TO: All U.S. Ford and Lincoln Dealers

SUBJECT: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S18 - Supplement #1

Certain 2014-2015 Model Year Explorer and Police Interceptor Utility Vehicles Rear Suspension Toe Link Replacement

REF: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S18
Dated November 1, 2016

REF: Optional Product Improvement 17G01
Dated August 15, 2017

New! REASON FOR THIS SUPPLEMENT

- Parts List Update: The parts list has been updated with new part numbers for the required rear suspension toe link kits. All repairs completed on or after August 15, 2017 must use the updated parts

- Service Action: Some of the affected vehicles are also included in Optional Product Improvement Program 17G01. Rear suspension toe link replacement provides a single repair for 16S18 and 17G01. If affected, the Ford system will automatically close 17G01 upon claim payment of 16S18.

AFFECTED VEHICLES

<table>
<thead>
<tr>
<th>Vehicle</th>
<th>Model Year</th>
<th>Assembly Plant</th>
<th>Build Dates</th>
</tr>
</thead>
</table>

Affected vehicles are identified in OASIS and FSA VIN Lists.

REASON FOR THIS SAFETY RECALL

In some of the affected vehicles, the rear suspension toe link(s) may have poor weld quality which may cause them to fracture. A fractured rear suspension toe link may cause a loss of steering control, a difficult steering condition, or rear suspension noise. Loss of steering control increases the risk of a crash.

New! SERVICE ACTION

Before demonstrating or delivering any new in-stock vehicles involved in this recall, dealers are to replace both rear suspension toe links, check alignment and, if necessary, adjust rear toe. This service must be performed on all affected vehicles at no charge to the vehicle owner.

NOTE: Some of the affected vehicles are also included in Optional Product Improvement Program 17G01. Rear suspension toe link replacement provides a single repair for 16S18 and 17G01, for vehicles serviced on or after August 15, 2017. If affected, the Ford system will automatically close 17G01 upon claim payment of 16S18.
OWNER NOTIFICATION MAILING SCHEDULE

Owner letters are expected to be mailed the week of November 14, 2016. Dealers should repair any affected vehicles that arrive at their dealerships, whether or not the customer has received a letter.

PLEASE NOTE:
Federal law requires dealers to complete this recall service before a new vehicle is delivered to the buyer or lessee. Violation of this requirement by a dealer could result in a civil penalty of up to $21,000 per vehicle. Correct all vehicles in your new vehicle inventory before delivery.

New! ATTACHMENTS
Attachment I: Administrative Information
Attachment II: Labor Allowances and Parts Ordering Information
Attachment III: Technical Information
Owner Notification Letter
Recall Reimbursement Plan

QUESTIONS & ASSISTANCE
For questions and assistance, contact the Special Service Support Center (SSSC) via the SSSC Web Contact Site. The SSSC Web Contact Site can be accessed through the Professional Technician Society (PTS) website using the SSSC link listed at the bottom of the OASIS VIN report screen or listed under the SSSC tab.

Sincerely,

Michael A. Berardi
NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S18 - Supplement #1
Certain 2014-2015 Model Year Explorer and Police Interceptor Utility Vehicles
Rear Suspension Toe Link Replacement

OASIS ACTIVATION
OASIS was activated on April 26, 2016.

FSA VIN LISTS ACTIVATION
FSA VIN Lists have been available through https://web.fsavinlists.dealerconnection.com since April 26, 2016. Owner names and addresses will be available by November 25, 2016.

NOTE: Your FSA VIN Lists 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.

SOLD VEHICLES
• Owners of affected vehicles will be directed to dealers for repairs.
• Immediately contact any of your affected customers whose vehicles are not on your VIN list but are identified in OASIS. Give the customer a copy of the Owner Notification Letter (when available) and schedule a service date.
• Correct other affected vehicles identified in OASIS which are brought to your dealership.
• Dealers are to prioritize repairs of customer vehicles over repairs of new and used vehicle inventory.

STOCK VEHICLES
• Correct all affected units in your new vehicle inventory before delivery.
• Use OASIS to identify any affected vehicles in your used vehicle inventory.

DEALER-OPERATED RENTAL VEHICLES
A new law prohibits a Rental Company from selling, renting or leasing vehicles subject to a safety recall. This could impact dealer-operated rental fleets of 35 vehicles or more, including FRAC, LRAC, and DDR vehicles. Please see EFC04833 for details and consult your legal counsel for legal advice.

TITLE BRANDED / SALVAGED VEHICLES
Affected title branded and salvaged vehicles are eligible for this recall.

ADDITIONAL REPAIR (LABOR TIME AND/OR PARTS)
Additional repairs identified as necessary to complete the FSA should be managed as follows:
• For vehicles within new vehicle bumper-to-bumper warranty coverage, follow existing warranty and policy guidelines for related damage claims. No SSSC approval is required for these vehicles:
  o Ford vehicles – 3 years or 36,000 miles
• For vehicles outside new vehicle bumper-to-bumper warranty coverage, submit an Approval Request to the SSSC Web Contact Site prior to completing the repair.
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Rear Suspension Toe Link Replacement

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 pre-approved to refund owner-paid emergency repairs that were performed away from an authorized servicing dealer after the end date specified in the reimbursement plan. Non-covered repairs, or those judged by Ford to be excessive, will not be reimbursed.
- Refunds will only be provided for the cost associated with rear suspension toe link replacement.

RENTAL VEHICLES
The use of rental vehicles is not approved for this program.

New! CLAIMS PREPARATION AND SUBMISSION

- Enter claims using Direct Warranty Entry (DWE) or One Warranty Solution (OWS).
  o DWE: refer to ACESII manual for claims preparation and submission information.
  o OWS: when entering claims in DMS software, select claim type 31: Field Service Action. The FSA number (16S18) is the sub code.
- Additional labor and/or parts must be claimed as related damage on a separate repair line from the FSA.
- Submit refunds on a separate repair line.
  - Program Code: 16S18
  - Misc. Expense: ADMIN
  - Misc. Expense: REFUND
  - Misc. Expense: 0.2 Hrs.
- Multiple refunds should be submitted on one repair line and the invoice details for each repair should be detailed in the comments section of the claim.

NOTE: If affected, the Ford system will automatically close 17G01 upon claim payment of 16S18.

NOTE: The rear toe link kit part numbers have been updated. All repairs completed on or after August 15, 2017 must use the updated parts.
NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S18 - Supplement #1
Certain 2014-2015 Model Year Explorer and Police Interceptor Utility Vehicles
Rear Suspension Toe Link Replacement

LABOR ALLOWANCES

<table>
<thead>
<tr>
<th>Description</th>
<th>Labor Operation</th>
<th>Labor Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace both rear suspension toe links</td>
<td>16S18B</td>
<td>0.6 Hours</td>
</tr>
<tr>
<td>Check alignment and, if necessary, adjust rear toe</td>
<td>16S18C</td>
<td>0.6 Hours</td>
</tr>
</tbody>
</table>

New! PARTS REQUIREMENTS / ORDERING INFORMATION

NOTE: The rear toe link kit part numbers have been updated. All repairs completed on or after August 15, 2017 must use the updated parts.

<table>
<thead>
<tr>
<th>Part Number</th>
<th>Description</th>
<th>Order Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB5Z-5A972-J</td>
<td>Rear Toe Link Kit – AWD and all Police Interceptor Utility vehicles</td>
<td>1</td>
</tr>
<tr>
<td>DB5Z-5A972-K</td>
<td>Rear Toe Link Kit – FWD (except Police Interceptor Utility vehicles)</td>
<td>1</td>
</tr>
</tbody>
</table>

The DOR/COR number for this recall is 51051.
Order your parts through normal order processing channels. To guarantee the shortest delivery time, an emergency order for parts must be placed.

DEALER PRICE
For latest prices, refer to DOES II.

PARTS RETENTION AND RETURN
Follow the provisions of the Warranty and Policy Manual, Section 1 - WARRANTY PARTS RETENTION AND RETURN POLICIES.

EXCESS STOCK RETURN
Excess stock returned for credit must have been purchased from Ford Customer Service Division in accordance with Policy Procedure Bulletin 4000.
CERTAIN 2014-2015 MODEL YEAR EXPLORER AND POLICE INTERCEPTOR UTILITY VEHICLES — REAR SUSPENSION TOE LINK REPLACEMENT

OVERVIEW

In some of the affected vehicles, the rear suspension toe link(s) may have poor weld quality which may cause them to fracture. A fractured rear suspension toe link may cause a loss of steering control, a difficult steering condition, or rear suspension noise. Loss of steering control increases the risk of a crash. Dealers are to replace both rear suspension toe links, check alignment and, if necessary, adjust rear toe.

NOTE: Some of the affected vehicles are also included in Optional Product Improvement Program 17G01. Rear suspension toe link replacement provides a single repair for 16S18 and 17G01, for vehicles serviced on or after August 15, 2017. If affected, the Ford system will automatically close 17G01 upon claim payment of 16S18.

NOTE: The rear toe link kit part numbers have been updated. All repairs completed after August 15, 2017 must contain the updated parts.

SERVICE PROCEDURE

WARNING: Suspension fasteners are critical parts that affect performance of vital components and systems. Tighten fasteners as specified. Measure the distance from the center of the wheel hub to the lip of the fender with the vehicle in a level, static ground position (ride height) before disassembly. When securing the new toe link, it must be secured at the previously measured ride height.

WARNING: Tighten the suspension bushing fasteners with the suspension supported at ride height or with the weight of the vehicle resting on the wheels and tires, otherwise toe link and bushing damage may occur.

1. Replace both rear toe links and all fasteners. Please follow the Workshop Manual (WSM) procedures in Section 204-02.

NOTE: The toe links must be secured at ride height during replacement. See Figure 1.