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April 4, 2023

TO: All U.S. Ford and Lincoln Dealers

SUBJECT: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Safety Recall 23S07

Certain 2023 Model Year F-150 and Expedition Vehicles Equipped with 4x4 and 3.73:1

Gear Ratio Axles

Front Axle Pinion Gear Inspection

REF: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Advance Notice —

Safety Recall 23S07

Certain 2023 Model Year F-150, Expedition and Lincoln Navigator Vehicles Equipped

with 4x4 and 3.73:1 Gear Ratio Axles Front Axle Ring and Pinion Replacement

Dated: March 1, 2023

AFFECTED VEHICLES

Vehicle	Model Year	Assembly Plant	Build Dates
F-150	2023	Dearborn	January 17, 2023 through January 24, 2023
		Kansas City	January 15, 2023 through January 23, 2023
Expedition		Kentucky Truck	January 15, 2023 through January 26, 2023

U.S. population of affected vehicles: 239 Affected vehicles are identified in OASIS and FSA VIN Lists.

Note: Some vehicles may be in the process of being repaired at the plant. Monitor OASIS before opening an RO and/or beginning a repair. Parts purchased for an FSA can be returned for credit, if required. See the EXCESS STOCK RETURN details in Attachment II for more information.

NOTE: All originally included Lincoln Navigator vehicles have been confirmed repaired prior to dealership delivery, therefore have been removed from this program and are no longer on demo / delivery hold.

REASON FOR THIS SAFETY RECALL

In some of the affected vehicles, it's possible the front axle pinion gear was not properly heat treated during the manufacturing process. Pinions that did not receive proper heat treatment may fracture, which may lead to the loss of the 4x4 application with the potential of the front wheels locking up, increasing the risk of a crash.

The failure mode could occur at any time in 4x4 application but is expected to occur primarily while in reverse as the pinion is subject to higher loads.

SERVICE ACTION

Before demonstrating or delivering any new in-stock vehicles involved in this recall, dealers are to inspect the front axle pinion gear for hardness, following the procedure in Attachment III. If a suspect pinion is found, dealers are to replace the front axle assembly. This service must be performed on all affected vehicles at no charge to the vehicle owner.

OWNER NOTIFICATION MAILING SCHEDULE

Owner letters are expected to be mailed the week of April 10, 2023. 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 \$26,315 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 Letters

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 System (PTS) website using the SSSC link listed at the bottom of the OASIS VIN report screen or listed under the SSSC tab.

Sincerely,

Stacy L. Balzer

Certain 2023 Model Year F-150 and Expedition Vehicles Equipped with 4x4 and 3.73:1 Gear Ratio Axles Front Axle Pinion Gear Inspection

OASIS ACTIVATION

OASIS was activated on March 1, 2023.

FSA VIN LISTS ACTIVATION

FSA VIN Lists were available through https://web.fsavinlists.dealerconnection.com on March 1, 2023. Owner names and addresses will be available by April 28, 2023.

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

- Ford has not issued instructions to stop selling/delivering or driving used vehicles under this safety recall. Owners should contact their dealers for an appointment to have their vehicles remedied as soon as practicable.
- 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.

DEALER-OPERATED RENTAL VEHICLES

The Fixing America's Surface Transportation (FAST) Act law effective June 2016 prohibits a rental company from selling, renting, or leasing vehicles subject to a safety or compliance recall. Please consult your legal counsel for legal advice.

TITLE BRANDED / SALVAGED VEHICLES

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

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 before 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 <u>emergency</u> 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 front axle pinion gear replacement due to breakage.

RENTAL VEHICLES

For vehicles requiring front axle assembly replacement, dealers are pre-approved for up to 5 days for a rental vehicle. Follow Extended Service Plan (ESP) guidelines for dollar amounts. Rentals will only be reimbursed for the days the vehicle is at the dealership for part replacement. Prior approval for more than 5 rental days is required from the SSSC. Contact the SSSC via the SSSC Web Contact Site for consideration and approval if appropriate.

TOWING

If towing is required, dealers are authorized to claim up to a maximum value of \$250 to provide towing services for this program.

PICK-UP AND DELIVERY

All customers affected by this program have the option of complimentary Vehicle Pick-up & Delivery service (at participating dealers) in lieu of a rental vehicle. Refer to EFC12071, 2023 Remote Experience Program, Pickup & Delivery (PDL) Offset section for additional details.

Certain 2023 Model Year F-150 and Expedition Vehicles Equipped with 4x4 and 3.73:1 Gear Ratio Axles Front Axle Pinion Gear Inspection

REPAIR PHOTO SUBMISSION

Ford has requested photo evidence of the pinion shaft failed inspection, when axle assembly replacement is required. For claim reimbursement please submit photos that clearly show the vehicle VIN, along with the pinion shaft post inspection clearly showing metal not removed after drilling.

 Photos can be attached using the Mobile PTS "Report a Vehicle Concern". You can access Mobile PTS using your mobile device at: https://m.fordtechservice.dealerconnection.com/.

Note: If you have never used the Web-Based report a vehicle concern- you will need to create your User Profile before accessing "Report a Vehicle Concern" on Mobile PTS. Instructions on how to create a user profile and submit photos can be found in EFC08860.

Note: Ensure that your "User Profile" is added/updated to include your STARS ID. This can be done by accessing your User Profile directly at: https://www.gcr.dealerconnection.com/asp/DealerProfile.asp.

- After completing the report entry form you can upload a maximum of 5 attachments at once.
 - If submitting more than one attachment (photo), the files must be saved to the mobile device you're using, before submitting the report.
 - o If submitting one attachment (photo), you can capture the photo during the report submission when asked to add the attachment.

ADDITIONAL REPAIR (LABOR TIME AND/OR PARTS)

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

- For related damage and access time requirements, refer to the Warranty and Policy Manual / Section 6 – Ford & Lincoln Program Policies / General Information & Special Circumstances for FSAs / Related Damage.
- For vehicles within new vehicle bumper-to-bumper warranty coverage, no SSSC approval is required, although related damage must be on a separate repair line with the "Related Damage" radio button checked.
 - o 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 before completing the repair.

CLAIMS PREPARATION AND SUBMISSION

- Claim Entry: Enter claims using Dealer Management System (DMS) or One Warranty Solution (OWS) online.
 - When entering claims, select claim type 31: Field Service Action. The FSA number 23S07 is the subcode.
 - For additional claims preparation and submission information, refer to the Recall and Customer Satisfaction Program (CSP) Repairs in the OWS User Guide.
- Related Damage/Additional labor and/or parts: Must be claimed as Related Damage on a separate repair line from the FSA with the same claim type and subcode as described in Claim Entry above.

IMPORTANT: Click the Related Damage Indicator radio button.

- **Rentals:** For rental vehicle claiming, follow Extended Service Plan (ESP) guidelines for dollar amounts. Enter the total amount of the rental expense under the Miscellaneous Expense code RENTAL.
- **Refunds:** Submit refunds on a separate repair line.

Program Code: 23S07
 Misc. Expense: ADMIN
 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.

Pickup & Delivery: Refer to EFC12071, 2023 Remote Experience Program, Pickup & Delivery (PDL) Offset section for additional details.

• **Provision for Towing:** Dealers are authorized to claim up to a maximum value of \$250 to provide towing services for completing this program if the front tires have seized due to suspected front axle pinion shaft failure. Submit on the same line as the repair.

Program Code: 23S07Misc. Expense: OTHER

o Misc. Expense: Claim up to \$250.00

Certain 2023 Model Year F-150 and Expedition Vehicles Equipped with 4x4 and 3.73:1 Gear Ratio Axles Front Axle Pinion Gear Inspection

LABOR ALLOWANCES

Description	Labor Operation	Labor Time
Inspect front axle pinion shaft, drill test - PASS	23S07A	0.8 Hour
Inspect front axle pinion shaft, drill test - FAIL Replace the front axle assembly.	23S07B	3.7 Hours
Time allowed to submit photos of the front axle pinion shaft if fails inspection. Only to be used with B labor operation. NOTE: If any aftermarket equipment is on the vehicle that requires additional labor time, add pics and information to this SSSC request for consideration for extra labor time.	23S07ZZ	0.2 Hours

PARTS REQUIREMENTS / ORDERING INFORMATION (SSSC Approval Required)

Part Number	Description	Order Quantity	Claim Quantity
****-993-**	Front axle assembly (3.73:1 gear ratio)	1 if required.	

NOTE: For additional required parts such as gaskets, fasteners, seals, etc. refer to the WSM procedures and Ford Ecat for additional parts requirements.

To place an order for a front axle assembly, photo submission for prior approval must be submitted in a VIN-specific Approval Request via the SSSC Web Contact Site. Ensure to include a photo of the VIN tag, along with at least one photo clearly showing the failed inspection drill test to the front axle pinion. An approval code will be provided for claiming the axle assembly and associated parts upon review.

DEALER PRICE

For the latest prices, refer to DOES II.

PARTS RETENTION, RETURN, & SCRAPPING

Follow the provisions of the Warranty and Policy Manual, Section 1 - WARRANTY PARTS RETENTION AND RETURN POLICIES. If a replaced part receives a scrap disposition, the part must be scrapped by all applicable local, state, and federal environmental protection and hazardous material regulations. Federal law prohibits selling motor vehicle parts or components that are under safety, compliance, or emissions recall.

EXCESS STOCK RETURN

The excess stock returned for credit must have been purchased from Ford Customer Service Division by Policy Procedure Bulletin 4000.

REPLACED FSA PARTS INSPECTION AND SIGN OFF

Effective March 1^{st,} 2021, all parts replaced as part of an FSA repair with a repair order open date of March 1^{st,} 2021, or later must be inspected and signed off on the repair order by a member of your dealer fixed operations management team or an employee of the task has been delegated to. If the task is to be delegated to a non-management employee, the employee needs to be someone other than the technician who completed the repair and needs to understand the importance of completing this task consistently and accurately.

- All parts replaced as part of an FSA repair should be returned to the parts department following the Warranty Parts Retention and Return Policies.
- Inspect the replaced parts to verify the FSA repair was completed.
- If the FSA repair is found to be complete, the designated employee signs the repair order line or parts return stamp area (electronic or hand signed) for the FSA repair indicating the parts were inspected and validated to have been replaced.
- After the parts have been inspected, they should be handled based on the guidance in the parts status report in the Online Warranty System (Hold, Return, CORE, Scrap, etc.).
- This process is subject to review during warranty audits for FSA repairs with a repair order open date of March 1st, 2021, or later. Any eligible FSA claims requiring parts replacement found not to have been inspected and signed off during a warranty audit will be subject to chargeback and consideration for enrollment into the Dealer Incomplete Recall Repair Process.

Certain 2023 Model Year F-150 and Expedition Vehicles Equipped with 4x4 and 3.73:1 Gear Ratio Axles Front Axle Pinion Gear Inspection

REPLACED FSA PARTS INSPECTION AND SIGN OFF (continued)

Note: Other approvals (electronic or handwritten) for add-on repair lines, dealer-owned vehicle repairs, and repeat repairs do not qualify as FSA parts inspection approvals. The post-repair FSA parts inspection process (electronic or handwritten) is independent of other warranty approval requirements. The approval by the designated employee implies that the FSA parts were found to be replaced and must be able to be identified on the Repair Order. If multiple FSAs require approval on a single Repair Order, each applicable occurrence will require individual post-repair approval by the designated employee.

CERTAIN 2023 MODEL YEAR F-150 AND EXPEDITION VEHICLES EQUIPPED WITH 4X4 AND 3.73:1 GEAR RATIO AXLES — FRONT AXLE PINION GEAR INSPECTION

SERVICE PROCEDURE

1. If equipped remove the nut, bolts and the transmission shield. See Figure 1.



FIGURE 1

2. Index-mark the front driveshaft flange CV joint to the pinion flange cup. See Figure 2.

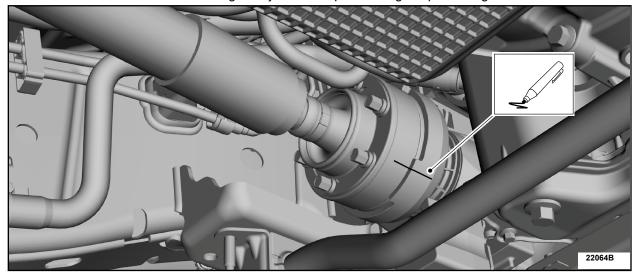


FIGURE 2

3. Remove the front driveshaft CV joint-to-pinion flange cup bolts and retaining straps. See Figure 3.

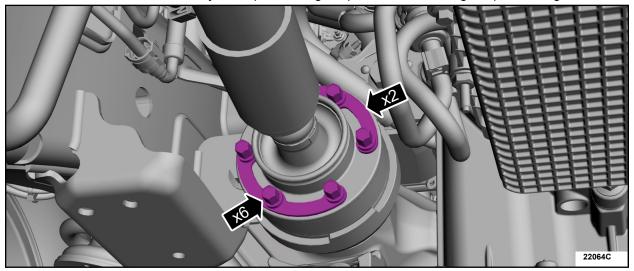


FIGURE 3

4. Position the front driveshaft aside. See Figure 4.



FIGURE 4

5. Using a 5/16 in (8 mm) drill bit and moderate pressure drill the drive pinion stem pilot hole for two seconds. See Figure 5.

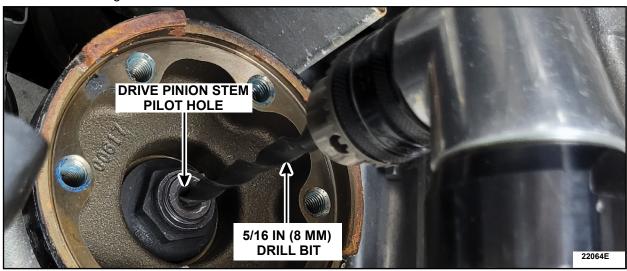


FIGURE 5

- 6. Did the 5/16 in (8 mm) drill bit remove material from the drive pinion stem pilot hole? See Figure 6.
 - YES Inspection PASS. The front drive axle/differential **DOES NOT** need to be replaced. Proceed to Step 7.
 - NO Inspection FAIL REPLACEMENT IS REQUIRED.
 - Capture and submit clear photo(s) showing the **INABILITY TO REMOVE** material from the pinion with the drill test to the Special Service Support Center (SSSC) for front drive axle/differential assembly replacement approval. Install the *new* front drive axle/differential assembly, follow the Workshop Manual (WSM) procedures in Section 205-03.

NOTE: Prior approval and an approval code from the SSSC will be required for claim submission.

NOTE: For this procedure only *new* front driveshaft CV joint-to-pinion flange cup bolts and retaining straps are not required. See Step 8 for front driveshaft CV joint-to-pinion flange cup bolts and retaining straps cleaning and reuse instructions.

NOTE: For this procedure only it is not necessary to lower the sway bar or remove the front driveshaft from the transfer case.

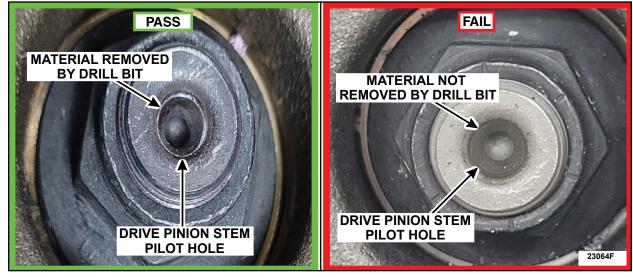


FIGURE 6

- 7. Clean any debris from the drive pinion stem pilot hole.
- 8. Clean threads of the original driveshaft flange to pinion flange bolts with a wire brush and coat the threads with Red TA-26, Red Loctite 263 or equivalent thread locker. See Figure 7.

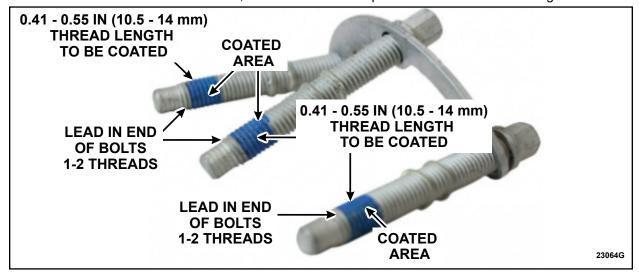


FIGURE 7

- 9. Align the index-mark on the driveshaft and pinon flange and install the front driveshaft CV joint-to-pinion flange cup retaining straps and bolts. See Figure 8.
 - Torque: 41 lb.ft (55 Nm).

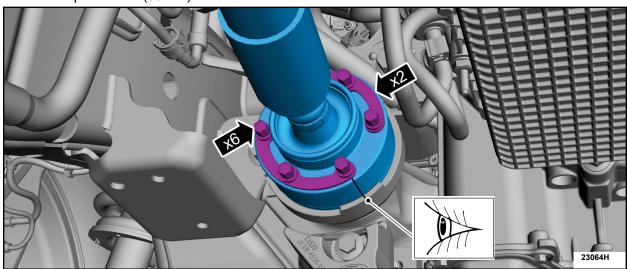


FIGURE 8

- 10. If equipped install the transmission shield and the bolts. See Figure 9.
 - Torque: 71 lb.in (8 Nm).



FIGURE 9

IMPORTANT NOTE: Federal law prohibits selling motor vehicle parts or components that are under safety, compliance, or emissions recall. Unless a part is requested to be returned to Ford, all parts replaced under this FSA must be scrapped in accordance with all applicable local, state and federal environmental protection and hazardous material regulations. Refer to the Parts Retention, Return, & Scrapping section of the FSA dealer bulletin for further information.