

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re: NAVISTAR DIESEL ENGINE) Case No. 11-cv-2496
PRODUCTS LIABILITY) MDL No. 2223
LITIGATION)

This Document Relates to: All Cases

STIPULATION AND AGREEMENT OF SETTLEMENT

This Settlement Agreement is entered into this 1st day of November, 2012 by and among the named plaintiffs: (1) Custom Underground, Inc.; (2) John Barrett; (3) Scott and Heather Gray; (4) Frank Brown Towing, Inc.; (5) Cecil and Tressie Fulton; (6) Karl Strong; (7) Dinonno Enterprises, Inc., d/b/a Cutting Edge Concrete Cutting; (8) Charles Clark; (9) Georgean Vogt; (10) John Prebish; (11) Steve Santilli; (12) Anthony Mawyer; (13) Gena Boggero; (14) Carl Atwell; (15) Phillip Marcum; and (16) James Hutton (collectively, the “Named Plaintiffs”) and Defendant, Ford Motor Company (“Ford”), by and through their respective counsel.

RECITALS

WHEREAS, on or about January 8, 2010, an action was filed titled *Custom Underground, Inc. et al. v. Ford Motor Company*, in the United States District Court for the Northern District of Illinois and was assigned to the Honorable Matthew F. Kennelly and given the case number 1:10-cv-00127;

WHEREAS, the *Custom Underground* complaint alleged causes of action against Ford for negligence, breach of express warranty, and breach of implied warranty of merchantability. The complaint alleged that the 6.0-liter PowerStroke diesel engine used primarily in 2003-2007 heavy-duty Ford trucks and vans contained defects that resulted in poor engine performance, difficulty in starting the engine, and engine stalling and sought certification of a nationwide class of current and former owners and lessees of vehicles equipped with such engines;

WHEREAS, additional actions alleging similar claims and a common nucleus of facts were brought in several other districts around the country;

WHEREAS, on April 13, 2011, the Judicial Panel on Multidistrict Litigation created a new MDL proceeding before Judge Kennelly in the Northern District of Illinois, MDL 2223, *In re: Navistar Diesel Engine Products Liability Litigation*, which was given the case number 1:11-cv-02496. To date, thirty-nine actions, including *Custom Underground*, have been transferred to MDL 2223 for pre-trial coordination;

WHEREAS, on July 29, 2011, the Named Plaintiffs filed a Master Class Action Complaint asserting claims against Ford for breach of express warranty, breach of implied warranty of merchantability, an order declaring the durational limits of Ford's warranty unconscionable and hence unenforceable, and violation of the consumer fraud and/or unfair competition statutes of eleven states;

WHEREAS, the Settling Parties participated in significant discovery, including over six million pages of documents produced by Ford, hundreds of written discovery requests, discovery from various third parties, the depositions of more than 15 Ford personnel and two experts, the depositions of the Named Plaintiffs, inspections of dozens of vehicles, temperature differential testing on various vehicles, and flow testing on various vehicles' oil coolers;

WHEREAS, the Settling Parties engaged in extensive motion practice which resulted in, among other things, the narrowing of claims asserted by Named Plaintiffs, the addition of more detailed allegations, and a more detailed answer to Named Plaintiffs' allegations;

WHEREAS, Class Counsel conducted a thorough investigation and evaluation of the facts and law relating to the claims asserted to determine how best to serve the interests of the Named Plaintiffs and the Settlement Class;

WHEREAS, counsel for the Settling Parties conducted extensive arm's-length negotiations (including multiple sessions in which Judge Richard Neville participated as a mediator) regarding the substance and procedure of a possible class settlement prior to entering into this Settlement Agreement;

WHEREAS, the Plaintiffs, as well as Class Counsel, believe the Released Claims have merit. The Plaintiffs and Class Counsel, however, recognize and acknowledge the expense and length of continued proceedings that would be necessary to prosecute the Released Claims against Ford through trial and appeals, and the importance of providing timely relief to Settlement Class Members whose vehicles are aging. The Plaintiffs and Class Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such litigation. The Plaintiffs and Class Counsel are mindful of the inherent problems of proof under, and possible defenses to, the Released Claims. The Plaintiffs and Class Counsel believe that the proposed Settlement confers substantial benefits upon the Settlement Class. Based on their evaluation of all of these factors, the Plaintiffs and Class Counsel have determined that the Settlement is in the best interests of the Settlement Class and represents a fair, reasonable, and adequate resolution of the litigation; and

WHEREAS, Ford denies any liability to the Plaintiffs or the Settlement Class. Ford has taken thorough discovery concerning the claims asserted by the Plaintiffs and believes it has meritorious defenses to all of the claims raised in this Litigation. Nevertheless, Ford recognizes and acknowledges the expense and length of continued proceedings that would be necessary to defend the Litigation through trial and appeals. In agreeing to enter this Settlement, Ford also has taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such litigation;

NOW, THEREFORE IT IS HEREBY STIPULATED AND AGREED, by and among the Settling Parties that, subject to approval of the Court, the Litigation and the Released Claims shall be fully and finally compromised, settled, and released and that the Litigation shall be dismissed with prejudice subject to and upon the terms and conditions described below.

I. DEFINITIONS.

In addition to words and terms defined elsewhere in this Stipulation and Agreement of Settlement, the following words and terms shall have the definitions stated in this Article I.

A. “Class Counsel.”

“Class Counsel” means Plaintiffs’ Lead Counsel and the members of the appointed Steering Committee.

B. “Class Notice.”

“Class Notice” means the notice of settlement that will be mailed to the “Settlement Class Members,” as defined herein, containing the language in Exhibit D.

C. “Class Vehicles.”

“Class Vehicles” (or a “Class Vehicle”) means model year 2003-2007 non-ambulance Ford vehicles sold or leased in the United States and equipped with a 6.0-liter PowerStroke

diesel engine that received one or more Warranty Repairs to a fuel injector; the exhaust gas recirculation (“EGR”) valve; the EGR cooler; the oil cooler; and/or the turbocharger.

D. “Defendant.”

“Defendant” means Ford Motor Company.

E. “Effective Date of Settlement.”

“Effective Date of Settlement” means the first date after: (1) the Court enters the Final Order and Judgment, in all material respects similar to the form attached hereto as Exhibit C; and (2) all appellate rights with respect to said Final Order and Judgment have expired or been exhausted in such a manner as to affirm the Final Order and Judgment, except that an appeal solely from any award of attorneys’ fees to Class Counsel shall not extend the Effective Date of Settlement.

F. “Extended Warranty Period Repair.”

“Extended Warranty Period Repair” means repairs to or replacements of a fuel injector; the EGR valve; the EGR cooler; the oil cooler; and/or the turbocharger that otherwise would have been covered under the terms of Ford’s New Vehicle Limited Warranty, but occurred (1) when the Class Vehicle had between five and six years in service (provided that it had been driven no more than 135,000 miles at the time); or (2) when the Class Vehicle had been driven between 100,000 and 135,000 miles (provided that it had no more than six years in service at the time).

G. “Fairness Hearing.”

The “Fairness Hearing” is the final hearing, held after the Preliminary Approval Order is issued, in which the Court will determine whether this Settlement Agreement should be approved as fair, reasonable, and adequate, and whether the proposed Final Order and Judgment should be

entered, and if so, to determine the amount of attorneys' fees and costs to be awarded Class Counsel.

H. "Ford."

"Ford" means Ford Motor Company.

I. "Ford New Vehicle Limited Warranty."

"Ford New Vehicle Limited Warranty" means the written limited warranty provided by Ford for the Class Vehicles (example attached hereto as Exhibit A).

J. "Litigation."

"Litigation" means *In re: Navistar Diesel Engine Products Liability Litigation*, Case No. 11-cv-2496, MDL No. 2223, pending in the United States District Court for the Northern District of Illinois, and includes any and all actions that have been, or in the future are, transferred to MDL No. 2223.

K. "Named Plaintiffs."

"Named Plaintiffs" means the individuals and entities identified as plaintiffs in the Amended Master Class Action Complaint (*i.e.*, Custom Underground, Inc.; John Barrett; Scott and Heather Gray; Frank Brown Towing, Inc.; Cecil and Tressie Fulton; Karl Strong; Dinonno Enterprises, Inc., d/b/a Cutting Edge Concrete Cutting; Charles Clark; Georgean Vogt; John Prebish; Steve Santilli; Anthony Mawyer; Gena Boggero; Carl Atwell; Phillip Marcum; and James Hutton.)

L. "Named Plaintiffs' Lead Counsel."

"Named Plaintiffs' Lead Counsel" are Michael A. Caddell, Cynthia Chapman, and Cory Fein of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027.

M. “Out-of-Pocket Expenses.”

“Out-of-Pocket Expenses” is the documented amount paid to a repair facility for the parts and labor required to obtain an Extended Warranty Period Repair, or for Settlement Class Members who performed an Extended Warranty Period Repair themselves, the documented reasonable cost of the parts and the reasonable value of the time spent performing the repair. “Out-of-Pocket Expenses” does not include consequential damages such as lost revenue/profits, lost employee time from loss of use of the vehicle, or towing charges or other costs of transporting the vehicle to or from the place of repair.

N. “Plaintiffs”

“Plaintiffs” means Named Plaintiffs and Unnamed Plaintiffs.

O. “Released Parties.”

“Released Parties” means Ford Motor Company, its past or present directors, officers, employees, partners, principals, agents, heirs, executors, administrators, successors, reorganized successors, subsidiaries, divisions, parents, related or affiliated entities, authorized dealers, underwriters, insurers, co-insurers, re-insurers, licensees, divisions, joint ventures, assigns, associates, attorneys, and controlling shareholders.

P. “Released Claims.”

“Released Claims” means any and all claims, demands, actions, causes of action, and suits pleaded against Ford in the Litigation and all other claims, demands, actions, causes of action of any nature whatsoever, including but not limited to any claim for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory and injunctive relief, common law, property, warranty and equitable claims), and also including Unknown Claims that were or could have been asserted by the Settlement Class Members against the

Released Parties in the Litigation, or in any other complaint, action, or litigation in any other court or forum based upon the 6.0L engine in the Class Vehicles.

Q. “Settlement.”

“Settlement” means the settlement contemplated by this Stipulation and Agreement of Settlement.

R. “Settlement Agreement.”

“Settlement Agreement” means this Stipulation and Agreement of Settlement.

S. “Settlement Class” or “Settlement Class Members.”

“Settlement Class” or “Settlement Class Members” mean:

All entities and natural persons in the United States (including its Territories and the District of Columbia) who currently own or lease (or who in the past owned or leased) a model year 2003-2007 non-ambulance Ford vehicle sold or leased in the United States and equipped with a 6.0-liter PowerStroke diesel engine that received one or more repairs covered by Ford’s New Vehicle Limited Warranty during the vehicle’s first five years in service or 100,000 miles, whichever comes first, to a fuel injector; the exhaust gas recirculation (“EGR”) valve; the EGR cooler; the oil cooler; or the turbocharger.

Excluded from the Settlement Class are: (a) all federal court judges who have presided over this case and their spouses and anyone within three degrees of consanguinity from those judges and their spouses; (b) all entities and natural persons who elect to exclude themselves from the Settlement Class; (c) all entities and natural persons who have previously executed and delivered to Ford Motor Company releases of all their claims, including, but not limited to, members of the settlement class in *Williams A. Ambulance, Inc., et al. v. Ford Motor Company*, Case No. 1:06-cv-776 in the United States District Court for the Eastern District of Texas, Beaumont Division; (d) all entities and natural persons who: (1) prior to the filing of the Motion for Preliminary Approval, filed an individual lawsuit (*i.e.*, a lawsuit that does not seek

certification as a class action) in any court asserting causes of action of any nature, including but not limited to claims for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory and injunctive relief, common law, property, warranty and equitable claims) based upon the 6.0L engine in a Class Vehicle, and (2) have not voluntarily dismissed such lawsuit without prejudice; and (e) Defendant's employees, officers, directors, agents, and representatives and their family members.

T. "Settling Parties."

"Settling Parties" means Named Plaintiffs, Unnamed Plaintiffs, and Defendant.

U. "Steering Committee."

"Steering Committee" consists of Richard J. Arsenault, Neblett, Beard & Arsenault; Daniel E. Becnel, Jr., Becnel Law Firm, L.L.C.; Mitchell A. Toups, Weller Green Toups & Terrell; Charles Schaffer, Levin, Fishbein, Sedran & Berman; Patrick W. Pendley, Pendley, Baudin & Coffin, L.L.P.; Peter J. Cambs, Parker Waichman Alonso, LLP; Mark P. Chalos, Lieff Cabraser Heimann & Bernstein; John F. Nevares, John F. Nevares & Associates, P.S.C.; William E. Hopkins, Jr., Beasley Allen Crow Methvin Portis & Miles, P.C.; John R. Climaco, Climaco, Wilcox, Peca, Tarantino & Garofoli Co., LPA; Richard Barrett, Law Offices of Richard R. Barrett, PLLC; Cynthia B. Chapman, Caddell & Chapman; Roy A. Katriel, The Katriel Law Firm; and Robert K. Shelquist, Lockridge Grindal Nauen P.L.L.P.

V. "Unknown Claims."

"Unknown Claims" means any and all Released Claims that any member of the Settlement Class does not know to exist against any of the Released Parties which, if known, might have affected his or her decision to enter into or to be bound by the terms of this Settlement. The Plaintiffs and the members of the Settlement Class acknowledge that they may hereafter discover facts in addition to or different from those that they now know or believe to be

true concerning the subject matter of this release, but nevertheless fully, finally, and forever settle and release any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, may hereafter exist, or heretofore have existed based upon the 6.0L engine in the Class Vehicles, without regard to subsequent discovery or existence of such different or additional facts concerning each of the Released Parties. The foregoing waiver includes, without limitation, an express waiver to the fullest extent permitted by law by the Plaintiffs and the Settlement Class Members of any and all rights under California Civil Code § 1542 or any similar law of any other state or of the United States, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MIGHT HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

W. “Unnamed Plaintiffs.”

“Unnamed Plaintiffs” means the individuals and entities named as plaintiffs in any action transferred to the Litigation who are not identified as Named Plaintiffs in the Master Class Action Complaint.

X. “Warranty Deductible.”

“Warranty Deductible” means a \$100 deductible paid for a repair visit under the 6.0L PowerStroke[®] Diesel Engine Coverage of Ford’s New Vehicle Limited Warranty following the expiration of the Bumper-To-Bumper Coverage of Ford’s New Vehicle Limited Warranty.

Y. “Warranty Repair.”

“Warranty Repair” means a repair, replacement, or adjustment to any part covered under the Bumper-To-Bumper Coverage of Ford’s New Vehicle Limited Warranty during the vehicle’s first three years in service or 36,000 miles, whichever comes first, or to any part covered under

the 6.0L PowerStroke® Diesel Engine Coverage during the vehicle's first five years in service or 100,000 miles, whichever comes first.

II. SETTLEMENT CONSIDERATION.

In consideration for the Release provided for herein and the dismissal of the Litigation with prejudice, under the terms of this Settlement Agreement, Defendant agrees to provide consideration to the Settlement Class Members as follows.

A. Notice of Class Settlement.

Defendant agrees to pay all expenses in connection with a notice program on the terms provided in Section III.C.

B. Partial Reimbursement for Extended Warranty Period Repairs to Oil Cooler and/or EGR Cooler.

If a Class Vehicle received a Warranty Repair to the oil cooler and/or the EGR cooler, and a Settlement Class Member subsequently incurred Out-of-Pocket Expenses obtaining an Extended Warranty Period Repair to the oil cooler, the EGR cooler, or both on that same Class Vehicle, for each such Extended Warranty Period Repair, Ford will reimburse the Settlement Class Member for the actual Out-of-Pocket Expenses paid up to the following limits: (1) \$475 for a repair to the EGR cooler; (2) \$525 for a repair to the oil cooler; and (3) \$825 for a repair to both the EGR cooler and the oil cooler.

C. Partial Reimbursement for Extended Warranty Period Repairs to Fuel Injectors.

If a Class Vehicle received a Warranty Repair to one or more fuel injectors, and a Settlement Class Member subsequently incurred Out-of-Pocket Expenses obtaining an Extended Warranty Period Repair to one or more fuel injectors on that same Class Vehicle, Ford will reimburse the Settlement Class Member for the actual Out-of-Pocket Expenses paid up to the limits set forth in the table below for each such Extended Warranty Period Repair.

Number of Injectors Repaired	Reimbursement Limit
1	\$375
2	\$500
3	\$625
4	\$750
5	\$875
6	\$1,000
7	\$1,125
8	\$1,250

D. Partial Reimbursement for Extended Warranty Period Repairs of EGR Valve.

If a Class Vehicle received a Warranty Repair to the EGR valve, and a Settlement Class Member subsequently incurred Out-of-Pocket Expenses obtaining an Extended Warranty Period Repair to the EGR valve on that same Class Vehicle, Ford will reimburse the Settlement Class Member for the actual Out-of-Pocket Expenses paid up to \$200 for each such Extended Warranty Period Repair.

E. Partial Reimbursement for Extended Warranty Period Repairs of Turbocharger.

If a Class Vehicle received a Warranty Repair to the turbocharger, and a Settlement Class Member subsequently incurred Out-of-Pocket Expenses obtaining an Extended Warranty Period Repair to the turbocharger on that same Class Vehicle, Ford will reimburse the Settlement Class Member for the actual Out-of-Pocket Expenses paid up to \$750 for each such Extended Warranty Period Repair.

F. Partial Reimbursement of Deductibles.

If a Settlement Class member has not submitted a claim for reimbursement for one or more Extended Warranty Period Repairs to a Class Vehicle pursuant to Sections II.B–II.E, and the Settlement Class Member has paid more than one Warranty Deductible in connection with

obtaining a Warranty Repair for that Class Vehicle, Ford will reimburse the Settlement Class Member \$50 for the second and each subsequent Warranty Deductible the Settlement Class Member paid for the same Class Vehicle, up to a limit of \$200 in connection with four Warranty Deductible payments.

G. Submission of Claims.

To obtain a reimbursement for Out-of-Pocket Expenses incurred obtaining an Extended Warranty Period Repair or a reimbursement for a Warranty Deductible, a Settlement Class Member must submit a claim to Ford.

1. Timing of Claims for Reimbursement of Costs.

Claims for reimbursement of costs incurred for an Extended Warranty Period Repair or Warranty Deductible payment must be submitted by December 31, 2013. Ford shall not be required to review or pay any claims for reimbursement received after this deadline.

2. Content of and Support for Claims for Partial Reimbursement of Out-of-Pocket Expenses for Extended Warranty Period Repairs of Certain Components.

Claims for partial reimbursement of Out-of-Pocket Expenses for Extended Warranty Period Repairs to certain components (Sections II.B – II.E) must include: (1) the vehicle identification number; (2) proof that the Settlement Class Member paid the Out-of-Pocket Expenses as to which reimbursement is sought (including the amount of Out-of-Pocket Expenses paid, the date of the Extended Warranty Period Repair(s), and the mileage on the Class Vehicle at the time of Extended Warranty Period Repair(s)); and (3) proof that the Settlement Class Member is eligible for partial reimbursement of the Extended Warranty Period Repair(s) under the terms of this Settlement by providing documents sufficient to show that: (i) a Warranty Repair was made to the same component on the same Class Vehicle (except where a Settlement Class Member is seeking reimbursement for an EGR cooler and/or oil cooler under Section II.B,

in which case the Settlement Class Member need only show that a Warranty Repair was made to either the oil cooler or the EGR cooler); and (ii) the repair as to which reimbursement of Out-of-Pocket Expenses is sought was an Extended Warranty Period Repair (*i.e.*, occurred during the time/mileage period listed in Section I.F, and that the repair would have been covered by the Ford New Vehicle Limited Warranty). A Settlement Class Member need not provide further proof that a Warranty Repair was made to the same component if Ford has, via the claim form-generation process, informed the Settlement Class Member that a Warranty Repair was made to the component(s). The Settlement Class Member may offer evidence that the Extended Warranty Period Repair was covered by the Ford New Vehicle Limited Warranty by attesting under the penalty of perjury that the vehicle was maintained using proper parts and fluids and in accordance with the vehicle's scheduled maintenance guide; the vehicle was not misused, such as by overloading or racing; and the engine or any related part was not altered or modified, including by installation of non-Ford Motor Company parts such as performance chips.

3. Content of and Support for Claims for Partial Reimbursement of Warranty Deductibles.

Claims for partial reimbursement of any Warranty Deductible(s) (Section II.F) must include: (1) the vehicle identification number; and (2) proof, such as an invoice marked paid by the dealer, that the Settlement Class Member paid two or more Warranty Deductibles (including, as to each such payment, the amount paid, the date of the Warranty Repair that necessitated the Warranty Deductible, and the mileage on the Class Vehicle at the time of the Warranty Repair that necessitated the Warranty Deductible).

4. Rejected Claims.

Ford may reject any claim that does not include the required information specified above. Ford reserves the right to investigate the claim, including by requesting further documentation in

order to determine whether the claim is valid. If Ford rejects the claim, it will advise the Settlement Class Member of the reason for the rejection (*e.g.*, missing information, ineligibility for a refund). If the claim is rejected due to missing information, Ford will give the Settlement Class Member 30 days to resubmit the claim with additional information, so long as the original claim was submitted by the deadline noted above.

5. Disputed Claims.

If a Settlement Class Member disputes either Ford's rejection of a claim or the amount to be paid pursuant to the claim, the Settlement Class Member may appeal Ford's decision by submitting its claim and an explanation of Ford's alleged error within one month after the Settlement Class Member is notified of Ford's decision to Kurtzman Carson Consultants, which shall make a final, binding determination following receipt of Ford's response to the appeal.

H. Administration of the Settlement.

Ford will retain a claims administrator to administer the program described above and will bear all costs and expenses related to the administration of this Settlement.

Promptly after the Effective Date of Settlement, Ford will establish a "Ford Claim Center" to receive and appropriately respond to claims from Settlement Class Members. The Ford Claim Center will include (a) personnel assigned to manage the settlement implementation process; (b) a toll-free telephone number that Settlement Class Members may call for information; (c) a mailing address to which Settlement Class Members can send claims for benefits; and (d) a website containing information about the Settlement, including claim forms that can be downloaded and submitted by mail.

I. Attorneys' Fees and Expenses.

Ford has agreed to pay to Plaintiffs' counsel reasonable attorneys' fees and expenses, separate and apart from the consideration flowing to the Settlement Class, of up to \$12,800,000

in fees and \$1,250,000 in expenses. Named Plaintiffs' Lead Counsel will apply on behalf of Plaintiffs' counsel to the Court for an award of attorneys' fees and expenses of no more than this amount, covering all legal services provided by Plaintiffs' counsel in the past and future to Plaintiffs and the Settlement Class Members in connection with the Litigation, the Settlement of the Litigation, any appeal in connection with the Settlement, and implementation of the Settlement Agreement (the "Fee and Expense Application"). Ford will not dispute or oppose the Fee and Expense Application, which shall be subject to Court approval. Further, Plaintiffs' counsel may not be awarded, and shall not accept, any amount in excess of these sums. The Court will determine what amount of fees and expenses shall be awarded and issue an Order stating the amount of fees and expenses to be awarded. Pursuant to the Order Regarding Management of Timekeeping, Attorneys' Fees, and Costs Reimbursement Issues, Class Counsel shall resolve all issues regarding the allocation of fees and expenses among themselves.

Should any counsel other than Named Plaintiffs' Lead Counsel petition the Court for an award of attorneys' fees, costs, or expenses, Class Counsel and Ford and their counsel shall cooperate in opposing any such petition. Neither Class Counsel nor Ford shall be required to pay any amounts of money to such counsel.

Given their duty to the Class and their commitment to secure approval and implementation of the class settlement, the undersigned Plaintiffs' counsel acknowledge that, if they seek to recover attorneys' fees as part of this Settlement, they are ethically prohibited from having any financial interest in a matter, based upon the 6.0L engine in a Class Vehicle, involving a person or entity who opts out of this Settlement to pursue an individual lawsuit against Ford. The undersigned Plaintiffs' counsel further acknowledge that they will advise all Plaintiffs' counsel seeking attorneys' fees of the foregoing ethical prohibition.

Within ten business days after the Effective Date of Settlement, Ford shall pay the amount awarded by the Court for attorneys' fees and expenses to Named Plaintiffs' Lead Counsel.

Named Plaintiffs' Lead Counsel must provide Ford with a completed W-9 form for the first payee of attorneys' fees and costs. Any order or proceedings relating to the Fee and Expense Application, or any appeal solely from any order related thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the finality of the Judgment approving this Agreement and the Settlement.

J. Service Award for Named Plaintiffs.

As part of their motion seeking final approval of the Settlement at the Fairness Hearing, Named Plaintiffs' Lead Counsel will submit to the Court an application for a total \$150,000 service award, to be allocated by the Court among the Named Plaintiffs. Ford has agreed to pay this amount separate from the fee and expense award described above. Ford agrees not to oppose this application. Ford will pay the Court-approved Service Award within ten business days after the Effective Date of Settlement by sending payment to Named Plaintiffs' Lead Counsel for forwarding to the Named Plaintiffs.

III. SETTLEMENT APPROVAL PROCESS.

A. Preliminary Approval of Settlement.

Promptly after the execution of this Settlement Agreement, counsel for the Settling Parties shall jointly present this Settlement Agreement to the Court, along with a motion requesting that the Court issue a Preliminary Approval Order substantially in the form attached as Exhibit B, which shall include, among other things, the following:

1. preliminary certification under Federal Rule of Civil Procedure 23, for settlement purposes only, of the Settlement Class;

2. preliminary approval of the Settlement memorialized in this Settlement Agreement as fair, reasonable and adequate;

3. approval of the Class Notice containing the language in Exhibit D for distribution to Settlement Class Members;

4. a direction to Ford to distribute, at its expense, the Class Notice in the form approved by the Court to Settlement Class Members; a direction that each potential Settlement Class Member who wishes to be excluded from the Settlement Class must respond to the Class Notice in writing in accordance with the instructions set forth in the Class Notice and that their responses must be received by the date set forth in the Preliminary Approval Order;

5. a finding that the Class Notice constitutes the best notice practicable under the circumstances, including individual notice to all Settlement Class Members who can be identified with reasonable effort, and constitutes valid, due, and sufficient notice to Settlement Class Members in full compliance with the requirements of applicable law, including the due process clause of the United States Constitution;

6. a direction that, pending final determination of the joint application for approval of this Settlement Agreement, all proceedings in this Litigation other than settlement approval proceedings shall be stayed and all Settlement Class Members who do not request exclusion from the Settlement Class shall be enjoined from commencing or prosecuting any action, suit, proceeding, claim, or cause of action in any court or before any tribunal based upon the 6.0L diesel engine in the Class Vehicles;

7. a direction that any Settlement Class Member who has not properly and timely requested exclusion from the Settlement Class will be bound by the Final Order and Judgment;

8. the scheduling of a final hearing to determine whether this Settlement Agreement should be approved as fair, reasonable, and adequate and whether the proposed Final Order and Judgment should be entered (the “Fairness Hearing”);

9. a direction that the Ford shall tabulate communications from prospective Settlement Class Members asking to be excluded from the Settlement Class and shall report the names and addresses of such entities and natural persons to the Court and to Named Plaintiffs’ Lead Counsel no less than seven days before the Fairness Hearing;

10. a direction that Named Plaintiffs’ Lead Counsel shall file a Fee and Expense Application and Named Plaintiffs’ Service Award application (which may be part of Plaintiffs’ Motion for Final Approval) approximately 14 days prior to the date set forth in the Preliminary Approval Order as the deadline for the objections; and that Named Plaintiffs’ Lead Counsel shall file any supplemental brief in support of final approval of the Settlement Agreement no later than seven days prior to the Fairness Hearing; and that the Court shall determine at the Fairness Hearing in what amount attorneys’ fees and reimbursement of expenses should be awarded to Plaintiffs’ counsel, as well as the amount of the Service Awards that should be awarded to the Named Plaintiffs;

11. a direction that any Settlement Class Member who wishes to object to the proposed Settlement Agreement, the proposed Final Order and Judgment, the Fee and Expense Application, and/or Named Plaintiffs’ Service Award must file and serve such objections no later than the date set forth in the Preliminary Approval Order, which shall be approximately one month before the Fairness Hearing, together with copies of all papers in support of his or her position as provided in Section III.D.1. of the Settlement Agreement. The Class Notice shall state that the Court will not consider the objections of any Settlement Class Member who has not

properly served copies of his or her objections on a timely basis or complied with the requirements of Section III.D.1 of the Settlement Agreement.

B. Notice to Attorneys General.

In compliance with the attorney general notification provision of the Class Action Fairness Act, 28 U.S.C. § 1715, within ten days after the motion for Preliminary Approval Order is filed, Ford shall provide notice of this proposed Settlement to the Attorney General of the United States, and the attorneys general of each state or territory in which a Settlement Class Member resides. The notice will include (1) a copy of the Master Class Action Complaint and Amended Master Class Action Complaint, (2) a copy of this Settlement Agreement and its exhibits, and (3) a reasonable estimate of the number of class members in each state/territory and their percentage representation in the Settlement Class. Ford will provide copies of such notifications to Named Plaintiffs' Lead Counsel at the time of their submission to the attorneys general.

C. Notice to Settlement Class Members.

The claims administrator will mail, by first-class mail at Ford's expense, the Class Notice containing the language in Exhibit D, and substantially in the same form as in Exhibit D. As soon as practicable after the preliminary approval of the Settlement, the claims administrator will obtain from R.L. Polk & Co. the name and last known address of each potential member of the Settlement Class. The last known address of potential Settlement Class Members will be checked and updated via the National Change of Address database. Thereafter, the claims administrator shall send a copy of the Class Notice by first-class mail to each Settlement Class Member so identified. The claims administrator shall use its best efforts to complete the mailing of the Class Notice to potential Settlement Class Members within four months after the preliminary approval of the Proposed Settlement.

If any Class Notice mailed to any potential Settlement Class Member is returned to the claims administrator as undeliverable, then the claims administrator shall perform a reasonable search for a more current name and/or address for the potential Settlement Class Member and (provided that a more current name and/or address can be found through such a search) re-send the returned Class Notice to the potential Settlement Class Member by first-class mail. In the event that any Class Notice mailed to a potential Settlement Class Member is returned as undeliverable a second time, then no further mailing shall be required. The claims administrator will promptly log each Class Notice that is returned as undeliverable and provide copies of the log to Named Plaintiffs' Lead Counsel.

D. Response to Notice.

1. Objection to Settlement.

Any Settlement Class Member who intends to object to the fairness of the Settlement Agreement must, by the date specified in the Preliminary Approval Order and recited in the Class Notice, file any such objection with the Court, and provide copies of the objection to: (1) Michael A. Caddell of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027; and (2) Brian C. Anderson, O'Melveny & Myers, L.L.P., 1625 Eye Street, NW, Washington, DC 20006.

Any objection to the Settlement Agreement must be individually and personally signed by the Settlement Class Member (if the Settlement Class Member is represented by counsel, the objection additionally must be signed by such counsel), and must include:

- a. the objector's full name, address, and telephone number;
- b. the model, model year, and vehicle identification number of the Settlement Class Member's Class Vehicle, along with proof that the objector has owned or leased a Class Vehicle (*i.e.*, a true copy of a vehicle title, registration, or license receipt);

- c. a written statement of all grounds for the objection accompanied by any legal support for such objection;
- d. copies of any papers, briefs, or other documents upon which the objection is based;
- e. a list of all cases in which the objector and/or their counsel has filed or in any way participated in—financially or otherwise—objections to a class action settlement in the preceding five years;
- f. the name, address, email address, and telephone number of all attorneys representing the objector; and
- g. a statement indicating whether the objector and/or their counsel intends to appear at the Fairness Hearing, and if so, a list of all persons, if any, who will be called to testify in support of the objection.

Any member of the Settlement Class who does not file a timely written objection to the Settlement and notice of his intent to appear at the Fairness Hearing or who fails to otherwise comply with the requirements of this section shall be foreclosed from seeking any adjudication or review of the Settlement by appeal or otherwise.

2. Request for Exclusion.

Any Settlement Class Member who wishes to be excluded from the Settlement Class must submit a request for exclusion (“Request for Exclusion”) to Ford at the address specified in the Class Notice by the date specified in the Preliminary Approval Order and recited in the Class Notice. Settlement Class Members who wish to be excluded from the Settlement Class must do so with respect to all Class Vehicles they own(ed) or lease(d); Settlement Class Members may not exclude themselves from the Settlement Class with respect to some Class Vehicles and

include themselves in the Settlement Class with respect to other Class Vehicles. To be effective, the Request for Exclusion must be sent via first-class U.S. mail to the specified address and:

- a. include the Settlement Class Member's full name, address, and telephone number;
- b. identify the model, model year, and vehicle identification number of the Settlement Class Member's Class Vehicle(s);
- c. specifically and unambiguously state his or her desire to be excluded from the Settlement Class in *In re: Navistar Diesel Engine Products Liability Litigation*; and
- d. be individually and personally signed by the Settlement Class Member (if the Settlement Class Member is represented by counsel, the Request for Exclusion additionally must be signed by such counsel).

Any Settlement Class Member who fails to submit a timely and complete Request for Exclusion sent to the proper address, shall be subject to and bound by this Settlement Agreement and every order or judgment entered pursuant to this Settlement Agreement. Any purported Request for Exclusion sent to such address that is ambiguous or internally inconsistent with respect to the Settlement Class Member's desire to be excluded from the Settlement Class will be deemed invalid unless determined otherwise by the Court.

Ford will receive purported Requests for Exclusion and will follow guidelines developed jointly by Named Plaintiffs' Lead Counsel and Ford's counsel for determining whether they meet the requirements of a Request for Exclusion. Any communications from Settlement Class Members (whether styled as an exclusion request, an objection, or a comment) as to which it is not readily apparent whether the Settlement Class Member meant to exclude himself or herself

from the Class will be evaluated jointly by Named Plaintiffs' Lead Counsel and Ford's counsel, who will make a good faith evaluation, if possible. Any uncertainties about whether a Settlement Class Member is requesting exclusion from the Settlement Class will be resolved by the Court.

Ford will maintain a list of all Requests for Exclusion. Ford shall report the names and addresses of all such entities and natural persons requesting exclusion to the Court and Named Plaintiffs' Lead Counsel seven days prior to the Final Hearing, and the list of entities and natural persons deemed by the Court to have excluded themselves from the Settlement Class will be attached as an exhibit to the Final Order and Judgment.

E. Fairness Hearing.

On the date set forth in the Preliminary Approval Order, which shall be approximately one month after the deadline for submitting objections and Requests for Exclusion, a Fairness Hearing will be held at which the Court will: (a) decide whether to finally certify the Settlement Class, (b) decide whether to approve the Settlement Agreement as fair, reasonable, and adequate, (c) decide whether to approve the application for a Service Award for the Named Plaintiffs, and (d) decide whether to approve Named Plaintiffs' Lead Counsel's Fee and Expense Application and issue an Order memorializing that decision.

F. Final Order and Judgment.

If this Settlement Agreement is finally approved by the Court, a Final Order and Judgment directing the entry of judgment pursuant to FED. R. CIV. P. 54(b) shall be entered substantially in the form attached as Exhibit C, as follows:

1. certifying the Settlement Class solely for purposes of this Settlement Agreement;

2. approving the Settlement Agreement as fair, reasonable, and adequate as it applies to the Settlement Class;
3. declaring the Settlement Agreement to be binding on Ford and the Plaintiffs, as well as all members of the Settlement Class;
4. dismissing on the merits and with prejudice the Master Class Action Complaint in *In re: Navistar Diesel Engine Products Liability Litigation*, each and every action transferred to MDL No. 2223, and all Released Claims;
5. forever discharging the Released Parties from all Released Claims;
6. indicating the amount of the Service Award for the Named Plaintiffs;
7. indicating the amount of attorneys' fees and expenses to be awarded to Plaintiffs' counsel; and
8. providing that all Settlement Class Members who did not request exclusion from the Settlement Class shall be permanently enjoined from commencing or prosecuting any action, suit, proceeding, claim, or cause of action asserting the Released Claims in any court or before any tribunal.

G. Withdrawal from Settlement.

Either party shall have the option to withdraw from this Settlement Agreement, and to render it null and void, if any of the following occurs:

1. any objections to the proposed settlement are sustained and such objection results in changes to the agreement that the withdrawing party deems in good faith to be material (*e.g.*, because it increases the cost of the settlement, delays approval and/or implementation of the settlement, or deprives the withdrawing party of a benefit of the settlement);
2. any attorney general is allowed to intervene in the action and such intervention results in changes to the agreement that the withdrawing party deems in good faith

to be material (*e.g.*, because it increases the cost of the settlement, delays approval and/or implementation of the settlement, or deprives the withdrawing party of a benefit of the settlement);

3. the preliminary or final approval of the Settlement Agreement is not obtained without modification and any modification required by the Court for approval is deemed in good faith to be material and is not agreed to by the withdrawing party (*e.g.*, because it increases the cost of the settlement, delays approval and/or implementation of the settlement, or deprives the withdrawing party of a benefit of the settlement); and

4. entry of the Final Order and Judgment described in this Settlement is reversed or substantially modified by an appellate court, except that a reversal or modification of an order awarding reasonable attorneys' fees and expenses shall not be a basis for withdrawal.

Ford shall, in addition, have the option to withdraw from this Settlement Agreement, and to render it null and void, if Settlement Class Members collectively owning or leasing 5,000 or more Class Vehicles exclude themselves from the Settlement.

To withdraw from the Settlement Agreement under this paragraph, the withdrawing party must provide written notice to the other party's lead counsel and to the Court. In the event either party withdraws from the Settlement, this Settlement Agreement shall be null and void, shall have no further force and effect with respect to any party in the Litigation, and shall not be offered in evidence or used in any litigation for any purpose, including the existence, certification, or maintenance of any purported class. In the event of such withdrawal, this Settlement Agreement and all negotiations, proceedings, documents prepared, and statements made in connection herewith shall be without prejudice to the Settling Parties, and shall not be deemed or construed to be an admission or confession by any party of any fact, matter, or

proposition of law, and shall not be used in any manner for any purpose, and all parties to the Litigation shall stand in the same position as if this Settlement Agreement had not been negotiated, made, or filed with the Court. Upon withdrawal, either party may elect to move the Court to vacate any and all orders entered pursuant to the provisions of this Settlement Agreement.

H. Release of Settlement Class Members' Claims.

Upon the Effective Date of the Settlement, the Plaintiffs and each Settlement Class Member shall be deemed to have, and by operation of the Final Order and Judgment shall have, released, waived, and discharged the Released Parties from his, her, or its Released Claims as defined above. This release will run with the vehicle if the Settlement Class Member sells the Class Vehicle.

IV. MISCELLANEOUS PROVISIONS.

A. Class Certification

The Parties agree that for the purposes of this Settlement only, certification of the Settlement Class as defined above in Paragraph I.S is appropriate pursuant to Fed. R. Civ. P. 23(b)(3).

B. Effect of Exhibits.

The exhibits to this Settlement Agreement are an integral part of the Settlement and are expressly incorporated and made a part of this Settlement Agreement.

C. No Admission.

This Settlement Agreement is for settlement purposes only. Neither the fact of, nor any provision contained in this Settlement Agreement, nor any action taken hereunder, shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged in the Litigation or of any wrongdoing, fault, violation of law, or liability of any kind on the part of

Ford or any admissions by Ford of any claim or allegation made in any action or proceeding against Ford. If this Settlement Agreement is terminated and becomes null and void, the class action portions of this Settlement shall have no further force and effect with respect to any party to the Litigation and shall not be offered in evidence or used in the Litigation or any other proceeding. This Settlement Agreement shall not be offered or be admissible in evidence against Ford or cited or referred to in any action or proceeding, except in an action or proceeding brought to enforce its terms. Information provided by Ford to the Plaintiffs and Class Counsel in connection with settlement negotiations is for settlement purposes only and shall not be used or disclosed for any other purpose whatsoever.

D. Return of Confidential Documents.

Upon the Effective Date of the Settlement, all documents and information marked or designated as Confidential or Highly Confidential, as defined in and subject to the Protective Order, signed October 29, 2011, or any previous protective order entered in this Litigation, shall be disposed of within the time frame and according to the procedures set forth in the Protective Order.

E. Entire Agreement.

This Settlement Agreement represents the entire agreement and understanding among the Settling Parties and supersedes all prior proposals, negotiations, agreements, and understandings relating to the subject matter of this Settlement Agreement. The Settling Parties acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation, or understanding concerning any part or all of the subject matter of this Settlement Agreement has been made or relied on except as expressly set forth in this Settlement Agreement. No modification or waiver of any provisions of this Settlement Agreement shall in

any event be effective unless the same shall be in writing and signed by the person against whom enforcement of the Settlement Agreement is sought.

F. Counterparts.

This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original as against any party who has signed it, and all of which shall be deemed a single agreement.

G. Arm's-Length Negotiations.

The Settling Parties have negotiated all of the terms and conditions of this Settlement Agreement at arm's length. All terms, conditions, and exhibits in their exact form are material and necessary to this Settlement Agreement and have been relied upon by the Settling Parties in entering into this Settlement Agreement. Both Settling Parties have both participated in the drafting of this agreement and it is not to be construed in favor of or against either Settling Parties.

H. Dispute Resolution.

Any dispute, challenge, question, or the like relating to this Settlement Agreement (other than those which this Settlement Agreement provides shall be resolved by otherwise) shall be heard only by this Court.

I. Continuing Jurisdiction.

The Court shall retain continuing and exclusive jurisdiction over the parties to this Settlement Agreement, including all Settlement Class Members, for the purpose of the administration and enforcement of this Settlement Agreement.

J. Binding Effect of Settlement Agreement.

This Settlement Agreement shall be binding upon and inure to the benefit of the Settling Parties and their representatives, heirs, successors, and assigns.

K. Nullification.

In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions if Ford and Named Plaintiffs' Lead Counsel, on behalf of the Settling Parties, mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement Agreement.

L. Extensions of Time.

The Settling Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, without further notice (subject to Court approval as to Court dates).

M. Service or Notice.

Whenever, under the terms of this Settlement Agreement, a person is required to provide service or written notice to Ford or Named Plaintiffs' Lead Counsel, such service or notice shall be directed to the individuals and addresses specified below, unless those individuals or their successors give notice to the other Settling Parties in writing:

As to Plaintiffs: Michael A. Caddell
Cynthia B. Chapman
Cory Fein
Caddell & Chapman
1331 Lamar, Suite 1070
Houston, TX 77010-3027

As to Ford: Brian C. Anderson
O'Melveny & Myers, L.L.P.
1625 Eye Street, NW
Washington, D.C. 20006

N. Authority to Execute Settlement Agreement.

Each counsel or other person executing this Settlement Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so.

* * * * *

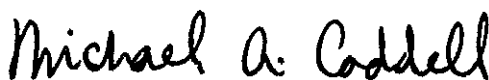
IN WITNESS HEREOF, the Settling Parties have caused this Settlement Agreement to be executed, by their duly authorized attorneys, as of November 1, 2012.

ON BEHALF OF FORD MOTOR COMPANY




Brian C. Anderson
O'Melveny & Myers, L.L.P.
1625 Eye Street, NW
Washington, D.C. 20006

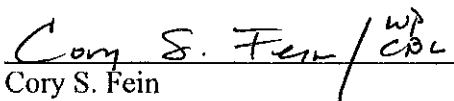
ON BEHALF OF PLAINTIFFS



Michael A. Caddell
Caddell & Chapman
1331 Lamar, Suite 1070
Houston, TX 77010-3027



Cynthia B. Chapman
Caddell & Chapman
1331 Lamar, Suite 1070
Houston, TX 77010-3027



Cory S. Fein
Caddell & Chapman
1331 Lamar, Suite 1070
Houston, TX 77010-3027

Mitchell A. Toups
Weller, Green, Toups & Terrell, L.L.P.
P.O. Box 350
Beaumont, TX 77704

ON BEHALF OF FORD MOTOR COMPANY

Brian C. Anderson
O'Melveny & Myers, L.L.P.
1625 Eye Street, NW
Washington, D.C. 20006

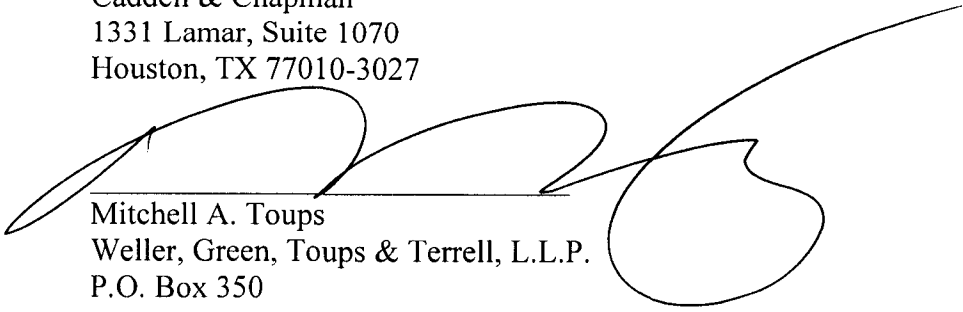
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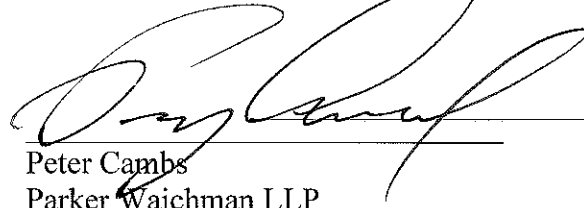
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Bonita Springs, FL 34134

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2220 Bonaventure Court
Alexandria, LA 71301

Peter Cambs
Parker Waichman LLP
3301 Bonita Beach Road
Bonita Springs, FL 34134



Richard J. Arsenault
Neblett, Beard & Arsenault
2220 Bonaventure Court
Alexandria, LA 71301

EXHIBIT A



Your satisfaction is our #1 goal. If you have questions or concerns with your vehicle, we suggest you follow these steps:

1. Contact your Sales Representative or Service Advisor at your selling/servicing dealership.
2. If the inquiry or concern remains unresolved, contact the Sales Manager or Service Manager at the dealership.
3. If the inquiry or concern cannot be resolved at the dealership level, please contact the Ford Customer Relationship Center.

In the United States:

**Ford Motor Company
Customer Relationship Center
16800 Executive Plaza Drive
P.O. Box 6248
Dearborn, MI 48121
1-800-392-3673 (FORD)
TDD for hearing impaired:
1-800-232-5952**

In Canada:

**Ford Motor Company
of Canada, Limited
Customer Relationship Centre
P.O. Box 2000
Oakville, Ontario L6J 5E4
1-800-565-3673 (FORD)**

In Caribbean, Central America, Israel and Sub-Saharan Africa:

**Ford Motor Company
Worldwide Direct Market Operations
Attention: Owner Relations
1555 Fairlane Drive
Fairlane Business Park #3
Allen Park, MI 48101
Telephone: (313) 594-4857
Fax: (313) 390-0804
E-mail: wdmocac@ford.com**

In Puerto Rico and Virgin Islands:

**Ford Motor Company
Caribbean Inc.
P.O. Box 11957
Caparra Heights Station
San Juan, PR 00922-1957
Telephone: (787) 782-5959
Fax: (787) 781-8975
E-mail: prcac@ford.com**

In Middle East & North Africa:

**Ford Middle East & North Africa
Customer Relationship Center
API World Tower 17th Floor
Sheikh Zayed Road
Dubai, United Arab Emirates
Telephone: 971-4-3326084
Fax: 971-4-3327299
E-Mail: menacac@ford.com**



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1. Introduction

Ford Motor Company and your selling dealer thank you for selecting one of our quality products. Our commitment to you and your vehicle begins with quality protection and service.

When you need warranty repairs, your selling dealer would like you to return to it for that service, but you may also take your vehicle to another Ford Motor Company dealership authorized for warranty repairs. Certain warranty repairs require special training though, so not all dealers are authorized to perform all warranty repairs. That means that, depending on the warranty repair needed, the vehicle may need to be taken to another dealer. If a particular dealership cannot assist you, then contact the Customer Relationship Center at 1-800-392-3673.

If you own or lease a 2005-model E-350 Livery Van equipped with the Livery Service Package or a 2005-model Crown Victoria Police Interceptor equipped with the Fleet Crown Police Package Option, refer to the Addendum Card that was given to you when you took delivery of your vehicle for further explanation of the amendments to the New Vehicle Limited Warranty. Please ask the vehicle modifier for a copy of the Addendum Card if you wish to review it prior to taking delivery of the vehicle.

This booklet explains in detail the warranty coverages that apply to your 2005-model car or light truck. If you bought a previously owned 2005-model vehicle, you are eligible for any remaining warranty coverages.

Ford Motor Company provides the **Emissions Defect Warranties** and **Emissions Performance Warranties** which cover your emissions control systems, and **Noise Emissions Warranty** which applies only to medium/heavy duty trucks over 10,000 pounds Gross Vehicle Weight Rating (pages 11-23).

Ford Motor Vehicle Assurance Company (a subsidiary of Ford Motor Company, The American Road, Dearborn, MI 48121) provides the New Vehicle Limited Warranty (pages 4-7), except that Ford Motor Company provides the New Vehicle Limited Warranty in Alaska, Illinois, Louisiana, Minnesota, Montana, New Hampshire, New Jersey, New York, South Dakota, Vermont, Virginia, Washington, West Virginia, Wisconsin. This list is accurate as of the publishing date of this guide. If you are interested in verifying the warranty provider for your vehicle, please call the Customer Relationship Center at 1-800-392-3673. Where it is the warranty provider, Ford Motor Vehicle Assurance Company will use Ford Motor Company as its agent. The warranty coverage you receive and your dealer's handling of any warranty-covered repair will be the same regardless of the warranty provider.

2. Important information you should know

IF YOU NEED CUSTOMER ASSISTANCE

Your Ford Motor Company dealer is available to assist you with all your automotive needs. Please follow the procedures outlined on the front page of this booklet.

In addition, if you are an eligible U.S. owner, you may use - at no cost - the services of the Dispute Settlement Board. The Board is a panel of impartial individuals who resolve disputes. For details, see **Dispute Settlement Board**, page 26 or call 1-800-428-3718.

KNOW WHEN YOUR WARRANTY BEGINS

Your **Warranty Start Date** is the day you take delivery of your new vehicle or the day it is first put into service (for example, as a dealer demonstrator), whichever occurs first.

CHECK YOUR VEHICLE

We try to check vehicles carefully at the assembly plant and the dealership, and we usually correct any damage to paint, sheet metal, upholstery, or other appearance items. But occasionally something may slip past us, and a customer may find that a vehicle was damaged before he or she took delivery. If you see any damage when you receive your vehicle, notify your dealership within one week.

MAINTAIN YOUR VEHICLE PROPERLY

Your glove compartment contains an **Owner Guide** and a **Scheduled Maintenance Guide** which indicate the scheduled maintenance required for your vehicle. Proper maintenance guards against major repair expenses resulting from neglect or inadequate maintenance, may help increase the value you receive when you sell or trade your vehicle, and is important in allowing your vehicle to comply with applicable emissions standards.

It is your responsibility to make sure that all of the scheduled maintenance is performed and that the materials used meet Ford engineering specifications. Failure to perform scheduled maintenance as specified in the Service Guide will invalidate warranty coverage on parts affected by the lack of maintenance. Make sure that receipts for completed maintenance work are retained with the vehicle and confirmation of maintenance work is always entered in your **Scheduled Maintenance Guide**.

Your Ford or Lincoln Mercury dealership, or Ford or Lincoln Mercury Auto Care Service Center, has factory-trained technicians who can perform the required maintenance using genuine Ford parts. The dealership looks forward to meeting your every service need to maximize your satisfaction with your vehicle.

WHO PAYS FOR WARRANTY REPAIRS?

You will not be charged for covered warranty repairs made during the warranty periods for Bumper to Bumper, Safety Restraint or Corrosion, or Emissions Coverage.

Some states have mandated alternate time coverage periods for parts of your vehicle (e.g. seatbelts).

Some states and/or local governments may require a tax on a portion of warranty repairs. Where applicable law allows, the tax must be paid by you, the owner of the vehicle.

During the Bumper to Bumper Warranty period, dealers may receive instructions to provide no-cost, service-type improvements - not originally included in your Scheduled Maintenance Guide - intended to increase your overall satisfaction with your vehicle.

Sometimes Ford may offer a special adjustment program to pay all or part of the cost of certain repairs beyond the terms of the applicable warranty. Check with your dealer or call **1-800-392-3673 (FORD)** to learn whether any adjustment program is applicable to your vehicle. Please have your vehicle identification number available.

DO WARRANTIES APPLY IN OTHER COUNTRIES?

The **New Vehicle Limited Warranty** and the **Emissions Warranties** described in this booklet apply to your vehicle if:

- it was originally purchased through the Ford Worldwide Direct Marketing Operations Military Sales Program; or
- it was originally sold or leased by Ford Motor Company or one of its dealers in the United States or U.S. Federalized Territories, and it was originally registered/licensed and operated in the United States, U.S. Federalized Territories, or Canada.

If you meet either of these two requirements, you do have warranty coverage when you travel with this vehicle outside the United States, U.S. Federalized Territories, or Canada. In some cases, however, you may have to pay the servicing Ford dealer in a foreign country or U.S. Federalized Territory for a repair that is covered under the U.S. warranty. If this happens, be sure to save the paid repair order or invoice. You should present this document to a U.S. Ford Motor Company dealer for warranty refund consideration. Refer to www.Ford.com for additional customer assistance reference information.

3. The new vehicle limited warranty for your 2008-model vehicle

Your NEW VEHICLE LIMITED WARRANTY gives you specific legal rights. You may have other rights that vary from state to state. The New Vehicle Limited Warranty is the only express warranty applicable to your vehicle. Neither Ford or Ford Motor Vehicle Assurance Company assumes nor authorizes anyone to assume for it any other obligation or liability in connection with your vehicle or this warranty.

Ford, Ford Motor Vehicle Assurance Company and your dealer are not responsible for any time that you lose, for any inconvenience you might be caused, for the loss of your transportation, or for any other incidental or consequential damages you may have.

You may have some implied warranties. For example, you may have:

- an implied warranty of merchantability (that the car or light truck is reasonably fit for the general purpose for which it was sold); or
- an implied warranty of fitness for a particular purpose (that the car or light truck is suitable for your special purposes).

These implied warranties are limited, to the extent allowed by law, to the time period covered by the written warranties, or to the applicable time period provided by state law, whichever period is shorter.

Some states do not allow Ford or Ford Motor Vehicle Assurance Company to limit how long an implied warranty lasts or to exclude or limit incidental or consequential damages, so the limitation and exclusions described above may not apply to you.

NOTE: This information about the limitation of implied warranties and the exclusion of incidental and consequential damages under the **NEW VEHICLE LIMITED WARRANTY** also applies to the **EMIS-SIONS WARRANTIES** described on pages 11-23.

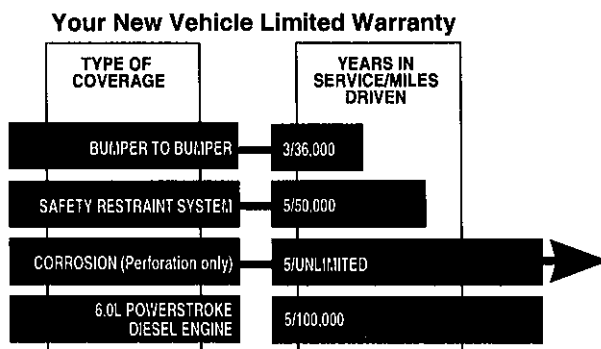
NOTE: If you are an eligible U.S. owner and have a warranty concern unresolved by your dealer, you may use the services of the Dispute Settlement Board (see page 26).

QUICK REFERENCE: WARRANTY COVERAGE

This chart gives a general summary of your warranty coverage provided by Ford Motor Company or Ford Motor Vehicle Assurance Company under the **New Vehicle Limited Warranty**. Please refer to the description of warranty coverage for more specific information.

For each type of coverage, the chart shows two measures:

- years in service
- miles driven



The measure that occurs first determines how long your coverage lasts. For example: Your Bumper to Bumper Coverage lasts for three years - unless you drive more than 36,000 miles before three years elapse. In that case, your coverage ends at 36,000 miles.

For more details on coverage, see:

- ➔ **What is Covered?** (pages 5-7)
- ➔ **What is Not Covered?** (pages 7-9)

WHAT IS COVERED?

The New Vehicle Limited Warranty coverage is provided by Ford Motor Company or Ford Motor Vehicle Assurance Company, a subsidiary of Ford Motor Company. These coverages include Bumper to Bumper coverage, Safety Restraint coverage, Corrosion coverage, and 6.0L PowerStroke® Diesel Engine coverage.

Bumper To Bumper Coverage

Under your New Vehicle Limited Warranty, Bumper to Bumper Coverage begins at the warranty start date and lasts for three years or 36,000 miles, whichever occurs first. During this coverage period, authorized Ford Motor Company dealers will repair, replace, or adjust all parts on your vehicle that are defective in factory-supplied materials or workmanship. Items or

conditions that are not covered by the New Vehicle Limited Warranty are described on pages 7-9.

Two separate warranties apply to tires on your new vehicle. The new Vehicle Limited Warranty provides no-cost coverage for tire repairs, replacements, or adjustments due to defects in factory-supplied materials or workmanship during the Bumper to Bumper Coverage period. The tire manufacturer also provides you with a separate tire warranty that may extend beyond the Bumper to Bumper Coverage period. You will find the manufacturer's tire warranty with the owner literature supplied with your vehicle.

During the Bumper to Bumper Coverage period, your authorized Ford Motor Company dealer has the desire to ensure your complete satisfaction at no out-of-pocket cost to you. In addition, you have the option of having a tire warranty repair performed by the tire manufacturer's authorized service center. If you go to a tire service center during the Ford Bumper to Bumper Coverage period for a covered repair (replacement or adjustment), you may be charged a prorated amount for wear or other charges. If so, you should present your paid invoice detailing the nature of the charges to any Ford Motor Company dealership for refund consideration.

When making warranty repairs on your vehicle, the dealer will use Ford or Motorcraft parts or remanufactured or other parts that are authorized by Ford. In certain instances, Ford may authorize repairs at other than Ford dealer facilities. Tire replacements under warranty will be made with the same brand and model as originally equipped with the vehicle unless the same brand and model is no longer available, in which case a tire of the same brand, size, load, speed and tread type will be used. In some circumstances, Ford may authorize another brand and/or model to substitute for the original brand and model, even if still available.

Safety Restraint Coverage

Under your New Vehicle Limited Warranty, Safety Restraint Coverage begins at the warranty start date and lasts for five years or 50,000 miles, whichever occurs first.

During this coverage period, Ford Motor Company or Ford Motor Vehicle Assurance Company warrants your vehicle's safety belts and air bag Supplemental Restraint System (SRS) against defects in factory-supplied materials or workmanship.

Corrosion Coverage

Under your New Vehicle Limited Warranty, Corrosion Coverage begins at the warranty start date and covers body sheet metal panels against corrosion due to a defect in factory-supplied materials or workmanship. Corrosion coverage (which lasts for 5 years, regardless of miles driven) only applies if the corrosion causes perforation (holes) in body sheet metal panels.

If corrosion does not cause perforation (holes), and is not the result of usage and/or environmental conditions, paint damage is covered under the terms of the Bumper to Bumper Warranty (3 years or 36,000 miles, whichever occurs first).

For damage caused by airborne material (environmental fallout) - where there is no factory-related defect involved and therefore no warranty - our policy is to cover paint damage due to airborne material for 12 months or 12,000 miles, whichever occurs first.

6.0L PowerStroke® Diesel Engine Coverage

The New Vehicle Limited Warranty covers the direct injection diesel engine and engine components against defects in factory-supplied materials or workmanship for five years after the warranty start date or 100,000 miles, whichever occurs first.

After the end of the Bumper to Bumper Coverage period (three years or 36,000 miles, whichever occurs first), you must pay a \$100 deductible for each repair visit.

Ford Motor Company or Ford Motor Vehicle Assurance Company covers the engine and these components: cylinder block, heads and all internal parts, intake and exhaust manifolds, timing gear, harmonic balancer, valve covers, oil pan and pump, water pump, fuel system (excluding fuel lines and fuel tank), high pressure lines, gaskets and seals, glow plugs, turbocharger, powertrain control module, electronic driver unit, injectors, injection pressure sensor, high pressure oil regulator, exhaust back pressure regulator and sensor, camshaft position sensor, accelerator switch.

NOTE: Some components may also be covered by the Emissions Warranties, with no deductible. For more information, see pages 11-23.

WHAT IS NOT COVERED?

Damage Caused By:

- accidents, collision or objects striking the vehicle (including driving through a car wash)
- theft, vandalism, or riot
- fire or explosion
- using contaminated or improper fuel/fluids
- customer-applied chemicals or accidental spills
- driving through water deep enough to cause water to be ingested into the engine
- misuse of the vehicle, such as driving over curbs, overloading, racing or using the vehicle as a stationary power source

Damage Caused by Alteration or Modification

The New Vehicle Limited Warranty does not cover any damage caused by:

- alterations or modifications of the vehicle, including the body, chassis, or components, after the vehicle leaves the control of Ford Motor Company
- tampering with the vehicle, tampering with the emissions systems or with the other parts that affect these systems (for example, but not limited to exhaust and intake systems)
- the installation or use of a non-Ford Motor Company part (other than a "certified" emissions part) or any part (Ford or non-Ford) designed for "off-road use only" installed after the vehicle leaves the control of Ford Motor Company, if the installed part fails or causes a Ford part to fail. Examples include, but are not limited to lift kits, oversized tires, roll bars, cellular phones, alarm systems, automatic starting systems and performance-enhancing powertrain components

Damage Caused by Use and/or the Environment

The New Vehicle Limited Warranty does not cover surface rust, deterioration and damage of paint, trim, upholstery, and other appearance items that result from use and/or exposure to the elements. You, as the owner, are responsible for these items. Some examples are:

- dings, dents
- cuts, burns, punctures or tears
- road salt
- tree sap, bird and bee droppings
- windstorm, lightening, hail
- earthquake
- freezing, water or flood
- stone chips, scratches (some examples are on paint and glass)
- windshield stress cracks. However, limited coverage on windshield stress cracks will be provided for the first 12 months in service, regardless of miles driven, even though caused by use and/or exposure to the elements.

Maintenance/Wear

The New Vehicle Limited Warranty does not cover: (1) parts and labor needed to maintain the vehicle; and (2) the replacement of parts due to normal wear and tear. You, as the owner, are responsible for these items. See your Scheduled Maintenance Guide. Some examples of maintenance and normal wear are:

- oil changes
- oils, lubricants, other fluids
- oil/air filters
- tire rotation
- cleaning/polishing
- clutch linings
- Wiper blades
- Wheel alignments and tire balancing
- Brake pad/lining

Some maintenance and wear items have limited coverage, as follows:

- wiper blade replacements are not covered beyond 12 months in service, regardless of miles driven
- wheel alignments and tire balancing (unless required by a warranty repair) are not covered
- Brake pad/lining replacements are not covered beyond 12 months or 18,000 miles, whichever occurs first
- beyond 12 months or 12,000 miles, whichever occurs first

Tire Wear or Damage

The New Vehicle Limited Warranty does not cover normal wear or worn-out tires. Tires will not be replaced (unless required by a warranty repair) for wear or damage including:

- tire damage from road hazard such as cuts, snags, bruises, bulges, puncture, and impact breaks
- tire damage due to under or over inflation, tire chain use, racing, spinning (as when stuck in snow or mud), improper mounting or dismounting, or tire repair
- tire vibration or ride harshness and uneven or rapid tire wear. However, limited coverage for these conditions will be provided for the first 12 months in service or 12,000 miles, whichever occurs first, even though caused by maintenance and wear items such as wheel alignment or tire balancing. This limitation for ride harshness and uneven or rapid tire wear does not apply to tire replacement on the New Style F-150 Truck.

Other Items or Conditions Not Covered

The New Vehicle Limited Warranty does not cover:

- vehicles that have had the odometer disconnected, altered, or inoperative for an extended period of time with the result that the actual mileage cannot be determined
- vehicles that have ever been labeled or branded as "dismantled", "fire", "flood", "junk", "rebuilt", "reconstructed", or "salvaged"; this will void the New Vehicle Limited Warranty
- vehicles that have been determined to be a "total loss" by an insurance company; this will void the New Vehicle Limited Warranty
- any Ford or Mercury vehicles (except Excursion modified by a Qualified Vehicle Modifier using the XLT package with a 6.8L engine and 4:30 axle (XC3) that are converted to limousines. This will void the New Vehicle Limited Warranty. See additional information about authorized Excursion modification on page 28
- converted ambulances that are not equipped with the Ford Ambulance Prep Package, see important information about ambulance conversions (page 28)

4. In addition ...

ROADSIDE SERVICE ASSISTANCE (UNITED STATES, PUERTO RICO, AND U.S. VIRGIN ISLANDS)

Your vehicle is covered by the complimentary Ford Roadside Assistance Program (unless you are driving a daily rental unit). Under this program Ford will cover:

- towing to the nearest Ford Motor Company dealership, or towing to your selling dealership if within 35 miles
- flat tire change
- fuel delivery
- jump starts
- lock-out assistance

The Roadside Assistance Program is separate from the New Vehicle Limited Warranty, but the Program's time period runs concurrently with Bumper to Bumper Warranty Coverage (three years or 36,000 miles, whichever occurs first). If you need towing after Bumper to Bumper Coverage has ended, Ford can arrange roadside assistance and charge your credit card unless the problem is covered by another Ford warranty. Ford will pay the tow charge under the other warranty.

For emergency roadside assistance, call **1-800-241-3673 (FORD), 24 hours a day, 365 days a year.**

For daily rental units that must be towed because a covered part has failed during the Bumper to Bumper Warranty period, Ford will cover towing to the nearest Ford Motor Company dealership.

Excursion Limousine Limited Warranty

If you have purchased or leased a 2005-Model Ford Excursion Truck equipped with the 800A Limousine Builder's Package converted into a limousine or professional funeral car by a qualified vehicle modifier, your Ford Excursion is eligible for the Ford Excursion Truck Limousine Limited Warranty Coverage for three years or 100,000 miles (whichever occurs first) on certain major components. This coverage begins on the Warranty Start Date and is in addition to the New Vehicle Limited Warranty. Refer to the warranty Addendum Card that was given to you when you took delivery of your 2005-model Ford Excursion Truck Limousine for details of the Ford Excursion Limousine Limited Warranty.

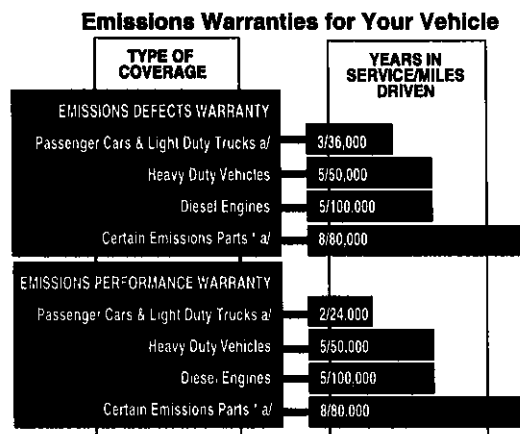
See page 28 for additional details about the 800A Limousine Builder's Package.

5. Federal requirements for emissions warranties

QUICK REFERENCE: EMISSIONS WARRANTY COVERAGE

This chart shows your warranty coverage under two emissions warranties that Ford Motor Company provides, in compliance with Federal requirements. The warranties are:

- Emissions Defects Warranty
- Emissions Performance Warranty



^{a/} Includes heavy-duty vehicles and medium-duty vehicles certified to light-duty emissions standards. Your underhood emissions label title will be "Vehicle Emissions Control Information" instead of "Important Engine Information" if this is the case.

* Catalytic converters, Powertrain Control Module (PCM), Electronic Emissions Control Unit (ECU), Transmission Control Module (TCM), onboard emissions diagnostic device, and Natural Gas Vehicle (NGV) module (BI-fuel/CNG) for passenger cars and light-duty trucks only.

For full details on emissions control coverage, see:

- ➔ **Emissions Defect Warranty** (page 12)
- ➔ **Emissions Performance Warranty** (pages 12-13)
- ➔ **What is Covered?** (pages 13-15)
- ➔ **What is Not Covered?** (page 15)

EMISSIONS DEFECT WARRANTY COVERAGE

During the warranty coverage period, Ford Motor Company warrants that:

- your vehicle or engine is designed, built, and equipped to meet - at the time it is sold - the emissions regulations of the U.S. Environmental Protection Agency (EPA).
- your vehicle or engine is free from defects in factory-supplied materials or workmanship that could prevent it from conforming with applicable EPA regulations.
- you will not be charged for diagnosis, repair, replacement, or adjustment of defective emissions-related parts listed under **What is Covered?** on pages 13-15.

The warranty coverage period for:

- Passenger cars, light duty trucks (vehicles with a GVWR of 8,500 pounds or less, or over 8,500 pounds if certified to light duty emission standards)
 - 8 years or 80,000 miles (whichever occurs first) for catalytic converter, powertrain control module, onboard emissions diagnostic device, natural gas vehicle (NGV) module (Bi-fuel/CNG), electronic emission control unit, and transmission control module;
 - 3 years or 36,000 miles (whichever occurs first) for all other covered parts.
- Heavy duty vehicles (vehicles with a gross vehicle weight over 8,500 pounds)
 - 5 years or 100,000 miles (whichever occurs first) for covered diesel engine parts;
 - 5 years or 50,000 miles (whichever occurs first) for all other covered parts.

See WHAT IS COVERED for list of covered parts.

EMISSIONS PERFORMANCE WARRANTY COVERAGE

Under Emissions Performance Warranty Coverage, Ford Motor Company will repair, replace, or adjust - with no charge for labor, diagnosis, or parts - any emissions control device or system, if you meet all of the following conditions:

- You have maintained and operated your vehicle according to the instructions on proper care in the **Owner Guide**, the **Scheduled Maintenance Guide**, and this booklet.
- Your vehicle fails to conform, during the warranty coverage period, to the applicable national EPA standards, as determined by an EPA approved inspection and maintenance program.
- You are subject to a penalty or sanction under local, state, or federal

law because your vehicle has failed to conform to the emissions standards. (A penalty or sanction can include being denied the right to use your vehicle.)

- Your vehicle has not been tampered with, misused, or abused.

The warranty coverage period for:

- Passenger cars, light duty trucks (vehicles with a GVWR of 8,500 pounds or less, or over 8,500 pounds if certified to light duty emission standards)
 - 8 years or 80,000 miles (whichever occurs first) for catalytic converter, powertrain control module, onboard emissions diagnostic device, natural gas vehicle (NGV) module (Bi-fuel/CNG), electronic emission control unit, and transmission control module;
 - 2 years or 24,000 miles (whichever occurs first) for all other covered parts.
- Heavy duty vehicles (vehicles with a gross vehicle weight over 8,500 pounds)
 - 5 years or 100,000 miles (whichever occurs first) for covered diesel engine parts;
 - 5 years or 50,000 miles (whichever occurs first) for all other covered parts.

See WHAT IS COVERED for list of covered parts.

Note that the warranty period begins on the **Warranty Start Date** as specified on page 2 of this booklet.

WHAT IS COVERED?

These parts are covered by both the Emissions Defect Warranty and the Emissions Performance Warranty.

List of Parts Covered by Emissions Warranties For Cars, Light Duty Trucks and Heavy Duty Vehicles

- Air Flow Sensor
- Air/Fuel Feedback Control System and Sensors
- Air Induction System
- Altitude Compensation System
- Catalytic Converter
- Cold Start Enrichment System
- Cold Start Fuel Injector (1)
- Controls for Deceleration
- Electronic Ignition System
- Exhaust Pipe (Manifold to Catalyst)
- Electronic Emissions Control Unit (ECU)

- Electronic Engine Control Sensors and Switches
 - Evaporative Emission Control System
 - Exhaust Gas Recirculation (EGR) System
 - Exhaust Heat Control Valve
 - Exhaust Manifold
 - Fuel Filler Cap and Neck Restrictor
 - Fuel Injection System
 - Fuel Injector Supply Manifold
 - Fuel Sensor (1)
 - Fuel Tank (non diesel only)
 - Fuel Tank Pressure Control Valve (1)
 - Idle Air Bypass Valve
 - Ignition Coil and/or Control Module
 - Intake Manifold
 - Intercooler Assembly - Engine Charger
 - Malfunction Indicator Lamp (MIL)/On-Board Diagnostic (OBD) System
 - PCV System and Oil Filler Cap
 - Powertrain Control Module
 - Secondary Air Injection System
 - Spark Control Components
 - Spark Plugs and Ignition Wires
 - Synchronizer Assembly
 - Throttle Body Assembly (MFI)
 - Transmission Control Module (TCM)
 - Turbocharger Assembly
 - NGV module (Bi-fuel/CNG)
- (1) Flex Fuel vehicle only

List of Parts Covered for 5 Years or 100,000 Miles (whichever occurs first) by Emissions Warranties for Diesel Engines

- Air Flow Sensor
- Air Fuel Feedback Control System and Sensors
- Cold Start Enrichment System
- Electronic Engine Control Sensors and Switches
- Exhaust Gas Recirculation (EGR) System
- Exhaust Manifold
- Fuel Injection System
- Intercooler Assembly - Engine Charger
- Powertrain Control Module (PCM)
- Turbocharger Assembly

Important Information About List of Parts

Also covered by the two emissions warranties are all emissions-related bulbs, hoses, clamps, brackets, tubes, gaskets, seals, belts, connectors, non diesel fuel lines, and wiring harnesses that are used with components on the list of parts, above.

Concerning parts that should be replaced on a certain maintenance schedule: these parts remain under warranty until : (a) the first replacement time that is specified in your **Owner Guide** and the **Scheduled Maintenance Guide**; or (b) the time or mileage limits of the Federal Defect and Performance Warranties (whichever occurs first).

Your Ford Motor Company dealer maintains a complete list of parts covered by emissions warranties. For more details about the specific parts covered by the Emissions Defect Warranty, contact your dealer.

WHAT IS NOT COVERED?

Ford Motor Company may deny you warranty coverage if your vehicle or a part has failed because of abuse, neglect, improper maintenance, unapproved modifications, or any items included in **What Is Not Covered?**, pages 7-9.

If you need more information about getting service under the **Federal Emissions Performance Warranty**, or if you want to report what you believe to be violations of the terms of this warranty, you may contact:

**Manager, Certification and Compliance Division
(6405J)
Warranty Claims
Environmental Protection Agency
Ariel Rios building
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460**

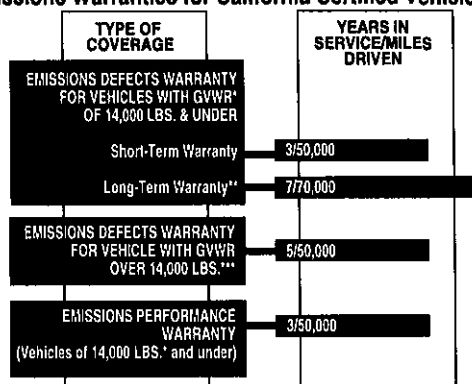
6. California requirements for emissions warranties

QUICK REFERENCE: EMISSIONS WARRANTY COVERAGE

This chart shows the coverage Ford Motor Company provides under the emissions control warranty to owners of vehicles certified for sale in California, (your Vehicle Emissions Control Information label will indicate certified for sale in California or conforms to California regulations) **and** registered in California, Maine, Massachusetts, New York or Vermont. Also, diesel engine vehicles over 14,000 pounds (GVWR) registered in Maine, Massachusetts, or Pennsylvania qualify for California emissions warranty coverage. This coverage is in addition to Federal Emission warranties (Page 11). There are four warranties:

- Short-Term Defects Warranty (vehicles of 14,000 lbs.* and under)
- Long-Term Defects Warranty (vehicles of 14,000 lbs.* and under)
- Defects Warranty (vehicles over 14,000 lbs.*)
- Performance Warranty (vehicles of 14,000 lbs.* and under)

Emissions Warranties for California Certified Vehicles



- * Gross Vehicle Weight Rating
- ** These specific parts were selected on the basis of their estimated replacement cost at the time the California Air Resources Board certified your vehicle for sale in California.
- *** Diesel engine vehicles are covered for 5 years or 100,000 miles.

For full details about coverage under California requirements for emissions control, see:

- ➔ **Defects Warranties** (pages 17-21)
- ➔ **Performance Warranty** (page 17)
- ➔ **What Is Covered?** (pages 19-21)
- ➔ **What Is Not Covered?** (page 21)

EXPLANATION OF CALIFORNIA EMISSIONS WARRANTIES

Your Warranty Rights and Obligations

(Applicable if your vehicle is certified for sale in California **and** registered in California, Maine, Massachusetts, New York or Vermont, or for diesel engine vehicles over 14,000 pounds GVWR registered in Maine, Massachusetts, or Pennsylvania.)

The California Air Resources Board and Ford Motor Company are pleased to explain the emission control system warranty on your 2005-model vehicle. In California, new motor vehicles must be designed, built, and equipped to meet the State's stringent anti-smog standards. Ford must warrant the emission control system on your vehicle for the periods of time listed on pages 17-18, provided there has been no abuse, neglect, or improper maintenance of your vehicle.

Your emission control system may include parts such as the carburetor or fuel injection system, the ignition system, catalytic converter, and the engine computer. Also included may be hoses, belts, connectors, and other emissions-related assemblies.

Where a warrantable condition exists, Ford Motor Company will repair your vehicle at no cost to you including diagnosis, parts, and labor.

Manufacturer's Warranty Coverage

If Gross Vehicle Weight Rating is 14,000 lbs. or less:

For 3 years or 50,000 miles (whichever first occurs):

1. If your vehicle fails a Smog Check inspection, all necessary repairs and adjustments will be made by Ford to ensure that your vehicle passes the inspection. This is your emission control system **PERFORMANCE WARRANTY**.
2. If any emissions-related part on your vehicle is defective, the part will be repaired or replaced by Ford. This is your short-term emission control system **DEFECTS WARRANTY**.

For 7 years or 70,000 miles (whichever first occurs):

If an emissions-related part listed on page 20 with coverage for 7 years or 70,000 miles is defective, the part will be repaired or replaced by Ford. This is your long-term emission control system **DEFECTS WARRANTY**.

If Gross Vehicle Weight rating is over 14,000 lbs.:

For 5 years or 50,000 miles (gasoline powered engines and vehicles) or 5 years or 100,000 miles (diesel powered engines and vehicles) (whichever first occurs):

If an emissions-related part on your vehicle is defective, the part will be repaired or replaced by Ford. This is your emission control system DEFECTS WARRANTY.

Owner's Warranty Responsibilities

As the vehicle owner, you are responsible for the performance of the required maintenance listed in your owner's manual. Ford Motor Company recommends that you retain all receipts covering maintenance on your vehicle, but Ford cannot deny warranty coverage solely for the lack of receipts or for your failure to ensure the performance of all scheduled maintenance.

You are responsible for presenting your vehicle to a Ford Motor Company dealer as soon as a problem exists. The warranty repairs should be completed in a reasonable amount of time, not to exceed 30 days.

As the vehicle owner, you should also be aware that Ford Motor Company may deny you warranty coverage if your vehicle or a part has failed due to abuse, neglect, improper maintenance, or unapproved modifications.

If you have any questions regarding your warranty rights and responsibilities, or if you want to report what you believe to be violations of the terms of this warranty, you may contact the Ford Customer Relationship Center at 1-800-392-3673 (FORD) or the California Air Resources Board at:

**State of California Air Resources Board
Mobile Source Operations Division
P.O. Box 8001
El Monte, California 91731-2990**

WHAT IS COVERED?

The parts on the following list are covered by the Defects Warranties.

List of Parts Covered by Defects Warranties

- Air Flow Sensor
- Air/Fuel Feedback Control System and Sensors
- Air Induction System
- Altitude Compensation System
- Catalytic Converter
- Cold Start Enrichment System
- Cold Start Fuel Injector (2)
- Controls for Deceleration
- Electronic Emissions Control Unit (ECU)
- Electronic Ignition System
- Exhaust Pipe (Manifold to Catalyst)
- Electronic Engine Control Sensors and Switches
- Evaporative Emission Control System
- Exhaust Gas Recirculation (EGR) System
- Exhaust Heat Control Valve
- Exhaust Manifold
- Fuel Filler Cap and Neck Restrictor
- Fuel Injection System (1)
- Fuel Injector Supply Manifold
- Fuel Sensor (2)
- Fuel Tank (non diesel only)
- Fuel Tank Pressure Control Valve (2)
- Idle Air Bypass Valve
- Ignition Coil and/or Control Module
- Intake Manifold (1)
- Intercooler Assembly - Engine Charger
- Malfunction Indicator Lamp (MIL)/On-Board Diagnostic (OBD) System
- PCV System and Oil Filler Cap
- Powertrain Control Module
- Secondary Air Injection System
- Spark Control Components
- Spark Plugs and Ignition Wires
- Synchronizer Assembly
- Throttle Body Assembly (MFI)
- Transmission Control Module (TCM)
- Turbocharger Assembly
- NGV module (Bi-fuel/CNG)

(1) Coverage for diesel engines is for five years or 100,000 miles (whichever first occurs)

(2) Flex Fuel vehicle only

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**COVERAGE FOR 2005-MODEL VEHICLES (GVWR OF 14,000 LBS. OR LESS) UNDER LONG-TERM DEFECTS WARRANTY
(Coverage for Up to 7 Years/70,000 Miles, Whichever First Occurs)
Ford and Mercury Vehicles Excluding Focus and Escape Hybrid**

Part Name	Engine Size								
	2.3L	3.0L	3.9L	4.0L	4.2L	4.6L	5.4L	6.0L	6.8L
Anti-Lock Brake (ABS) Module			X(4)						
Cam Timing Assembly	X(1)	X	X	X(2)	X	X	X	X	X
Camshaft Assembly (Cam timing concerns only)								X(7)	
Catalytic Converter	X	X	X	X	X	X	X	X	X
Charge Air Cooler							X(3)		
EGR Cooler Assembly								X	
Evap. Vap. Storage Can.							X(3)		
Exhaust Manifold - Left		X(8)					X(9)	X(7)	
Exhaust Manifold - Right		X(10)				X(11)	X(9)	X(7)	
Flex Fuel Composition Sensor & Bracket Assembly		X(12)							
Fuel Filler Kit	X(13)	X(13)		X(13)					
Fuel Injector		X(10)							
Fuel Injector Fuel Supply Manifold			X(4)			X(14)	X(3)		
Fuel Injector Nozzle Assembly								X(5)	
Fuel Injection Control Module							X(3)		
Fuel Pressure Regulator						X(15)			
Fuel Pump and Bracket Assembly (less sender)							X(3)		
Fuel Return & Brake Tube Assembly						X(15)			
Fuel Tank	X	X(16)	X	X(17)	X(18)	X	X		X
Fuel Tank Filler Pipe						X(15)			
Fuel Tank Fuel Flange Assembly						X(15)			
Fuel Tank Sender & Pump Assembly					X(18)	X(18)	X(19)		
Injector Driver Module								X	
Intake Manifold		X(20)	X	X(14)	X(6)	X(21)	X(22)	X	X(23)
NGV Module							X		
Output Shaft Speed (OSS) Sensor		X(29)							
Solenoid Body Assembly							X(24)	X	X(24)
Supercharger							X(3)		
Throttle Body and Motor Assembly		X(10)			X(18)				
Timing Chain Cassette, Right				X(25)					
Timing Chain Cassette, Left				X(25)					
Transmission Control Assembly		X(28)							
Transmission Control Module		X(27)							
Transmission Fluid Temperature (TOT) Sensor		X(29)							
Turbine Shaft Speed Sensor	X(13)	X(30)		X(26)					
Turbocharger								X	
Valve Rocker Cover							X(19)		

(1) Escape, Mariner; (2) Except Ranger; (3) GT only; (4) Thunderbird; (5) F-Series, Econoline; (6) Excursion; (7) Econoline only; (8) Five Hundred, Montego, Escape, Mariner; (9) Excursion only; (10) Escape only; (11) Explorer, Mountaineer; (12) Taurus and Sable FFV only; (13) Ranger only; (14) Mustang only; (15) Crown Victoria CNG only; (16) Except Five Hundred, Montego, Freestyle; (17) Except Sport Trac; (18) F-150 only; (19) Expedition; (20) Freestyle; (21) Mustang, F-150, Expedition; (22) Except Super Duty; (23) Except Econoline; (24) Excursion only; (25) Except Explorer, Mountaineer; (26) Ranger, Sport Trac; (27) Five Hundred, Montego; (28) Five Hundred, Freestyle, Montego; (29) Five Hundred and Montego with 6-Speed Automatic Transmission; (30) Ranger and Five Hundred/Montego with 6-Speed Automatic Transmission

Important Information about List of Parts

Also covered by this warranty are all emissions-related bulbs, hoses, clamps, brackets, tubes, gaskets, seals, belts, connectors, non diesel fuel lines, and wiring harnesses that are used with components on the list of parts above.

Concerning parts that should be replaced on a certain maintenance schedule: these parts remain under warranty until the first required replacement time that is specified in your **Owner Guide** and the **Scheduled Maintenance Guide**.

NOTE: If the diagnosis does not reveal a defect, the Defects Warranty does not apply.

Your Ford Motor Company dealer maintains a complete list of covered parts. For more details about the specific parts that are covered by the Defects Warranty, contact your dealer.

WHAT IS NOT COVERED?

Ford Motor Company may deny you warranty coverage if your vehicle or a part has failed because of abuse, neglect, improper maintenance, unapproved modifications, or any items included in **What Is Not Covered?**, pages 7-9.

7. Additional information about your emissions Warranty coverage, Under Federal and Califor- nia requirements

HOW DO I GET WARRANTY SERVICE?

To get service under your emissions warranties, take your vehicle to any Ford Motor Company dealer as soon as possible after illumination of the Malfunction Indicator Light or it has failed an EPA-approved test or a California Smog Check inspection. Be sure to show the dealer the document that says your vehicle has failed the test.

Your dealer will determine whether the repair is covered by the warranty. If the dealer has a question about Emissions Performance Warranty coverage, it will forward the question to Ford Motor Company, which must make a final decision within 30 days after you bring your vehicle in for repair. (The decision will be made within a shorter time if state, local, or federal law requires you to have the vehicle repaired more quickly in order to avoid additional penalties.) The deadline for a determination about Emissions Performance Warranty Coverage does not need to be met if you request a delay, agree to a delay in writing, or if the delay is caused by an event for which neither Ford nor your dealer is responsible.

If a question about Emissions Performance Warranty coverage is referred to Ford Motor Company, you will be notified by Ford Motor Company in writing if your claim for warranty coverage is denied. The notice will explain the basis for denying your claim. If you fail to receive this notice within a timely manner, as determined above, Ford will perform the warranty repair for you free of charge.

HOW DO I HANDLE EMERGENCY REPAIRS?

If your vehicle needs an emergency warrantable repair and a Ford Motor Company dealer is not available, or if a Ford Motor Company dealer cannot perform warrantable repair(s) within 30 days of you bringing your vehicle to the dealer, repairs may be performed at any service establishment or by you using Ford equivalent replacement parts.

Ford will reimburse you for the cost of these warranty repairs including diagnosis, if you take the part(s) that are replaced and the repair receipt(s) to a Ford Motor Company dealer. The reimbursement shall not exceed Ford's suggested retail price for the warranted parts that are replaced and labor charges based on Ford's recommended time allowance for the warranty repair and the geographically appropriate hourly rate.

WHAT REPLACEMENT PARTS SHOULD I USE?

Ford Motor Company recommends that you use genuine Ford replacement parts. However, when you are having non-warranty work done on your vehicle, you may choose to use non-Ford parts.

If you decide to use non-Ford parts, be sure they are equivalent to Ford parts in performance, quality, and durability. If you use replacement parts that are not equivalent to Ford parts, your vehicle's emissions control systems may not work as effectively, and you may jeopardize your emissions warranty coverage.

For vehicles within the warranty period, Ford will repair at no cost to the owner, under the Federal Emissions Warranty, covered emission failures caused by properly installed Ford parts or non-Ford parts that have been "certified" by the U.S. Environmental Protection Agency (EPA). Ford is not responsible for the cost of repairing any emission failures caused by non-Ford parts that have not been "certified" by the EPA.

The maintenance, replacement, or repair of emissions control devices or systems can be performed by any automotive repair establishment or individual using Ford replacement parts or EPA-certified parts without voiding your federal warranty coverage for future repairs during the warranty period.

PROPER MAINTENANCE PRESERVES YOUR WARRANTY

If you do not maintain your vehicle properly, Ford may have the right to deny your warranty coverage.

To have repairs made under this warranty, you may have to show that you have followed Ford's instructions on properly maintaining and using your vehicle. You will find these instructions in your **Owner Guide** and **Scheduled Maintenance Guide**. Be sure to save your service receipts and to keep accurate records of all maintenance work.

CUSTOMER ASSISTANCE

If you are not satisfied with the handling of a warranty matter, see **Customer Assistance**, on the inside front cover, and **Dispute Settlement Board**, page 26.

8. Noise emissions warranty

NOISE EMISSIONS WARRANTY FOR CERTAIN LIGHT TRUCKS

Ford Motor Company warrants to the first person who purchases this vehicle for purposes other than resale and to each subsequent purchaser that this vehicle as manufactured by Ford, was designed, built and equipped to conform at the time it left Ford's control with all applicable U.S. EPA Noise Control Regulations.

This warranty covers this vehicle as designed, built and equipped by Ford Motor Company, and is not limited to any particular part, component or system of the vehicle as manufactured by Ford. Defects in design, assembly or in any part, component or system of the vehicle as manufactured by Ford, which, at the time it left Ford's control, caused noise emissions to exceed Federal standards, are covered by this warranty for the life of the vehicle.

THE NOISE EMISSIONS WARRANTY OBLIGATIONS DO NOT APPLY TO:

- loss of time, inconvenience, loss of use of the vehicle, commercial loss or, other consequential damages.
- any vehicle which is not covered by the U.S. EPA Medium and Heavy Trucks Noise Emission Standards (40 C.F.R. Part 205, Subpart B). Among the non-covered vehicles are those lacking a partially or fully enclosed operator's compartment, such as a basic stripped chassis, those having a Gross Vehicle Weight Rating of 10,000 pounds or less, and those sold outside the United States and its territories.

To the extent permitted by law, THIS WARRANTY IS EXPRESSLY INSTEAD of any express or implied warranty, condition, or guarantee, agreement, or representation, by any person with respect to conformity of this vehicle with the U.S. EPA Noise Control Regulations, including ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS.

9. Ford Extended Service Plan

MORE PROTECTION FOR YOUR VEHICLE

You can get more protection for your new car or light truck by purchasing a Ford Extended Service Plan (Ford ESP). Ford ESP service contracts are backed by Ford Motor Company or subsidiaries of Ford Motor Company (Ford Motor Service Company or the American Road Insurance Company). They provide:

- benefits during the warranty period depending on the plan you purchase (such as: reimbursement for rentals; coverage for certain maintenance and wear items); and
- protection against covered repair costs after your Bumper to Bumper Warranty expires.

You may purchase Ford ESP from any Ford Motor Company dealer or see our website at Ford-ESP.com. There are several Ford ESP plans available in various time, distance and deductible combinations. Each plan is tailored to fit your own driving needs, including reimbursement for towing and rental.

When you purchase Ford ESP, you receive peace-of-mind protection throughout the United States and Canada, provided by a network of more than 4,600 Ford Motor Company dealers.

NOTE: Repairs performed outside the United States and Canada are not eligible for Ford ESP coverage.

This information is subject to change. Ask your dealer for complete details about Ford ESP coverage.



DO YOU NEED THE DISPUTE SETTLEMENT BOARD?

Your satisfaction is important to Ford Motor Company and to your dealer. Experience has shown that our customers have been very successful in achieving satisfaction by following the three-step procedure outlined on the front page of this booklet.

However, if your warranty concern has not been resolved using the three-step procedure, you may be eligible to participate in the Dispute Settlement Board, an informal, cost-free alternative process for resolving disputes.

A warranty dispute must be submitted to the Dispute Settlement Board before taking action under the Magnuson-Moss Warranty Act, or to the extent allowed by state law, before pursuing replacement or repurchase remedies provided by certain state laws. This dispute handling procedure is not required prior to enforcing state-created rights or other rights which are independent of the Magnuson-Moss Warranty Act or state replacement or repurchase laws.

HOW DOES THE BOARD WORK?

The Dispute Settlement Board offers a free independent process for resolving warranty disputes. You may apply to the Board if you are an eligible owner of a Ford Motor Company vehicle in the United States.

For details, please refer to your **Owner Guide**. For a brochure/application, speak to your dealer or write to:

Dispute Settlement Board
P.O. Box 1424
Waukesha, WI 53187-1424
1-800-428-3718

NOTE: The Dispute Settlement Board may not be available in all states. Ford Motor Company reserves the right to change eligibility limitations, modify procedures, and/or to discontinue this process at any time without notice and without obligation.



11. State warranty enforcement laws

These state laws - sometimes called "lemon laws" - allow owners to receive a replacement vehicle or a refund of the purchase price, under certain circumstances. The laws vary from state to state.

To the extent your state law allows, Ford Motor Company requires that you first send us a written notification of any defects or non-conformities that you have experienced with your vehicle. (This will give us the opportunity to make any needed repairs before you pursue the remedies provided by your state's law.)

In all other states where not specifically required by state law, Ford Motor Company requests that you give us the written notice.

Send your written notification to:

**Ford Motor Company
Customer Relationship Center
16800 Executive Plaza Drive
P.O. Box 6248
Dearborn, MI 48121**

12. Important information about ambulance conversions

Ford vehicles are suitable for producing ambulances only if equipped with the **Ford Ambulance Prep Package**. In addition, Ford urges ambulance manufacturers to follow the recommendations of the **Ford Incomplete Vehicle Manual** and the **Ford Truck Body Builders Layout Book** (and pertinent supplements).

Using a Ford vehicle without the Ford Ambulance Prep Package to produce an ambulance could result in elevated underbody temperatures, fuel overpressurization, and the risk of fuel expulsion and fires. Such use also voids the Ford Bumper to Bumper Warranty and may void the Emissions Warranties.

You may determine whether the vehicle is equipped with the **Ford Ambulance Prep Package** by inspecting the information plate on the driver's rear door pillar.

You may determine whether the ambulance manufacturer has followed Ford's recommendations by contacting the ambulance manufacturer of your vehicle.

13. Important information about limousine conversions

Ford Motor Company authorizes only those Qualified Vehicle Modifiers (QVM's) of limousines, as listed at www.certifiedlimo.com <<http://www.certifiedlimo.com>> to perform Ford Excursion limousine conversions using the XLT package with a 6.8L engine and 4:30 axle (XC3). In addition, the Excursion limousine must have the brake hydro-boost and tire upgrade. Only Pirelli 265/75R16 E or Goodyear 235/85R16 E tires may be used. 2004-model year and later Excursions must have the 800A Limousine Package Option. The wheelbase on Ford Excursions modified into limousines cannot exceed the maximum extension of 140 inches beyond the standard wheelbase of 277.1 inches total. In addition, the conversion fully loaded must not exceed a total Gross Vehicle Weight Rating (GVWR) of 11,000 pounds. If the Excursion limousine has not been modified by an authorized QVM and/or stretched 140 inches beyond the standard wheel base, or has a GVWR of over 11,000 pounds, then the New Vehicle Limited warranty is **voided** and any Ford Extended Service Plan (ESP) contract is voided. In addition, applicable Emissions Warranty may also be voided, and the vehicle modifier may be considered the vehicle "manufacturer" for Emissions Warranty coverage purposes (including responsibilities for Emissions Warranty, recall, and in-use compliance).

EXHIBIT B

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re: NAVISTAR DIESEL ENGINE)	Case No. 11-cv-2496
PRODUCTS LIABILITY)	MDL No. 2223
LITIGATION)	

This Document Relates to: All Cases

PRELIMINARY APPROVAL ORDER

The parties to the above-captioned action have entered into a Settlement Agreement (submitted to the Court on November 1, 2012) to settle the above-captioned putative class actions in their entirety, and Named Plaintiffs have filed a Motion for Preliminary Approval of Class Action Settlement and a supporting memorandum, which Ford supports. All capitalized terms used in this Order have the meaning as defined in the Settlement Agreement, which is incorporated herein by reference.

The Court has read and considered the Settlement Agreement and all the Exhibits thereto, including the proposed Class Notice. The Court finds that there is a sufficient basis for granting preliminary approval of the Settlement Agreement and authorizing the steps necessary to determine whether the Settlement Agreement should be finally approved and the Litigation dismissed (including the dissemination of Class Notice).

IT IS HEREBY ORDERED that:

1. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for purposes of effectuating this settlement only, a Settlement Class consisting of:

All entities and natural persons in the United States (including its Territories and the District of Columbia) who currently own or lease (or who in the past owned or leased) a Ford model year 2003-2007 non-ambulance Ford vehicle sold or leased in the United States and equipped with a 6.0-liter PowerStroke diesel engine that received one or more repairs covered by Ford's New Vehicle Limited Warranty during the vehicle's first five years in service or 100,000 miles, whichever comes first, to: a fuel injector; the exhaust gas recirculation ("EGR") valve; the EGR cooler; the oil cooler; or the turbocharger.

Excluded from the Settlement Class are: (a) all federal court judges who have presided over this case and their spouses and anyone within three degrees of consanguinity from those judges and their spouses; (b) all entities and natural persons who elect to exclude themselves from the Settlement Class; (c) all entities and natural persons who have previously executed and delivered to Ford Motor Company releases of all their claims, including, but not limited to, members of the settlement class in *Williams A. Ambulance, Inc., et al. v. Ford Motor Company*, Case No. 1:06-cv-776 in the United States District Court for the Eastern District of Texas, Beaumont Division; (d) all entities and natural persons who: (1) prior to November 1, 2012, filed an individual lawsuit (*i.e.*, a lawsuit that does not seek certification as a class action) in any court asserting causes of action of any nature, including but not limited to claims for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory and injunctive relief, common law, property, warranty and equitable claims) based upon the 6.0L engine in a Class Vehicle, and (2) have not voluntarily dismissed such lawsuit without prejudice; and (e) Defendant's employees, officers, directors, agents, and representatives and their family members.

2. The Court hereby appoints Plaintiffs Custom Underground, Inc.; John Barrett; Scott and Heather Gray; Frank Brown Towing, Inc.; Cecil and Tressie Fulton; Karl Strong; Dinonno Enterprises, Inc., d/b/a Cutting Edge Concrete Cutting; Charles Clark; Georgean Vogt;

John Prebish; Steve Santilli; Anthony Mawyer; Gena Boggero; Carl Atwell; Phillip Marcum; and James Hutton to serve as class representatives.

3. The Court hereby appoints Michael A. Caddell, Cynthia B. Chapman and Cory S. Fein of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027; Richard J. Arsenault, of Neblett, Beard & Arsenault; Daniel E. Becnel, Jr. of Becnel Law Firm, L.L.C.; Mitchell A. Toups of Weller Green Toups & Terrell; Charles Schaffer of Levin, Fishbein, Sedran & Berman; Patrick W. Pendley of Pendley, Baudin & Coffin, L.L.P.; Peter J. Cambs of Parker Waichman Alonso, LLP; Mark P. Chalos of Lieff Cabraser Heimann & Bernstein; John F. Nevares of John F. Nevares & Associates, P.S.C.; William E. Hopkins, Jr. of Beasley Allen Crow Methvin Portis & Miles, P.C.; John R. Climaco of Climaco, Wilcox, Peca, Tarantino & Garofoli Co., LPA; Richard Barrett of the Law Offices of Richard R. Barrett, PLLC; Roy A. Katriel of The Katriel Law Firm; and Robert K. Shelquist of Lockridge Grindal Nauen P.L.L.P. to serve as Class Counsel.

4. The preliminary certification of this action as a class action is for settlement purposes only and the appointment of Class Counsel shall be terminated and without further force or effect and without prejudice to any party in connection with any future proceedings in these actions, including any future motion with respect to class certification, if: (a) the Court does not give final approval to the Settlement Agreement and enter the Final Order and Judgment substantially in the form appended to the Settlement Agreement, or (b) this Court's approval of the Settlement Agreement and/or entry of the Final Order and Judgment are reversed on appeal.

5. The terms of the Settlement Agreement are sufficiently fair, reasonable, and adequate to allow dissemination of the Class Notice to the members of the Settlement Class.

This determination permitting notice to the Settlement Class is not a final finding that the Settlement Agreement is fair, reasonable and adequate, but simply a determination that there is probable cause to disseminate Class Notice to the Settlement Class Members and hold a hearing on final approval of the proposed settlement.

6. Ford is authorized and directed to establish an administrative mechanism for receiving requests from Settlement Class Members to exclude themselves from the Settlement Class.

7. In conjunction with moving for final approval, Class Counsel may apply to the Court for an award of attorneys' fees and expense reimbursement covering all legal services provided to the Named Plaintiffs and Settlement Class Members in connection with the litigation and settlement of the Litigation (the "Fee and Expense Application"). The Fee and Expense Application shall be filed by _____, 2013, and shall seek a maximum of \$12,800,000 in attorneys' fees and \$1,250,000 in verified expenses.

8. Also in conjunction with moving for final approval, Class Counsel may submit an application for a \$150,000 service award, to be allocated by the Court among the Named Plaintiffs identified in the Master Class Action Complaint to be paid by Ford separately from the fee and expense award.

9. Pursuant to Rule 23(e)(2) of the Federal Rules of Civil Procedure and 28 U.S.C. § 1715(d), a hearing (the "Fairness Hearing") shall be held on _____, 2013 at ____ before the undersigned at Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois 60604 for the purpose of finally determining whether the proposed Settlement Agreement is fair, reasonable, and adequate and should be approved by the Court via entry of the Final Judgment and Order attached to the Settlement

Agreement and, if so, what amount of reasonable attorneys' fees and reasonable reimbursement of costs and expenses should be awarded to Class Counsel, and whether the service awards shall be awarded.

10. Approval is hereby given to the form of the Class Notice, attached to the Settlement Agreement as Exhibit D, to Settlement Class Members. The Court finds that the Class Notice reasonably informs the Class Members of the material terms of the Settlement and their rights and responsibilities in connection with the Settlement, and once distributed pursuant to the Plan of Distribution detailed below, constitutes valid, due, and sufficient notice to Settlement Class Members in full compliance with the requirements of applicable law, including the Due Process Clause of the United States Constitution. The costs of providing Class Notice to the Settlement Class Members shall be borne by Ford.

11. On or before _____, 2013, Ford shall cause to be delivered by United States Postal Service first-class mailing, postage prepaid, copies of the Class Notice containing the language in Exhibit D to the Settlement Agreement to be mailed to the current address of each original and subsequent purchaser or lessee of a Class Vehicle for whom Ford can reasonably obtain an address. The Court finds that such individual notice is the best notice practicable under the facts and circumstances of this case.

12. If it has not done so already, Ford shall provide to the Attorney General of the United States and the attorneys general of the states and territories in which Settlement Class Members reside the information specified in 28 U.S.C. § 1715 by the deadline established in that statute.

13. Ford shall provide a declaration attesting to its compliance with its notice obligations not less than seven days prior to the Fairness Hearing. The declaration shall include:

(a) the total number of Settlement Class Members, (b) a sample copy of the as-mailed Class Notice, (c) the process by which Ford obtained a mailing list for the Class Notice, (d) the number of Class Notices mailed and the range of dates within which such Notices were mailed, and (e) the number of Class Notices returned.

14. Each potential Settlement Class Member who wishes to be excluded from the Settlement Class must submit via United States Postal Service first-class mailing a Request for Exclusion to the address specified in the Class Notice, which address shall be a site under Ford's control. Such Requests for Exclusion must be received at that address on or before _____, 2013. To be effective, the Request for Exclusion must: (a) include the Settlement Class Member's full name, address, and telephone number, (b) identify the model, model year, and vehicle identification number of his, her or its Class Vehicle, (c) specifically and unambiguously state his, her or its desire to be excluded from the Settlement Class in *In re: Navistar Diesel Engine Products Liability Litigation*, and (d) be individually and personally signed by the Settlement Class Member (if the Settlement Class Member is represented by counsel, the Request for Exclusion additionally must be signed by such counsel).

15. Any Settlement Class Member who fails to submit a timely and complete Request for Exclusion to the required address, or communicates his, her or its intentions regarding membership in the Settlement Class in an ambiguous manner, shall be subject to and bound by all proceedings, orders, and judgments of this Court pertaining to the Settlement Class pursuant to the Settlement Agreement unless determined otherwise by the Court. Any communications from Settlement Class Members (whether styled as an exclusion request, an objection, or a comment) as to which it is not readily apparent whether the Settlement Class Member meant to request an exclusion from the Class will be evaluated jointly by counsel for the Parties, who will

make a good-faith evaluation if possible. Any uncertainties about whether a Settlement Class Member requested to exclude himself/herself from the Settlement Class will be resolved by the Court.

16. Ford shall tabulate Requests for Exclusion from prospective Settlement Class Members and shall report the names and addresses of such persons to the Court and to Class Counsel no less than seven days before the Fairness Hearing.

17. Any member of the Settlement Class who intends to object to the fairness of the Settlement Agreement (including Class Counsel's Fee and Expense Application) must, by _____, 2013, file any such objection with the Court, and provide copies of the objection to: Michael A. Caddell of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027 and Brian C. Anderson, O'Melveny & Myers, LLP, 1625 Eye Street, NW, Washington, DC 20006. Any objection to the Settlement Agreement must be individually and personally signed by the Settlement Class Member (if the Settlement Class Member is represented by counsel, the objection additionally must be signed by such counsel), and must include: (a) the objector's full name, address, and telephone number, (b) the model, model year, and vehicle identification number of his, her, or its Class Vehicle(s), along with proof that the objector has owned or leased a Class Vehicle (*i.e.*, a true copy of a vehicle title, registration, or license receipt), (c) a written statement of all grounds for the objection accompanied by any legal support for such objection, (d) copies of any papers, briefs, or other documents upon which the objection is based, (e) a list of all cases in which the objector and/or their counsel has filed or in any way participated in—financially or otherwise—objections to a class action settlement in the preceding five years; (f) the name, address, email address, and telephone number of all attorneys representing the objector; and (g) a statement indicating whether the objector intends to appear at the Fairness

Hearing, and if so, a list of all persons, if any, who will be called to testify in support of the objection. Any member of the Settlement Class who does not properly file a timely written objection to the settlement and notice of his, her or its intent to appear at the Fairness Hearing shall be foreclosed from seeking any adjudication or review of the settlement by appeal or otherwise.

18. The parties to this Litigation and to the Settlement Agreement shall file any memoranda or other materials in support of final approval of the Settlement Agreement, including in response to any timely and properly filed objection to the Settlement Agreement, no later than seven days prior to the Fairness Hearing. Such materials shall be served on Class Counsel, counsel for Ford, and on any member of the Settlement Class (or their counsel, if represented by counsel) to whose objection to the Settlement Agreement the memoranda or other materials respond.

19. Following the Fairness Hearing, and based upon the entire record in this matter, the Court will decide whether the Settlement Agreement should be finally approved and, if so, what amount of reasonable fees and expenses should be awarded to Class Counsel, and whether a service award of \$150,000 total, to be allocated by the Court among the Named Plaintiffs identified in the Master Class Action Complaint, will be awarded. If the Court determines the Settlement is reasonable, fair, and adequate, the Court will issue a Final Order and Judgment memorializing its decision in the form contemplated by Exhibit C of the Settlement Agreement. The Court will also issue an Order awarding reasonable fees and expenses to Class Counsel.

20. Pending final determination of the joint application for approval of this Settlement Agreement, all proceedings in this Litigation other than settlement approval proceedings shall be stayed.

SIGNED at Chicago, Illinois this ____ day of _____, 2012

MATTHEW F. KENNELLY
United States District Judge

EXHIBIT C

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re: NAVISTAR DIESEL ENGINE) **Case No. 11-cv-2496**
PRODUCTS LIABILITY) **MDL No. 2223**
LITIGATION)

This Document Relates to: All Cases

[PROPOSED] FINAL ORDER AND JUDGMENT

On _____, 2012, the Court entered a Preliminary Approval Order that preliminarily approved the proposed Settlement Agreement in this Litigation and specified the manner in which Ford Motor Company (“Ford”) was to provide Class Notice to the Settlement Class. All capitalized terms used in this Order have the meaning as defined in the Settlement Agreement, which is attached hereto and incorporated herein by reference.

Following the dissemination of Class Notice, Settlement Class Members were given an opportunity to (a) request exclusion from the Settlement Class, or (b) object to the Settlement Agreement (including Class Counsel’s request for fees and expenses and the Named Plaintiffs’ application for a Service Award).

A Fairness Hearing was held on _____, 2013, at which time all interested persons were given a full opportunity to state any objections to the Settlement Agreement. The Fairness Hearing was held more than 90 days after Ford provided notice of the proposed Settlement to federal and state-level attorneys general as required by 28 U.S.C. § 1715(b), thus complying with 28 U.S.C. § 1715(d).

Having read and fully considered the terms of the Settlement Agreement and all submissions made in connection with it, the Court finds that the Settlement Agreement should be finally approved and the Litigation dismissed with prejudice as to all Settlement Class Members who have not excluded themselves from the Settlement Class, and without prejudice as to all persons who timely and validly excluded themselves from the Settlement Class.

IT IS HEREBY ORDERED that:

1. The prior provisional certification of the Settlement Class is hereby confirmed and made final for purposes of the Settlement Agreement as approved by this Order. The Settlement Class is defined as:

All entities and natural persons in the United States (including its Territories and the District of Columbia) who currently own or lease (or who in the past owned or leased) a model year 2003-2007 non-ambulance Ford vehicle sold or leased in the United States and equipped with a 6.0-liter PowerStroke diesel engine that received one or more repairs covered by Ford's New Vehicle Limited Warranty during the vehicle's first five years in service or 100,000 miles, whichever comes first, to: a fuel injector; the exhaust gas recirculation ("EGR") valve; the EGR cooler; the oil cooler; or the turbocharger.

Excluded from the Settlement Class are: (a) all federal court judges who have presided over this case and their spouses and anyone within three degrees of consanguinity from those judges and their spouses; (b) all entities and natural persons who elect to exclude themselves from the Settlement Class; (c) all entities and natural persons who have previously executed and delivered to Ford Motor Company releases of all their claims, including, but not limited to, members of the settlement class in *Williams A. Ambulance, Inc., et al. v. Ford Motor Company*, Case No. 1:06-cv-776 in the United States District Court for the Eastern District of Texas, Beaumont Division; (d) all entities and natural persons who: (1) prior to November 1, 2012, filed an individual lawsuit (*i.e.*, a lawsuit that does not seek certification as a class action) in any court asserting causes of action of any nature, including but not limited to claims for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory and injunctive relief, common law, property, warranty and equitable claims) based upon the 6.0L engine in a Class Vehicle, and (2)

have not voluntarily dismissed such lawsuit without prejudice; and
(e) Defendant's employees, officers, directors, agents, and representatives and their family members.

2. The Court hereby finds and concludes that personal Class Notice has been given to all Settlement Class Members known and reasonably identifiable in full satisfaction of the requirements of Rule 23 of the Federal Rules of Civil Procedure and due process.

3. The Court hereby approves the terms of the Settlement Agreement as fair, reasonable, and adequate as it applies to the Settlement Class, and directs consummation of all its terms and provisions.

4. The Court awards a Service Award of \$_____ total, and directs Ford to pay such amounts to the Named Plaintiffs through Class Counsel. Class Counsel's Fee and Expense Application and the allocation of the Service Award is addressed in a separate Order.

5. The Settlement Agreement shall be binding on Ford and all Plaintiffs, including all members of the Settlement Class who have not been excluded pursuant to the Settlement Agreement.

6. The Court dismisses on the merits and with prejudice *In re: Navistar Diesel Engine Products Liability Litigation*, Case No.: 1:11-cv-02496 (MDL 2223) and each and every action transferred to MDL No. 2223. In addition, the Court also dismisses all claims which any Settlement Class Members alleged or could have alleged in any complaint, action, or litigation based upon the 6.0-liter engines in the Class Vehicles.

7. Upon the Effective Date of the Settlement, the Named Plaintiffs, the Unnamed Plaintiffs, and each Settlement Class Member shall be deemed to have, and by operation of this Final Order and Judgment shall have, released, waived and discharged Ford Motor Company, their past or present directors, officers, employees, partners, principals, agents, heirs, executors, administrators, successors, reorganized successors, subsidiaries, divisions, parents, related or

affiliated entities, authorized dealers, underwriters, insurers, co-insurers, re-insurers, licensees, divisions, joint ventures, assigns, associates, attorneys, and controlling shareholders from any and all other claims, demands, actions, causes of action of any nature whatsoever, including but not limited to any claim for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory and injunctive relief, common law, property, and equitable claims), and also including Unknown Claims that were or could have been asserted against the Released Parties in the Litigation, or in any other complaint, action, or litigation in any other court or forum based on the 6.0-liter diesel engines in the Class Vehicles.

8. All members of the Settlement Class who did not duly request exclusion from the Settlement Class in the time and manner provided in the Class Notice are hereby barred, permanently enjoined, and restrained from commencing or prosecuting any action, suit, proceeding, claim, or cause of action in any jurisdiction or court against Ford or any of the other entities or persons who are to be discharged as noticed above in paragraph 7, based upon, relating to, or arising out of, any of the matters which are discharged and released pursuant to paragraph 7 hereof. Identification information about Settlement Class Members who effectively excluded themselves from the Class is attached as Exhibit __ to this Order.

9. If (a) the Effective Date of Settlement does not occur for any reason whatsoever, or (b) the Settlement Agreement becomes null and void pursuant to the terms of the Settlement Agreement, this Final Order and Judgment shall be deemed vacated and shall have no force or effect whatsoever.

10. Without affecting the finality of the Final Order and Judgment in any way, the Court reserves continuing and exclusive jurisdiction over the parties, including all members of

the Settlement Class as defined above, and the execution, consummation, administration, and enforcement of the terms of the Settlement Agreement.

11. The Clerk is directed to enter this Final Order and Judgment forthwith.

SIGNED at Chicago, Illinois this ____ day of _____, 2013

MATTHEW F. KENNELLY
UNITED STATES DISTRICT JUDGE

EXHIBIT D

Settlement Administrator
PO Box XXXX
Southgate, MI 48195-XXXX

November XX, 2012

CLAS 001000000001 1/000000001/000000001
Thomas L. Green
12345 Mockingbird Ln
St. Anne, FL 12345-4512

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

If you had a Ford with a 6.0-liter diesel engine, you could get benefits from a class action settlement

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

Please read this Notice carefully, as it affects your legal rights.

***If* you:**

- 1. purchased or leased a model year 2003–2007 non-ambulance Ford vehicle in the United States equipped with a 6.0-liter PowerStroke diesel engine; and**
- 2. the vehicle received one or more repairs covered by Ford’s New Vehicle Limited Warranty during its first five years in service or 100,000 miles, whichever came first, to a fuel injector; the EGR valve; the EGR cooler; the oil cooler; or the turbocharger; and**
- 3. you had not, as of November 1, 2012, filed (and not voluntarily dismissed without prejudice) an individual lawsuit based on that engine;**

***Then* you may be a Member of a proposed Settlement Class and entitled to reimbursement for certain engine-related repair costs and deductibles.**

If the Court approves the proposed Settlement, Ford will provide Class Members a means of obtaining reimbursement for certain engine-related repair costs and deductibles. All persons (or entities) who agree to accept these benefits will be barred from pursuing individual lawsuits against Ford and others based on the 6.0-liter engines in these vehicles.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	No action is required if you wish to participate in the proposed Settlement; if you wish to seek reimbursement you will need to submit a claim form and supporting information if the Settlement is approved.
EXCLUDE YOURSELF FROM THE SETTLEMENT	If you do not want to participate in the proposed Settlement, you can exclude yourself. This is the only option that allows you to retain any rights you may have against Ford over the claims in this case.
OBJECT OR COMMENT	You may write the Court about why you do, or do not, support the proposed Settlement or any of its provisions.
ATTEND THE HEARING	You may ask to speak to the Court about the fairness of the proposed Settlement.

1. **THE LITIGATION:** On April 13, 2011, the Judicial Panel on Multidistrict Litigation created MDL No. 2223, *In re: Navistar 6.0L Diesel Engine Products Liability Litigation*, and transferred seven lawsuits involving similar claims to the Court for pretrial proceedings. Thirty-two additional lawsuits have since been transferred to the Court. The plaintiffs contend that the 6.0-liter diesel engine installed primarily in 2003–2007 heavy-duty Ford trucks and vans contains defects that result in poor performance and expensive repair bills. Plaintiffs assert a variety of legal claims against Ford based on the engine’s design, the marketing of the vehicles, and Ford’s repair practices. Plaintiffs seek to pursue their lawsuits (the “Litigation”) as a class action on behalf of other owners and lessees of model year 2003–2007 non-ambulance Ford vehicles equipped with a 6.0-liter diesel engine (“Class Vehicles”).

2. **FORD’S POSITION:** Ford denies all allegations of wrongdoing asserted in the Litigation, including claims that the engines are defective and that Ford is liable to any buyer, lessee, or operator of the vehicles under any legal claim. Nonetheless, Ford has agreed to settle the Litigation by providing the benefits described in this Notice.

3. **NOTICE:** This Notice informs Settlement Class Members of the Litigation and the proposed Settlement, and describes the Settlement Class Members’ rights and options.

4. **SETTLEMENT CLASS:** The following Settlement Class has been conditionally certified:

All entities and natural persons in the United States (including its Territories and the District of Columbia) who currently own or lease (or who in the past owned or leased) a model year 2003–2007 non-ambulance Ford vehicle sold or leased in the United States and equipped with a 6.0-liter PowerStroke diesel engine that received one or more repairs covered by Ford’s New Vehicle Limited Warranty during the vehicle’s first five years in service or 100,000 miles, whichever comes first, to a fuel injector; the exhaust gas recirculation (“EGR”) valve; the EGR cooler; the oil cooler; or the turbocharger.

The Settlement Class excludes: (a) all federal court judges who have presided over this case and their spouses and anyone within three degrees of consanguinity from those judges and their spouses, (b) all persons who elect to exclude themselves from the Settlement Class, (c) all persons who have previously executed and delivered to Ford releases of all their claims, (d) all persons who filed an individual lawsuit (*i.e.*, a lawsuit that does not seek certification as a class action) in any court before November 1, 2012, asserting claims related to the 6.0-liter engine in a Class Vehicle, unless that lawsuit has been voluntarily dismissed without prejudice; and (e) Ford’s employees, officers, directors, agents, and representatives and their family members.

The Court has appointed Michael A. Caddell, Cynthia B. Chapman, and Cory S. Fein of Caddell & Chapman, among others, to serve as Class Counsel representing the Settlement Class.

5. **SETTLEMENT BENEFITS:** If the Court approves the proposed Settlement at the Fairness Hearing scheduled for [DATE], Ford will provide one of the following two benefits to Settlement Class Members. (Settlement Class Members can seek one, but not both, of these benefits.)

a. Reimbursement for Post-Warranty Repairs to Certain Engine Components. If the Class Vehicle required repair to the EGR cooler, oil cooler, EGR valve, turbocharger, or a fuel injector after the original five-year/100,000-mile warranty expired—but before six years or 135,000 miles (whichever comes first)—Ford will reimburse the Settlement Class Member repair expenses up to the limits specified below, provided the Class Vehicle previously received a repair to that same component that was covered by Ford’s original warranty. (If either the EGR cooler or oil cooler received a repair covered by the original warranty, both components will be eligible for reimbursement of post-warranty repairs.) To be eligible for reimbursement, a repair must have been of the type covered by the original Ford warranty (*e.g.*, it was not caused by owner abuse or misuse, including failure to follow prescribed maintenance schedules or making unauthorized modifications to the engine).

COMPONENT	REIMBURSEMENT LIMIT
EGR Cooler	\$475
Oil Cooler	\$525
Oil Cooler & EGR Cooler	\$825
EGR Valve	\$200
Turbocharger	\$750
Fuel Injector	\$375 for 1st injector \$125 for each add'l

b. Reimbursement of Deductibles. If a Settlement Class Member paid a \$100 deductible more than once for repairs under the five-year/100,000-mile engine warranty, Ford will reimburse \$50 each for the second through fifth deductible paid, up to a limit of \$200 for four deductible payments.

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You will receive these benefits only if the Court approves the proposed Settlement following the Fairness Hearing on [DATE], 2013, and only if you remain a Member of the Settlement Class. If you exclude yourself from the Settlement, you will receive no benefits.

To monitor the status of the proposed Settlement, to learn if and when it is approved, and to obtain claim forms, you may visit: [www.\[SETTLEMENT WEBSITE\].com](http://www.[SETTLEMENT WEBSITE].com) or call xxx-xxx-xxxx. (Claim forms will not be available until the Settlement is approved.)

6. ATTORNEYS' FEES, EXPENSES, AND SERVICE AWARD: Counsel for the Settlement Class have pursued the Litigation on a contingent basis and have paid all the costs of the Litigation. They have not yet been paid or recovered any of their expenses. As part of the proposed Settlement, Class Counsel will ask the Court to award them \$12.8 million in attorneys' fees and \$1.25 million in expenses, and to approve a \$150,000 service award to be divided among the Named Plaintiffs. The Court will decide the amount of the fee award, the expense award, and the service award at the Fairness Hearing. None of these payments will reduce the benefits that you, as a Settlement Class Member, receive. Ford will pay any money the Court awards to Class Counsel and the Named Plaintiffs.

7. RESULT IF COURT APPROVES SETTLEMENT: If the Court approves the proposed Settlement, it will dismiss the Litigation, and Ford will provide the benefits described above to the Settlement Class Members who have not excluded themselves from the Class. Settlement Class Members will be barred from pursuing lawsuits based on the 6.0-liter engine in the Class Vehicles. Therefore, if you want to bring your own lawsuit against Ford, you must exclude yourself from this Settlement.

8. YOUR OPTIONS: If you are a member of the Settlement Class, you have the following options:

(a) DO NOTHING: If you agree with the proposed Settlement, you do not need to take any immediate action. If the Court approves the Settlement, you may submit your claim to the Ford Claim Center and, provided your claim is valid, complete, and timely submitted, you will receive all benefits to which you are entitled under the Settlement. You will also release all legal claims against Ford based on the 6.0-liter engine. You may, if you wish, comment in favor of the Settlement by sending your comment to Class Counsel: Michael A. Caddell of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027.

(b) REQUEST TO BE EXCLUDED: If you wish to be excluded from the Settlement Class, the Ford Settlement Exclusion Center must receive a letter or postcard from you on or before [DATE], 2013. Your communication must include your name, address, and telephone number; the year, model, and vehicle identification number of your Class Vehicle; a clear statement that you wish to be excluded from the Settlement Class; and be personally signed by you (and your lawyer if you are represented by counsel). Your request must be sent to the Ford Settlement Exclusion Center at [MAILING ADDRESS].

If your exclusion request is properly submitted and received before the deadline, you will not be bound by the terms of the Settlement, and you will be free, if you choose, to pursue your own lawsuit against Ford based on the 6.0-liter engine. If you do not submit a clear and timely request for exclusion to the Ford Settlement Exclusion Center, you will be bound by the Settlement Agreement and relinquish any claims against Ford based on the 6.0-liter engine.

(c) OBJECT: If you are a member of the Settlement Class, you may object to the Settlement, Class Counsel's request for attorneys' fees and expenses, or the request for Named Plaintiffs' service awards. You may, but need not, select an attorney to appear at the Fairness Hearing on your behalf. If you do, you will be responsible for your own attorneys' fees and costs. If you object to the proposed Settlement, you must do so in writing on or before [DATE], 2013. Your written objection must include: (a) your full name, address, and telephone number; (b) the year, model, and vehicle identification number of your Class Vehicle, along with a copy of a vehicle title, registration, or license receipt; (c) a written statement of all reasons for your objection accompanied by any legal support; (d) copies of any papers, briefs, or other documents on which your objection is based; (e) a list of other cases in which you or your counsel have filed or in any way participated in—financially or otherwise—objections to a class settlement in the preceding five years; (f) the name, address, email address, and telephone number of all attorneys representing you; (g) a statement indicating whether you and/or your counsel intend to appear at the Fairness Hearing, and if so, a list of any persons you will call to testify in support of the objection; and (h) your signature (and your lawyer's signature if you are represented by counsel). Your written objection must also be: (1) filed with the Clerk of the U.S. District Court for the Northern District of Illinois, and (2) served upon both Michael A. Caddell of Caddell & Chapman, 1331 Lamar, Suite 1070, Houston, TX 77010-3027 (Class Counsel), and Brian C. Anderson, O'Melveny & Myers LLP, 1625 Eye Street, N.W., Washington, D.C. 20006 (counsel for Ford). Class Members who do not make their objections in a timely manner will waive all objections, their right to comment at the Fairness Hearing, and their right to appeal approval of the Settlement.

9. **FAIRNESS HEARING:** A hearing will be held before Judge Matthew F. Kennelly of the U.S. District Court for the Northern District of Illinois, Everett McKinley Dirksen U.S. Courthouse, 219 South Dearborn Street, Chicago, IL 60604 on [DATE] at [TIME]. At the hearing, the Court will hear argument about whether the proposed Settlement is fair, reasonable, and adequate, and whether it should be approved and, if so, what amount of fees and expenses should be awarded to Class Counsel, and what service award should be given to the Named Plaintiffs. The time, date, and location of this hearing may change without further notice to you. If you plan to attend the hearing, you should confirm its time, date, and location before making any plans.

10. **ADDITIONAL INFORMATION:** For additional information, or for a copy of the full Settlement Agreement; the request for attorneys' fees, costs and service awards; and other key Court documents, you may visit [www.\[SETTLEMENT WEBSITE\].com](http://www.[SETTLEMENT WEBSITE].com) or call the Claims Administrator at xxx-xxx-xxxx or Class Counsel at 1-800-207-9070. Please do not call or write the Court or the Office of the District Clerk.

BY ORDER OF THE COURT

Dated: [DATE], 2012

Clerk of the Court