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

DEALER Q & A

Q1. What is the problem?

A. Ford is voluntarily recalling 1999-2003 Model Year Windstar vehicles to address concerns relating to subframe corrosion. In some of the affected vehicles, a front subframe lower control arm (LCA) rear attaching flange or rear body mount could separate from the vehicle subframe after operating in high corrosion areas (where salt is used on the roadways during winter months) for an extended period of time. Separation of one LCA attachment or both rear body mounts may result in a loss of vehicle directional control, increasing the risk of a crash.

Q2. Why are you only recalling vehicles in corrosion states?

- A. The affected vehicles have been on the road for a number of years and, in many cases, have been driven well over 100,000 miles. The overwhelming majority of reports of subframe corrosion are from high-corrosion states. We will continue to monitor the performance of vehicles in all states as we always do.
- Q3. What should I do if an owner believes their vehicle has been operated in a high corrosion environment and requests their vehicle be inspected?
- A. If the vehicle is not in the program, but is a 1999 through 2003 model year Windstar, contact the Special Service Support Center at 1-800-325-5621 to request approval to be covered by Safety Recall 11S16.
- Q4. Are the vehicles safe to drive? Can people continue to drive the vehicle if the dealer cannot provide a permanent repair soon?
- A. We urge customers who receive a recall notice to take their vehicles to their local dealer for subframe inspection. If the vehicle does not pass inspection, customers will be offered a rental vehicle until repair parts are available. If the vehicle passes inspection, Ford will notify customers when parts are available and ask them to bring the vehicle back for repair. In some unique situations, the subframe will not be repairable, so a vehicle refund offer will be the only available remedy.
- Q5. The 1998-model Windstar was part of the 10S13 rear axle recall. Why are they excluded?
- A. 1998 model year and earlier Windstar minivans use a different subframe from the 1999-2003 model year Windstar vehicles and are not part of this Safety Recall 11S16.
- Q6. Do I need prior approval to initiate a rental vehicle for a customer whose vehicle is grounded waiting for subframe reinforcement parts?
- A. No, prior approval for rental transportation for vehicles awaiting subframe reinforcement parts is not required.
- Q7. Can I submit for rental reimbursement while the customer is still in a rental?
- A. Yes, rental reimbursement may be submitted on a monthly basis but must not exceed 30 days of expense per claim.

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Q8. How will customers with unique transportation issues (handicap or other extenuating circumstances) be handled?

A. Dealers should contact the Special Service Support Center at 1-800-325-5621 for assistance.

Q9. Is Ford offering vehicle refunds instead of repairing the vehicle? How much will Ford pay customers?

A. When Ford and the dealer agree that the subframe cannot be repaired, the remedy that Ford Motor Company will offer is to provide the owner with a vehicle refund at a premium which exceeds the fair market value of the vehicle. The vehicle refund offer is based on the vehicle Trim Level using Kelley Blue Book, Private Party, Excellent Condition, and assuming 12,000 miles per year. The premium offer is approximately 150% of this value. Please be aware that Ford may discontinue vehicle refunds in the future.

Q10. When the owner accepts the vehicle refund offer, how long does it take for the transaction to be completed?

A. Dealers will submit a warranty claim (same day) for the vehicle refund, \$100 recycling fee, and \$300 flat fee toward customer rental expense to complete the trade/refund process. Hence, dealers will receive payment the next day.

Q11. What is the dealer's role in the vehicle trade/refund process?

A. Dealers have been empowered to be the single point of contact with the customer to complete the vehicle trade/refund process and scrap the vehicle through a local disposal facility. The dealer will retain any scrap value obtained for the vehicle and any unused portion of the \$300 rental transportation provision.

Q12. If an owner declines the offer, what happens next?

A. The customer should be strongly encouraged to accept the premium vehicle refund offer as subframes are not available. If the customer continues to decline, request the owner sign the Vehicle Refund Offer in the decline location and retain in customer file. Customers who decline the offer will not be provided additional rental transportation, and dealerships must advise the customer that their vehicle is unsafe to drive. Dealers are eligible for rental reimbursement for up to five days if necessary to cover the time when the customer was considering the offer.

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Q13. What is Ford's plan to address concerns such as dead batteries and tire flat spotting that may occur on the vehicles that are grounded for an extended period of time?

- A. 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 of \$90 per vehicle to ensure the vehicle is returned to the owner in good, operable condition after the subframe reinforcement parts are installed. Dealers are requested to perform the following maintenance items:
 - Start and run the engine for approximately 15 minutes to keep the battery charged.
 - o If possible, move the vehicle to avoid tire flat spots and apply the brakes several
 - o Thoroughly clean the interior and exterior of the vehicle before returning to the owner. Please note this allowance is in addition to the \$150 provided for Safety Recall 10S13, Rear Axle Inspection and Repair. Reference the Claims Preparation and Submission section for further instructions.

Q14. Is the maintenance and cleaning compensation amount fixed or will it vary depending on how long the vehicle was stored?

A. Ford realizes that it may be difficult for the dealerships to determine just how long each vehicle was stored. As such, the maintenance and cleaning compensation amount is fixed and should be claimed once for all vehicles stored for at least 30 days.

Q15. Do you have an estimate of when the subframe reinforcement parts will be available?

A. Ford expects to begin seed stocking parts in early March 2011 to reinforce subframes that pass inspection. Ford will publish a supplement with parts ordering information and updated service procedures in March.

Q16. What percentage of vehicles do you expect will need to be "grounded" until parts become available?

A. We expect that 90% of the vehicles will be able to be returned to the customer after inspection. We only expect 10% of the vehicles will need to be "grounded" for 30 to 60 days until parts are available. Only a small percentage of "grounded" vehicles will not be repairable.

Q17. Should I perform Safety Recall 10S13 on a vehicle affected by the subframe recall (Safety Recall 11S16)?

A. If the subframe passes inspection, proceed with axle replacement or reinforcement bracket installation as appropriate.

If the subframe does not pass inspection and can be repaired, please do not install an axle or reinforcement brackets on that vehicle until subframe reinforcement parts are also available. Offer the owner rental transportation or advise them that they may remain in their current rental vehicle until all parts necessary to repair their vehicle are available.

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Q18. What should Dealers do about inspecting vehicles on their lots that were previously "grounded" waiting for replacement axles based on Safety Recall 10S13, Rear Axle Inspection and Repair?

- A. Basically, this is up to the Dealer's discretion on how to best satisfy their customers and maximize dealership efficiency. Ford has implemented changes to assist in the logistical burden of 11S16. To accelerate reduction in grounded vehicle inventory based on 10S13, you may want to consider:
 - 1998 MY vehicles are unaffected by 11S16, so these vehicle axles can be replaced and the vehicles returned immediately without 11S16 inspection.
 - When logistically possible, grounded 1999-2003 MY vehicles should be brought in for 11S16 subframe LCA rear attachment flange and rear body mount inspection.
 - i. If the vehicle **Passes inspection**, replacement axles (when available) can be installed and the vehicle returned to the owner immediately.
 - ii. If the vehicle **Does Not Pass inspection and <u>CAN</u> be repaired**, it should be returned to storage until subframe LCA and rear body mount reinforcement brackets are available. Do not install an axle on this vehicle at this time.
 - iii. If the vehicle **Does Not Pass inspection and <u>CANNOT</u> be repaired**, a refund offer can be requested. Refer to Attachment IV, Vehicle Refund Offer, for detailed instructions. Vehicle will be scrapped so no replacement axles or subframe reinforcement brackets are needed.
 - Dealers could consider inspecting grounded 10S13 vehicles primarily as replacement axles become available.
 - Replacement axles for 10S13 will continue to be distributed based on a First in-First out (FIFO) basis, but Dealers may use discretion regarding actual VINs repaired.
 - Dealers could consider scheduling grounded vehicle 11S16 inspections as part of regular monthly maintenance moves of 10S13 vehicles.

Vehicles stored offsite may need a prescreening of subframe LCA and rear body mount condition to avoid multiple transfers.