



Michael A. Berardi
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Ford Motor Company
P. O. Box 1904
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February 20, 2017

TO: All U.S. Ford and Lincoln Dealers

SUBJECT: **NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 16S40**
Certain 2015-2017 Model Year Mustang GT350 and GT350R Vehicles
Engine Oil Cooler Tube Assembly Replacement

REF: **NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Advance Notice - Safety Recall 16S40**
Dated October 25, 2016

AFFECTED VEHICLES

Vehicle	Model Year	Assembly Plant	Build Dates
Mustang	2015-2017	Flat Rock	February 24, 2015 through August 30, 2016

Affected vehicles are identified in OASIS and FSA VIN Lists.

REASON FOR THIS SAFETY RECALL

In some of the affected vehicles, the engine oil cooler tube assembly may have insufficient crimps on the hose that could lead to a hose separation and an oil leak. Sudden loss of engine oil may result in engine failure and, in the presence of an ignition source, can lead to a fire.

SERVICE ACTION

Before demonstrating or delivering any new in-stock vehicles involved in this recall, dealers are to replace the engine oil cooler tube assembly. This service must be performed on all affected vehicles at no charge to the vehicle owner.

NOTE: It is anticipated that parts will be available in sufficient quantities to repair all vehicles by mid-March, 2017. Until then, dealers are only to repair vehicles that arrive at your dealership or dealer stock vehicles with a customer sales contract.

OWNER NOTIFICATION MAILING SCHEDULE

Owner letters are expected to be mailed the week of March 13, 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.

ATTACHMENTS

Attachment I: Administrative Information
Attachment II: Labor Allowances and Parts Ordering Information
Attachment III: Technical Information
Owner Notification Letter
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,

A handwritten signature in black ink, appearing to read "Michael A. Berardi". The signature is fluid and cursive, with a prominent initial "M".

Michael A. Berardi

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OASIS ACTIVATION

OASIS was activated on October 25, 2016.

FSA VIN LISTS ACTIVATION

FSA VIN Lists have been available through <https://web.fsavinlists.dealerconnection.com> since October 25, 2016. Owner names and addresses will be available by March 24, 2017.

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.
- Immediately 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.

NOTE: It is anticipated that parts will be available in sufficient quantities to repair all vehicles by mid-March, 2017. Until then, dealers are only to repair vehicles that arrive at your dealership or dealer stock vehicles with a customer sales contract.

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
- For vehicles outside new vehicle bumper-to-bumper warranty coverage, submit an Approval Request to the SSSC Web Contact Site prior to completing the repair.

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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 engine oil cooler tube assembly replacement.

RENTAL VEHICLES

The use of rental vehicles is not approved for this program.

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 (16S40) is the sub code.
- Additional labor and/or parts must be claimed as related damage on a separate repair line from the FSA.
- Submit refunds on a separate repair line.
 - Program Code: 16S40
 - 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.

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LABOR ALLOWANCES

Description	Labor Operation	Labor Time
Replace engine oil cooler tube assembly – GT350	16S40B	0.9 Hours
Replace engine oil cooler tube assembly – GT350R	16S40C	1.1 Hours

PARTS REQUIREMENTS / ORDERING INFORMATION

Parts to repair this condition are currently not available in sufficient quantities to service all of the affected vehicles. Therefore, to ensure an ample supply of parts is available, a VIN-specific part order restriction has been placed on the engine oil cooler tube assembly until mid-March, 2017.

SSSC Web Contact Site:

To place an order for the engine oil cooler tube assembly, submit a VIN-specific Part Order contact via the SSSC Web Contact Site.

Part Number	Description	Order Quantity	Claim Quantity
FR3Z-6B850-B	Engine oil cooler tube assembly	1	1

Dealers will be notified via a DOES II communication in mid-March, 2017 when circumstances warrant a change in part supply strategy and when open ordering resumes.

Order the parts below through normal order processing channels:

Part Number	Description	Order Quantity	Claim Quantity
W719180-S300	Push pin (4/package, 1 needed)	1	1
XO-5W50-QGT	Motorcraft SAE 5W-50 full synthetic motor oil	1 quart	1 quart
PM-4-A	Metal brake parts cleaner	1	1

The DOR/COR number for this recall is 51071.

To guarantee the shortest delivery time, an emergency order for parts must be placed.

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.