TO: All U.S. Ford and Lincoln Dealers

SUBJECT: DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S30 - Supplement #3

New! REASON FOR THIS SUPPLEMENT

Parts ordering information updated
• Beginning May 22, 2017, all parts are available on open ordering except CJ5Z-54264A26-A that remains on the one for one replenishment process.

Technical information updated
• The repair procedure is updated to remind dealers to transfer the blocking lever and spring, if equipped, along with all other components from the old door latch to the new door latch.

AFFECTED VEHICLES

<table>
<thead>
<tr>
<th>Vehicle</th>
<th>Model Year</th>
<th>Assembly Plant</th>
<th>Build Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>MKC</td>
<td>2015</td>
<td>Louisville</td>
<td>August 20, 2013 through January 31, 2015</td>
</tr>
<tr>
<td>Mustang</td>
<td>2015</td>
<td>Flat Rock</td>
<td>February 11, 2014 through April 30, 2015</td>
</tr>
<tr>
<td>Transit Connect</td>
<td>2014-2016</td>
<td>Valencia (Spain)</td>
<td>August 1, 2013 through February 1, 2016</td>
</tr>
</tbody>
</table>

Affected vehicles are identified in OASIS and FSA VIN Lists.

REASON FOR THIS SAFETY RECALL

In the affected vehicles, the pawl spring tab in a side door latch may break, which may make the door difficult to latch. A door that opens while driving increases the risk of injury.

SERVICE ACTION

Before demonstrating or delivering any new in-stock vehicles, dealers are to replace the following door latches:

• C-MAX, Escape, Focus, MKC four side door latches
• Mustang two side door latches
• Transit Connect two sliding door latches

SEED STOCK AND ONE FOR ONE PART REPLENISHMENT PLAN

Beginning the week of December 19, 2016, dealers in Arizona, Florida, Nevada, New Mexico, Oregon, Texas, and Utah will receive a small supply of door latch kits. The volume of kits will vary by part number and will be based on a percentage of the assigned vehicles on FSA VIN lists.

Dealers in the other 43 states will receive a smaller supply of door latch kits. The volume of kits will vary by part number and will be based on a percentage of the assigned vehicles on FSA VIN lists.
Beginning the week of March 13, 2017, dealers in the other 43 states will receive an increased percentage of parts. Dealers in Arizona, Florida, Nevada, New Mexico, Oregon, Texas, and Utah remain a higher priority.

A replenishment provision to automatically order additional parts based on paid warranty claims will be in place until open ordering is available. The one for one replacement will apply to the increased percentage of parts. Please see Attachment II for details.

**OWNER NOTIFICATION MAILING SCHEDULE**

Owners in Arizona, Florida, Nevada, New Mexico, Oregon, Texas, and Utah were notified in January, 2017. Owners in the other 43 states will be notified in phases beginning in Second Quarter 2017. Dealers should repair any affected vehicles that arrive at their dealerships, whether or not the customer has received a letter.

**PLEASE NOTE:**

Federal law requires dealers to complete this recall service before a new vehicle is delivered to the buyer or lessee. Violation of this requirement by a dealer could result in a civil penalty of up to $21,000 per vehicle. Correct all vehicles in your new vehicle inventory before delivery.

**New! ATTACHMENTS**

Attachment I: Administrative Information
Attachment II: Labor Allowances and Parts Ordering Information
Attachment III: Technical Information
Attachment IV: Dealer Q & A
Owner Notification Letters
Recall Reimbursement Plan

**QUESTIONS & ASSISTANCE**

For questions and assistance, contact the Special Service Support Center (SSSC) via the SSSC Web Contact Site. The SSSC Web Contact Site can be accessed through the Professional Technician Society (PTS) website using the SSSC link listed at the bottom of the OASIS VIN report screen or listed under the SSSC tab.

Sincerely,

Michael A. Berardi

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OASIS ACTIVATION

OASIS was activated on August 26, 2016.

FSA VIN LISTS ACTIVATION

FSA VIN Lists were made available through https://web.fsavinlists.dealerconnection.com on August 26th, 2016. Owner names and addresses will be available when owner mailings have completed.

NOTE: Your FSA VIN Lists may contain owner names and addresses obtained from motor vehicle registration records. The use of such motor vehicle registration data for any purpose other than in connection with this recall is a violation of law in several states, provinces, and countries. Accordingly, you must limit the use of this listing to the follow-up necessary to complete this recall.

SOLD VEHICLES

- Owners of affected vehicles will be directed to dealers for repairs.
- As parts become available, contact any of your affected customers whose vehicles are not on your VIN list but are identified in OASIS. Give the customer a copy of the Owner Notification Letter (when available) and schedule a service date.
- Correct other affected vehicles identified in OASIS which are brought to your dealership.
- Dealers are to prioritize repairs of customer vehicles over repairs of new and used vehicle inventory.

STOCK VEHICLES

- Correct all affected units in your new vehicle inventory before delivery.
- Use OASIS to identify any affected vehicles in your used vehicle inventory.

DEALER-OPERATED RENTAL VEHICLES

A new law prohibits a Rental Company from selling, renting or leasing vehicles subject to a safety or compliance recall. This could impact dealer-operated rental fleets of 35 vehicles or more, including FRAC, LRAC, and DDR vehicles. Please see EFC04833 for details and consult your legal counsel for legal advice.

TITLE BRANDED / SALVAGED VEHICLES

Affected title branded and salvaged vehicles are eligible for this recall.

ADDITIONAL REPAIR (LABOR TIME AND/OR PARTS)

Additional repairs identified as necessary to complete the FSA should be managed as follows:

- For vehicles within new vehicle bumper-to-bumper warranty coverage, follow existing warranty and policy guidelines for related damage claims. No SSSC approval is required for these vehicles:
  - Ford vehicles – 3 years or 36,000 miles
  - Lincoln vehicles – 4 years or 50,000 miles
- For vehicles outside new vehicle bumper-to-bumper warranty coverage, dealers are pre-approved to claim up to $100.00 in related damage.
  - For claims exceeding the pre-approved amount, submit an Approval Request to the SSSC Web Contact Site prior to completing the repair.
**OWNER REFUNDS**

- This safety recall must still be performed, even if the owner has paid for a previous repair. Claiming a refund will not close the recall on the vehicle.
- Ford Motor Company is offering a refund for owner-paid repairs covered by this recall if the repair was performed prior to the date indicated in the reimbursement plan, which is posted with this bulletin. Owners are directed to seek reimbursement through authorized dealers or, at their option, directly through Ford Motor Company at P.O. Box 6251, Dearborn, MI 48121-6251.
- Dealers are also pre-approved to refund owner-paid emergency repairs that were performed away from an authorized servicing dealer after the end date specified in the reimbursement plan. Non-covered repairs, or those judged by Ford to be excessive, will not be reimbursed.
- Refunds will only be provided for the cost associated with side-door latch replacement.

**RENTAL VEHICLES**

Dealers are pre-approved for up to one day for a comparable rental vehicle. Follow Extended Service Plan (ESP) guidelines for dollar amounts. Rentals will only be reimbursed for the day(s) the vehicle is at the dealership for part replacement. Prior approval for more than one rental day is required from the SSSC via the SSSC Web Contact Site.

**CLAIMS PREPARATION AND SUBMISSION**

- Enter claims using Direct Warranty Entry (DWE) or One Warranty Solution (OWS).
  - DWE: refer to ACESII manual for claims preparation and submission information.
  - OWS: when entering claims in DMS software, select claim type 31: Field Service Action. The FSA number (16S30) is the sub code.
- Additional labor and/or parts must be claimed as related damage on a separate repair line from the FSA.
- For rental vehicle claiming, follow Extended Service Plan (ESP) guidelines for dollar amounts. Enter the total amount of the rental expense under Miscellaneous Expense code RENTAL.
- Submit refunds on a separate repair line.
  - Program Code: 16S30
  - Misc. Expense: ADMIN
  - Misc. Expense: REFUND
  - Misc. Expense: 0.2 Hrs.
- Multiple refunds should be submitted on one repair line and the invoice details for each repair should be detailed in the comments section of the claim.

**NOTE:** Parts will be replenished based upon paid claims, it is important for dealers to file and follow up on rejected claims in a timely manner.
DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S30 - Supplement #3
Side Door Latch Replacement

LABOR ALLOWANCES

<table>
<thead>
<tr>
<th>Description</th>
<th>Labor Operation</th>
<th>Labor Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace all side door latches – C-MAX and Focus</td>
<td>16S30B</td>
<td>2.7 Hours</td>
</tr>
<tr>
<td>Replace all side door latches – Escape</td>
<td>16S30C</td>
<td>2.9 Hours</td>
</tr>
<tr>
<td>Replace all side door latches – MKC</td>
<td>16S30D</td>
<td>2.8 Hours</td>
</tr>
<tr>
<td>Replace both side door latches – Mustang</td>
<td>16S30E</td>
<td>2.3 Hours</td>
</tr>
<tr>
<td>Replace both sliding door latches – Transit Connect</td>
<td>16S30F</td>
<td>1.2 Hours</td>
</tr>
</tbody>
</table>

New! PARTS REQUIREMENTS / ORDERING INFORMATION

To manage the supply of door latch kits, an initial distribution will be administered beginning the week of December 19, 2016.

NOTE: Beginning May 22, 2017, only part number CJ5Z-54264A26-A will continue on the one for one replenishment process.

One kit contains all required latches for a vehicle repair. Only one kit should be claimed per VIN.

<table>
<thead>
<tr>
<th>Part Number</th>
<th>Description</th>
<th>Order &amp; Claiming Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>CJ5Z-54264A26-A</td>
<td>C-MAX / Escape / 2012-2014 Focus / MKC Door Latch Kit (contains 4 latches)</td>
<td>1</td>
</tr>
<tr>
<td>CJ5Z-54264A26-B</td>
<td>2015 Focus Door Latch Kit (contains 4 latches)</td>
<td>1</td>
</tr>
<tr>
<td>CJ5Z-54264A26-C</td>
<td>Mustang Door Latch Kit (contains 2 latches)</td>
<td>1</td>
</tr>
<tr>
<td>CJ5Z-54264A26-D</td>
<td>Transit Connect Door Latch Kit (contains 2 sliding door latches)</td>
<td>1</td>
</tr>
</tbody>
</table>

The DOR/COR number for this program is 51057.

To ensure an equitable distribution of the available part kits, service parts will be managed using a one for one replenishment process to dealers with one or more VINs assigned to their dealership until further notice. Beginning the week of December 19, 2016, each dealer will receive a supply of parts based on a percentage of the assigned vehicles on their FSA VIN lists. The CJ5Z-54264A26-B, CJ5Z-54264A26-C and CJ5Z-54264A26-D door latch kits will be available through open ordering on May 22, 2017 and will no longer be part of the one for one part replenishment. The remaining CJ5Z-54264A26-A door latch kit will continue to be managed by the one for one part replenishment process.

One for One Part Replenishment: Beginning the week of January 2, 2017, Ford began replenishment of primary P&A code dealer stock on a daily basis. Beginning the week of January 30, Ford will replenish secondary P&A codes by shipping to the primary P&A code location. Replenishment is based on the part number listed on warranty claims paid. For example, a dealer received an initial distribution of ten CJ5Z-54264A26-A parts in December 2016 and submits two claims that are paid. Ford will then automatically order two CJ5Z-54264A26-A parts on behalf of the dealer. No action is required by the dealer to order these parts. This replenishment process may be suspended if parts supply constraints prevent additional shipments.
PARTS REQUIREMENTS / ORDERING INFORMATION (continued)

- Parts will be replenished based on paid claims, it is important for dealers to file claims and follow up on rejected claims in a timely manner.
- For the small percentage of dealers that do not receive an initial distribution of parts, parts may be ordered by submitting a VIN-specific Part Order contact type via the SSSC Web Contact Site.
- If a dealer wishes to discontinue their one for one part replenishment, contact the SSSC via the SSSC Web Contact Site. Please note that removing a dealership P&A Code from the one for one replenishment program is a permanent action.
- Beginning January 2017, dealers will be able to view their initial parts distribution and one for one part replenishment status on the PTS website under the white SSSC tab. Select the Part Seed Stock Status menu for details.
- Dealers will be notified via a DOES II communication if circumstances warrant a change in part supply strategy and when open ordering resumes.

DEALER PRICE
For latest prices, refer to DOES II.

PARTS RETENTION AND RETURN
Follow the provisions of the Warranty and Policy Manual, Section 1 - WARRANTY PARTS RETENTION AND RETURN POLICIES.

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

OVERVIEW

In the affected vehicles, the pawl spring tab in a side door latch may break, which may make the door difficult to latch. A door that opens while driving increases the risk of injury. Before demonstrating or delivering any new in-stock vehicles, dealers are to replace the following door latches:

- C-MAX, Escape, Focus, MKC - all four side door latches.
- Mustang - two side door latches.
- Transit Connect - two sliding door latches.

SERVICE PROCEDURE

IMPORTANT: If equipped, ensure that the blocking lever and blocking lever spring are transferred to the new door latch, along with all other components removed from the old door latch. See Figure 1.

FIGURE 1

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C-MAX and Focus Vehicles

1. Replace the front and rear side door latches. Please follow the Workshop Manual (WSM) procedures in Section 501-14.
Escape and MKC Vehicles

NOTE: For front door latch replacement, it is not necessary to completely remove the window regulator. Remove the two bolts and position aside the outer portion of the window regulator. See Figure 2.

1. Replace the front and rear side door latches. Please follow the WSM procedures in Section 501-14.

FIGURE 2
Transit Connect Vehicles

NOTE: Only the RH and LH sliding door latches are affected on Transit Connect Vehicles.

1. Remove the sliding door trim panel. Please follow the WSM procedures in Section 501-05.

2. Raise the sliding door glass to the full up position. See Figure 3.

FIGURE 3
3. Remove the sliding door watershield using an interior trim remover tool. See Figure 4.

4. Remove the sliding door latch bolts. See Figure 5.
5. Remove the sliding door latch bolts. See Figure 6.

- Torque: 106 lb.in (12 Nm).

![FIGURE 6](image)

6. Disconnect the electrical connector from the sliding door latch. See Figure 7.

![FIGURE 7](image)
7. Position the sliding door latch out of the sliding door. See Figure 8.

8. Disconnect the interior and exterior sliding door latch cables. Remove and discard the sliding door latch. See Figure 9.

NOTE: When installing the new sliding door latches, align the child lock actuator with the slot in the sliding door before installing the sliding door latch bolts.

9. To install new sliding door latches, reverse the removal procedure.
Mustang Vehicles

NOTE: Use this procedure to service the side door latches.

1. Remove the front door trim panel. Please follow the WSM procedures in Section 501-05.

2. Align and apply masking tape or equivalent to window glass fore and aft along window seals as reference points for alignment during re-installation of the window glass. See Figure 10.

3. Replace both side door latches. Please follow the WSM procedures in Section 501-14.

NOTE: When reinstalling the window glass, align the tape with the window seal to ensure proper fit before tightening the fasteners. Door window glass adjustment is not necessary when following this procedure. See Figure 10.
DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S30 - Supplement #3
Side Door Latch Replacement

DEALER Q & A

Q1. When will the one for one part replenishment plan start?
A. For primary P&A code locations, replenishment began the week of January 2, 2017. For secondary P&A code locations, replenishment will begin the week of January 30, 2017.

Q2. Why is this being done?
A. To distribute the limited number of available parts to areas where owner mailings will occur first, but allow all dealers with assigned vehicles to receive some parts.

Q3. How long will the replenishment plan remain in place?
A. Until an adequate amount of parts are available to allow normal open ordering.

Q4. Why does Ford keep launching safety recalls when they do not have an adequate number of parts available to fix the affected vehicles?
A. Federal law mandates that vehicle manufacturers announce and notify customers of a Safety Recall within 60 days of notifying the NHTSA. Due to this timing, and the number of affected vehicles, there is often not enough parts inventory available to fix all vehicles. Ford works with their suppliers to obtain the needed parts as quickly as possible.

Q5. Can I order additional part kits if I run out of my seed stock?
A. No. Parts will be replenished based upon paid claims, it is important for dealers to file claims and follow up on rejected claims in a timely manner.

Q6. Where will secondary P&A code replenishment parts be sent?
Replenishment for secondary P&A code locations will be sent to the primary P&A code location.

Q7. Will secondary P&A code locations receive a seed stock?
No. Secondary P&A code locations should work with the primary P&A code location to prioritize vehicles for repair.

Q8. What if a door latch kit is damaged or mis-packaged?
If you would like to order a replacement part, make sure to enter the damage claim number in the SSSC Part Order contact form to minimize the time needed to order the replacement part.