

**BBB AUTO LINE Arbitration Rules  
Modified for the Ford Explorer Exhaust Odor  
Class Action Settlement**

**1. DEFINITIONS**

The following list defines key words as they are used in these *Rules*:

- A. **Arbitration** means the process in which an impartial person hears and decides disputes under the Class Settlement Agreement between and by Agreement of Ford and a Settlement Class Member.
- B. **Arbitrator** means the individual selected to conduct your arbitration hearing and make a decision in your dispute.
- C. **BBB** means a Better Business Bureau that administers certain aspects of the BBB AUTO LINE program.
- D. **BBB AUTO LINE** means the out-of-court forum administered by CBBB and BBBs to resolve disputes between consumers and vehicle manufacturers or distributors, under the BBB AUTO LINE Arbitration Rules modified to incorporate the terms of the Class Settlement Agreement.
- E. **Bumper-to-Bumper Warranty Coverage Period** means the 3-year or 36,000 mile period, whichever comes first, during which Ford's New Vehicle Limited Warranty provides repairs to Ford vehicles at no cost to the owner or lessee.
- F. **CBBB** means the Council of Better Business Bureaus, Inc., which is the administrator of the BBB AUTO LINE program, with offices in Arlington, VA, and Clearwater, FL.
- G. **Class Action Settlement Agreement** means the agreement approved in the litigation titled *Angela Sanchez-Knutson v. Ford Motor Company*, No. 0:14-cv-61344-WPD, United States District Court for the Southern District of Florida.
- H. **Class Vehicle** means a model year 2011-2015 Ford Explorer sold or leased in the United States.
- I. **Days** means calendar days.
- J. **Decision** means the written document signed by the arbitrator and sent to the parties.
- K. **Dispute Resolution Specialist** means the BBB AUTO LINE staff person assigned to help you resolve your dispute.

- L. **Exhaust Odor** means the entry into the passenger compartment of Class Vehicles of fumes from the exhaust system.
- M. **Exhaust Odor Repair** means a repair by an Authorized Ford Dealer to address Exhaust Odor, including repairs performed under the New Exhaust Odor Technical Service Bulletin TSB 12-12-4, TSB14-0130, the New Exhaust TSB, and any future Exhaust Odor TSB.
- N. **Ford Extended Warranty** means a warranty that (1) provides coverage for repairs to a Class Vehicle after the expiration of the Bumper-to-Bumper Warranty Coverage Period; (2) provides coverage for Exhaust Odor Repairs; (3) was offered by and purchased from Ford Motor Company through an authorized Ford dealer (and not offered by an authorized Ford dealer or any other third party); and (4) was purchased by the Settlement Class Member at the same time as the acquisition of a new (not used or pre-owned) Class Vehicle.
- O. **New Exhaust Odor TSB** means a Technical Service Bulletin ("TSB") that Ford issued in 2016 under the Class Action Settlement describing updated procedures to address Exhaust Odor in the Class Vehicles.
- P. **Parties** means the Settlement Class Member and Ford Motor Company.
- Q. **Settlement Class** or **Settlement Class Members** means all entities and natural persons in the United States (including its Territories and the District of Columbia) who currently own or lease a model year 2011-2015 Ford Explorer that was sold or leased in the United States. Excluded from this definition are (1) all federal court judges who presided over the Class Action and any members of their immediate families; (2) all entities and natural persons who elect to exclude themselves from the Settlement Class; (3) all entities and natural persons who delivered to Ford releases of all of their claims; and (4) Ford's employees, officers, directors, agents, and representatives, and their family members.
- R. **We** means BBB AUTO LINE staff.
- S. **You** means the parties involved in the dispute.

Unless otherwise defined herein, terms have the same definition as in the Class Action Settlement Agreement.

## **2. SCOPE OF BBB AUTO LINE**

A dispute falls within the jurisdiction of these *Rules* if *all* of the following conditions apply:

- A. The Class Vehicle was subject to at least one Exhaust Odor Repair during the Bumper-to-Bumper Warranty Coverage Period or a Ford Extended Warranty coverage period;
- B. The Settlement Class Member notified an authorized Ford dealer that the Exhaust Odor Repair was unsuccessful and provided the dealer with another opportunity to perform an Exhaust Odor Repair;
- C. The Class Vehicle still experiences Exhaust Odor;
- D. The Settlement Class Member or a representative filed a claim with BBB AUTO LINE within six months after notifying the dealer in 2B above.

### **3. AGREEMENT TO ARBITRATE**

The Dispute Resolution Specialist shall prepare an *Agreement to Arbitrate* that identifies Exhaust Odor as the problem to be arbitrated. The Agreement to Arbitrate shall include only the issues that fall within the Class Action Settlement Agreement and these *Rules*. The arbitrator will not have authority to consider other vehicle problems.

The Agreement to Arbitrate shall be provided to each party with the written hearing notice so each party may properly prepare its presentation. If the Agreement to Arbitrate does not correctly describe the dispute you wish to address at the hearing, immediately inform your Dispute Resolution Specialist.

The Agreement to Arbitrate will state the remedies sought by each party, which must be within these Rules. The arbitrator has discretion to award any eligible remedy specified in these *Rules*. Remedies not specified in these *Rules*, such as attorney's fees, shall not be arbitrated.

As provided in the Class Action Settlement Agreement, Ford's position on the Agreement to Arbitrate will not contest a claim on the basis that (a) the Exhaust Odor is allegedly caused by a design defect, or (b) the applicable Lemon Law's statute of limitations expired before the end of the extended period for obtaining partially subsidized post-warranty Exhaust Odor Repairs (i.e., 4 years/48,000 miles, whichever comes first; 60 days after the Effective Date of Settlement; 60 days after expiration of the Bumper-to-Bumper Warranty Coverage Period). Ford preserves all other applicable defenses, including whether the authorized Ford dealer has made a sufficient number of repair attempts to support the Settlement Class Member's claims, and whether the Class Vehicle is defective.

### **4. SELECTING YOUR ARBITRATOR**

BBB AUTO LINE maintains a pool of individuals who are interested in the fair and expeditious resolution of consumer disputes. These persons have been trained and certified by the Council of Better Business Bureaus. They do not necessarily have mechanical or legal expertise but can call upon the assistance of an expert when

necessary. Based on the parties' preferred date for the arbitration hearing, BBB staff will randomly obtain an arbitrator from the pool of arbitrators available on the designated date.

We shall select the arbitrator in a procedure designed to avoid any conflict of interest and to provide the parties with a neutral arbitrator to resolve the dispute. If a financial, competitive, professional, family or social relationship exists with any party (even if the arbitrator believes the relationship is so minor that it will have no effect on the decision), it shall be revealed to the parties, and either may decide whether the arbitrator should serve in the case.

If the arbitrator believes he or she cannot make an impartial decision, he or she shall refuse to serve. CBBB reserves the right to reject an arbitrator for any reason(s) it believes will affect the credibility of the program.

## **5. COMMUNICATING WITH THE ARBITRATOR**

You or anyone representing you shall not communicate in any way with the arbitrator about the dispute except (1) at an inspection or hearing for which the other party has received notice, or (2) when all other parties are present or have given their written permission.

All other communication with the arbitrator must be sent through the Dispute Resolution Specialist.

Violation of this rule compromises the impartiality of the arbitration process and may result in your case being discontinued.

## **6. REPRESENTATION**

You may present your own case or have someone represent you. If the Settlement Class Member will not attend the hearing, he/she must furnish the Dispute Resolution Specialist with a written statement authorizing a representative to appear at the hearing for the Settlement Class Member.

If your representative is a lawyer, you must give the lawyer's name, address and telephone number to us at least 10 days before the hearing. Your Dispute Resolution Specialist will notify the other parties to give them an opportunity to obtain a lawyer. Your failure to give BBB AUTO LINE advance notice may result in a rescheduling of your hearing.

## **7. INSPECTION BY THE ARBITRATOR**

We will always schedule an inspection of the vehicle by the arbitrator unless all parties agree that such an inspection is not necessary. If an inspection is scheduled and the vehicle is not available for the arbitrator, your case will be closed and no decision will be made.

The arbitrator will determine whether a test drive will be taken in the vehicle. A test drive may not be taken unless the Settlement Class Member has liability insurance that satisfies the state's minimum requirements. The Settlement Class Member's liability insurance will apply during any test drive.

During the test drive, all laws will be observed and reasonable safety precautions will be taken.

## **8. TECHNICAL EXPERTS**

At the request of the arbitrator or by agreement of both parties, we will try to obtain an impartial technical expert to inspect the vehicle involved in the dispute.

If there is an inspection by an impartial technical expert, the Settlement Class Member will be contacted by the technical expert to arrange the inspection. To maintain the technical expert's impartiality, the Settlement Class Member should not speak with the expert, except to arrange access to the vehicle for inspection or answer the technical expert's questions, nor accompany the technical expert on the test drive of the vehicle.

The impartial technical expert's findings will be presented in writing before, during or after the hearing as appropriate to the process. Both parties will have an opportunity to evaluate and comment on the qualifications and findings of the technical expert. The parties agree that they will not contact the impartial technical expert at any time, including after the arbitration case has closed, in relation to the impartial technical expert's findings. You also have the right to have your own technical expert serve as a witness at your own expense.

## **9. HEARING NOTICE**

We will set a date (usually 25-35 days after the case is opened), time (during normal business hours) and a place for your arbitration hearing. The hearing will be held at your local BBB office or other neutral location. Notice of the date, time and place of the hearing will be communicated and sent to you at least 10 days in advance of the hearing.

If an emergency prevents you from attending a hearing, call the CBBB at 1.800.955.5100 prior to the scheduled hearing time. We will decide if it can be rescheduled.

We reserve the right to make a final determination as to the time, date and place for the arbitration hearing.

## **10. MANNER IN WHICH HEARING IS CONDUCTED**

Although most arbitrations involve in-person hearings, at your request, we may arrange to have your statement and evidence presented by telephone or in writing.

If the Settlement Class Member asks to present his or her case at an in-person hearing, Ford may present its case in person, by telephone or in writing. If the Settlement Class Member asks to present his or her case by telephone, Ford may present its case by telephone or in writing. If the Settlement Class Member asks to present his or her case in writing, Ford must also present its case in writing.

The Notice of Hearing sent to all parties will indicate the manner of participation that each party initially selected. A later change in the manner of participation by one party will not require that the other party also change its manner of participation.

#### **11. ATTENDANCE AT HEARINGS**

We have the option to arrange for BBB staff, other arbitrators or government representatives to attend arbitration hearings.

For any other observer to attend a hearing, we will first determine if reasonable accommodations exist, and then make sure the Settlement Class Member and arbitrator have no objection to the presence of an observer. If there is room and there are no objections, the observer may attend subject to proper behavior (i.e., observers will not interfere with or participate in the hearing).

#### **12. MEDIA PRESENCE AT HEARINGS**

Media shall be permitted access to arbitration hearings on the same basis as other observers.

Unless there is approval by all parties and the arbitrator, no one other than BBB staff shall be permitted to bring cameras, lights, recording devices or any other equipment into the hearing.

Media representatives shall be subject to proper behavior during the hearing (i.e., media representatives will not interfere with or participate in the hearing).

#### **13. YOUR ABSENCE FROM THE HEARING**

If one party does not attend a hearing after receiving proper notice, the arbitrator will proceed with the hearing and receive evidence from the other party.

The party who did not attend the hearing will be given the opportunity to present a position in writing within the time limits set by the Dispute Resolution Specialist. If the position is received in a timely manner, the Dispute Resolution Specialist will send a copy to the other party for comments before providing it to the arbitrator. If the absent party does not present its case within the set time limits, the arbitrator may make a decision without that party's position.

If the Settlement Class Member is the absent party, a vehicle inspection will be scheduled with at least three days' notice. If the vehicle is not brought to the

inspection as required by Rule 7, no decision will be rendered and the case will be closed.

#### **14. RECORD OF HEARING**

CBBB will maintain basic file information on the arbitration hearing, such as witness names and documents presented as evidence at the hearing. Copies of these materials and other official arbitration forms relating to your case will be given to you on request. A reasonable copying fee may be charged.

Your local BBB will record the hearing. Copies of the recording will be furnished to a party, upon request to the CBBB, for a reasonable copying fee. Copy requests must be made within 60 days after the hearing, since the record may be erased after that time.

Address requests for the recording and file to Attn. Document Management Specialist, BBB AUTO LINE, 3033 Wilson Boulevard, Suite 600, Arlington, VA 22201.

#### **15. OATH OF PARTICIPANTS**

The parties and witnesses shall be placed under oath at the hearing. Attorney representatives are not required to sign an oath.

#### **16. HEARING PROCEDURES**

Each party will be given an opportunity to make a presentation of its case and to hear the other party's presentation. Parties may present witnesses and evidence in support of their case, and shall have the opportunity to explain or rebut information presented by the other party. Parties may also question the other parties, their witnesses and their evidence. After everyone has presented his or her case, each party will be given an opportunity to make a closing statement.

If the arbitrator determines additional information is necessary in order to make a fair decision, the arbitrator may direct that this additional evidence be submitted at a subsequent hearing or in any manner deemed appropriate by the arbitrator. The arbitrator will make every effort to obtain all necessary information in a timely manner so the decision may be rendered within the applicable time limits.

If the arbitrator directs that written evidence be submitted after the initial hearing, the evidence must be received by BBB AUTO LINE within the time period specified by the arbitrator. The Dispute Resolution Specialist will send a copy of any evidence submitted to the other party for comments. Both the written evidence and any timely response shall be submitted by the Dispute Resolution Specialist to the arbitrator.

When the arbitrator is satisfied all testimony and evidence have been presented, your hearing will be closed.

## **17. ADMISSION OF EVIDENCE AT THE HEARING**

You may present your case without being restricted by courtroom rules of evidence. However, you should be sure your evidence is relevant to the case.

The arbitrator may limit a party's presentation if the arbitrator believes it is repetitious or irrelevant.

## **18. WRITTEN STATEMENTS/RECORDED EVIDENCE**

If you have a witness who cannot attend the hearing, you may present that person's written statement to the arbitrator. You must provide a copy for the other party to read and use for response.

Any party presenting its case by telephone or in writing should submit any written documents or evidence to the Dispute Resolution Specialist at least three days before the hearing. If submitted timely, we will make every effort to provide this information to the other party before the hearing.

Please inform the Dispute Resolution Specialist at least five days prior to the hearing if you will bring any taped or digitally recorded evidence to the hearing. The Dispute Resolution Specialist will make arrangements to permit this evidence to be viewed and commented on by any party participating by telephone or in writing.

Please remember it is your responsibility to bring two copies of any evidence including audio visual evidence, one for the arbitrator and one for the other party.

Before the arbitrator makes a decision, a party may ask the arbitrator for a reasonable number of days to respond to a written statement or document presented by the other party that was not shared prior to the hearing. The arbitrator may grant the request at his or her discretion.

## **19. POST-HEARING ADMISSION OF EVIDENCE**

Before a decision is made, an arbitrator may schedule new or additional hearings, or otherwise request new or additional evidence to get all relevant facts about your dispute. No new or additional evidence may be submitted after the hearing unless it was requested by the arbitrator.

## **20. SETTLEMENT**

If the parties voluntarily decide to settle the dispute before the hearing, the settlement will end the dispute and no hearing will be held. The Dispute Resolution Specialist will send each party a letter detailing the terms of the settlement.

If a voluntary settlement is reached during the hearing, the arbitrator shall include the settlement in a Consent Decision. The Consent Decision will be signed by the arbitrator and all parties. If a settlement is reached after the hearing, but before

the arbitrator's final decision, be sure to notify your Dispute Resolution Specialist at once.

## **21. TIME LIMITS**

We shall make every effort to obtain a decision in your case within 40 days from the time your claim is filed, unless state or federal law provides otherwise.

## **22. THE DECISION**

When the arbitrator has reached a decision in your case, all parties will receive a written decision accompanied by the arbitrator's reasons for the decision. We will not read a decision to a party over the phone.

### **A. Scope of decision**

A decision shall be **binding** on both parties and shall be one that the arbitrator considers fair and falls within the scope of these *Rules*.

- If the arbitrator determines that the claim satisfies the conditions set forth in Rule 2 *and* meets the terms of the applicable Lemon Law, the arbitrator will award a repurchase or replacement of the Class Vehicle as provided by the applicable Lemon Law.
- If the arbitrator determines that the claim satisfies the conditions set forth in Rule 2 but does *not* meet the terms of the applicable Lemon Law, the arbitrator may award the reduction in the Class Vehicle's value caused by the Exhaust Oder or may award no remedy.
- If the arbitrator determines that the claim does *not* satisfy the conditions set forth in Rule 2, the arbitrator will award no remedy.

A decision awarding repurchase or reduction in value shall require Ford to perform the decision within 30 days after Ford receives notice of the decision. A decision awarding replacement shall require Ford to perform the decision within 45 days after Ford receives notice of the decision.

After issuing the decision, the arbitrator has no further authority over the claim unless a valid request is made pursuant to Rule 22(B), Clarifying the decision; Rule 22(C), Correcting the decision or reasons for decision; or Rule 22(D), Decision is impossible to perform or to perform on time.

### **B. Clarifying the decision**

You may request that the arbitrator clarify a decision if you do not understand what action is required by the decision, or if you and the other party disagree about what action is required by the decision.

You may not ask the arbitrator to clarify the reasons for a decision. A request for clarification will not be accepted if it attempts only to challenge the conclusions of the arbitrator or reargue your case.

A request for clarification must be in writing and received by the CBBB before the time performance is required under the decision.

An appropriate request for clarification of the decision will be sent to the other party for response. We will send your clarification request and any response to the arbitrator, who may either clarify the decision or let the decision stand as written. Before making a decision on the clarification request, the arbitrator may request a telephone conference with all parties.

#### **D. Correcting the decision or reasons for decision**

You may request correction of the decision or reasons for decision only if the decision or reasons contain a mistake of fact, a miscalculation of figures or exceeds the arbitrator's authority—as defined below.

- A mistake of fact is not a conclusion of the arbitrator with which you disagree; it is a true error in an objective fact such as a date, time, place or name, and may justify correction only if it concerns the essence of the decision. A request for correction must be based on information previously presented to the arbitrator.
- A miscalculation of figures is not a dollar figure you consider to be unfair; it is an arithmetic error.
- The arbitrator has exceeded his or her authority if the award does not fall within the scope of these *Rules*.

A request for correction of a decision must be in writing and received by the CBBB before the time performance is required under the decision.

If your written statement to us is an appropriate request for correction, it will be handled in the same manner as a clarification request (see Rule 22(B)).

#### **E. Decision is impossible to perform or to perform on time**

If any party believes the arbitrator's decision cannot be performed within the established time limit or at all, that party should immediately inform us in writing. We will process your submission in the same manner as a request for clarification. The arbitrator may request additional evidence, request another hearing, or do anything necessary to confirm or deny the claim of impossibility of performance. If the arbitrator confirms such impossibility, the arbitrator may then change the original decision to include any remedy falling within the scope of these *Rules*.

If Ford has exceeded the time for performance specified in the decision, the Settlement Class Member should notify us in writing. We will immediately contact Ford and attempt to determine the reasons for its noncompliance.

#### **F. Post-decision settlement**

If the parties agree on a resolution that differs from the decision rendered, they should notify the Dispute Resolution Specialist so he/she can draft a Post-Decision Settlement form, which will identify the terms of the agreement and modify or supersede the arbitrator's decision.

#### **G. Mathematical errors/correction**

We reserve the right to correct obvious mathematical errors in the decision and/or obvious errors in the description of any person, thing or monetary amount.

#### **H. Suspending the time to perform**

If a party submits to us a written statement relating to clarification, correction or impossibility of performing the decision, the time for performance of a decision shall be suspended until the issue is resolved.

#### **I. After the decision is issued**

We will send the arbitrator's decision to the Class Member and Ford.

Once the decision has been issued, the parties will be bound to abide by the decision and comply with its terms. If Ford fails to perform according to the arbitrator's decision, the Class Member should notify the CBBB, who will then notify counsel for the class and Ford.

#### **J. Verification of Performance**

All parties must do what the decision requires within the time limits set by the arbitrator. Unless otherwise stated in the decision, the time for performance shall begin when Ford receives written notice of the decision. Within ten days after the performance date, we shall contact the Class Member to verify whether the decision has been performed.

### **23. TIMELY OBJECTIONS**

Any failure to follow these *Rules* that may significantly affect the independence, impartiality or fairness of the arbitration process should be brought to the attention of BBB AUTO LINE at the earliest opportunity.

Any party raising such objections should attempt to document the specific harm caused by the failure to follow these *Rules*. We may request that party put its objection in writing. We will make a final decision on the appropriate action to be

taken if we determine a failure to follow these *Rules* has significantly affected the independence, impartiality or fairness of the arbitration process.

#### **24. CONFIDENTIALITY OF RECORDS**

It is our policy that records of the dispute resolution process are private and confidential.

We will not release the results of an individual case to any person or group that is not a party to the arbitration unless all parties agree or unless such release is required by state law or regulation or pertinent to judicial or governmental administrative proceedings.

We may use information in BBB AUTO LINE records to conduct general research, which may lead to the publication of aggregate demographic data, but will not result in the reporting or publication of any personal information provided to us.

#### **25. LEGAL PROCEEDINGS/EXCLUSION OF LIABILITY**

In submitting to arbitration under these *Rules*, the parties agree that the arbitrator and/or impartial technical expert shall not be subpoenaed by either party in any subsequent legal proceeding.

The parties further agree that the BBB (including its employees), CBBB (including its employees), and/or the arbitrator shall not be liable for any act or omission in connection with any BBB AUTO LINE case.

#### **26. INTERPRETATION OF RULES/RIGHT TO DISCONTINUE ARBITRATION**

We reserve the right to make the final decision on procedural questions, the scope of issues to be arbitrated, a Settlement Class Member's eligibility for arbitration, and any other questions concerning the application and interpretation of these *Rules*.

The BBB or CBBB at all times reserves the right to discontinue or decline administration of arbitration for any case(s) due to a conflict with any state or federal law or regulation or due to the behavior of a party.