 and DSB-6).

The reports, together with any additional information or Repair Orders, must be sent to the DSB Administrative Office within the time limits specified by DeMars and Associates. The DSB program must meet federal and state arbitration guidelines, and adherence to these guidelines is mandatory.

It is very important to provide a Dealer Report since Board members consider all the information contained in the Company Report, the Dealer Report and the Customer Statement in order to make impartial decisions.

The Dispute Resolution Specialist's Role

The Regional DRS completes the Company Report and coordinates efforts with the dealership to implement Board awards (vehicle refunds, vehicle replacements, vehicle repair, ESP, etc.) within 30 days of the customer's acceptance of the Board decision.

Please fax your reports to 414-362-6764 when completed or mail it to the address on the attached letter. Fax is preferred for timing reasons.



Attn: Service Manager – Immediate Action Required

Case Open Date: _____ Owner's Name: _____ Vehicle Model: _____

Region Number: _____ VIN: _____ Model Year: _____

Case Number: _____ Dealer Name: _____ Current Mileage: _____

- 1) Have you or someone from your department spoken with the customer about the concern(s) listed on customer's application? Yes No

Please explain: _____

- 2) Have you or someone from your department inspected or test driven the vehicle for the concern(s) listed on the application? Yes No

Please explain: _____

- 3) Does this vehicle show signs of abuse or lack of maintenance? Yes No

If yes, please explain: _____

- 4) Has a Ford Market Area Team member (CBM, FSE or DOR) been involved? Yes No

If yes, how: _____

- 5) Was the customer offered a loaner or other courtesy transportation during service? Yes No

- 6) How many days has the vehicle been out of service for the Ford warranty concern(s) listed on the customer's application? _____

- 7) What additional actions, if any, have been taken to assist with the customer's concern(s)? _____

Signature: _____ Title: _____ Date: _____

Please attach any additional comments on a separate page.

Dealership Repair History Summary

Model: _____ Customer: _____ VIN: _____

WARRANTY 3/36 Bumper to Bumper 4/60 Bumper to Bumper 5/100 PowerStroke Diesel Engine Warranty (\$100 Deductible)

FORD ESP PremiumCare ExtraCare BaseCare PowertrainCare RentalCare MaintenanceCare
 Expiration: Date _____ Miles _____

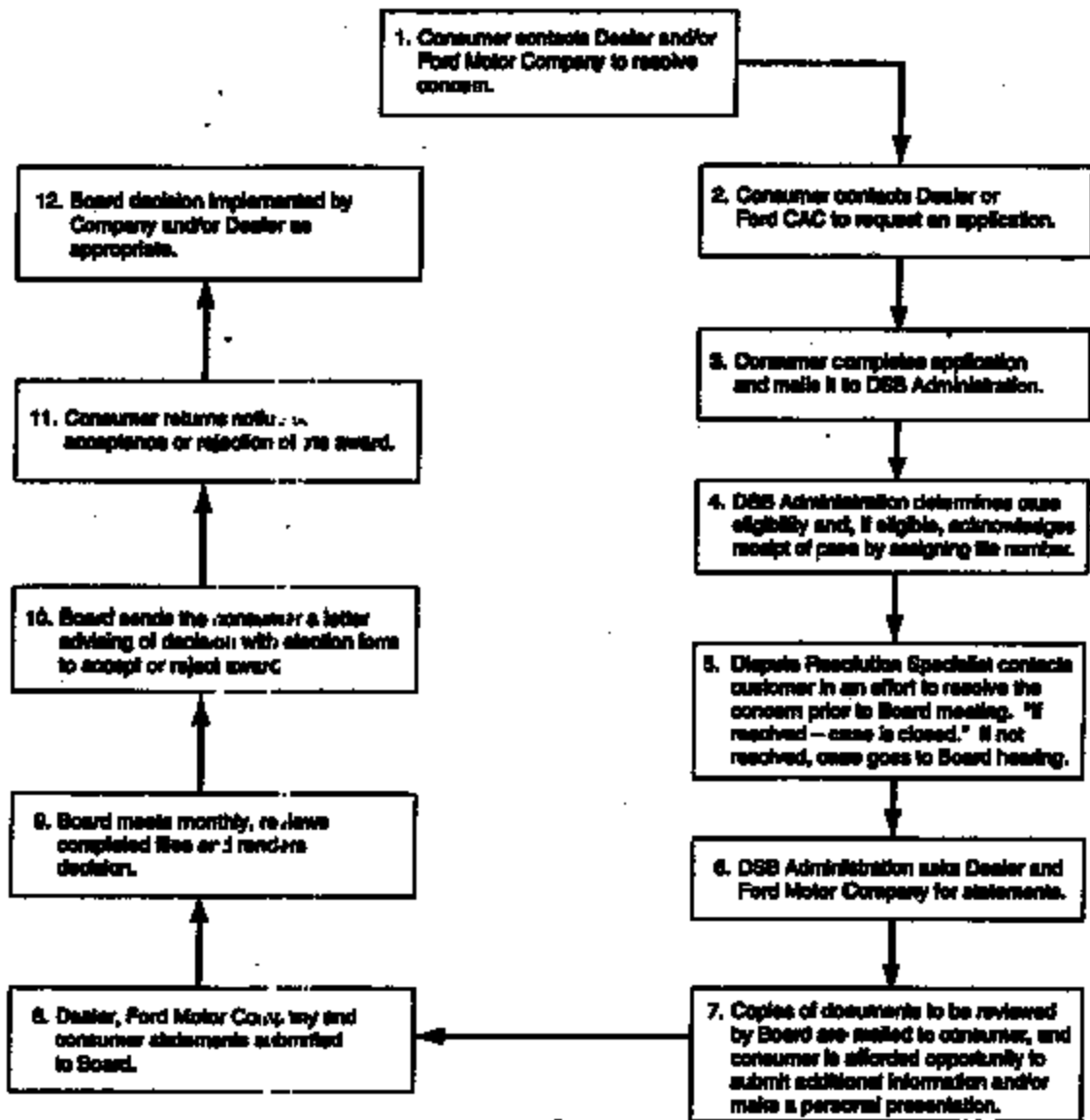
NON-FORD ESP

RO Number	Date In	Date Completed	Total Days	Mileage	Customer's Concern	Action Taken	How Paid? Warranty / AMA / ESP / Retail / Dealer Internal

Please duplicate, as necessary, and attach additional sheets.

Revised 3/99

DSB Case Handling Process





DISPUTE SETTLEMENT BOARD APPLICATION

(Please supply all requested information)

Please print (in black ink) or type. Case No. _____ (General Use Only)

Owner/Lessee Name Mr. Mrs. Ms. _____

Address _____

City _____ State _____ Zip _____ Vehicle I.D. No. _____ (Optional)

Home Phone () _____ Business Phone () _____ Ext. _____

Vehicle Year _____ Make _____ Model _____ Acquired: New Used Leased

Vehicle Use: Personal Commercial Mileage at time of used vehicle purchase _____

Date Purchased/Leased _____ Current Mileage _____

How did you hear about the Dispute Settlement Board process? Dealer Factory Representative

Ford 800 # State or Federal agency Other (specify) _____

Selling Dealer _____ City _____

Servicing Dealer(s) _____ City _____

1. Briefly describe your unresolved service concern(s) below: (Attach legible copies of applicable Repair Orders and/or other supporting documents. Keep the originals for your records.)

2. How many times has the vehicle been in for the same warranty repair? _____
- First repair attempt: Date _____ Mileage _____
- Last repair attempt: Date _____ Mileage _____
3. How many business days has the vehicle been out of service for warranty repairs? _____
4. Have you recently contacted your Dealer about this concern? Yes _____ No _____ Individual's name _____
5. Does the stated warranty concern now exist? Yes _____ No _____
6. Would you like to make an oral presentation to the Board? Yes _____ No _____
- If yes, would you like to make it in person _____ or by teleconference _____ (teleconference is not available in KY)
7. Describe what you want done to resolve your concern:

DISPUTE SETTLEMENT BOARD -- a voluntary, free, independent dispute settlement program

Signature _____ Date _____

Mail this completed form and any supporting documents to:

Dispute Settlement Board
P.O. Box 5128
Southfield, MI 48066-5128

FORM 872-4-88-01





What Are Lemon Laws?



Lemon laws enable consumers to take specific legal action against manufacturers for vehicles that are not repaired to conform to the new vehicle limited warranty within a given period. An objective of various state lemon laws is to provide fair and expeditious resolution of warranty disputes.

- Lemon laws enable consumers to take specific legal action against manufacturers for vehicles that are not repaired to conform with the limited warranty within a given time period. An objective of various state lemon laws is to provide fair and expeditious resolution of warranty disputes.
- Lemon laws, which vary by state, typically require manufacturers of new motor vehicles sold or leased with a written warranty to repair such vehicles during the warranty period so that they do conform to the warranty. Covered vehicles are usually new cars and light trucks purchased or leased for nonbusiness use.
- If the manufacturer or Dealer cannot fix the vehicle to conform to the warranty within a "reasonable" number of repair attempts during the warranty period, then the manufacturer may be required to replace the vehicle or to refund the buyer's purchase price less a mileage offset for its use.
- State lemon laws generally define the number of repair attempts said to be "reasonable" on a new vehicle.
- When all criteria are met, lemon laws generally grant the buyer or lessee the right to assert a claim for a replacement vehicle or a refund, but such awards are not automatic.
- Ford may be entitled to prove that no problem exists, that a reasonable number of repair attempts have not been made or that the problem does not substantially impair the vehicle's use, value or safety.
- Each state has its own lemon law criteria; some may even impose additional damages with lemon law awards (e.g., expenses incurred by a consumer as a result of needed repairs).



Yes, Your State Has a Lemon Law



- All 50 states and the District of Columbia have enacted new vehicle lemon laws. Wide variations exist among state lemon laws and many have been amended over the years.
- You can, and should, obtain a copy of your state's current lemon law. Then, study it carefully, discuss it within your dealership and retain it for reference, perhaps as an insert in this manual.
- To obtain a copy of your state lemon law, simply contact your dealership attorney, state legislator or public library. Some dealership associations also may have copies available.

What You Need to Know About Your State Lemon Law



COVERAGE

- What vehicles are covered?
- Which consumers are covered?

REQUIREMENTS AT TIME OF ORIGINAL SALE

- Does the law require placement of consumer notices or displays within the dealership?
- Does the law require placement of lemon law window stickers on new vehicles?
- Does the law require distribution of lemon law rights information to consumers at delivery?
- Does the law require collection of a fee for state-run arbitration?

What You Need To Know About Your State Lemon Law (Continued)

QUALIFICATION FOR LEMON LAW RIGHTS

- What is the lemon law rights period?
- How is nonconformity defined?
- What repair obligations must be met?
- Is Ford entitled to a final repair attempt?
- What events trigger an obligation to refund/replace?
- Who chooses between a refund or replacement?
- What obligations must be met for replacements/refunds?
- Can a reasonable allowance for consumer use be deducted when a vehicle is reacquired?
- Must the consumer use the Dispute Settlement Board (DSB) process before suing under the lemon law?
- What is the statute of limitations on the lemon law?
- What restrictions govern the resale of buybacks?
- What must be done when a reacquired vehicle is resold (by Ford; by the selling Dealer)?
- Are there other unique obligations in your state?
 - Must repair records, bulletins or data be provided?
 - Are rental car reimbursements sometimes required?
- Is your state lemon law file up to date?
 - Do you have the most recent amendment?
 - Are there any new obligations to be met?

What You Need To Know About Your State Lemon Law (Continued)

Used car lemon laws also have been enacted in some states. Unlike new car lemon laws, which are targeted mainly at manufacturers, used car lemon laws bear directly and importantly upon the interests and activities of Dealers. Check for a used car lemon law in your state.

- Stay attuned to efforts to "improve" your state lemon law. Many states have enacted changes in lemon laws for a variety of reasons. Others continuously compare their lemon law with those of nearby states or states seen as playing a leading role in lemon law legislation.
- The sought-after changes often impose real and costly regulatory burdens on manufacturers, Dealers and even customers—often without providing added benefits to vehicle owners—at a time when both business and government are endeavoring to become more responsive, streamlined and customer-driven.
- Be alert to such efforts and let your voice be heard on the issues. Your efforts at the "grassroots" level are likely to receive attention and thoughtful deliberation.

Dealership Responsibilities



As has been noted, each state lemon law is designed to meet the needs of consumers in a particular state. Dealership personnel can best meet those needs—and safeguard dealership interests—by developing a working knowledge of the lemon law requirements of the specific state in which the dealership operates.

Important issues to be addressed before delivery and throughout the ownership cycle include:

- Display and use of lemon law consumer information materials where required.

Dealership Responsibilities

(Continued)

- Display and/or distribution of "Lemon Law Rights" information in the form of precisely defined posters, booklets, stickers or handouts.
- When the law requires the seller to obtain the consumer's signature acknowledging the receipt of lemon law materials at delivery. (Dealerships have been informed of such requirements and sourcing by Ford as state regulations are imposed or changed. Of course, dealerships should also consult their own legal counsel to ensure compliance.)
- Display Dispute Settlement Board (DSB) brochures/applications in prominent locations in the Service Department, customer lounge and other customer traffic areas using the plastic DSB countertop display holders. (Obsolete FCAS holders should be replaced with those bearing the DSB logo. They can be obtained free of charge.)
- Ensure that sales and service personnel are aware of the availability of the DSB process, unique to Ford, as an informal dispute resolution mechanism available without charge to qualified Ford, Lincoln and Mercury owners and that all of them can readily locate a brochure/application upon request.
- Use and retain lemon law checklists and resale disclosure documents. Checklists verifying customer receipt of state lemon law information and/or DSB materials at time of delivery must be properly executed and retained in the customer file for reference and possible audit.
- Customer-signed Recquired Vehicle Disclosure notices (FCS-8520) or state-specific disclosure forms, where required, also must be properly executed with the appropriate copy forwarded to RAV Headquarters.

Dealership Responsibilities (Continued)

- Periodic audits are conducted by state agencies and others to verify the availability and use of such materials as required by state law.
- Related questions should be directed to your FCSD Customer Service Manager, Field Manager or Regional Office.
- Specific legal questions should be addressed to the dealership's legal counsel to ensure compliance with applicable laws.

Once the owner/lessee has entered the ownership cycle, every effort should be made to reinforce the initial purchase decision, sustain customer satisfaction and build owner loyalty. Each customer contact provides an important opportunity to achieve and build customer satisfaction and loyalty.

Rely upon the proven customer handling procedures provided in this manual to maximize satisfaction at every opportunity. Minimize lemon law exposure further by cross-checking and reinforcing your customer-driven efforts:

- Service Advisors should routinely ask whether a nonmaintenance repair has been attempted previously and, if so, how many times.
- If work is done elsewhere, seek full particulars as to where, when and what was done to correct the problem, and with what success.
- In repeat repair situations, seek specialized Field Service Engineer, Field Manager or Hotline assistance promptly.

Dealership Responsibilities (Continued)

When customer satisfaction remains out of reach despite your best efforts, the DSB is the next step open to customers seeking fair and expeditious resolution of a continuing warranty dispute. As noted above, it is important that your sales and service personnel develop a working knowledge of the DSB process, and that they know how to locate DSB informational materials promptly.

Your role does not end here. Independent surveys of customers who have used the DSB process reflect consistent high satisfaction with the informal DSB process irrespective of whether or not they received the award they sought. Here again, you can take some important steps to safeguard and maximize customer satisfaction and minimize lemon law exposure and the risk of costly litigation:

- Make sure you have signed the DSB Participation Agreement.
- When you are involved in a DSB case, make sure your DSB Case Report to the Board is clear, complete and submitted on time.
- If the customer elects to make an oral presentation, you are free to do so as well, if you choose. To exercise that option, inform the Board of your interest when you submit your Case Report. The Board clerk will inform you of the customer's intentions and provide the date, time and location of the next DSB meeting.
- Many Dealer Principals have served on the DSB in the past or are doing so now. They typically characterize their DSB experience as a unique opportunity to gain valuable insights into the DSB process, customer expectations at the local level and new ideas to better satisfy their own customers.

Making It Happen



The Dealer Litigation Assistance Program (DLAP), introduced in December 1994, affords Dealers protection in eligible joint-defense consumer warranty lawsuits. A standardized Joint Defense Agreement, when executed by both parties, makes Ford 100 percent responsible for case-by-case legal fees and settlement costs following the agreement. Procedural details and a sample agreement were provided with the December 26, 1994, announcement letter. A copy should be secured and retained for reference. Informed compliance with state lemon law statutes and procedures will help minimize exposure from state arbitration awards, deceptive trade practice complaints, alleged violations of motor vehicle repair order rules and similar costly and burdensome issues.

- Clearly, the best defense in a lemon law environment is a proactive and responsive dealership customer handling process.
- Become familiar with the customer handling process in this manual and with your own responsibilities and opportunities. Share your knowledge with your entire dealership customer handling team; learn and grow together, to the mutual benefit of your dealership and even greater customer satisfaction and loyalty.
- Your FCSD Dealer Operations Management Team or Field Manager is your second line of defense. Rely on them for assistance and support in your efforts to properly diagnose and repair troublesome nonmaintenance warranty concerns, especially those involving repeat repairs.
- The DSS should be viewed as a benchmark for your customer satisfaction efforts. In this arena, you are in the customer satisfaction business. Your goal is to maximize customer satisfaction and build long-term customer loyalty.

Making It Happen

(Continued)

- In contrast, the key word in the DSB charter is "fairness." The DSB strives solely to provide a fair and expeditious alternative to costly and time-consuming legal proceedings for parties in a dispute, not to ensure that truth and justice prevail in each case considered.
- You are encouraged to understand how the DSB process works so that you can maximize your advantage within the process when needed or can avoid it altogether.
- In an ideal, customer-driven world, the DSB would wither away for lack of interest or need. Until then, your best measure of success is the strength of your continuing commitment to fully meet the day-to-day needs and expectations of each customer who seeks your assistance.
- The final support element in any unresolved warranty dispute rests with qualified legal counsel. Support may be available to you via the DLAP, as determined on a case-by-case basis. Failing that, you must rely upon the best advice of your own legal counsel.

Commonly Asked Questions



Q. What are "lemon laws"? Do all states have them?

A. Lemon Laws are an outgrowth of the federal Magnuson-Moss Warranty Act, enacted in 1974, that enables consumers to take specific action against manufacturers for vehicles that are not repaired to conform with the new vehicle limited warranty within a given period of time. The federal act was followed by lemon laws enacted in every state and the District of Columbia. Many have been amended over the years.

Q. How many repair attempts can be made before the lemon law is triggered?

A. State lemon laws define the number of repair attempts said to be "reasonable" on a new vehicle. Definitions vary by state. It is important to review your state's lemon law for the specific criteria that must be met. In most cases, the limit is three or four attempts to correct the same problem, or a maximum of 30 days out of service (not necessarily all at the same time), for any number of problems. Check your law for specifics.

Q. Am I bound by the decision of the Dispute Settlement Board?

A. Ford Motor Company and its Dealers, through the DSB Participation Agreement, have agreed to be bound by the decisions of the highly rated independent four-member DSB panel. Consumers are not bound by Board decisions but may be required to use the DSB process before taking legal action.

Commonly Asked Questions

(Continued)

Q. Does the DSB operate in all states?

A. The DSB process is now available to Ford, Lincoln and Mercury owners in all states but New York. Many states offer state certification of such manufacturer-sponsored programs and have certified the DSB as a fair and expeditious alternative to legal action. Thirty-five DSBs are now operational. Each four-member panel includes three independent consumer members—including one member with a technical background and a Ford or Lincoln Mercury dealership representative. Boards meet monthly. Afterward, Ford has 30 days to fulfill a DSB award after customer acceptance.

What Are Legal Contacts?



The Consumer Affairs Section of Owner Relations Operations handles all legal matters. Legal Analysts review all customer and attorney demands that have escalated beyond the Regional Office. Its role is to protect the material interests of Ford and Ford Motor Company Dealers.

There are two general types of legal contacts opened to address customer concerns:

- Product liability
 - Fire
 - Accident
 - Hood fly-up
 - Vehicle surge
 - Airbag deployment (spontaneous deployment causes accident)
 - Personal/property damage
- Consumer claims
 - Lemon laws
 - Breach of warranty
 - Other consumer protection laws

Legal contacts originate from letters citing incidents with potential legal ramifications for Ford Motor Company. Sources of such contacts may include:

- Owners/operators of Ford and Lincoln Mercury products
- Attorneys acting on behalf of clients
- Insurance companies seeking monetary relief on behalf of the insured
- Customers alleging safety defects, accidents or minor personal injury
 - Major injuries are redirected to the Office of the General Counsel (OGC) for handling
- Customers seeking compensation or investigations for personal injury, vehicle damage or other loss from accident, fire or property damage

What Are Legal Contacts? (Continued)

PRODUCT LIABILITY

Product liability refers to those cases based on customers claiming that vehicle damage was caused by a component defect.

Examples include:

- Accidents resulting from an alleged component failure
- Minor injuries alleged to be caused or aggravated by design characteristics
 - Major injuries are redirected to the OGC for handling
- Noncollision fire accidents
- If a vehicle is presented to a dealership for service and it appears that one of the above conditions has been met, do not initiate repairs. Instead, fax in the Dealer Request for Consumer Affairs Review form from page LC-11

Consumer claims do not require that the vehicle in question be within the manufacturer's new vehicle warranty.

CONSUMER CLAIM

Consumer claim involves cases in which customers claim breach of warranty, improper service or sales misrepresentation.

Examples include:

- Performing or operating characteristics of the vehicle or Ford-brand accessories
- Allegation that a dealership(s) failed to repair vehicle under warranty or Extended Service Plan coverage
- Demand Letter or Lemon Law Notice from an attorney on behalf of a client

Actions Required for Legal Contacts



- The Legal Analyst opens, monitors and requests investigation (if necessary) and closes the contact.
- The Service Manager will typically be contacted to discuss the concern and offer technical advice and opinions. The Service Manager will be relied on to manage customer expectations and proactively alert the Consumer Affairs Section when legal action may be taken.
- An investigation agency will research and look into the concern when requested.
- The FCSD Customer Service Manager or Commercial Area Field Manager acts as an advisor and may be contacted by the Legal Analyst for assistance in gathering information or evaluating a vehicle on a specific case.
- The Field Service Engineer or appropriate North American Fleet Services (NAFS) technical personnel may be contacted to inspect/evaluate vehicles on occasion, offer technical advice and tag alleged defective parts with form 364-106A.

Dealer Litigation Assistance Program (DLAP)



When Dealers are named in a lawsuit, often the dealership is eligible for protection by Ford Motor Company. The intention of the DLAP is to:

- Provide a joint defense for the Dealer in consumer warranty issues.
- Establish a united defense against plaintiff, thereby reducing legal costs and maintaining good Company/Dealer relations.

Lawsuits eligible under the DLAP include all lawsuits involving general warranty issues brought against Ford and the Dealer as codefendants. Ford will assume 100 percent of all settlement or judgment costs in approved DLAP lawsuits.

EXCEPTIONS TO DLAP ELIGIBILITY

- Lawsuits containing allegations of personal injury, property damage or product liability are not eligible. Consult the Sales and Service Agreement for specific information in these instances.
- Cross claims or third-party claims filed by the Dealer against Ford render a lawsuit ineligible for DLAP.
- Small claims cases are not eligible.
- Some allegations of sales fraud may void DLAP eligibility while others may not. If the customer seeks recovery for alleged violation of a state lemon law, breach of warranty and/or a state deceptive trade practice statute, and there is no substantive evidence to support these allegations, DLAP may be extended. If, however, the customer alleges that misrepresentations were made by dealership personnel, DLAP will be denied.

Dealer Litigation Assistance Program (DLAP) (Continued)

IMMEDIATE ACTION

Service of legal proceedings requires immediate action. Upon receipt of a pleading, Dealers should:

- Consult with the dealership attorney
- Comply with all answer dates, unless an extension has been granted

Failure to answer a complaint or petition within the time required by state or federal rules can result in a default judgment against the dealership.

Dealer requests for DLAP should be mailed to:



*Ford Motor Company
Office of the General Counsel
Parklane Towers West - Suite 400
Dearborn, MI 48126
Attn: Jody Banclu
Fax 313-322-1450*

- 48-hour acknowledgment — your request will be acknowledged by OGC within 48 hours.
- 30-day response to your request — OGC will provide one of the following responses within 30 days:
 - Dealership is eligible for assistance.
 - Dealership is not eligible for assistance.
 - OGC is still investigating the repair.

Note: Until notified by Ford, the Dealer must protect his/her own interests.

Dealer Litigation Assistance Program (DLAP)
(Continued)

- **Timely request handling** — If you do not receive a response within 30 days, your dealership may contact the OGC Supervisor for status of the request. The Regional OGC Case Handler will follow up with the dealership. Contact the OGC Supervisor at (313) 390-4212.

Commonly Asked Questions



Q. When should a Dealer Request for Consumer Affairs Review form be sent?

A. When a retail vehicle is involved in an incident involving accident or fire.

Fleet vehicles should be referred to the North American Fleet Service (NAFS) Hotline, 800-343-6358 option #3.

Q. When a Dealer sends a request for review by Consumer Affairs, how long does it usually take for a response?

A. The standard response is 48 hours.

Q. How can an attorney contact Litigation Prevention?

A. Litigation Prevention only accepts attorney requests for review in writing. All requests should be mailed to:

*Ford Motor Company
Litigation Prevention
16800 Executive Plaza Dr.
MD #3NE-B
Dearborn, MI 48126*

Q. How can a Dealer request DLAP?

A. Dealer requests for DLAP should be directed to:

*Ford Motor Company
Office of the General Counsel
Parklane Towers West - Suite 400
Dearborn, MI 48126
Attn: Jody Banclu
Fax 313-322-1450*

Commonly Asked Questions

(Continued)

Q. What happens when a customer alleges injury due to a product defect?

A. Submit a Dealer Request for Consumer Affairs Review.

- a. Consumer Affairs will investigate and handle if the claim is less than \$1,000.
- b. If the claim exceeds \$1,000, the information will be redirected to the Office of the General Counsel (OGC).
 1. A letter requesting additional information will be sent to the customer.
 2. The customer must reply and send the information to OGC.
 3. Upon receipt of the information OGC will correspond directly with the customer.
 4. If the customer does not respond to the request, OGC will not take any further action.

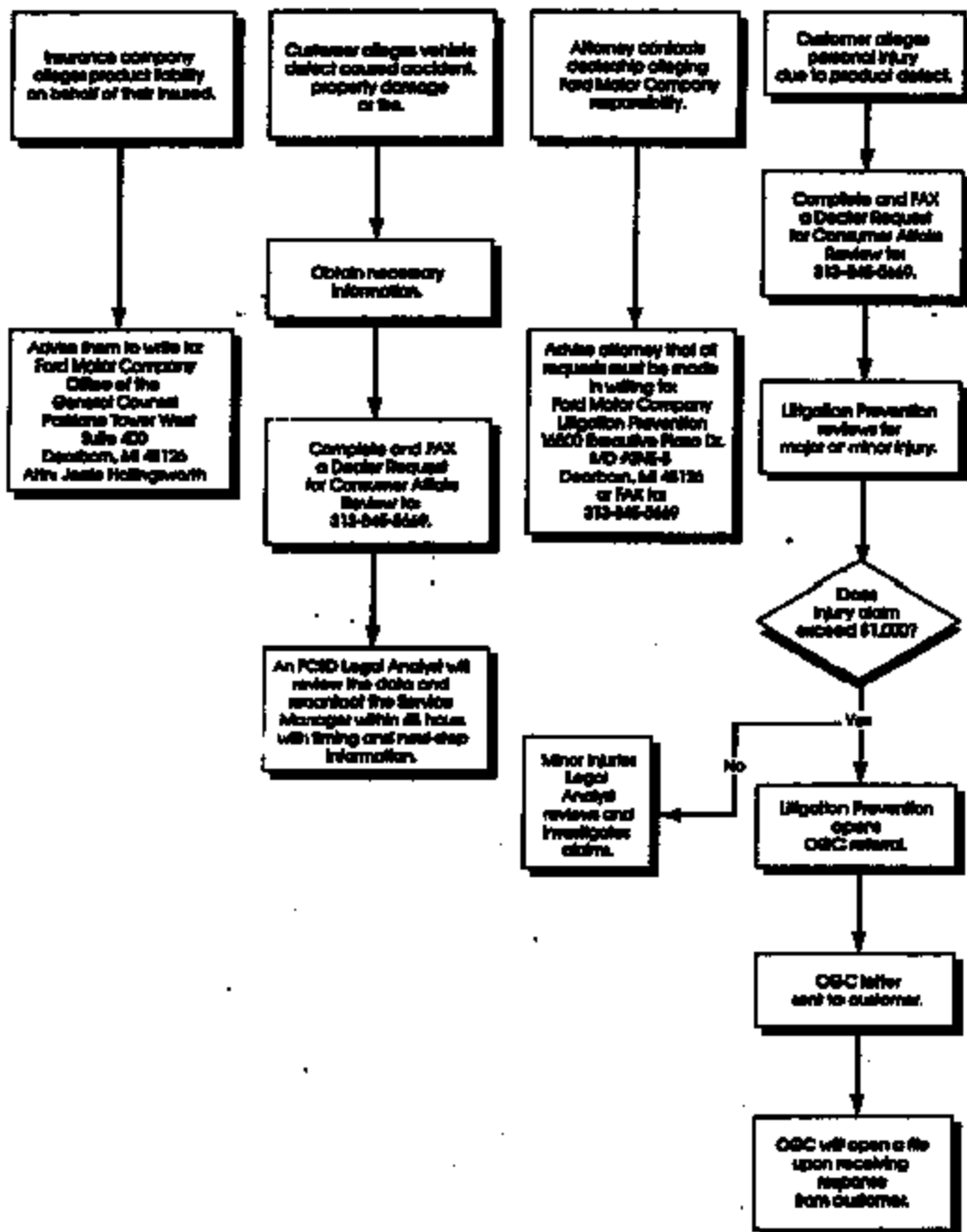
Making it Happen



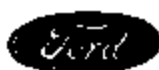
The Service Manager is required to complete a Dealer Request for Consumer Affairs Review form if he/she suspects legal action may be taken. This form includes customer and vehicle information as well as a description of the customer's allegations whether it be Product Liability or a Consumer Claim.



Legal Contact Handling



IMPORTANT - DO NOT PERFORM REPAIRS UNTIL AUTHORIZED!



DEALER REQUEST FOR CONSUMER AFFAIRS REVIEW

*****Note: this form is for RETAIL vehicles ONLY*****

*****Fleet vehicles need to be referred to the North American Fleet Service Office @ 800-343-5338*****

DEALER INFORMATION:

Requesting Dealer: _____ P&A: _____ Region & State: _____

Contact Person: _____ Phone #: _____

CUSTOMER/VEHICLE INFORMATION:

New or Used: _____ WBD: _____ Year/Model: _____

VIN: _____ Mileage: _____

Customer Name: _____

Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Home Phone: _____ Work Phone: _____

DETAILS of INCIDENT:

Incident Involves (circle all that apply): Accident: Y/N Fire: Y/N Injury: Y/N Medical Attention Sought: Y/N

Date of Incident: _____

Is customer alleging a component defect caused the incident? Y/N If yes, what type & details: _____

Was a police report filed? Y/N If yes, where: _____

Has the insurance company been contacted? Y/N What did the insurance company advise? _____

Name and phone number of owner's insurance company & agent's name: _____

If the vehicle is a conversion unit, who is the coach builder? _____

City: _____ State: _____ Zip: _____

RESOLUTION that CUSTOMER is SEEKING:

PROVIDE ADDITIONAL COMMENTS ON A SEPARATE SHEET OF PAPER - ATTACHMENTS? Y/N, PAGES: _____

Fax to: (313) 845-5868, (313) 845-5889 or (313) 845-5853

PLEASE USE THIS SHEET AS ORIGINAL AND DUPLICATE AS NEEDED



<u>What Is the Transportation Assistance Program?</u>	TAP-1
<u>Why Is TAP Important to You?</u>	TAP-1
<u>How You Benefit from TAP</u>	TAP-2
<u>How It Works</u>	TAP-3
<u>Registration Forms</u>	TAP-8
<u>It's Easy to Get Started</u>	TAP-10
<u>Managing The Transportation Assistance Program</u>	TAP-13
<u>What to Do When You Have a Customer</u>	TAP-16
<u>Using a Rental Agency</u>	TAP-17
<u>Obtaining Reimbursement/CLAIMING</u>	TAP-21
<u>TAP and Lincoln Commitment™</u>	TAP-30
<u>Cost Effective FRCS/LMCRS Vehicles</u>	TAP 32
<u>State Sales/Use Tax</u>	TAP-33
<u>Contacts and Information Sources</u>	TAP-34

What is the Transportation Assistance Program?



The Transportation Assistance Program (TAP) is a customer service initiative designed to assist you in providing alternate transportation (loaner or shuttle vehicles) to your warranty and retail service customers. Ford Motor Company allocates your dealership days which can be used to receive reimbursement for the alternate transportation provided to your service customers.

In addition, all Lincoln CommitmentSM rental benefits (dealer-provided loaner, shuttle service, or rental reimbursement) are administered through TAP. (See "TAP and Lincoln CommitmentSM" section for further details.)

Why is TAP Important to You?

TAP is important because *Ford and Lincoln Mercury customers have told us that receiving alternate transportation is one of their primary concerns when they bring their vehicle in for service.* By providing alternate transportation to your service customers, you can increase customer satisfaction and, over the long term, help build dealership loyalty.

How You Benefit from TAP

The Transportation Assistance Program offers your dealership many attractive benefits.

**IF YOU HAVE ANY
QUESTIONS ABOUT
TAP OR WOULD LIKE
FURTHER INFORMATION
ON THE PROGRAM,
CALL OUR TOLL-FREE
HOTLINE AT
1-800-336-6798.**

- **Improved customer satisfaction** — Providing your customers with alternate transportation communicates your concern for their needs and improves their overall satisfaction with your dealership.
- **Increased owner and service loyalty** — TAP helps you to meet your customers' service expectations and Fix It Right The First Time. This can lead to repeat service visits after the warranty has expired, which supports your maintenance and light repair business efforts.
- **New-vehicle test-drives** — Using current-year loaner vehicles allows your service customers to test-drive late-model vehicles. This can generate interest in current models and potentially lead to future vehicle sales.
- **Easily adaptable to your dealership** — TAP's built-in flexibility allows you to design an alternate transportation program that best meets the needs of your customers and your dealership.
- **Drivers of Dealership Loyalty** — Market Research verifies that giving loaner vehicles to certain types of customers greatly increases loyalty to the dealership — while giving them to other customers may increase customer satisfaction, but has little impact on dealer loyalty. Dealership loyalty is driven mainly by four priority categories — the more categories that fit a customer, the higher the payoff of loaning a vehicle in terms of dealership loyalty.
 - Owners in for warranty work.
 - Owners in for real or perceived repeat repairs.
 - Owners that specifically request a loaner.
 - Owners who have to leave their vehicle at the dealership overnight.

How It Works



TAP allows your dealership the flexibility to design an alternate transportation program that meets your customers' needs and expectations.

- You decide whether your dealership provides loaner vehicles, shuttle service, or a combination of both.
- You manage your program and decide the length of time your customers may use the alternate transportation (within your allocation limits).
- You decide which customers receive alternate transportation.

You have significant freedom within your TAP allocation. But what exactly is your TAP allocation?

YOUR TAP ALLOCATION — HOW TO USE IT, HOW TO TAKE ADVANTAGE OF IT

Annually, your dealership receives an allocated number of days for the model year (10/1 - 9/30) to help meet your expected alternate transportation needs. This allocation is based on your business volume as measured by work order count (retail, service warranty and body shop warranty). For each day a service customer is provided alternate transportation (within your allocation), your dealership receives reimbursement from Ford to help cover the costs. Also note:

- Ford/Mercury and Lincoln vehicles receive separate allocations.
- Allocated days can be used for loaners, shuttle service vehicles, or a combination of both.
- Unused allocated days will not carry over from the prior model year.

How It Works (Continued)

- Remember, TAP is designed to assist you in providing alternate transportation. If you exhaust your supply of TAP allocated days, we strongly encourage you to continue your alternate transportation program to help ensure ongoing customer satisfaction.
- Should you provide the same alternate transportation (e.g., the same loaner or shuttle vehicle) to more than one customer within a day, it counts as only one reimbursable TAP day.
- If you are a non-franchised Lincoln dealership and do not qualify for Lincoln days, you can service visiting Lincoln owners by obtaining Lincoln days from Program Headquarters at 1-800-336-0796.

CAN A DEVIATION IN TAP ALLOCATION BE REQUESTED

Only in the most unique circumstances whereby a major change in business volume has occurred (e.g., major facility expansion, significant expansion of open hours, etc.). The business change must be supported by a clear and significant increase in work order count. Contact your FCSD Dealer Operations Manager for guidance in submitting a request to TAP headquarters.

How It Works (Continued)

LOANER FLEET SIZE

A quick method to determine the minimum number of vehicles your allocation will support: Simply divide your 12-month allocation of days by 252 (the number 252 is based on the assumption that your dealership provides alternate transportation an average of 21 days a month). For example, if you are allocated 1,260 days for the 12-month period...

$$1,260 \text{ allocation days} \div 252 = 5 \text{ vehicles}$$

Of course, you could use more than 5 vehicles, but in this example, 5 is the minimum number of vehicles you need to support your allocation.

REPORTING SYSTEM

A monthly reporting system has been designed to assist your dealership in maximizing the use of TAP days throughout the year. The monthly report will contain the following:

- Dealership name, address, and P&A code.
- Full model year allocation of TAP days.
- Date each claim was processed.
- Claims approved, listed by month of use.
- Balance of TAP days left to use in the current model year.

How it Works (Continued)

ELIGIBLE TAP VEHICLES

Only the following vehicles are eligible for TAP reimbursement:

- Current model year or the prior model year Ford, Lincoln or Mercury vehicles.
- Dealer-owned vehicles, vehicles leased through the Ford Rental Car System (FRCS) or Lincoln Mercury Car Rental System (LMCRS), or Ford and Lincoln Mercury Program vehicles purchased from official Ford Motor Company closed auctions. Note: All must be current or prior year models.
- Shuttle service requires the use of a dedicated vehicle. Dealerships are also encouraged to have a full-time designated driver and appropriate signage on the vehicle's exterior.
- Vehicle equipment is left to your discretion.
- You may also use vehicles from a rental agency for loaner (see section "Using a Rental Agency").
- Eligible Shuttles: Any Ford, Lincoln or Mercury vehicle designated for shuttle service (\$18.00 x 1 day reimbursement Ford/Mercury), (\$35.00 x 1 day reimbursement Lincoln)
- Eligible Van Shuttles (\$18.00 x 2 days reimbursement Ford/Mercury):
 - Windstar
 - Expedition
 - Villager
 - Econoline Club Wagon
 - Excursion

How It Works (Continued)

REGISTERING TAP LOANERS/SHUTTLES

YOU MUST REGISTER

REGISTRATION FORM

- Lincoln Loaners.....Lincoln Registration Form
- Lincoln Shuttles.....Lincoln Registration Form
- Ford/Mercury Shuttles.....Shuttle Registration Form
Eligible Van & Ford/Mercury
- Eligible Van Shuttle.....Shuttle Registration Form
Eligible Van & Ford/Mercury



YOU SHOULD NOT REGISTER

- Ford/Mercury Daily Loaners

Transportation Assistance Program

SHUTTLE REGISTRATION ELIGIBLE VAN & FORD/MERCURY

Effective July 1, 1998, the Transportation Assistance Program provides one-day reimbursement for Ford/Mercury shuttle cars and double reimbursement for shuttle vans.

You must register all in-dealership Ford/Mercury shuttle cars and shuttle vans. Ford/Mercury vehicles must be current or previous model year to be eligible for reimbursement.

Double rate: You can claim two (2) TAP days for every one day shuttle van usage (total \$36), only for "Eligible Van Vehicles." (Windstar, Villages, Club Wagon, Expedition and Excursion).

In the space below, please register all of the vehicles you will be using for Ford/Mercury shuttle car or shuttle van service. If registered vehicles are removed from Transportation Assistance Program service during the year, contact Program Headquarters to delete the old VINs and activate the new VINs.

Please Print

Dealership Name: _____ P&A Code: _____

Address: _____

City, State, ZIP Code: _____

TAP Coordinator Name: _____

Vehicle Identification Numbers (VINs) You must provide all 17 characters of the VIN

Ford/Mercury Shuttle Cars

Shuttle Vans

_____	_____
_____	_____
_____	_____
_____	_____

If you have any questions about the Transportation Assistance Program, refer to the Transportation Assistance Operating Guide section of your Road Map to Customer Satisfaction, or call the toll free Transportation Assistance Information hotline (1-800-336-6796) for additional information.

RETURN TO:

Transportation Assistance Program Headquarters
P.O. Box 27128
Detroit, MI 48227-0966
Fax: (313) 225-3141

It's Easy to Get Started

The best and most efficient way to launch TAP in your dealership is by establishing your own alternate transportation program guidelines. This will:

- Promote an understanding of the program throughout the dealership.
- Allow you to communicate the program to customers in a consistent manner.
- Help prevent misuse of the program.
- Help prevent misunderstandings with customers.
- Enhance overall customer satisfaction.

APPOINTING A TAP COORDINATOR AND ESTABLISHING TAP GUIDELINES



Before you establish your guidelines, we recommend that you appoint an individual at your dealership as the TAP Coordinator. This person should be responsible and accountable for program implementation and management, and the related customer satisfaction.

Your TAP Coordinator, along with others, should assist in developing the guidelines for your dealership's program. Here are some suggested guidelines:

1. Customer eligibility

- Warranty and retail customers.
- Customers over the age of 18 (restrictions apply to individuals 18 to 25 years old; see "Age Limitations" in the next section for details).

It's Easy to Get Started (Continued)

2. Customer Ineligibility

- Non-Ford/Lincoln Mercury vehicle owners.
- Retail body shop customers (who have rental coverage through their insurance company or another source).
- Customers under the age of 18.
- Internal dealership repairs (e.g., paint repair on a new delivery).
- Dealership employees who do not have their vehicle in for repair.
- Non-service customers (e.g., sales demos).
- Customers covered by EBP rental benefits, a non-Ford extended service contract with rental coverage, or any other rental benefit coverage.

3. Responsibilities of TAP Coordinator

- Use TAP to enhance the Customer Handling Process and to help ensure service satisfaction.
- Make sure that all dealership personnel are familiar with TAP.
- Identify individual responsibilities for all appropriate staff, especially Service Advisors.
- Ensure individuals are empowered to fulfill their responsibilities and that they understand the span of their empowerment (e.g., who receives alternate transportation, under what circumstances).
- Ensure vehicles are clean, fueled, operating properly, and regularly maintained.
- Monitor the availability of loaners through proper scheduling.
- Ensure service customers receive their alternate transportation within 15 minutes of arriving for service.

It's Easy to Get Started

(Continued)

- Make sure customers understand the dealership's alternate transportation policies in advance of using a vehicle.
- See that the customer's Rental Agreement is prepared in advance.
- Properly prepare Vehicle Utilization Logs and keep them up-to-date.
- Retain Vehicle Utilization Logs at the dealership.
- Properly prepare claim forms and see that they are submitted monthly to Ford via Direct Warranty Entry DWE/ACES II.
- Monitor monthly TAP Utilization Report to assure TAP claims are not in excess of allocation.
- Consult with Used Vehicle Manager to determine when loaner/shuttle vehicles should be replaced and which models offer the highest resale value.
- Keep vehicle fleet up-to-date (vehicles must be current or previous model year for TAP reimbursement).
- Maintain mix of vehicles (cars and trucks) that reflects the types of vehicles your dealership sells.
- Monitor customer satisfaction via feedback.

4. Managing use

- Establish a written return policy that includes time of return, upgrade charges, late fees, and fueling and/or mileage requirements.
- Establish a collision damage policy.
- Establish a policy regarding parking and other violations.
- Establish a policy regarding misuse, structural damage, or destruction of vehicle.

Managing The Transportation Assistance Program

The condition of your vehicles and the way you manage your alternate transportation program is, in the customer's eyes, a direct reflection upon your dealership. Clean, well-maintained vehicles and a smooth-running program will help ensure that the customer leaves satisfied and returns for service in the future. With that in mind, here are a few suggested procedures:



BEFORE PRESENTING A VEHICLE TO A CUSTOMER

- Confirm vehicle availability.
- Verify that the customer qualifies for your alternate transportation program.
- Make sure the Rental Agreement is properly filled out (see "Rental Policies & Procedures" - 9/98).
- Ensure that the vehicle is clean, fueled, and in good operating condition.
- Explain the customer's responsibility for:
 - Fuel
 - Excess mileage (if applicable)
 - Parking and moving violations
 - Vehicle damage or loss
 - Accident reporting/insurance
 - Vehicle cleanliness
 - Returning the vehicle on time
- Perform a walkaround with the customer to verify the vehicle's condition.
- Explain to the customer any vehicle features they may not be familiar with.

Managing The Transportation Assistance Program

(Continued)

INFORMATION TO GATHER FROM THE CUSTOMER

Establish your own dealership procedures or use those outlined in the Ford Rental Car System Procedure Manual or the Lincoln Mercury Car Rental Reference Guide. Be sure to record a credit card number, driver's license number, home address, home and work numbers, and vehicle registration.

AGE LIMITATIONS

Insurance coverage for Ford Rental Car System (FRCS) or Lincoln Mercury Car Rental System (LMCRS) alternate transportation vehicles may be provided to customers under the age of 25 but not less than 18 if:

- The vehicle being serviced is registered in the customer's name or the name of the customer's spouse.
- The customer's vehicle is no more than 4 years old.
- Any additional drivers are 25 years of age or older (see "Rental Policies & Procedures" - 9/98).

ACCIDENT REPORTING

You should have the customer sign an agreement to report any accidents that occur while he or she is in possession of the loaner vehicle.

ROADSIDE ASSISTANCE

If the customer should require Roadside Assistance while operating a TAP loaner, the customer should call 1-800-241-3673.

Managing The Transportation Assistance Program (Continued)

FILLING OUT THE RENTAL AGREEMENT — YOUR LEGAL CONTRACT

You are required to fill out a Rental Agreement for every customer receiving a loaner vehicle from your dealership. It requires the same information and qualifications used for a paid rental. The Rental Agreement must be completed before the customer receives the vehicle.

It is extremely important that the TAP Coordinator understand all provisions of the Rental Agreement, including the prohibited-use restrictions which should be explained to every customer receiving a loaner vehicle.

In addition:

- The "Minimum Liability" Rental Agreement used by Ford (FD-22-M or LM-22-M) provides liability limits equal to the minimum financial responsibility requirements of any applicable state law.
- For loaner vehicles, we recommend you use the "Minimum Liability" Rental Agreement since the customer's own auto liability insurance may apply after the minimum liability limits have been satisfied by FRCS or LMCRS insurance.
- Additional information regarding Rental Agreements and insurance is available through CONCEPTS or by calling the Marketing and Communications Hotline at 1-800-548-3212 and following the prompts.

IMPORTANT NOTE

- Follow policies as outlined in "Rental Policies & Procedures Manual - 9/98."

What to Do When You Have a Customer (Continued)

VEHICLE RETURN

When the customer returns with the loaner vehicle, you should do the following to help ensure the vehicle is in the same condition as when it left:

- Thoroughly inspect the vehicle, including the spare tire and overall cleanliness.
- Ask the customer if the vehicle operated properly.
- Record any concerns about operation so they can be repaired.
- Close out the Rental Agreement.

This return procedure should be completed before the customer receives his/her own vehicle.

Using a Rental Agency



With prior approval from Program Headquarters, you have the option of using an outside rental agency to provide your service customers with loaner vehicles. (See sample approval form on next page.) Enterprise Rent-A-Car and Hertz are preapproved by Ford Motor Company as supplemental or alternative sources for loaner vehicles. Agencies other than Enterprise and Hertz may also be used if you first obtain approval from Program Headquarters. Moreover, they must meet the Rental Agency Guidelines listed on page TAP-19.

Using a Rental Agency (Continued)

RENTAL AGENCY GUIDELINES

- When the rental agency is selected as a secondary source for vehicles, it will supply Ford/Mercury or Lincoln products and pick up your customers from your dealership within 15 minutes.
- Under no circumstances will the agency provide a Non-Ford Motor Co. vehicle.
- The rental agency will make every effort to provide your customers with a vehicle that is comparable to their own.
- Prior to receiving the customer's signature, the rental agency will explain all customer responsibilities, including gas and mileage fees, collision damage waiver, and rental fees.
- The rental agency will resolve all customer concerns promptly and professionally.
- The rental agency will provide clean, well-maintained loaner vehicles.
- All rentals will be current model or one-model-year-old units.

Using a Rental Agency (Continued)

RENTAL AGENCY RATES AND DEALER REIMBURSEMENT

rental agency rates for alternate transportation should be negotiated on an individual dealer basis. For each eligible vehicle obtained through a rental agency (up to your TAP allocation), TAP will reimburse you at the appropriate daily rate (\$18 or \$35). You must maintain your Vehicle Utilization Log to support reimbursement.

Claiming Reimbursement From Ford Motor Company

To receive TAP reimbursement, you need to complete one FCS 1863/6125-2 Claim Form for each Program Code (see latest *ACES II User Manual* for instructions on claim entry). The Program Codes are as follows:

1999 TAP REIMBURSEMENT RATES & CLAIM CODES



TYPE	VEHICLE/ SOURCE	ELIGIBLE TAP CLAIM DAYS PER DAY OF SERVICE	REIMBURSEMENT RATE/TAP DAY	TYPE OF REPAIR	CLAIM CODE
L: car	Ford/Mercury In House	One	\$18.00	Warranty or Retail	SLP SLR
	Ford/Mercury Outside Rental	One	\$18.00	Warranty or Retail	SRD SRR
	Lincoln In House	One	\$35.00	Warranty or Retail	SLT
	Lincoln Outside Rental	One	\$35.00	Warranty or Retail	SRC
	Mercury Substitute For Lincoln Outside Rental	One	\$18.00	Warranty or Retail	SRN
	Mercury Substitute For Lincoln In House	One	\$18.00	Warranty or Retail	SLN
	S: van	Ford/Mercury In House Only	One	\$18.00	Warranty or Retail
Eligible Van In House Only		Two	\$18.00 x 2	Warranty or Retail	SLX
Lincoln In House Only		One	\$35.00	Warranty or Retail	SRV

Claim forms should be submitted monthly to Ford via DWE/ACES II. Be sure to include all days used during the month. Claims will not be accepted if they are received more than 90 days after the end of the month the vehicle was used.

Note: A TAP allocated day cannot be claimed while a customer is also receiving benefits covered by an ESP rental plan, a non-Ford extended service contract with rental coverage, or any other rental benefit coverage. Incorrect use of claim codes may result in changes to future allocations.

Claiming Reimbursement From Ford Motor Company (Continued)

CLAIMING ALLOCATED DAYS

You can claim ONE allocated day when:

- A customer uses the vehicle for a single workday.
- A customer uses the vehicle overnight.
- You can claim only one allocated day within a 24-hour period regardless of how many times you loan the vehicle.

You can claim TWO allocated days when:

- A customer receives a loaner vehicle early one day and returns it late the next.
- Using an eligible van shuttle.

You can claim a maximum of 22 TAP days/month for a Ford, Mercury or Lincoln shuttle. You can claim a maximum of 44 TAP days/month for an eligible van shuttle.

Example: Ford, Mercury or Lincoln Shuttle = 22 TAP Days

Eligible Van Shuttle = 44 TAP Days

You may NOT claim more TAP days per loaner vehicle than calendar days in the month.

Claiming Reimbursement From Ford Motor Company (Continued)

LINCOLN ALLOCATED DAYS

To receive the higher Lincoln reimbursement rate, you must provide your Lincoln customers with a Lincoln vehicle. *Remember, research shows that Lincoln customers are significantly more satisfied with their service experience when they receive a Lincoln as their loaner vehicle.*

If a Lincoln vehicle is not available, you should provide your Lincoln customer with an alternate vehicle (such as a Grand Marquis), but you will receive the lower reimbursement rate of \$18.00. To claim a Lincoln day at the lower reimbursement rate, submit the claim form using the Lincoln Program Code (SRN or SLN) with the total dollar amount calculated at the lower \$18.00 rate.

MUST REGISTER LINCOLN LOANERS

You must register each of your Lincoln vehicles with TAP Headquarters to obtain the \$35.00 Lincoln reimbursement rate. To register a Lincoln vehicle, complete the Lincoln Registration Form and fax it to 313-228-8141.

Claiming Reimbursement From Ford Motor Company (Continued)

SHUTTLE REIMBURSEMENT

- Ford/Mercury shuttle vehicles are reimbursed at the Ford/Mercury rate (\$18.00).
- Lincoln shuttles when at least one of the shuttle users is a Lincoln customer can claim the Lincoln reimbursement rate (\$35.00).
- Eligible van shuttles (at the Dealer's option) can claim two TAP days for a single day of shuttle operation (2 x \$18.00 = \$36.00).

EXCEEDING YOUR ALLOCATED DAYS

IMPORTANT: You will be denied payment for any days you claim in excess of your allocation. If you have any questions regarding your allocated days, contact the TAP Hotline (1-800-336-0798).

COMPLETING YOUR VEHICLE UTILIZATION LOG

You must keep track of your alternate-transportation vehicles by maintaining a Vehicle Utilization Log — even when you are using an outside rental agency. Completed samples appear on the following pages. **Important:** This form should be attached to the FCS 1853/6125-2 claim form and retained in your files along with the Rental Agreement and any related repair orders. Also:

- Maintain a separate Vehicle Utilization Log for each vehicle in your in-dealership fleet. (Indicate Vehicle Identification Number at the top of each form.)
- It's important that you submit your claims monthly.
- We recommend a separate log for each Program Code.

TAP and Lincoln Commitment™

Lincoln Commitment transportation assistance benefits have been administered through TAP since 1996. The Lincoln Commitment entitles ALL Lincoln warranty customers to one of three alternate transportation options when their vehicle is in for warranty service:

- A dealer-provided loaner vehicle.
- Shuttle transportation.
- Reimbursement for use of an outside rental agency (up to \$35/day)



It is important to note here that luxury buyers as a whole, and our Lincoln customers in particular, have high expectations — they not only want an exceptional product, but also exceptional service. They expect special treatment and, as our premier customers, they deserve it. That's why we developed the Lincoln Commitment program and guarantee Lincoln warranty customers alternate transportation benefits. These special benefits enhance the overall ownership experience and show the Lincoln customer that we provide the added value and special treatment they are looking for.

With this in mind, we encourage you to go the extra mile for Lincoln customers. While you may provide a non-Lincoln loaner vehicle as an alternate transportation benefit, *research shows that Lincoln customers are significantly more satisfied with their service experience when they receive a Lincoln as their loaner vehicle.*

TAP and Lincoln CommitmentSM (Continued)

TAP/LINCOLN COMMITMENT REIMBURSEMENT RATES

For reimbursement rates, refer to the TAP reimbursement rates matrix.

WHAT TO DO WHEN YOU HAVE A VISITING LINCOLN OWNER

Lincoln Commitment transportation benefits are available to ALL Lincoln warranty customers.



If you are a non-Lincoln dealership, Lincoln Commitment customers are still eligible for alternate transportation. If you provide a Lincoln Commitment customer with a Lincoln loaner vehicle while his or her vehicle is being serviced at your dealership, you can contact TAP Headquarters to obtain the needed allocation of Lincoln days. Fax your request to 1-313-225-6141.

LINCOLN COMMITMENT AND NON-WARRANTY REPAIRS

Because TAP offers reimbursement for retail repairs, your dealership is able to offer alternate transportation to Lincoln Commitment customers in for a non-warranty repair (except for internal and customer-paid body shop repairs which are covered by insurance rental benefits). You have the freedom to establish your own dealership policies to cover these situations within your basic TAP allocation. As warranty repairs go down, there are more Lincoln TAP days that can be utilized to promote customer satisfaction among Lincoln owners in for retail service.

**A Cost-Effective Way to Obtain Alternate Transportation Vehicles:
The FRCS and LMCRS Guarantee Program**



By using TAP in conjunction with the Ford Rental Car System (FRCS) or the Lincoln Mercury Car Rental System (LMCRS) you can provide your customers with current-model-year leases for *little or no cost to you*. For example, your cost for a 1999 Taurus/Sable is \$18.00/day at 70% utilization. Call 1-800-548-3212 for more details.

State Sales/Use Tax

Some states are assessing dealers with a sales/use tax on transportation assistance payments made to dealers by Ford Motor Company.

It is the Company's position that payments to dealers under the Transportation Assistance Program are in the nature of grants or subsidies to assist dealers in their customer satisfaction efforts. Since the Company is not the user of the vehicles, the Company's payments should not be deemed rents subject to a sales/use tax. If your dealership is contacted in this regard, you may wish to have your attorney or tax consultant pursue this aspect with the state. However, in the event that the state disagrees, the Company will not reimburse any sales/use tax imposed on dealers for providing no-charge service loaner vehicles to their customers.

Contacts and Information Sources

TAP questions: If you have any questions concerning TAP, please contact our program hotline at 1-800-336-0798.

DWE questions: If you have questions concerning Direct Warranty Entry (DWE), please contact the Business Assistance Center at 1-800-423-8851.

Or

Refer to the "Warranty & Policy Manual" — Section 6.

Ordering LMCBS/RCBS materials: Call 734-455-0069.
(Rental Policy & Procedures)

LMCBS/RCBS Questions: Call 1-800-548-3212.

Ordering TAP materials: Call 1-800-336-0798.

Ordering Rental Agreements and 1843/6124-2 claim forms: Call your local Reynolds & Reynolds representative or place your request by phone or in writing to:

Reynolds & Reynolds Company
Automotive Division
824 Main Avenue
Celina, OH 45822
Phone: 1-800-344-0996

Note: You may print your own forms as long as they are the same as the original forms.