

**NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**  
**U.S. DEPARTMENT OF TRANSPORTATION**  
1200 New Jersey Avenue, S.E.  
Washington, D.C. 20590

\_\_\_\_\_)  
**IN RE Ford Motor Company** )  
**Recall 12V-353** )  
\_\_\_\_\_)  
\_\_\_\_\_)  
\_\_\_\_\_)

This agreement (“Agreement”) is made between the National Highway Traffic Safety Administration (“NHTSA”), an operating component of the U.S. Department of Transportation, and Ford Motor Company (“Ford” or “the Company”), wherein they hereby administratively resolve claims for civil penalties for possible violations of various provisions of federal law commonly known as the National Traffic and Motor Vehicle Safety Act as amended, 49 U.S.C. Chapter 301 (“Safety Act”).

WHEREAS, on July 17, 2012, NHTSA opened a Preliminary Evaluation (PE12-019) to investigate incidents involving the potential failure of the throttle to return to idle when the accelerator pedal has been released in certain Ford Escape and Mazda Tribute vehicles.

WHEREAS, on July 25, 2012, Ford advised NHTSA of its decision to conduct a safety-related recall to address the issues raised by PE12-019.

WHEREAS, Ford’s recall in response to PE12-019 has been designated by NHTSA as Recall 12V-353.

WHEREAS, information supplied by Ford during the Preliminary Evaluation supports a tentative conclusion that Recall 12V-353 may have been untimely.

WHEREAS, NHTSA has a potential claim that Ford violated the Safety Act, including regulations thereunder, by not timely notifying NHTSA and the owners, purchasers and dealers of the safety defect.

WHEREAS, Ford denies that it has violated the Safety Act or its implementing regulations.

WHEREAS, it is the mutual desire of NHTSA and Ford to administratively resolve the civil penalties relating to the timeliness of Ford's actions leading to Recall 12V-353 through a binding agreement in order to avoid a protracted dispute and possible litigation.

NOW, THEREFORE, the parties agree as follows:

1. The Secretary of Transportation has the authority to compromise the amount of civil penalties under the Safety Act, 49 U.S.C. § 30165(b). The Secretary's authority has been delegated to the Administrator of NHTSA, 49 C.F.R. § 1.95.
2. Ford is, and at all times relevant to this action has been, a manufacturer of motor vehicles within the meaning of the Safety Act, as defined in 49 U.S.C. § 30102(a)(5).
3. Without NHTSA making any formal findings with respect to Ford's possible violations of the Safety Act as to the timeliness of Ford's actions leading to Recall 12V-353, Ford shall pay the United States a civil penalty in the sum of seventeen million, three hundred fifty thousand dollars (\$17,350,000) pursuant to the Safety Act, 49 U.S.C. § 30165. Ford shall pay this civil penalty in one lump sum payment by electronic funds transfer to the U.S. Treasury, no later than Thirty (30) days following the execution of this Agreement.
4. Upon receipt of the payment set forth in Paragraph 3 above, the Secretary of Transportation, by and through the Administrator of NHTSA, releases Ford, including its

current and former directors, officers, employees, agents, parents, subsidiaries, affiliates, successors, and assigns from liability for civil penalties pursuant to 49 U.S.C. § 30165 in connection with potential violations of the Safety Act and its implementing regulations relating to the timeliness of Ford's actions leading to Recall 12V-353 including, but not limited to, the issues explored in NHTSA's Information Request dated July 17, 2012 pursuant to PE12-019 and to Ford's responses thereto.

5. This agreement does not release Ford from civil or criminal liabilities, if any, that may be asserted by NHTSA or any other governmental entity, other than its civil penalty liability under 49 U.S.C. § 30165 as described in paragraph 4, above.

6. The parties shall each bear their own respective attorneys' fees, costs, and expenses.

7. This Agreement shall be effective following the execution of this Agreement by the parties.

8. This Agreement constitutes the entire agreement between the parties regarding the resolution of the subject matter therein, and supersedes any and all prior or contemporaneous written or oral agreements or representations of the parties, all of which have become merged and finally integrated into this Agreement. This Agreement may not be modified or waived, in whole or in part, unless such modification or waiver is in writing and executed by the parties.

9. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. The parties to this Agreement have the legal authority to enter into this Agreement, and each party has authorized its undersigned to execute this Agreement on its behalf.

[Date] Ford Motor Company  
By: Bradley M. Gayton  
Bradley Gayton  
Assistant General Counsel & Corporate  
Secretary  
Ford Motor Company

[Date] Jul 28, 2013  
By: O. Kevin Vincent  
NATIONAL HIGHWAY TRAFFIC SAFETY  
ADMINISTRATION,  
U.S. DEPARTMENT OF TRANSPORTATION  
O. Kevin Vincent  
Chief Counsel

[Date] 6/28/13  
By: Matthew Weisman  
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