

**OFFICIAL COURT-APPROVED LEGAL NOTICE
UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

**Vargas, et al. v. Ford Motor Co., Case No. 2:12-cv-8388-AB-FFMx
Klipfel, et al. v. Ford Motor Co., Case No. 2:15-cv-2140-AB-FFMx
Cusick, et al. v. Ford Motor Co., Case No. 2:15-cv-8831-AB-FFMx**

**LONG FORM NOTICE OF CLASS ACTION SETTLEMENT
FORD FOCUS AND FORD FIESTA POWERSHIFT TRANSMISSION SETTLEMENT**

A federal court authorized this Notice. This is not a solicitation from a lawyer. Please read this Notice carefully; it affects your legal rights. This Notice is only a summary of the claims and benefits of the Settlement in the above referenced litigation. More detailed information can be found at www.FordTransmissionSettlement.com

Ford Motor Company (“Ford”) has agreed to a proposed Settlement (“Settlement”) to resolve the three cases referenced above, relating to alleged problems with the PowerShift Dual-Clutch Automatic (DPS6) Transmission (“PowerShift Transmission”) in certain Ford vehicles. By agreeing to settle, Ford does not admit any wrongdoing. The proposed Settlement will not become final unless and until it is approved by the Court following a Fairness Hearing to be held on October 2, 2017, at 10:00 a.m.

You are a member of a proposed Settlement Class (“Class Member”) if you are a past or current owner or lessee of a 2012-2016 Ford Focus or a 2011-2016 Ford Fiesta equipped with a PowerShift Transmission (“Class Vehicle”). Owners or lessees with pending lawsuits against Ford based on alleged problems with the PowerShift Transmission in Class Vehicles are automatically excluded from participating in the Settlement, but if they dismiss their lawsuits before final judgment, they can choose to become class members by opting in to the Settlement. Other exclusions apply, as discussed below in the “Understanding The Settlement” section.

You must decide now whether you want to be part of the proposed Settlement or whether you would like to exclude yourself from the proposed Settlement and preserve your right to sue Ford individually for problems with your PowerShift Transmission. If you decide to be part of the proposed Settlement, and if the Court approves the proposed Settlement, you will be entitled to the benefits described below. However, you will give up any right you may have, now or in the future, to sue Ford based on problems with your PowerShift Transmission (except that you will retain your right to sue for personal injury or damage to property other than the Class Vehicle itself that you claim were caused by defects in the Powershift Transmission). If you decide to exclude yourself from the Settlement, you will not be entitled to the benefits of the Settlement, but you will retain your right to sue Ford individually for problems you have with your PowerShift Transmission. Please read this Notice carefully before you make your decision. If you have any questions, please contact Class Counsel identified below or visit www.FordTransmissionSettlement.com.

SETTLEMENT BENEFITS

To decide whether you wish to be part of the Settlement, you should understand the benefits offered by the Settlement. These benefits are described in this section.

**1. Cash Payments or Vehicle Purchase Discounts For Three (3) Or More
Visits for Transmission Hardware Replacements**

If you are a Class Member and:

- (a) You had three or more Service Visits to an authorized Ford Dealer,
- (b) During each visit a qualifying hardware part in your PowerShift Transmission was replaced,
- (c) You owned or leased the Class Vehicle when each visit occurred, and
- (d) Each visit occurred within seven years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first,

then you are entitled to either a cash payment or a discount certificate, at your option. The discount certificate can be used toward the purchase of a new Ford vehicle. The hardware parts that qualify for this benefit are the following (unless they were replaced as part of a safety or non-safety Recall program): (1) 7B546 Disc Asy-Clutch; (2) 7Z369 Control Mod Trans (TCM); (3) 7052 Oil Seal-Trans Rear; (4) 7000 Transmission Asy-Aut; (5) 7C604 Motor-Frt Clutch; (6) 7A508 Rod-CI/Slave Cyl Pus; (7) 6K301 Seal/RetC/Shft Oil; (8) 7060 Shaft/Bshg Asy-Out; (9) 7048 Seal-Input Shaft Oil; and (10) 7515 Lever Asy-Clutch Rel. Please check your repair orders to identify the replacement part numbers (although there may be a prefix or suffix surrounding the part number).

This Settlement benefit is available to you even for services performed under warranty, meaning you do not need to have paid out-of-pocket to qualify. But you must have documentation to support your claim, as described below in the “Understanding the Settlement” section.

Questions?

Visit www.FordTransmissionSettlement.com or call Class Counsel Do Not Call the Court.

Number of Service Visits for Transmission Hardware Replacements	Cash Payment	Discount Certificate Value
For the 3 rd Visit	\$200	\$400
For the 4 th Visit	\$275	\$550
For the 5 th Visit	\$350	\$700
For the 6 th Visit	\$425	\$850
For the 7 th Visit	\$500	\$1,000
For the 8 th Visit	\$575	\$1,150
Maximum Amount You May Collect	\$2,325	\$4,650

2. Cash Payment for Three (3) or More Software Flashes

If you are a Class Member and:

- (a) You had three or more Service Visits to an authorized Ford Dealer,
- (b) During each visit a transmission Software Flash was performed on your vehicle,
- (c) You owned or leased the vehicle during each visit, and
- (d) Each visit occurred within seven years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first,

then you are entitled to a cash payment of **\$50** for each visit to a Ford Dealer where a Software Flash was performed, starting with the third Service Visit, for a maximum total payment of \$600. Your repair orders should identify any Software Flashes performed. This benefit is available to you even for Software Flashes performed under warranty, meaning that you do not need to have paid out-of-pocket to qualify, except that Software Flashes performed as part of a safety or non-safety recall program do not qualify for this benefit. You must have documentation to support your claim, as described below in the “Understanding the Settlement” section. If you have received a payment for a Transmission Hardware Replacement, or if you are eligible for such a payment, this benefit is not available to you.

3. Vehicle Repurchase or Vehicle Replacement

This Settlement provides an expedited, binding Arbitration Program to determine whether Ford should repurchase or replace your Class Vehicle. Your eligibility for a repurchase or replacement, however, may depend upon your state’s lemon law. In some respects, the Settlement makes it easier for Class Members to obtain a repurchase or replacement compared to state lemon laws, and in some circumstances it requires Ford to repurchase Class Vehicles even when state lemon law would not require Ford to do so. In nearly every case, Class Members will have their lemon law claims resolved on the merits more quickly in Arbitration than through a court action.

- The Arbitrator may award a repurchase or replacement if the Arbitrator finds that you are entitled under the provisions of the state lemon law where you took delivery of your Class Vehicle (“your state’s lemon law”).
- Even if you are not entitled to a repurchase or replacement under your state’s lemon law, the Arbitrator may also award you a repurchase if your vehicle is still malfunctioning and has been subject to at least four (4) Service Visits each of which involved the replacement of one of the ten hardware parts listed in Section 1 above and occurred while you owned your vehicle and within five (5) years or 60,000 miles of delivery of the vehicle to the first retail customer (whichever occurs first).
- Be advised that, before your claim can proceed in Arbitration, you must provide notice to Ford as directed in the “Understanding the Settlement” section below and satisfy the listed requirements. You must also have documentation to support your claim.

Under the Arbitration Program:

- Ford will pay for the costs of Arbitration;
- A repurchase or replacement claim may be submitted up to 6 years after the original sale to the first buyer or 180 days after the Approval Date of the Settlement, whichever is later;
- If your claim was denied by the Better Business Bureau or another arbitrator prior to the Effective Date, you can submit it to this Arbitration Program;
- If you choose to use an attorney, Ford will pay up to \$6,000 in attorneys’ fees if you win in Arbitration (you are not obligated to pay Ford’s attorneys’ fees if you lose);
- You have the right to appeal the initial Arbitration decision to a second Arbitrator, if you advance the costs of the appeal, but you do not have the right to seek further review with a court;
- You are not entitled to civil penalties or punitive damages.

Other limitations and qualifications may apply. Please consult the “Understanding the Settlement” section below, an attorney, or contact Class Counsel if you have questions.

4. Compensation for Warranty Repairs

If you do not qualify for a repurchase or replacement, you may still seek relief through the Arbitration Program for breach of the New Vehicle Limited Warranty (or extension thereof, including Customer Service Programs) for repairs to the PowerShift Transmission. These claims include requesting repair of your Class Vehicle’s Powershift Transmission or reimbursement for out-of-pocket costs paid for repairs that should have been covered by warranty. Ford will pay for the cost of Arbitration. If your claim is successful, the Arbitrator may order the repair of your Class Vehicle, reimbursement for the amounts you paid to repair your PowerShift Transmission that should have been paid by Ford under the New Vehicle Limited Warranty (or extensions thereof), or an extended service plan issued by Ford for your vehicle.

5. Replacement Clutch, Reimbursement, and Extended Warranty for Class Vehicles Manufactured after June 5, 2013

If your vehicle was manufactured after June 5, 2013, you had two clutch replacements within 5 years/60,000 miles of delivery of the Class Vehicle to the first retail customer, a Ford Dealer determines you need an additional clutch replacement, **and** you pay for the additional clutch replacement, you are entitled to:

- Reimbursement of out-of-pocket costs for the additional clutch replacement (or additional replacements thereafter) if the additional replacement(s) occurred within 7 years/100,000 miles of delivery of the Class Vehicle to the first retail customer; and
- A new 2-year warranty on the replacement clutch.

Your claim must be supported by adequate documentation, as described below in the “Understanding the Settlement” section.

WHAT YOU MUST DO NOW

You must decide now if you want to be part of the proposed Settlement Class, so that if the Court approves it you can take advantage of the benefits described above, or whether you want to exclude yourself from the Settlement Class and retain your right to sue Ford. If you do not exclude yourself, you can file objections to the proposed Settlement. Your options, and how to exercise them, are described below.

I Want To Be Part of The Proposed Settlement	If you have not filed a lawsuit against Ford based on alleged problems with your PowerShift Transmission, and you want to be part of the Settlement Class, you do not need to do anything. If the Court approves the Settlement, you will be able to claim your benefits by following the procedures described below. However, you will give up your individual right to sue Ford for any problems relating to your PowerShift Transmission.	No Deadline
	If you have filed a lawsuit against Ford based on alleged problems with your PowerShift Transmission , and you want to be part of the Settlement Class, you must dismiss your lawsuit before final judgment and submit the appropriate opt-in form to the Claims Administrator no later than the date listed. The form is available at www.FordTransmissionSettlement.com or by calling the Claims Administrator at (844) 540-6011. By electing to become part of the Settlement Class, you will be giving up your individual right to sue Ford for any problems relating to your PowerShift Transmission. If final judgment has already been entered in your lawsuit, you are excluded from the Class and cannot opt in to the Settlement Class.	September 5, 2017
I Want to Exclude Myself	If you currently have a pending lawsuit against Ford based on alleged problems with your PowerShift Transmission , and you do not want to be part of the Settlement Class, you do not need to do anything. You are automatically excluded from the lawsuit unless you choose to opt in. You will <u>not</u> be entitled to any of the Settlement benefits, but you will keep your individual right to continue to sue Ford for problems relating to your PowerShift Transmission.	No Deadline
	If you have not filed a lawsuit against Ford based on alleged problems with your PowerShift Transmission , and you do not want to be part of the Settlement, you may exclude yourself or “opt out” of the proposed Settlement Class by submitting a request to do so in writing. In that request, you must state your name, address, and telephone number, along with the model, model year, and VIN number of your vehicle. You must also specifically and unambiguously state your desire to be excluded from the Class in <i>Vargas v. Ford Motor Co.</i> , and you must sign and date the request. If you are represented by counsel, your counsel must also sign the Request for Exclusion. You must mail this request to the Claims Administrator at the following address: Ford Transmission Settlement, P.O. Box 404000, Louisville, KY 40233-4000. Your request must be postmarked no later than the date indicated. If you wish to exclude yourself from the Class, you must do so with respect to all Class Vehicles you own(ed) or lease(d). If you choose to exclude yourself, you will not be entitled to any of the Settlement benefits, but you will keep your individual right to sue Ford for problems relating to your PowerShift Transmission. See Question 48 below for additional details regarding Requests for Exclusion.	September 5, 2017

I Want to Object	If you elect to be part of the Settlement Class, you may object to it by writing to the Court explaining why you object. The process you must follow for filing and serving objections is described below in the Understanding the Settlement section.	September 5, 2017
I Want to Appear in the Litigation or Attend the Fairness Hearing	A Final Fairness Hearing, during which the Court will be asked to grant final approval of the Settlement, will be held on October 2, 2017, at 10:00 a.m. in Courtroom 7B at United States Courthouse, 350 West First Street, Los Angeles, CA 90012. At that hearing, the Court will also consider an award of attorneys' fees and costs to Class Counsel and service awards to the named Plaintiffs. Plaintiffs will request attorneys' fees, unopposed by Ford, by August 21, 2017. That request will be posted on www.FordTransmissionSettlement.com . You are <i>not</i> required to make a formal appearance in the lawsuit in order to participate in the proposed Settlement, but, if you elect to be part of the Settlement Class, you may appear on your own or through your own lawyer. You may also ask to speak in Court at the Fairness Hearing about the proposed Settlement if you file a timely objection and submit a timely notice of your intention to appear at the Fairness Hearing. Instructions are below in the "Understanding the Settlement" section.	September 5, 2017

CLAIMING YOUR BENEFITS

Claims for benefits cannot be submitted until after the Court grants final approval of the Settlement, and (as explained below) certain claims must be submitted within 180 days of the date the Court grants final approval (the "Approval Date"). However, no claims will be processed, and no benefits will be paid or available, until the Effective Date. The Effective Date is the date on which all appeals from the order approving the Settlement have been resolved. Once they are known, the Approval Date and the Effective Date of the Settlement will be posted at www.FordTransmissionSettlement.com or can be obtained by calling (844) 540-6011.

After the Settlement is approved, and if you have not excluded yourself from the Settlement, you may claim your benefits as follows:

<u>ACTION</u>	<u>PROCEDURE</u>
I Want to Submit a Claim for a Cash Payment or a Vehicle Discount for a Transmission Hardware Replacement	<p>If you had 3 or more Service Visits to an authorized Ford Dealer to replace a qualifying hardware part in your PowerShift Transmission (a "Transmission Hardware Replacement") while you owned or leased the Class Vehicle and within 7 years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first, you may submit a claim to the Claims Administrator by using claim forms that will be available at www.FordTransmissionSettlement.com, or by calling (844) 540-6011, after the Approval Date. Alternatively, you may submit claims electronically through www.FordTransmissionSettlement.com, using links that will become active after the Approval Date.</p> <p>You may choose to receive a cash payment OR a Vehicle Discount Certificate toward the purchase of a new Ford vehicle.</p> <p>As explained more fully below in the "Understanding the Settlement" section, you must support your claim with certain documentation such as repair orders or receipts or other documents that establish the following: (1) the Vehicle Identification Number ("VIN"); (2) the date of the repair and your vehicle's mileage at the time of the repair; (3) the name and address of the dealer that performed the repair; (4) a description of the repair and services rendered; and (5) proof you owned the vehicle at the time of each repair on which your claim is based.</p> <p>For Transmission Hardware Replacements performed prior to the Approval Date of the Settlement, you must submit a claim within 180 days of the Approval Date. (When available, the Approval Date will be posted at www.FordTransmissionSettlement.com or can be obtained by calling (844) 540-6011.)</p> <p>For Transmission Hardware Replacements performed after the Approval Date of the Settlement, you must submit claims within 180 days of the repair.</p>
I Want to Submit a Claim for a Cash Payment for Software Flashes	<p>If you had 3 or more Service Visits to an authorized Ford Dealer to perform Software Flashes on your vehicle while you owned or leased the vehicle and within 7 years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first, you may submit a claim to the Claims Administrator by using claim forms that will be available at www.FordTransmissionSettlement.com, or by calling (844) 540-6011, after the Approval Date. Alternatively, you may submit claims electronically through www.FordTransmissionSettlement.com, using links that will become active after final approval.</p> <p>As explained more fully below in the "Understanding the Settlement" section, you must support your claim with certain documentation such as repair orders or receipts or other documents that establish the following: (1) the VIN; (2) the date of the Software Flash and your vehicle's mileage at the time of the Software Flash; (3) the name and address of the dealer that performed the Software Flash; (4) a description of the repair and services rendered; and (5) proof you owned the vehicle at the time of each Software Flash on which your claim is based.</p> <p>For Software Flashes performed prior to the Approval Date, you must submit a claim within 180 days of the Approval Date. (When available, the Approval Date will be posted at www.FordTransmissionSettlement.com or can be obtained by calling (844) 540-6011.)</p> <p>For Software Flashes performed after the Approval Date of the Settlement, you must submit claims within 180 days of the repair.</p>

<u>ACTION</u>	<u>PROCEDURE</u>
<p>I Want to Arbitrate a Claim for a Repurchase or Replacement or for Breach of Ford's New Vehicle Limited Warranty</p>	<p>Requests to arbitrate claims for repurchase or replacement or for breach of warranty may be filed with CAP-Motors after the Approval Date, but no arbitration proceedings will begin until the Effective Date. (When available, the Approval Date and the Effective Date will be posted at www.FordTransmissionSettlement.com or can be obtained by calling (844) 540-6011.) Appropriate forms will be available on the CAP-Motors website at www.consumerarbitrationprogram.com.</p> <p>Before filing a claim with CAP-Motors for a vehicle repurchase or replacement, you must provide notice to Ford at least 10 days before you file your request for arbitration by calling (888) 260-4563 or by filling out the applicable form at www.FordTransmissionSettlement.com. During this time, Ford may contact you to try to resolve the matter. Furthermore, if a Ford Dealer has made no more than 3 repair attempts on the PowerShift Transmission, Ford is entitled make 1 final attempt to fix the problem, at no charge to you, before you go to Arbitration. If your vehicle has been subject to 4 or more repair visits, you are not obligated to provide Ford with any additional repair attempts.</p> <p>Ford will pay all Arbitration costs. However, if you decide to appeal the arbitration judgment, you will need to advance the costs of the appeal. If your appeal is successful, Ford will reimburse the costs of the appeal.</p> <p>Your claim must include documentation supporting your claims such as repair orders or receipts and proof of ownership at the time of each repair.</p>
<p>I Want to Submit a Claim for Reimbursement for a Clutch Replacement</p>	<p>If (1) your vehicle was manufactured after June 5, 2013, (2) you had 2 clutch replacements performed by a Ford Dealer while you owned or leased the Class Vehicle and within 5 years or 60,000 miles of delivery of the Class Vehicle to the first retail customer (whichever occurs first), (3) a Ford Dealer performs appropriate diagnostic procedures and determines you need an additional clutch replacement, <i>and</i> (4) you pay for the additional clutch replacement, then you are entitled to reimbursement of out-of-pocket costs for the additional clutch replacement if it is performed within 7 years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever comes first.</p> <p>After the Approval Date, you may submit a claim to the Claims Administrator using claim forms that will be available at www.FordTransmissionSettlement.com after the Approval Date. Alternatively, you may submit claims electronically through www.FordTransmissionSettlement.com, using links that will become active after the Approval Date.</p> <p>As explained more fully below in the "Understanding the Settlement" section, you must support your claim with certain documentation such as repair orders or receipts or other documents that establish the following: (1) the VIN; (2) the dates the clutches were replaced and your vehicle's mileage when the clutches were replaced; (3) the name and address of the Ford Dealer(s) that replaced the clutches; (4) a description of the clutch replacements and other services rendered; (5) diagnostic procedures performed by the Ford Dealer that show that a post-warranty clutch replacement was necessary; (6) the amount you paid for the post-warranty clutch replacement; <i>and</i> (7) proof you owned the vehicle at the time of each clutch replacement.</p> <p>Claims for reimbursement for post-warranty clutch replacements under this Section that were performed prior to or on the Approval Date must be submitted within 180 days of the Approval Date.</p> <p>Claims for reimbursement for post-warranty clutch replacements under this Section that were performed after the Approval Date must be submitted within 180 days of the replacement. (When available, the Approval Date will be posted at www.FordTransmissionSettlement.com or can be obtained by calling (844) 540-6011.)</p>

Timeline For Receiving Benefits

Please be advised that, while you may submit claims or requests for arbitration on or after the Approval Date (the date when the Court enters an order finally approving the proposed settlement), **your claim will not be processed until the Effective Date (the date after all appeals are resolved). The Effective Date could be months or even years after the Approval Date.**

Please check the Settlement Website regularly at www.FordTransmissionSettlement.com for updates and for news about when your claims can be filed and processed, and when arbitration can be commenced.

Contact Information

For copies of Settlement documents or for further information on how to submit claims for cash payments or Vehicle Discount Certificates to the Claims Administrator, go to www.FordTransmissionSettlement.com or call (844) 540-6011. For further information on how to submit claims for arbitration, go to www.consumerarbitrationprogram.com or call CAP-Motors at (800) 279-5343. For all other questions, contact Lead Class Counsel:

Lead Class Counsel
 Capstone Law APC
 1875 Century Park E., Suite 1000
 Los Angeles, CA 90067
 Phone: (855) 310-9583
 Email: fordlawsuit@capstonelawyers.com

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, FORD, OR FORD'S ATTORNEYS WITH INQUIRIES

UNDERSTANDING THE SETTLEMENT

CHAPTER 1: BASIC QUESTIONS

1. Why am I getting this Notice?

You are not being sued. The Court in charge of this litigation authorized this Notice because you may be a member of the Settlement Class. The Notice explains the proposed Settlement and helps you understand all of your options before the Court decides whether or not to approve the Settlement.

Your receipt of Settlement benefits, including cash payments, depends on the Court's final approval of the Settlement and the resolution of any appeals in favor of approval of the Settlement.

Please be patient and check the Settlement Website (www.FordTransmissionSettlement.com) regularly. Do not contact Ford Dealers regarding the details of this Settlement because they will not have any information that is not on the Settlement Website.

2. What is this lawsuit about?

This Settlement resolves litigation against Ford alleging that Ford defectively designed the PowerShift Dual-Clutch Automatic Transmission in certain 2011-2016 Ford Fiesta and 2012-2016 Ford Focus vehicles ("Class Vehicles").

The Actions allege that the PowerShift Transmission in the Class Vehicles was defectively designed and manufactured by Ford, causing it to slip, buck, kick, and/or jerk, resulting in the sudden or delayed acceleration of the vehicle. Plaintiffs have asserted nationwide claims under federal and state express and implied warranty laws and under consumer protection statutes.

You can read the operative complaint by visiting www.FordTransmissionSettlement.com. Ford denies that it has violated any law, denies that it engaged in any wrongdoing, and denies that Class Vehicles' PowerShift Transmission is defective in any way. The parties agreed to resolve these matters before these issues were decided by the Court.

This settlement does not involve claims of personal injury or property damage to any property other than the Class Vehicles.

3. Why is there a Settlement?

A settlement is an agreement between a plaintiff (or multiple plaintiffs) and a defendant (in this case Ford) to resolve a lawsuit. Settlements end all or part of a lawsuit without a trial and without the court or a jury ruling in favor of either side. All parties in the lawsuit agree to a settlement to avoid the cost and risk of further litigation, including a potential trial, and to afford Class Members benefits in exchange for releasing the defendant from liability. This proposed Settlement does not necessarily mean that Ford broke any laws or did anything wrong, and the Court did not decide which side was right. The Court has simply found the parties' Settlement to be, at least preliminarily, fair and reasonable to Class Members. As part of preliminarily approving the Settlement, the Court also authorized this Notice to be posted on a website that can be accessed by all Class Members (www.FordTransmissionSettlement.com).

The Notice summarizes the Settlement's key terms, including benefits to Class Members, Arbitration procedures, and the rights and obligations of all parties. If there is any conflict between this Notice and the Settlement Agreement, which is also accessible on the Settlement Website, the Settlement Agreement governs. Terms that are defined in the Settlement Agreement have the same meaning in this Notice.

4. How was this Settlement reached?

Plaintiffs and Ford reached this Settlement after four private mediation sessions conducted by experienced and highly-respected mediator Eric D. Green. During these sessions, Plaintiffs' counsel and Ford's counsel engaged in extensive arms'-length negotiations. The parties first reached a settlement on the relief for the Class following the third session, then participated in a separate mediation to negotiate attorneys' fees. An agreement was reached thereafter. Both sides then negotiated the final terms of the Settlement Agreement, which was submitted to the Court for approval.

5. What vehicles are included in the Settlement?

This Settlement covers 2011-2016 Ford Fiesta and 2012-2016 Ford Focus vehicles that are equipped with a PowerShift Transmission and were originally sold in the United States and its territories. They are called "Class Vehicles" in the Settlement and this Notice.

6. What options do I have now?

You may exclude yourself from this Settlement, you may write to object to the Settlement, or you may do nothing. If you are an owner or lessee of a Class Vehicle with a pending lawsuit against Ford based on alleged problems with your PowerShift Transmission and final judgment has not yet been entered in your lawsuit, you are excluded from the Settlement but can choose to opt in to the Settlement.

Please consult the chart on pages 4 to 5 on how to exercise each option, as well as the time by which you must do so.

7. Why is this a class action?

A class action is a representative action or lawsuit in which one or more plaintiffs (also called "class representatives") sue a defendant on behalf of other, unnamed people with similar claims. All of these people together are the "Class" or "Class Members," if the Court

approves this procedural form. Once approved, the Court resolves the issues for all Class Members, except for those who opt out of the Class. To opt out means that you choose to exclude yourself from the Class. If you opt out, you will be denied any benefits under the Settlement. The opt-out process is described in Questions 48-52 of this Notice.

8. What am I giving up in exchange for receiving the Settlement's benefits?

If the Settlement becomes final and you have not opted out, you will be eligible for the benefits described in this Notice. In exchange for having those benefits available to you, you will give up your right to sue Ford and related parties for claims based on problems with the PowerShift Transmission.

The Settlement does not resolve claims related to wrongful death, personal injury, or property damage unrelated to the Class Vehicle itself.

CHAPTER 2: WHO IS IN THE SETTLEMENT?

9. How do I know if I am part of the Settlement?

You are a Class Member if you are a person, entity, or organization who currently resides in the United States (including its territories), and on or before April 25, 2017, you purchase(d), or lease(d) a 2011-2016 Ford Fiesta or 2012-2016 Ford Focus equipped with a PowerShift Transmission that was originally sold by Ford in the United States or its territories.**

The following are not included in the Settlement: (1) owners or lessees of Class Vehicles who have filed and served litigation against Ford alleging problems with the PowerShift Transmission in Class Vehicles that was pending as of the Notice Date and who do not dismiss their actions before final judgment in their case and affirmatively elect to opt in to the Settlement; (2) Ford's officers, directors, employees, affiliates and affiliates' officers, directors and employees, their distributors and distributors' officers, directors, and employees, and Ford Dealers and Ford Dealers' officers and directors; (3) judicial officers and immediate family members assigned to the Actions or any judicial officers who may hear the appeal; (4) all parties to litigation against Ford alleging problems with the PowerShift Transmission in Class Vehicles in which final judgment has been entered; and (5) all entities and natural persons who have previously executed and delivered to Ford releases of their claims based on the PowerShift Transmission.

However, if you have a pending lawsuit against Ford in which final judgment has not yet been entered, you have the opportunity to opt in to the Settlement. (See Question 10 below.)

** If, on or before April 25, 2017, while serving in the United States military overseas, you purchase(d), or lease(d) a 2011-2016 Ford Fiesta or 2012-2016 Ford Focus equipped with a PowerShift Transmission from a dealer under contract with the United States government, you are also a Class Member.

10. What if I am a plaintiff in a pending suit against Ford alleging problems with the PowerShift Transmission in the Class Vehicles?

If you are a plaintiff in a pending individual lawsuit against Ford based on alleged problems with your PowerShift Transmission and final judgment has not yet been entered in your lawsuit, you are automatically excluded from the Class. You may choose to participate in this Settlement instead by dismissing your lawsuit before final judgment in your case (by filing a request for dismissal before the opt-in deadline) and submitting an opt-in form (available at www.FordTransmissionSettlement.com) by September 5, 2017. Before you opt in, consult your own lawyer to determine how participation in this Settlement will affect your rights in your pending lawsuit. Plaintiffs and Class Counsel will bear no responsibility for any adverse consequences that may result from your decision to dismiss your pending lawsuit.

11. Am I still eligible for benefits if I purchased my Class Vehicle from a private owner?

If you purchased your Class Vehicle from a private owner, you are eligible for benefits just as you would be if you had purchased your vehicle directly from a Ford Dealer. This means that you are eligible for benefits under this Settlement whether you purchased your Class Vehicle from a private owner, a Ford Dealer, or a third-party dealership (like CarMax), as long as you meet the other Settlement requirements.

CHAPTER 3 – SETTLEMENT BENEFITS/ CASH PAYMENTS OR VEHICLE DISCOUNT CERTIFICATES

12. How do I qualify for Cash Payments or a Vehicle Discount Certificate for Transmission Hardware Replacements?

You may obtain cash payments or a Vehicle Discount Certificate ("Certificate") toward the purchase of a new Ford vehicle if, while you owned or leased the Class Vehicle, you made *three (3) or more* Service Visits to authorized Ford Dealers where during each visit a qualifying transmission part was replaced within seven (7) years or 100,000 from the vehicle's delivery to the first retail customer, whichever occurs first.

Those qualifying parts are as follows: (1) 7B546 Disc Asy-Clutch; (2) 7Z369 Control Mod Trans (TCM); (3) 7052 Oil Seal-Trans Rear; (4) 7000 Transmission Asy-Aut; (5) 7C604 Motor-Frt Clutch; (6) 7A508 Rod-Cl/Slave Cyl Pus; (7) 6K301 Seal/RetC/Shft Oil; (8) 7060 Shaft/Bshg Asy-Out; (9) 7048 Seal-Input Shaft Oil; and (10) 7515 Lever Asy-Clutch Rel. Please review your repair orders to match the part replaced, and be aware that your invoices may have a prefix and/or suffix surrounding the base part numbers identified above.

This benefit is available to you even if the services were performed under warranty, which means that you need not have paid out-of-pocket for the services or repairs. This benefit is to compensate you for the inconvenience of having to take your car in to a Ford

Dealer for multiple repairs. The benefit is not available, however, for repairs performed as part of any safety or non-safety Recall Program.

13. How much would I be entitled to receive for 3 or more Service Visits for Transmission Hardware Replacements under the Settlement?

You are entitled to the following payments or Vehicle Discount Certificates (in lieu of cash) for each valid claim for a Transmission Hardware Replacement:

Number of Service Visits for Transmission Hardware Replacement	Cash Payment	Discount Certificate Value
For the 3rd Visit	\$200	\$400
For the 4th Visit	\$275	\$550
For the 5th Visit	\$350	\$700
For the 6th Visit	\$425	\$850
For the 7th Visit	\$500	\$1000
For the 8th Visit	\$575	\$1150

Payments to Class Members are capped at a total of \$2,325 for cash payments or \$4,650 for the value of the Certificate(s). This means that Class Members cannot receive any further cash payments or Certificates beyond the eighth visit for a Transmission Hardware Replacement.

14. Can I receive an additional payment if I had another visit for a Transmission Hardware Replacement after Final Approval of the Settlement?

You may claim additional payments or Vehicle Discount Certificates even if you have already received a payment. So long as your claim is valid and you have documented proof of an additional Transmission Hardware Replacement while you owned or leased the Class Vehicle and within 7-years/100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first, you are entitled to receive additional cash payments or Certificates, up to the maximum amounts identified above.

15. What can I do with a Vehicle Discount Certificate?

A Vehicle Discount Certificate is a discount coupon that you may apply toward the purchase of a new Ford vehicle from an authorized Ford Dealer. The amount stated on the Certificate will be deducted from the vehicle's purchase price.

You can apply multiple Certificates toward your purchase, so long as the Certificates have not expired. The Certificate cannot be redeemed for cash or used at a non-Ford Dealer. The Certificates may be used in conjunction with other discounts offered by Ford or a Ford Dealer.

16. How long do I have to use the Vehicle Discount Certificate?

A Vehicle Discount Certificate expires within twelve (12) months of issuance. If a new Certificate is later issued to you, the amount of the later Certificate will be increased by the amount of any expired and unused Certificates.

For example, say you submitted a valid claim and received a Certificate worth \$400 that was issued on December 1, 2017, and that you let the certificate expire on December 1, 2018. In January 2019, you had another visit for a Transmission Hardware Replacement, submitted another valid claim, and the Claims Administrator issues you another Certificate. The new certificate will be worth \$950 (\$550 plus the value of the unused and expired certificate).

17. How do I qualify for payments for Software Flashes?

You may obtain cash payments for Software Flashes if you made **three (3) or more** Service Visits to authorized Ford Dealers where a Software Flash was performed while you owned or leased the Class Vehicle and within seven (7) years or 100,000 from the vehicle's delivery to the first retail customer, whichever comes first. A Software Flash may be a reflash, an update, a reset, a reboot, or a similar type of service performed on your vehicle's software. Your repair order should indicate whether a Software Flash was performed, identified by one of the following labor codes:

110333A	131102A	150090M	160109C	14M01DD
110405A	131104A	150090N	160109D	14M01E
110513A	131108A	150090P	160129A	14M01EE
110524A	131109A	150090Q	MT131102	14M01GG
110902A	131110A	150120H	R08101	14M01H
120104A	140131A	150120L	R08102	14M01L
130405A	140131B	150120M	R11021	14M01M
130405B	140131C	150120N	14M01A	14M01N
130405C	140131D	150120P	14M01AA	14M01P
130406A	140131E	150120Q	14M01BB	14M01Q
130904A	150017A	160044A	14M01C	14M02B
130904B	150090H	160109A	14M01CC	14M02C
130904C	150090L	160109B	14M01D	14M02D

18. How much cash can I receive for Software Flashes?

You may obtain a cash payment of \$50 for the third Service Visit at which a Software Flash was performed by a Ford Dealer while you owned or leased the Class Vehicle and within seven (7) years or 100,000 from the vehicle's delivery to the first retail customer, whichever comes first. You may obtain an additional cash payment of \$50 for each subsequent Service Visit at which a Software Flash was performed by a Ford Dealer while you owned or leased the Class Vehicle and within seven (7) years or 100,000 from the vehicle's delivery to the first retail customer, whichever comes first, up to a total cumulative payment of \$600.

19. Can I get cash payments for both Transmission Hardware Replacements and Software Flashes?

If you receive a cash payment or Vehicle Discount Certificate for a Transmission Hardware Replacement, you are **not** eligible also to collect a cash payment for a Software Flash, and you will **not** be eligible for future payments for Software Flashes. In addition, if you received a payment for three (3) or more Software Flashes and then (1) had an additional repair that qualifies for a Transmission Hardware Replacement payment, (2) you submit a claim for that payment, and (3) the claim is awarded, the Software Flash payment will be deducted from the Transmission Hardware Replacement award. See Question 20.

20. If I qualify for a Transmission Hardware Replacement, am I still eligible for payments for Software Flashes done on the same Service Visits?

You cannot get payments for Software Flashes if they were performed in the same Service Visits that qualify you for a Transmission Hardware Replacement. For example, you received a \$50 payment for three Software Flashes and two of the Software Flashes were performed on the same Service Visit as a Transmission Hardware Replacement. You then have another Service Visit with a third Transmission Hardware Replacement that qualifies you for a Transmission Hardware Replacement payment. You can submit a claim for the third Transmission Hardware Replacement. For that claim, however, you would receive a total of \$150 (\$200 for the Transmission Hardware Replacement minus \$50 for the prior Software Flash payment).

21. What if I can't figure out what payments I qualify for?

Review your receipts and repair orders carefully. If you cannot determine which benefits, if any, you qualify for, contact Class Counsel at (855) 310-9583 or fordlawsuit@capstonelawyers.com.

The Claim Process for Transmission Hardware Replacements or Software Flashes

22. How do I make a claim for Transmission Hardware Replacements or for Software Flashes?

If you are eligible to receive a benefit for a Transmission Hardware Replacement or for a Software Flash, you can submit a claim online at www.FordTransmissionSettlement.com or by mail by filling out the claim form available online at www.FordTransmissionSettlement.com or by calling (844) 540-6011.

Please follow the instructions on the website. You will need to provide additional documents to support your claim. (See question 23.)

23. What supporting documents do I need to submit to make a claim for Transmission Hardware Replacements or for Software Flashes?

To make a claim for a cash payment or Vehicle Discount Certificate, you will need to submit repair orders, receipts, other documentation from a Ford Dealership, or state vehicle inspection reports (or some combination thereof) sufficient to establish for each Transmission Hardware Replacement or Software Flash on which the claim is based all of the following information:

1. The Vehicle Identification Number ("VIN") of the vehicle on which the Transmission Hardware Replacement or Software Flash repairs were performed;
2. The name and address of the Ford Dealer that performed the Transmission Hardware Replacement or Software Flash repairs;
3. Whether the Transmission Hardware Replacement or Software Flash repairs were performed on the Class Vehicle within 7 years/100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first; AND
4. A description of the services rendered and parts provided.

Thus, if you are submitting a claim for a payment for your Class Vehicle's third Transmission Hardware Replacement, you must submit documentation that establishes the above information for all three service visits during which Transmission Hardware Replacements were performed.

You must also provide documentation showing that you were the owner or lessee of the Class Vehicle at the time of each Transmission Hardware Replacement or Software Flash on which your claim is based. You can prove ownership in one of three ways:

1. All repair records submitted in support of your claim identify you as the person requesting the repairs; OR
2. You submit a vehicle title, vehicle purchase agreement, or vehicle lease agreement that identifies you as the vehicle owner, purchaser, or lessee at the time of the first repair that forms the basis of the claim, AND a vehicle registration that identifies you as the vehicle owner as of the date of the latest repair that forms the basis of your claim (or as of a later date); OR

3. For each repair that forms the basis for your claim, you submit either (a) a repair record that identifies you as the person who requested the repair, OR (b) a vehicle registration that identifies you as the vehicle owner as of the date of each repair.

Your documents must be submitted with the signed claim form, on which you will attest under penalty of perjury that the documents are authentic and that you owned or leased the Class Vehicle at the time of all repairs on which your claim is based.

If you already submitted documents to support a previous claim for a qualifying Transmission Hardware Replacement or Software Flash and you are seeking compensation for an additional Transmission Hardware Replacement or Software Flash, you will only need to provide documents sufficient to establish that the subsequent Transmission Hardware Replacement or Software Flash is eligible for reimbursement and that you owned or leased the Class Vehicle at the time of the subsequent Transmission Hardware Replacement or Software Flash.

24. What is the deadline to make a claim for Transmission Hardware Replacements or for Software Flashes?

If you already qualify for cash payment or a Vehicle Discount Certificate on the Approval Date, you have 180 days from that date to submit your claim. When available, the Approval Date will be posted on the Settlement website, www.FordTransmissionSettlement.com. If your qualifying third Service Visit for a Transmission Hardware Replacement or Software Flash occurs after the Court finally approves the Settlement, or if you had additional Service Visits after the Approval Date even if you already submitted claims for benefits, you have 180 days from each Service Visit to submit a claim for Transmission Hardware Replacements or Software Flashes performed on that Service Visit.

25. When will I receive my cash payment or Vehicle Discount Certificate?

Although you may submit your claim after the Court grants final approval, the Claims Administrator will not be allowed to process your claim and issue a payment until the Effective Date, which is after any appeal is resolved and when the Settlement takes legal effect. You should monitor www.FordTransmissionSettlement.com for updates as to the Effective Date and other timing issues.

26. What are my options if the Claims Administrator denies my claim for a Cash Payment or Vehicle Discount Certificate?

If your claim is rejected, the Claims Administrator will tell you why. If it was rejected because you failed to submit all the required documents, the Claims Administrator will give you one (1) opportunity to resubmit the claim within thirty (30) days.

Repurchase or Replacement in Arbitration

27. What if I want Ford to repurchase or replace my car? What are my options?

Under the Settlement, you may file a claim in the Arbitration Program seeking to have Ford repurchase or replace your Class Vehicle. Please carefully review the following to make sure you qualify for the Arbitration Program.

Your eligibility to claim a repurchase may depend on the lemon law of your state. Please consult an attorney to determine whether your state's lemon law authorizes a repurchase for your Class Vehicle. You may also qualify for a repurchase if you do not qualify under your state's lemon laws under certain circumstances. (See Question 33.)

28. What is the Arbitration Program?

The Arbitration Program is a dispute resolution program created by the Settlement for Class Members to resolve their vehicle repurchase claims and/or claims for breach of Ford's New Vehicle Limited Warranty ("Warranty"). You may file a claim in the Arbitration Program after fulfilling the notice requirements described below. An arbitrator, a qualified and disinterested third-party, will decide the merits of your claims. Ford will pay the costs of the Arbitration Program, which, at the outset, is administered by CAP-Motors of DeMars & Associates.

Please read the Arbitration Rules carefully for more detail on the Arbitration. The Arbitration Rules are available on the Settlement website, www.FordTransmissionSettlement.com and on the Arbitration Administrator's website, www.consumerarbitrationprogram.com.

29. What are the benefits to me of filing a claim in the Arbitration Program?

The Arbitration Program benefits Class Members in numerous ways. The Settlement makes it easier in some respects for you to establish your claim that Ford should repurchase your vehicle. The Settlement extends the time within which your claim must be filed as compared to litigation. Under the Arbitration Program, a repurchase claim may be submitted up to 6 years after delivery of the Class Vehicle to the first retail customer or 6 months after the Approval Date of the Settlement, whichever is later, if you still own or lease the Class Vehicle. Arbitration provides a speedy, efficient, and inexpensive way to resolve your repurchase claims, and Ford will pay all costs associated with the Arbitration, including your filing fees. Claims should typically be resolved within 30-60 days. In contrast, litigation seeking repurchase could take years. If you prevail on a repurchase claim, Ford will pay for attorneys' fees up to \$6,000. Finally, the Arbitration Program provides Class Members, but not Ford, with the right to appeal the initial arbitration decision to a second appellate arbitration panel.

30. What must I do before submitting a claim to the Arbitration Program?

To participate in the Arbitration Program, you must provide formal notice to Ford of your intent to arbitrate and of the nature of the claim(s) you intend to pursue in arbitration, at least ten (10) days before you submit a claim for arbitration. You may give direct notice to Ford by calling (888) 260-4563 or by filling out the applicable form on the Settlement Website, www.FordTransmissionSettlement.com. Arbitration claims may be submitted after the Approval Date, but no Arbitration claims will be processed and no Arbitrations will take place until after the Effective Date.

31. What happens after Ford receives Notice of my claim?

Upon receipt of your Notice, Ford may contact you or your attorney in an effort to resolve your claims before you submit your claim to Arbitration. If you have tried to get your vehicle fixed on no more than three (3) Service Visits, you must give Ford a fourth opportunity to fix your vehicle. If you have had four (4) or more transmission repair attempts, or if you sold or returned the Class Vehicle prior to filing the request for Arbitration, you are under no obligation to try to resolve the claim with Ford yourself and can wait until your scheduled Arbitration.

32. How do I know if I qualify to file a claim in Arbitration for repurchase or replacement?

If you are a current owner or lessee of a Class Vehicle and seek to have Ford repurchase or replace your Class vehicle based in whole or in part on alleged defects in the PowerShift Transmission under the Arbitration Program, you must file your claim within six (6) years after the original sale or lease of the vehicle to the first retail customer. Please review the procedure set forth in Questions 30 and 31 regarding how to submit a claim.

If you sold your Class Vehicle or returned your leased Class Vehicle **before the Approval Date**, you may be entitled to arbitration for a vehicle repurchase if (1) the lemon law of the state where you took delivery of the vehicle allows a claim for repurchase after you've sold or returned your vehicle; and (2) you file your claim for Arbitration either before the applicable statute of limitations expires or 180 days after the Approval Date, whichever is earlier.

Similarly, if you sell your Class Vehicle or return a leased Class Vehicle **on or after the Approval Date** but before filing a claim for Arbitration, you may be entitled to arbitration of claims for a vehicle repurchase if (1) the lemon law of the state where you took delivery of the vehicle allows for repurchase after you've sold or returned the vehicle; and (2) you file your claim for Arbitration before the applicable state statute of limitations expires or 180 days after the date on which the Class Member sold or returned the Class Vehicle, whichever is earlier.

Please consult an attorney to confirm your rights under your state's lemon law.

33. What does the Arbitrator need from me to award a repurchase or replacement?

You must submit proof of ownership of your vehicle at all relevant times. In addition, you must submit repair orders or other documentation sufficient, at the discretion of the Arbitrator, to support your claims. If the Arbitrator decides that your documentation supports a repurchase or replacement under your state's lemon law, he or she may issue an award directing Ford to repurchase or replace your Class Vehicle. Please consult an attorney to determine what you would need to prove under your state's lemon law. If you have already sold or returned your Class Vehicle, you may be eligible to obtain a repurchase if your state's lemon law provides for such a repurchase. Please consult an attorney to determine your eligibility for a repurchase remedy for a sold or returned vehicle under this Settlement.

The Arbitrator may also award a repurchase under the Arbitration Program if, while you owned or leased your vehicle, it was repaired on four (4) Service Visits, on each visit an authorized Ford Dealer performed a Transmission Hardware Replacement within 5 years/60,000 miles of the initial sale or lease of your vehicle to the first retail customer, and the Transmission still malfunctions. The four (4) Transmission Hardware Replacements do not need to be for the same part. To obtain a repurchase or replacement under the Arbitration Program, you must provide proof, in the form of receipts and/or repair orders, of the repairs performed on your Class Vehicle, along with proof that you were the owner or lessee of the Class Vehicle at the time of each repair.

34. How much would I get if the Arbitrator awards a repurchase?

If the Arbitrator awards a repurchase, the repurchase amount will be based on your state's lemon law. No punitive damages or civil penalties may be awarded. If you received a cash payment for a Transmission Hardware Replacement or Software Flash from the Claims Administrator, that cash amount will be deducted from the repurchase amount.

If the Arbitrator determines that you are not eligible for a repurchase based on your state's lemon law but that you are eligible for a repurchase under the Arbitration Rules, the following conditions apply:

- You must still own or lease the Class Vehicle;
- If you received a cash payment for a Transmission Hardware Replacement or Software Flash from the Claims Administrator, that amount will be deducted from the repurchase award;
- If you received a Vehicle Discount Certificate, the face value of any used Certificate will be deducted from the repurchase award and any unused Certificate will be cancelled;
- Ford will refund the actual amount of all payments you made for your vehicle (not including any modifications or additions after the vehicle's purchase or lease), including finance charges, less a

reasonable allowance for use. Ford will also provide the pay-off amount to the lienholder or lessor in accordance with the financing or lease agreement.

- If the vehicle being repurchased is covered by a Ford Extended Service Plan that you purchased, that plan will be cancelled and its pro-rated cost refunded. If the vehicle is covered by a non-Ford service contract, you will be responsible for obtaining any refund that may be available from the issuer of that non-Ford plan.
- Ford will also refund sales tax, original license fees, original registration fees, and original title fees.
- You will be charged for your use of the vehicle in accordance with the following formula: (The mileage on your vehicle's odometer at the time of the third Transmission Hardware Replacement ÷ 120,000) × Purchase Price.
- No punitive damages or civil penalties may be awarded.

35. Can I still submit a claim for a repurchase if I leased my car? How much would I get?

If you leased the vehicle and an arbitrator determines that you are eligible for repurchase, Ford will refund the payments you made to the lending institution or lessor plus net trade-in and cash down payment (not including rebates, if any), less a reasonable allowance for use. Ford will also provide the pay-off amount to the lienholder or lessor in accordance with the financing or lease agreement. As with purchased vehicles, Ford will also refund sales tax, original license fees, original registration fees, and original title fees for your leased vehicle.

36. What if I choose a replacement vehicle?

The terms under which a replacement vehicle is provided will be based on your state's lemon law.

37. Will I get attorneys' fees if I win on the repurchase or replacement?

If you choose to use an attorney, the Arbitrator may award reasonable attorneys' fees to you if you succeed on your repurchase or replacement claim, but such fees may not exceed \$6,000.

38. What can I do if I lose the Arbitration?

If you lose your Arbitration, you have the opportunity to appeal that decision with the Appellate Arbitration Administrator, which is run by a different administrator (JAMS rather than CAP-Motors). However, if you decide to appeal, you must pay the costs of the Arbitration Appeal to proceed. If you win on appeal, Ford will refund you the costs of the Arbitration Appeal. However, if Ford wins the appeal, you will not be reimbursed for those costs. Ford does not have a right to appeal, and neither you nor Ford may ask another arbitrator, tribunal, or court to review the decision from the Arbitration Appeal.

39. What if I received another Transmission Hardware Replacement after losing my Arbitration? Am I permitted to pursue a second arbitration?

If you had another Transmission Hardware Replacement by a Ford Dealer after losing your Arbitration, you may file a Second Arbitration, subject to the same rules as the initial Arbitration.

40. What if an arbitrator for the Better Business Bureau or another administrator already denied my claim for repurchase before the preliminary approval of this Settlement?

If an arbitrator with the Better Business Bureau Auto Line denied a previous claim filed by you for a repurchase before the Effective Date, you are still entitled to file a claim in this Arbitration Program, subject to the Arbitration Rules.

Limited Warranty Arbitration

41. How do I qualify for the New Vehicle Limited Warranty Arbitration?

To qualify for Arbitration for a breach of Ford's New Vehicle Limited Warranty, you must be a Class Member and follow the procedures for initiating the Arbitration set forth in Questions 30 and 31.

You may proceed with a New Vehicle Limited Warranty Arbitration if you claim that Ford failed to repair a PowerShift Transmission failure or malfunction as required by Ford's New Vehicle Limited Warranty ("Warranty"), or any extensions of that Warranty, or if a Ford Dealer charged you for a transmission repair of your Class Vehicle that you claim should have been paid for by Ford under that Warranty.

42. What can I get from a New Vehicle Limited Warranty Arbitration?

The Arbitrator may award repairs under warranty or reimbursement. If you are having PowerShift Transmission problems that should have been, but were not, repaired under Ford's New Vehicle Limited Warranty, or any extension of that warranty, the Arbitrator may require Ford to make such repairs.

If you have paid for a PowerShift Transmission repair that should have been paid for by Ford under the Warranty, or any extension of that warranty, the Arbitrator may order Ford to reimburse you for the amount you paid that should have been paid by Ford. The Arbitrator may award reimbursement for money you paid for the repair of defects covered by the Ford New Vehicle Limited Warranty, or any extension of that warranty, only if Ford or its dealer declined to repair the defects under warranty or to reimburse you under the warranty's emergency repair provisions.

43. What is the Arbitrator barred from awarding under the New Vehicle Limited Warranty Arbitration?

The Arbitrator may not award reimbursement or repairs in New Vehicle Limited Warranty Arbitration for the following:

- maintenance and wear items not covered by Ford's New Vehicle Limited Warranty;
- damage caused by alterations to or modifications of the vehicle after it leaves the control of Ford;
- damage caused by tampering with the vehicle, its emissions systems, or other parts that affect these systems; and
- damage caused by the installation or use of a non-Ford part or of any part designed for "off-road" use installed after the vehicle leaves the control of Ford.

The Arbitrator also may not award attorney fees, civil penalties, or punitive damages in New Vehicle Limited Warranty Arbitration.

44. What are the differences between the Repurchase/Replacement Arbitration and the New Vehicle Limited Warranty Arbitration?

While Ford will cover the cost of Arbitration for both types of arbitration, in the New Vehicle Limited Warranty Arbitration there is no extension of the statute of limitations on the breach of express warranty claim, no award of attorneys' fees to a prevailing Class Member, and no right to appeal for Class Members.

Clutch Replacement

45. How do I qualify for reimbursement of what I paid for a replacement clutch?

If (1) your vehicle was manufactured after June 5, 2013, (2) you had 2 clutch replacements performed by a Ford Dealer while you owned or leased the Class Vehicle and within 5 years or 60,000 miles of delivery of the Class Vehicle to the first retail customer (whichever occurs first), (3) a Ford Dealer performs appropriate diagnostic procedures and determines you need an additional clutch replacement, and (4) you pay for the additional clutch replacement, then you are entitled to reimbursement for out-of-pocket costs for the additional clutch replacement if it is performed while you owned or leased the Class Vehicle and within 7 years or 100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever comes first.

46. How do I submit my claim for reimbursement of what I paid for a replacement clutch, and what documents do I need to support my claim?

If you qualify to be reimbursed for what you paid for a replacement clutch, you must submit your claim to the Claims Administrator through the Settlement website at www.FordTransmissionSettlement.com or by submitting forms available on the website. You can also obtain copies of forms by calling (844) 540-6011. You must support your claim with repair orders, receipts, other documentation from a Ford Dealer, or state vehicle inspection reports (or some combination thereof) sufficient to establish for at least two (2) replacements of the clutch (part number 7B546 Disc Asy-Clutch), all of the following information:

1. The Vehicle Identification Number ("VIN") of the vehicle on which the clutch replacement was performed;
2. The name and address of the Ford Dealer(s) that replaced the clutch on each occasion;
3. Whether the clutch replacement was performed on the Class Vehicle within 5 years/60,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first; and
4. A description of the services rendered and parts provided in connection with each clutch replacement.

You must also support your claim with repair orders, receipts, other documentation from a Ford Dealer, or state vehicle inspection reports (or some combination thereof) sufficient to establish for an additional replacement of the clutch (part number 7B546 Disc Asy-Clutch), all of the following information:

1. The Vehicle Identification Number ("VIN") of the vehicle on which the clutch replacement was performed;
2. The name and address of the Ford Dealer that replaced the clutch;
3. Whether the clutch replacement was performed on the Class Vehicle within 7 years/100,000 miles of delivery of the Class Vehicle to the first retail customer, whichever occurs first;
4. A description of the services rendered and parts provided in connection with the clutch replacement;
5. Information sufficient to establish that the appropriate diagnostic procedures specified in Ford's Service Manual or in applicable Technical Service Bulletins were performed and that based on the results the Ford Dealer determined that a clutch replacement was necessary; and

6. The documented and unreimbursed amounts paid by the Class Member to a Ford Dealer for the parts and labor for the clutch replacement. Class Members shall not be reimbursed for consequential damages such as lost revenue/profits, lost employee time from loss of use of the Class Vehicle, or towing charges or other costs of transporting the vehicle to or from the place of repair.

You must also submit documentation demonstrating your Proof of Ownership of the Class Vehicle at the time of each clutch replacement on which the claim is based. You can prove ownership using the methods described in question 23, above. Finally, you must submit a claim form that includes a declaration signed under penalty of perjury that attests to and affirms the authenticity of the documentation provided to support the claim and states that you actually owned or leased the Class Vehicle at the time of each clutch replacement on which the claim is based.

If you qualify for reimbursement for a clutch replacement on the Approval Date, you must submit your claim within 180 days of the Approval Date. If you qualify for reimbursement at a later date, you must submit your claim within 180 days of the clutch replacement for which you are seeking reimbursement.

CHAPTER 4: UNDERSTANDING THE CLASS ACTION PROCESS

47. When will the Settlement get finally approved?

The Court has set a date of October 2, 2017, at 10:00 a.m. for the Final Approval or “Fairness” Hearing. The hearing will take place at Federal District Court, Central District of California, 350 West First Street, Los Angeles, CA 90012 - Courtroom 7B. At the Fairness Hearing, the Court will consider arguments and evidence as to whether the Settlement is fair, reasonable, and adequate as to Class Members and should be finally approved. We anticipate that the Court will decide whether to approve the Settlement soon after the Fairness Hearing. You should monitor the Settlement website for the latest information on the status of the settlement.

48. What if I don’t want to participate in the Settlement?

If you do not want to receive benefits from the Settlement and want to retain your right to sue Ford about problems with your Class Vehicle’s PowerShift Transmission, then you must actively remove yourself from the Settlement Class. You may do this by asking in writing to be excluded from, or opt out of, the Settlement. You must mail a letter or other written document to the Claims Administrator. Your request must include:

- Your name, address, and telephone number;
- The model, model year, and VIN number of your Class Vehicle(s);
- A specific and unambiguous statement that you desire to be excluded from the Class in *Vargas v. Ford Motor Co.*; and
- Your personal signature and the date you signed (and if you are represented by counsel, your counsel must sign the Request for Exclusion as well).

You must mail your exclusion request, postmarked no later than September 5, 2017, to KCC at Ford Transmission Settlement, P.O. Box 404000, Louisville, KY 40233-4000. If you wish to exclude yourself from the Class, you must do so with respect to all Class Vehicles you own(ed) or lease(d). You cannot exclude yourself from the Class with respect to some Class Vehicles and include yourself in the Class with respect to other Class Vehicles.

49. What if I have a pending lawsuit but want to opt-in?

If you want to receive benefits from the Settlement but already have a pending lawsuit against Ford based on alleged problems with your PowerShift Transmission and final judgment has not yet been entered in your lawsuit, then you must act to participate in the Settlement Class. Please consult your attorney regarding the consequences to your pending lawsuit of opting in before you choose. By opting in, you will lose the right to continue with your own lawsuit.

To opt in, you must dismiss your lawsuit before final judgment and complete the opt-in form available at www.FordTransmissionSettlement.com. You may also request a form by calling (844) 540-6011. Alternatively, you may submit a written request to opt-in. That written request must include the following information:

- Your name, address, and telephone number;
- The make, model, model year, and VIN number of your vehicle;
- Your pending’s lawsuit’s title, case number, and court;
- An explicit statement that you are opting in to the Settlement in *Vargas v. Ford Motor Company*; and
- Your personal signature and the date you signed.

You must mail your request to opt-in, postmarked no later than September 5, 2017, to KCC at Ford Transmission Settlement, P.O. Box 404000, Louisville, KY 40233-4000.

50. If I am part of the Settlement, can I sue Ford for the same claims later?

If you elect to participate in the Settlement, you cannot sue Ford for any claims based in whole or in part on any alleged problems with the PowerShift Transmission (except that you may still pursue claims for personal injury or property damage).

51. If I am not part of the Settlement, can I still get the benefits from the Settlement?

If you elect to exclude yourself, you will not be entitled to any benefits from the Settlement.

52. If I opt out and pursue my own case, can I get a larger recovery?

The laws of most states provide for various remedies, including actual damages, punitive damages, and rescission, if a claim is proved at trial and upheld on appeal. No result can be predicted with certainty, and all alternative legal actions take additional time and may be subject to offsets or deductions for attorneys’ fees and costs. This Settlement is designed to provide benefits that are certain, not subject to the delay and risk of trial and appeal, and not reduced by fees or costs.

53. Do I have a lawyer in this case?

The Court has appointed the following lawyers as Class Counsel, without charge to you. They are:

Lead Class Counsel	Class Counsel	Class Counsel
Jordan L. Lurie Tarek H. Zohdy Cody R. Padgett Karen L. Wallace Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, CA 90067 Tel: (855) 310-9583 Website: FordPowershiftLawsuit.com	Russell D. Paul Berger & Montague, P.C. 1622 Locust Street Philadelphia, PA 19103	Thomas A. Zimmerman, Jr. Zimmerman Law Offices, P.C. 77 W. Washington Street Suite 1220 Chicago, Illinois 60602

You may hire your own lawyer, at your own expense to represent you in the Settlement.

54. Who will pay the lawyers?

Class Counsel represents you at no charge to you. Ford will pay their attorneys’ fees and costs of up to \$8,856,500, in addition to the benefits it is providing to Class Members in the Settlement. On August 21, 2017, before the deadline to object or opt out, Class Counsel will make a written request for the Court’s approval for an award for attorneys’ fees and costs as well as service awards for the Class Representatives. Class Members will have an opportunity to comment on or object to this request. The Court must approve the award of attorneys’ fees and costs and service awards to be paid by Ford.

Any attorneys’ fees and costs, and service awards approved by the Court will be paid separately by Ford and will not reduce benefits to Class Members.

Class Counsel plan to request the following service awards: \$10,000 for Omar Vargas; \$7,500 each for Michelle Harris, Sharon Heberling, and Robert Bertone; \$5,000 each for Kevin Klipfel, Andrea Klipfel, Maureen Cusick, Eric Dufour, Abigail Fisher, Christi Groshong, Virginia Otte, Tonya Patze, Lindsay Schmidt, Patricia Schwenker, Patricia Soltesiz, Joshua Bruno, and Jason and Jamie Porterfield; and \$1,000 (\$46,000 total) to each Named Plaintiff in the *Anderson* action.

55. Can I tell the Court if I do not like the Settlement?

If you do not exclude yourself from the Settlement, you (or your attorney) may object in writing to the Court. The Court will consider your views. To comment on or to object to the Settlement, you or your attorney must submit your written objection to the Court, and include the following:

- Your name, address, and telephone number;
- The model, model year, and VIN of your Class Vehicle, along with proof that you have owned or leased a Class Vehicle (e.g., a true copy of a vehicle title, registration, or license receipt);
- A written statement of all grounds for the objection accompanied by any legal support for such objection;
- Copies of any papers, briefs, or other documents upon which the objection is based;
- A list of all cases in which you and/or your counsel have filed or in any way participated in—financially or otherwise—objections to a class action settlement in the preceding five (5) years;
- The name, address, email address, and telephone number of all attorneys representing you;
- A statement indicating whether you and/or your 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 your objection; and
- Your signature and the date you signed (and if you are represented by counsel, your counsel must also sign the objection).

You must mail your objection to the three addresses below, postmarked no later than September 5, 2017.

Court	Class Counsel	Defense Counsel
Clerk of the Court/ Judge Andre Birotte, Jr. United States Courthouse for the Central District of California 350 West First Street Los Angeles, CA 90012	Jordan L. Lurie Tarek H. Zohdy Cody R. Padgett Karen L. Wallace Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, CA 90067	John M. Thomas Krista Lenart Dykema Gossett PLLC 2723 South State Street, Suite 400 Ann Arbor, Michigan 48104

In addition, you may appear at the Fairness Hearing if you submit a written notice of your intent to appear with your objection.

56. What is the difference between objecting to the Settlement and opting out?

You can object only if you participate in the Class. If you opt out and therefore elect not to be part of the Settlement Class, you have no right to object to the Settlement because the case no longer affects you.

57. Do I have to attend the Fairness Hearing?

You do not have to attend the Fairness Hearing. Class Counsel will answer any questions the Court may have. You are welcome to attend at your own expense. If you timely file an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also have your own lawyer attend at your expense, but it is not required.

58. May I speak at the Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. The Court will determine whether to grant you permission. To ask for permission from the Court, you must send a letter that states it is your “Notice of Intention to Appear in *Vargas v. Ford Motor Co.*” Be sure to include your name, address, telephone number, your signature, and the date. Your notice of intention to appear must be postmarked no later than September 5, 2017, and sent to the addresses listed in Question 55.

59. How do I get more information?

This Long Form Class Notice summarizes the proposed Settlement. More details, including the actual Settlement Agreement, are available at www.FordTransmissionSettlement.com. You may also contact Class Counsel at (855)310-9583 or fordlawsuit@capstonelawyers.com for more information.