

Ford Motor Company
Recall Reimbursement Plan for 08S02

Ford Motor Company has historically reimbursed customers for expenses to remedy a safety recall defect or noncompliance that were incurred before the customer was notified of the recall. These reimbursements have been processed through our dealer network, because our dealers are in the best position to quickly and efficiently satisfy these requests. We will continue to provide this service to our customers. However, new federal legislation now requires all motor vehicle manufacturers to establish processes through which customers may alternatively seek recall reimbursement directly from the manufacturer as well as from the dealers.

Regarding the specific reimbursement plan for Recall #08S02, owners who have paid for service to remedy the defect or noncompliance must have had that service performed prior to March 20, 2008 (the "ending date" referred to in the letter below). After this date, if repairs related to this recall are performed by a non-Ford repair facility in an emergency situation, customers must submit any refund requests through their dealership. As required by this federal regulation, Ford Motor Company submitted the details of its updated General Recall Reimbursement Plan in a letter to the National Highway Traffic Safety Administration (NHTSA) in February 2005. The following is the text of that letter and the Plan:

General Recall Reimbursement Plan
(As submitted to the NHTSA)

Pursuant to the requirements set forth in 49 CFR Part 573 and Part 577 of the Code of Federal Regulations, Ford Motor Company (Ford) is submitting required information pertaining to our general reimbursement plan for the cost of remedies paid for by vehicle owners before they are notified of a related safety recall.

As indicated in our February 28, 2003 letter to the agency concerning reimbursement, prior to this rule Ford routinely reimbursed owners for the cost of such pre-notification remedies. Our practice will continue as described in the February 2003 letter. Set forth below is Ford's general reimbursement plan to reimburse owners and purchasers for costs incurred for remedies in advance of notification of potential safety-related defects or noncompliance pursuant to Part 573.6(c)(8)(i).

Reimbursement Notification

Ford's notice to a vehicle owner in accordance with 49 CFR Part 577 will indicate that Ford is offering a refund if the owner paid to have service to remedy the defect or noncompliance prior to a specified ending date. In accordance with Part 573.13 (c)(2), this ending date will be defined as 10 calendar days after the date on which Ford mailed the last of its Part 577 notifications to owners, and will be indicated in the specific reimbursement plan available to owners for an individual recall. This notice will direct owners to seek eligible reimbursement through authorized dealers or, at their option, directly through Ford at the following address:

Ford Motor Company
P.O. Box 6251
Dearborn, MI 48121-6251

Ford notes that this rule allows for the identification of a beginning date for reimbursement eligibility. Under the rule, an owner who paid to remedy the defect or noncompliance prior to the identified beginning date would not be eligible for reimbursement. Ford generally has not established such a beginning date for reimbursement eligibility and does not presently anticipate changing this general policy; however, in any case where Ford determines a beginning date is appropriate, Ford will indicate that date in the owner notice.

Costs to be Reimbursed

For vehicles, reimbursement will not be less than the lesser of:

- The amount paid by the owner for the remedy, or
- The cost of parts for the remedy (to be no more than the manufacturer's list retail price for authorized parts), plus associated labor at local labor rates, miscellaneous fees (such as disposal of waste) and taxes

For replacement equipment, reimbursement will be the amount paid by the owner for the replacement item (limited by the amount of the retail list price of the defective or noncompliant item that was replaced, plus taxes, where the brand or model purchased by the owner was different than the brand or model that was the subject of the recall). If the item of motor vehicle equipment was repaired, the reimbursement provisions identified above for vehicles will apply.

Ford notes that costs incurred by the owner within the period during which Ford's original or extended warranty would have provided for a free repair of the problem will not be eligible for reimbursement, as provided by Part 573.13 (d)(1).

Entities Authorized to Provide Reimbursement

Ford will continue to use authorized dealers to reimburse owners under the specific reimbursement plans for a particular recall, and will encourage owners to pursue requests for reimbursement directly through dealers to expedite reimbursement. Ford will also provide a mailing address to which customers can, at their option, send requests for reimbursement directly to Ford, as previously noted. Requests for reimbursement sent directly to Ford may take up to 60 days to process. Whether the owner chooses to pursue reimbursement requests through a dealer or directly through Ford, the owner will be directed to submit the required documentation, upon which reimbursement eligibility will be determined.

Required Documentation

The reimbursement determination will depend upon the information provided by the customer. Consistent with Part 573.13(d)(4) the following information must be submitted:

- Claimant name and address
- Vehicle make, model and model year
- Vehicle identification number (VIN) and, for replacement equipment, a description of such equipment or, for tires, the model, size and TIN (DOT code)
- Identification of the recall number (either the Ford recall number or the NHTSA recall number)
- Identification of the owner of the recalled vehicle at the time that the pre-notification remedy was obtained
- An original receipt for the pre-notification remedy that includes a breakdown of the amount for parts, labor, other costs and taxes, including costs for the replacement item. Where the receipt covers work other than to address the recall or noncompliance, Ford may require the claimant to separately identify costs that are eligible for reimbursement.
- If the remedy was obtained during the warranty period, documentation indicating that the warranty was not honored or the warranty repair did not correct the problem related to the recall.

Failure to submit all of the above information may result in denial of the reimbursement request.

Additional Information

The Part 577 required owner notice will provide a toll-free telephone number through which specific information about the reimbursement plan can be requested from Ford.

This general reimbursement plan will be incorporated into notifications pursuant to Part 573.6 by reference. Information specific to an individual recall also may be incorporated into the Part 573.6 notification.