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February 7, 2011

TO: All U.S. Ford and Lincoln Mercury Dealers

SUBJECT: Safety Recall 10S13 - Supplement #7

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States

Rear Axle Inspection and Repair

REF: Safety Recall 10S13 – Supplement #6

Dated January 12, 2010 Safety Recall 11S16

Certain 1999-2003 Model Year Windstar Vehicles Operated in Corrosion States Subframe Front Lower Control Arm Rear Attaching Flanges and Rear Body Mount

Attachments Inspection and Repair

New! REASON FOR THIS SUPPLEMENT

- Provide information related to vehicle component issues caused by long term storage of vehicles with a cracked or perforated axle.
- Advise dealers that axle reinforcement parts can now be ordered through normal order processing channels.
- Provide Tech Tips for reducing exposure to adhesive fumes.
- Update on rear axle distribution and estimated date for completing axle replacements on all "grounded" vehicles.
- Update on follow-up mailing to affected owners.
- Update Dealer Q & A.

AFFECTED VEHICLES

Certain 1998 through 2003 model year Windstar vehicles built at the Oakville Assembly Plant from September 1, 1997 through Job Last and originally sold in, or currently registered in the following states:

Connecticut	Iowa	Michigan	New York	Vermont
Delaware	Kentucky	Minnesota	Ohio	West Virginia
District of Columbia	Maine	Missouri	Pennsylvania	Wisconsin
Illinois	Maryland	New Hampshire	Rhode Island	
Indiana	Massachusetts	New Jersey	Utah	

Affected vehicles are identified in OASIS. In addition, for a list of vehicles assigned to your dealership, visit https://web.fsavinlists.dealerconnection.com.

REASON FOR THIS SAFETY RECALL

In some of the affected vehicles, the rear axle could potentially fracture when operated in high corrosion areas (where salt is used on the roadways during winter months) for an extended period of time. If the rear axle should completely fracture, vehicle handling may be affected which could increase the risk of a crash.

SERVICE ACTION

Dealers are to clean and inspect the rear axle beam for cracks or perforations (holes). Based on the results of the inspection and the availability of axle reinforcement parts, dealers will perform one of the following service actions:

 Rear Axle Beam <u>PASSED</u> the Inspection and Parts <u>ARE</u> Available: Install the parts per Attachment III – Technical Information and return the vehicle to the owner.

PLEASE NOTE: In order for the bracket to properly bond to the rear axle, the vehicle <u>must</u> <u>remain</u> on the hoist until the axle reinforcement adhesive has cured. The following guidelines **must** be followed:

- 2 hour cure time at 21°C (70° F) or higher shop temperature
- 3 hour and 15 minute cure time at 16°C (60° F) shop temperature
- If the shop temperature is lower than 16°C (60° F), the adhesive will need to cure overnight
- DO NOT USE HEAT LAMPS TO REDUCE CURE TIME AS EXCESSIVE TEMPERATURES WILL AFFECT BOND STRENGTH OF THE ADHESIVE

We recommend dealers schedule late afternoon repairs if hoist availability will be a concern. By installing the brackets at the end of the day, dealers will have the flexibility to allow the adhesive to properly cure overnight while the vehicle is on the hoist. Customers are eligible for a rental vehicle if needed. Refer to "Rental Vehicles" in Attachment I.

- Rear Axle Beam <u>PASSED</u> the Inspection and Parts <u>ARE NOT</u> Available: Apply urethane foam and Anti-Corrosion Coating. Return the vehicle to the owner along with the Passed Rear Axle Inspection Customer Information Sheet.
- Rear Axle Beam <u>DID NOT PASS</u> the Inspection:
 Offer the customer rental transportation and provide them with a copy of the Did Not Pass Rear Axle Inspection Customer Information Sheet.

This service must be performed on all affected vehicles at no charge to the vehicle owner.

New! *IMPORTANT NOTES*

- Rear axles are now available in limited supply. Axle shipments (to repair "grounded" vehicles)
 will be prioritized based primarily on "First In, First Out" (FIFO) basis according to the claim repair
 date for labor operation 10S13K.
- The Special Service Support Center will continue to contact dealers via phone to advise them when axles are being shipped to the dealership. As axle availability increases, we will discontinue contacting dealerships directly but will continue to distribute axles to dealers according to paid claims data for "grounded" vehicles. Based on supplier commitments, all vehicles that are "grounded" at dealer locations should be repaired and returned to customers by late March. Once all "grounded" vehicles have been repaired, dealers will be able to order axles through normal order processing channels.
- Taxes and local surcharges associated with rental vehicles are now eligible for reimbursement by Ford for Safety Recall 10S13. This is a very specific exception to apply only to 10S13.
- Ford plans to begin mailing a follow-up communication in March 2011 notifying owners that parts are now available to perform the necessary repairs on their vehicle.
- We understand that the unique challenges of Safety Recall 10S13 are placing an excessive administrative burden on the dealerships. As such, prior approval for rental vehicles is no longer required. If you have a customer with unique transportation issues, please continue to contact the SSSC for assistance.

IMPORTANT NOTES (Continued)

- Performing (and claiming) the inspection will **NOT** close Safety Recall 10S13. Installing axle reinforcement parts **WILL** close Safety Recall 10S13.
- In the interest of meeting the diverse needs of our dealerships, claims for rental reimbursement can either be submitted on a monthly basis to assist with cash flow or once when the customer no longer needs the rental.
- Ford recognizes that we have placed a burden upon the dealers due to the unique long term vehicle storage requirements of this safety recall. Therefore, we will provide an allowance to ensure the vehicle is returned to the owner in good, operable condition after the axle is replaced. At least once per month, dealers are requested to perform the following maintenance items:
 - Start and run the engine for approximately 15 minutes to keep the battery charged.
 - If possible, move the vehicle to avoid tire flat spots and apply the brakes several times to minimize brake rotor corrosion.

After the axle has been replaced, please thoroughly clean the interior and exterior of the vehicle before returning to the owner. Ford will provide an allowance of \$150 per vehicle to complete the maintenance and cleaning requested. *In addition, vehicle component issues due to extended long term storage can be claimed for up to \$200 without prior approval.*

Ford acknowledges that physical storage space for "grounded" Windstar vehicles may be an issue in certain geographic areas. We are committed to helping the dealers with this concern. Dealers should contact their Regional Management Team if assistance is needed.

- If a vehicle is not included in OASIS, and an owner believes it should be included in the recall (due to evidence of a crack, perforation, or having been operated in a corrosion environment), contact the SSSC at 1-800-325-5621 to request approval of coverage by Safety Recall 10S13.
- Rental vehicles will be claimed under a separate program (79M01).

OWNER NOTIFICATION MAILING SCHEDULE

Letters to owners of the expanded population (Utah and remaining 2003 model year vehicles) are expected to be mailed the week of December 6, 2010. Dealers should perform an inspection on any affected vehicles identified in OASIS that arrive at their dealerships, whether or not the customer has received a letter.

New! ATTACHMENTS

Attachment I: Administrative Information

Attachment II: Labor Allowances and Parts Ordering Information

Attachment III: Technical Information

Attachment IV: Dealer Q & A

Customer Information Sheet: Passed Rear Axle Inspection - No Crack or Perforation

Customer Information Sheet: Did Not Pass Rear Axle Inspection - Crack or Perforation Found

Recall Reimbursement Plan

QUESTIONS & ASSISTANCE

Special Service Support Center (Dealer Assistance Only) ______1-800-325-5621

Sincerely,

Michael A. Berardi

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

OASIS ACTIVATED?

Yes, OASIS will be activated on November 30, 2010.

FSA VIN LIST ACTIVATED?

Yes, FSA VIN list is available through https://web.fsavinlists.dealerconnection.com. Owner names and addresses will be added on November 30, 2010.

NOTE: Your FSA VIN list may contain owner names and addresses obtained from motor vehicle registration records. The use of such motor vehicle registration data for any purpose other than in connection with this recall is a violation of law in several states, provinces, and countries. Accordingly, you must limit the use of this listing to the follow-up necessary to complete this recall.

STOCK VEHICLES

Inspect all affected units in your used vehicle inventory before delivery.

SOLD VEHICLES

- Owners of affected vehicles will be directed to dealers for repairs.
- Correct other affected vehicles identified in OASIS which are brought to your dealership.

TITLE BRANDED / SALVAGED VEHICLES

Affected title branded and salvaged vehicles are eligible for this recall.

New! RELATED DAMAGE

If a related damage condition exists that you believe to be caused by the covered condition, call the Special Service Support Center to request approval **prior** to the repair of any related damage. Requests for approval after completion of the repair will not be granted. Ford Motor Company reserves the right to deny coverage for related damage in cases where the vehicle owner has not had this recall performed on a timely basis.

Component Issues Due To Long Term Storage:

We understand the unique challenges of trying to maintain the "grounded" Windstar vehicles caused by the limited supply of replacement axles and compounded by the severe weather. To address this issue, we are empowering the dealers to perform minor repairs such as battery replacement as needed within the following guidelines:

- Component issues due to long term storage must be claimed on a repair line that is separate from the repair line on which the FSA is claimed. If the parts and labor total is \$200 or less, prior approval is not required. If the parts and labor total is more than \$200, prior approval from the Special Service Support Center is required.
- Component issues can only be claimed if the vehicle was stored for 30 days or more and in combination with labor operation 10S13C Replace Rear Axle.

ADDITIONAL LABOR TIME

- If a condition exists that requires additional labor to complete the repair, call the Special Service Support Center to request approval **prior** to performing any additional labor. Requests for approval after completion of the repair will not be granted.
- If you encounter aftermarket equipment or modifications to the vehicle which might prevent the repair of the covered condition, call the Special Service Support Center.

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

OWNER REFUNDS

- This safety recall must still be performed, even if the owner has paid for a previous repair. Claiming a refund will not close the recall on the vehicle.
- Ford Motor Company is offering a refund for owner-paid repairs covered by this recall if the repair was performed prior to the date indicated in the reimbursement plan, which is posted with this bulletin. Owners are directed to seek reimbursement through authorized dealers or, at their option, directly through Ford Motor Company at P.O. Box 6251, Dearborn, MI 48121-6251.
- Dealers are also authorized to refund owner-paid <u>emergency</u> repairs that were performed away from an authorized servicing dealer after the end date specified in the reimbursement plan. Noncovered repairs, or those judged by Ford to be excessive, will not be reimbursed.
- Refunds will only be provided for the cost associated with the repair or replacement of a cracked or perforated rear axle.

RENTAL VEHICLES

Based on the unique conditions of this recall, the following rental guidelines have been enhanced:

We understand that the unique challenges of Safety Recall 10S13 are placing an excessive administrative burden on the dealerships. As such, prior approval for rental vehicles is no longer required. If you have a customer with unique transportation issues, please continue to contact the SSSC for assistance.

- Long term rentals will only be provided for vehicles that are found to have a cracked, perforated, or fractured rear axle.
- Short term rentals (up to 2 days) will be provided for those situations where scheduling requires overnight hoist time for adequate amount of adhesive cure after axle reinforcement bracket installation.
- Due to the unique circumstances of 10S13, the maximum daily rental rate has been increased to \$38 a day to cover costs associated with the vehicle and insurance, when required. Ford will pay for up to 180 days of vehicle rental, except for fuel, which will be at the owner's expense. Taxes and local surcharges associated with rental vehicles are now eligible for reimbursement by Ford. This is a very specific exception to apply <u>only to 10S13</u>. These enhancements are also retroactive for previously approved rental vehicles.
- Enterprise Rent-A-Car is offering a discount on long term rental rates, along with a reduced Collision Damage Waiver daily rate of \$8. Please reference source code "WINDSTR" with your local Enterprise office to procure these rates.
- ALL RENTAL EXPENSES, TAXES, AND LOCAL SURCHARGES MUST BE CLAIMED ON A SEPARATE REPAIR ORDER FROM 10S13 UNDER PROGRAM CODE 79M01.
- In the interest of meeting the diverse needs of our dealerships, claims for rental reimbursement can either be submitted on a monthly basis to assist with cash flow or once when the customer no longer needs the rental.
- The rental vehicle claim (under 79M01) submission time limit has been extended to 210 days.
- 10S13 claims are still subject to normal submission time limits and should be submitted as soon as possible.

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

New! CLAIMS PREPARATION AND SUBMISSION

- Enter claims using Direct Warranty Entry (DWE).
- Refer to ACESII manual for claims preparation and submission information.
- Component issues due to long term storage must be claimed on a repair line that is separate from the repair line on which the FSA is claimed with the related damage flag checked. If the parts and labor total is \$200 or less, prior approval is not required. If the parts and labor total is more than \$200, prior approval from the Special Service Support Center is required. Component issues can only be claimed if the vehicle was stored for 30 days or more and in combination with labor operation 10S13C Replace Rear Axle.
- Related damage must be claimed on a repair line that is separate from the repair line on which the FSA is claimed. Related damage requires prior approval from the Special Service Support Center.
- "MT" labor should be submitted on a separate repair line with the related damage flag checked. "MT" labor requires prior approval from the Special Service Support Center.
- Refund Claiming Information (Submit on separate repair line.)

Program Code: 10S13
 Misc. Expense: ADMIN
 Misc. Expense: 0.2 Hrs.

• Rental Expenses: Must be claimed on a separate repair order from 10S13 under program code 79M01. Dealers can submit for rental reimbursement (up to \$38 per day) on a monthly basis. Contact the SSSC if you have a customer with unique transportation issues. For flexibility in claiming, the submission time limit for 79M01 claims (not 10S13 claims) has been extended.

Program Code: 79M01Misc. Expense: RENTALMisc. Expense: Total amount

• Rental Taxes and Local Surcharges: Must be claimed on a separate repair order from 10S13 under program code 79M01. (When possible, these expenses should be claimed on a different line of the same repair order that the Rental Expense was claimed.)

Program Code: 79M01Misc. Expense: RTAXESMisc. Expense: Total amount

• Vehicle Storage Maintenance and Cleaning: This allowance can only be claimed if the vehicle was stored for 30 days or more and in combination with labor operation 10S13C - Replace Rear Axle. (Submit on same repair line as the repair.)

Program Code: 10S13Misc. Expense: CLEANMisc. Expense: \$150.00

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

New! CLAIMS PREPARATION AND SUBMISSION (Continued)

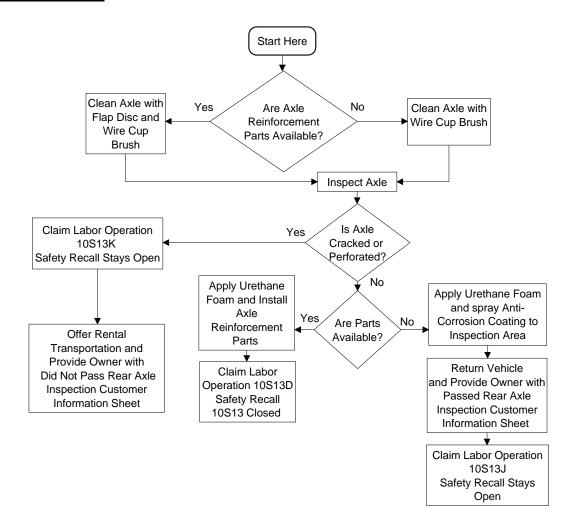
 Rear Axle Cleaning and Inspection: Claiming information for cleaning and application tools – applies to Labor Operation 10S13J. (Submit on same repair line as repair.)

Program Code: 10S13Misc. Expense: OTHERMisc. Expense: \$6.25

• Axle Reinforcement Repair: Claiming information for cleaning and application tools – applies to Labor Operation 10S13D. (Submit on same repair line as repair.)

Program Code: 10S13Misc. Expense: OTHERMisc. Expense: \$10.00

PROCESS OVERVIEW



Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

LABOR ALLOWANCES

PASSED INSPECTION

Description	Labor Operation	Labor Time
Clean and inspect, apply Great Stuff™ Gaps & Cracks and Anti- Corrosion Coating, and return vehicle to owner	400401	0.5.1155
Note: This is an interim repair only and will NOT close Safety Recall 10S13.	10S13J	0.5 Hours
Clean and inspect, apply Great Stuff™ Gaps & Cracks, install axle reinforcement parts, apply Anti-Corrosion Coating, and return vehicle to owner	10S13D	1.8 Hours

DID NOT PASS INSPECTION

Description	Labor Operation	Labor Time
Clean and inspect, hold vehicle for future repair		
Note: This is an interim repair only and will NOT close Safety Recall 10S13.	10S13K	0.5 Hours
Replace rear axle (previously inspected)		
Note: This labor operation is to be used for vehicles that were being stored while waiting for an axle.	10S13C	1.1 Hours

TOOL REQUIREMENTS

TA-10, Dual Cartridge Applicator Gun, is required to install the axle reinforcement brackets. Each dealer will be provided one applicator gun at no charge. Applicator guns will be shipped in two phases. The first phase has already been shipped and should have arrived at all dealerships with eight or more affected vehicles on their FSA VIN List. The second phase will be shipped to all remaining dealerships by December 7, 2010. The box will be labeled with the Motorcraft part number (TA-10 Dual Cartridge Applicator Gun) and a yellow label that states "ATTENTION SERVICE MANAGER - Special Tools for Safety Recall 10S13."

If your dealership wishes to order additional applicator guns at the dealer's expense, you should place an order for TA-10 using the DOES II system. Additional guns will be available beginning December 7, 2010.

A Preval ® Spray Gun is required to apply PM-13-A Anti-Corrosion Coating. One spray gun cartridge will either complete four axle reinforcement repairs or complete 15 rear axle cleaning and inspections. Obtain from local hardware stores, home centers, etc. Research indicates spray gun is available at most Sherwin-Williams stores and some Home Depot stores. Reimbursement for spray gun is included in both Rear Axle Cleaning and Inspection and Axle Reinforcement Repair allowance. See Attachment I, Claims Preparation and Submission section.

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

New! PARTS REQUIREMENTS / ORDERING INFORMATION

Axle Not Cracked or Perforated - Clean and Inspect Interim Repair Parts

Part Number	Description	Claiming Information
PM-13-A	Anti-Corrosion Coating Note: One 16 oz. container will repair approximately 15 vehicles under Labor Op 10S13J	Claim as MISC OTHER
Great Stuff™ - Gaps & Cracks	Urethane Foam made by Dow Chemical Company (Obtain from local hardware stores, home centers, etc.)	Claim as MISC OTHER

Order PM-13-A Anti-Corrosion Coating requirements through normal order processing channels.

Axle Not Cracked or Perforated - Axle Reinforcement Parts

Part Number	Description	Claim Quantity
3F2Z-5F057-A	Bracket and Fastener Kit	1
PM-28-W	Adhesive and Anti-Corrosion Coating Kit Note: One package contains four cartridges of adhesive and one bottle of PM-13-A Anti-Corrosion Coating. • One cartridge of adhesive is needed per repair • ½ bottle of corrosion protection is needed per repair	1
Great Stuff™ - Gaps & Cracks	Urethane Foam made by Dow Chemical Company (Obtain from local hardware stores, home centers, etc.)	Claim as MISC OTHER

Note: Four (4) kits of 5F5057 and one (1) kit of PM-28-W will repair four (4) vehicles.

We expect that the majority of the vehicles will not have a cracked or perforated axle and can be reinforced. *Axle reinforcement parts can now be ordered through normal order processing channels*.

Axle Cracked or Perforated

A small percentage of vehicles will require an axle replacement.

Axles are currently not available for open ordering. Dealers will receive a DOES II message when part requirements can be ordered through normal order processing channels.

Part Number	Description	Quantity
2F2Z-4B435-AB	Rear Axle	1

The DOR/COR number for this recall is 50423.

Questions regarding parts should be directed to the SSSC (1-800-325-5621) or E-mailed to: Ford@Renkim.com.

Certain 1998-2003 Model Year Windstar Vehicles Operated in Corrosion States Rear Axle Inspection and Repair

DEALER PRICE

For latest prices, refer to DOES II.

PARTS RETENTION AND RETURN

Affected axles are subject to random selection for return to the Ford Warranty Parts Analysis Center (WPAC). Refer to your daily PEARS (Parts Entry and Return System) register for part disposition and return instructions.

Follow the provisions of the Warranty and Policy Manual for "Parts Retention and Return Procedures."

EXCESS STOCK RETURN

Excess stock returned for credit must have been purchased from Ford Customer Service Division in accordance with Policy Procedure Bulletin 4000.