TO: All U.S. Ford and Lincoln Mercury Dealers

SUBJECT: Extended Coverage Program 04N02:
Certain 1999 through 2002 Model Year Cougar Vehicles
Fuel Delivery Module

PROGRAM TERMS
This program extends the coverage of the fuel delivery module (FDM) to 10 years from the original warranty start date of the vehicle, with no limit on the number of miles that the vehicle has been driven. This program provides replacement coverage, and is automatically transferred to subsequent owners.

VEHICLES COVERED BY THIS PROGRAM
Certain 1999 through 2002 model year Cougar vehicles built at the Flat Rock Assembly Plant from Job #1, 1999 through November 30, 2001. Affected vehicles are identified in OASIS.

REASON FOR PROVIDING ADDITIONAL COVERAGE
Some of the affected vehicles may experience engine hesitation, loss of power, surging, and other similar symptoms as a result of contamination of the fuel pump. Because the contamination of the fuel pump is progressive, it may ultimately become sufficiently blocked to cause the engine to stall completely. Although the symptoms noted above can occur under a variety of driving conditions, they are most likely to occur when there is less than one-quarter tank of fuel and/or when the driver is attempting to accelerate while making a turning maneuver (such as entering a highway through a cloverleaf) or while driving uphill.

SERVICE ACTION
If the customer informs you that their vehicle exhibits stalling, engine hesitation, loss of power, surging, or other similar symptoms, replace the FDM. There is no need for further diagnostics prior to FDM replacement. Owners are not to be charged for any diagnostics or repairs related to the FDM replacement.

Prior to performing service, tell the customer:

- Ford will replace the FDM at no cost based upon the customer's description of the condition without performing any diagnostics.
- That without performing diagnostics other conditions that may affect driveability, if any, would not be addressed by an FDM replacement.
- That diagnosis and correction of any remaining driveability issues, if any, are the responsibility of the customer unless the vehicle still has remaining Basic Vehicle Warranty coverage.
- That after FDM replacement, a road test will be conducted at no charge to determine if the driveability concern has been corrected.
- This Customer Satisfaction program only covers replacement of the FDM.
- Please note: It is not necessary to replace the in-line fuel filter due to this issue. Fuel filters should continue to be replaced at normal maintenance scheduled intervals.

Obtain customer approval before conducting any diagnostics.
ATTACHMENTS
Attachment I: Administrative Information
Attachment II: Labor Allowances and Parts Ordering Information
Attachment III: Technical Information
Customer Notification Letter

QUESTIONS?
Claims Information: ................................................................. 1-800-423-8851
Special Service Support Center (Dealer Only) Questions: ....... 1-800-325-5621

Sincerely,

[Signature]

Frank M. Ligon
Extended Coverage Program 04N02
Certain 1999 through 2002 Model Year Cougar Vehicles
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OASIS ACTIVATED? Yes

FSA VIN LIST ACTIVATED? No

STOCK VEHICLES
Do not perform this program unless the affected vehicle exhibits the symptoms described earlier in this letter.

SOLD VEHICLES
Only owners with affected vehicles that exhibit the stated symptoms will be directed to dealers for service action.

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

RELATED DAMAGE
If a related damage condition exists that you believe to be caused by the covered condition, call the Special Service Support Center to request approval prior to the repair of any related damage. Requests for approval after completion of the repair will not be granted.

ADDITIONAL LABOR TIME
- If a condition exists that requires additional labor to complete the repair, call the Special Service Support Center to request approval prior to performing any additional labor. Requests for approval after completion of the repair will not be granted.
- If you encounter aftermarket equipment or modifications to the vehicle which might prevent the repair of the covered condition, call the Special Service Support Center.

OWNER REFUNDS
Ford Motor Company will only refund owner-paid repairs made before the date of the Customer Notification Letter (or after the date of the letter if an emergency repair was made away from the servicing dealer). Refund claims that include other non-covered repairs, or those judged by Ford to be excessive, will not be accepted for reimbursement.

Refund Claiming Information. (Submit on separate repair line.)
- Program Code: 04N02
- Misc. Expense: ADMIN
- Misc. Expense: REFUND
- Misc. Expense: 0.2 Hr.

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

CLAIMS PREPARATION AND SUBMISSION
- Enter claims using Direct Warranty Entry (DWE).
- Related damage or refunds must be claimed on a repair line that is separate from the FSA's repair line.
- "MT" labor should be submitted on a separate repair line with the related damage flag checked.
- Refer to ACESII manual for claims preparation and submission information.
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LABOR ALLOWANCES

<table>
<thead>
<tr>
<th>Description</th>
<th>Labor Operation</th>
<th>Labor Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview Customer, Replace Fuel Delivery Module*, and conduct road test after FDM replacement</td>
<td>04N02B</td>
<td>2.3 Hours</td>
</tr>
</tbody>
</table>

* Includes time to drain and filter fuel, refill fuel tank with filtered fuel, and check for leaks.

PARTS REQUIREMENTS / ORDERING INFORMATION

Parts for this program are only available in a very limited supply at this time. A newly designed FDM is being manufactured and will be available late May, 2004. A new dealer notification letter will be distributed at that time.

Please note: This program does not cover parts or procedures other than the parts described below. It is not necessary to replace the fuel filter due to this issue. Fuel filters should continue to be replaced at normal scheduled maintenance intervals. The fuel delivery module replacement will be performed at no charge to the customer.

<table>
<thead>
<tr>
<th>Part Number</th>
<th>Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>XS2Z-9H307-AH</td>
<td>Fuel Delivery Module – Current Design. This design will be replaced in late May 2004. Please note: All order types - effective until the new FDM is available Call 1-800-325-5621 (Estimated availability late May 2004)</td>
<td>1</td>
</tr>
<tr>
<td>XS7Z-9072-AA</td>
<td>Gasket – Located between fuel filler neck and tank joint. This gasket will be included in the new design kit due in late May 2004.</td>
<td>1</td>
</tr>
</tbody>
</table>

DOR/COR NUMBER

The DOR/COR for this program is 50318. This number identifies parts ordered for this program through the Special Service Support Center (1-800-325-5621).

DEALER PRICE

For latest prices, refer to DOES II.

PARTS RETENTION AND RETURN

Follow the provisions of the Warranty and Policy Manual for “Parts Retention and Return Procedures.”

EXCESS STOCK RETURN

Excess stock returned for credit must have been purchased from Ford Customer Service Division in accordance with Policy Procedure Bulletin 4000.