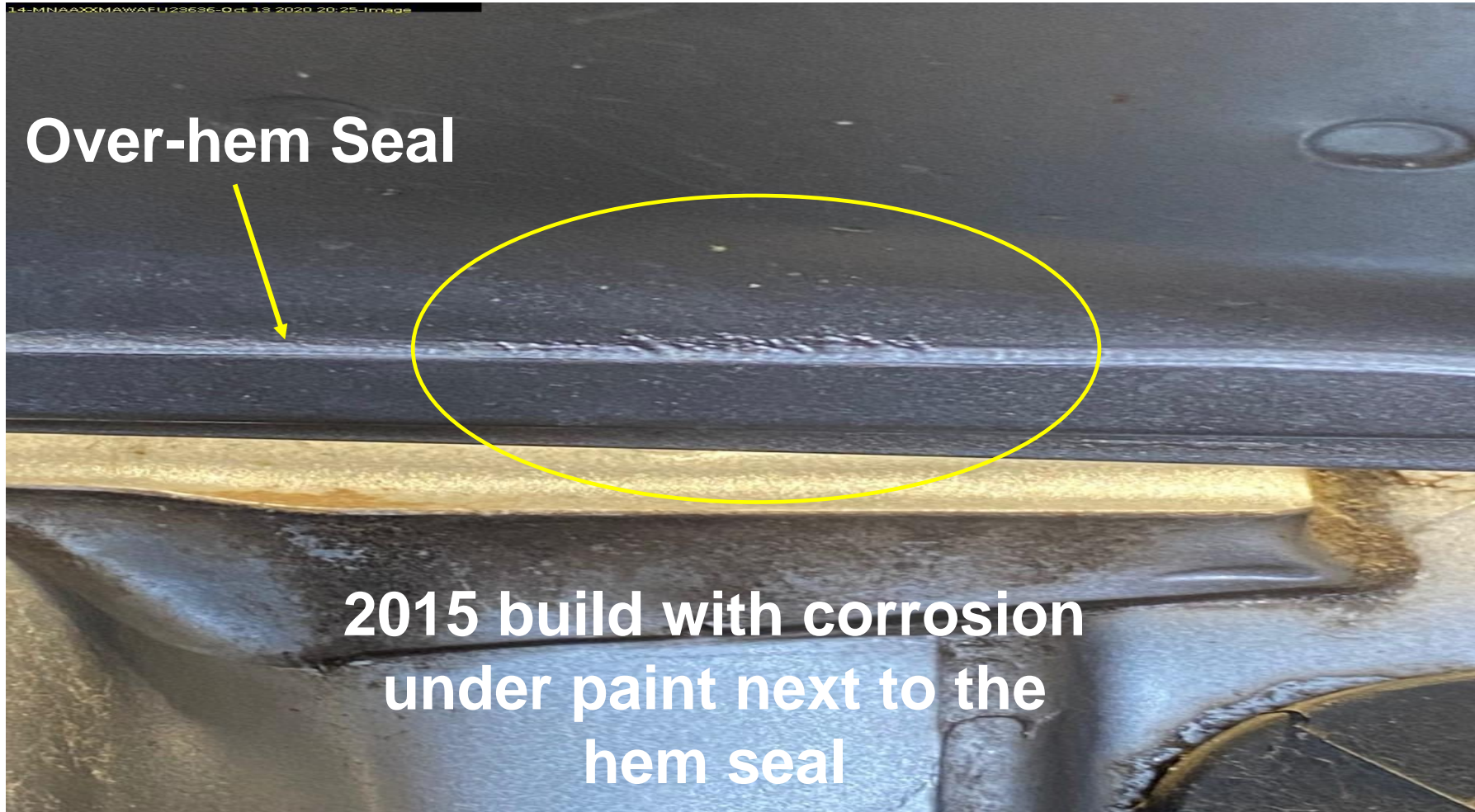


Everest Corrosion Repair Overview

Background

- Certain Everest vehicles have been identified with visible signs of corrosion in closure panels
- Corrosion has been identified in some doors, hoods and liftgates where insufficient seam sealer has been applied in the manufacturing process. The issue does not relate to all panels
- Repair process will be to replace / paint new panels
- Build period identified from Job 1 (2015) up till September 2018 (containment action introduced)
- Repair process under investigation are:
 - 4 door replacements - Requires Service Kit comprising of all 4 doors
 - All panel replacements - Requires Service Kit comprising of all 4 doors, plus hood and liftgate
- Program is likely to cover up to 10 years in service
- Analysis indicates expected volume is likely to be around 1,300 vehicles Nationally

Images of Affected Panels









REPAIR PROCESS

Defined Repair Process – Centralised Management

- Rectification on affected Ford Everest vehicles following an agreed repair process provided by Ford
- Fixed cost per variant e.g. 4 doors only / 4 doors plus hood and liftgate / clear over base / metallic.
- Specified time to repair affected vehicle variants (vehicle off-road time)
- Establish and maintain a data base showing vehicles that have been repaired, which repairer carried out the repair and the date it was repaired.
- Centralised management of all repairers
- Customer handling process to be consistent Nationally across all repairers, locations, variants, Dealers, etc.
- All vehicle parts to be supplied from local Ford Dealership

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REPAIR PROCESS

Defined Repair Process - Variants

- There are four (4) different repair variants to be included plus additional items / exceptions to be added as required:
- 4 Door Repairs Only – Solid Colour - Clear Over Base (COB)
- 4 Doors, Hood, Liftgate Repairs – Solid Colour - Clear Over Base (COB)
- 4 Door Repairs Only – Metallic
- 4 Doors, Hood, Liftgate Repairs – Metallic
- Additional items / exceptions – listed separately as these items are not fitted to every vehicle and will be considered as additional work
- Bullbar, Snorkel, Hood Protector, Door window Deflectors, Roof Rack, Nudgebar, Signwriting and special Decals, Fender Flares etc.

REPAIR PROCESS

Defined Repair Process - Activities

- Includes items such as:
 - Pick up and return vehicle to Dealership
 - Remove and refit panels and necessary components
 - Transfer all parts from affected panel to new panels
 - Fit sound deadening pads as indicated in Ford specification
 - Replace and align panels
 - Seam seal all doors to original factory finish prior to painting
 - Paint preparation and colour matching as required
 - Refinish (paint and blend) to OE finish
 - Wash & clean the vehicle after repairs completed

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REPAIR PROCESS

Defined Repair Process - Miscellaneous procedures

- Clear fault codes stored as a result of vehicle disassembly
- Source and provide cavity wax
- Apply cavity wax to inside all panels
- Provide vehicle interior trim protection during repair process
- Source and provide 3M sound deadening pads (one pad 500x500 will cover all doors for one vehicle) Part number: 08840 (from 3M distributor)
- Sublet repair costs (Front, Side & Rear window R&R)
- Toxic waste levy costs where applicable
- Off-road time to be advised based on the repair variants