

# FORD AND LINCOLN

## AXZD-Plans Program Rules

The AXZD-Plans Program Rules for Ford and Lincoln have been revised and are effective **March 4, 2022**.

### ACTION REQUESTED

- Please ensure that you take the time to carefully review the AXZD-Plans Rules with all members of your dealer team that may be affected.

### SUMMARY

The rules and administrative procedures herein will be the basis for all Ford and Lincoln AXZD-Plans effective March 4, 2022.

By participating in any Ford or Lincoln program, a dealer will be considered to have agreed to abide and be bound by the AXZD-Plans Rules for any such program.

### WHATS NEW March 4, 2022

- Page 1: Updated C&I Manager to Matthew Atkenson
- Page 5: Added Proof of Eligibility rules for X-plan membership partner Mustang Club of America

### May 1, 2021:

- Removed all references to Same-Sex Domestic Partnership
- Page 3: Added Stepparents to Parents entry
- Page 5: Updated Proof of Eligibility section including modifying 60-Day requirements to 90-Day.
- Page 9: Added Exception rules for VINS that don't meet 6 month requirement.

### ADDITIONAL RESOURCES

The following documents are available on-line via [www.fmcdealer.com](http://www.fmcdealer.com) in the Contests & Incentives section of the site:

#### C&I Resources:

- Standard Rules of Eligibility
- Marketing Incentives Metrics Report

#### C&I Printable Forms:

- AXZD-Plans Pricing Agreement
- D-Plan Checklist
- Customer Cash Payment Authorization (CCPA) Form (Now integrated into Smart VINCENT, populating customer and programs from a locked deal)
- Dealer Self-Assessment Tool

### QUESTIONS

If you have any questions regarding this program, please contact the Marketing Communications Center (MCC) at 1-800-548-3212.

Matthew Atkenson  
Ford and Lincoln Contests & Incentives Manager

# FORD AND LINCOLN

## AXZD-Plans Program Rules

<b>AZ-PLAN .....</b>	<b>3</b>
PROOF OF ELIGIBILITY.....	3
<b>D-PLAN .....</b>	<b>4</b>
D-PLAN PRIVILEGES PROGRAM.....	4
<b>X-PLAN .....</b>	<b>4</b>
PARTNER RECOGNITION: .....	4
FRIENDS & NEIGHBORS: .....	5
PROOF OF ELIGIBILITY.....	5
<b>PRODUCTS .....</b>	<b>6</b>
ELIGIBLE PRODUCTS .....	6
INELIGIBLE PRODUCTS .....	6
<b>PROGRAM POLICIES .....</b>	<b>7</b>
OBLIGATIONS AND RULES .....	7
DEALER-TO-CUSTOMER GIFTS AND FEES.....	8
<i>Nominal Gifts</i> .....	8
<i>Referral Fees</i> .....	8
<i>Document Fees</i> .....	8
<i>Other Fees</i> .....	9
FINANCING, INSURANCE, TITLES AND TAXES .....	9
<b>PRICING &amp; INCENTIVES.....</b>	<b>10</b>
VEHICLE TRADE-IN ALLOWANCE.....	10
PRICING FORMULA .....	10
DEALER COMMISSION SCHEDULE: .....	11
ADMINISTRATION FEE .....	12
D-PLAN SUPPLEMENTAL ADVERTISING CHARGE .....	12
AZD-PLAN PRICE SURCHARGE .....	12
<b>DEALERSHIP PROCESS.....</b>	<b>12</b>
SALE AND DELIVERY REQUIREMENTS.....	12
PIN GENERATION.....	13
PIN VALIDATION & LOCK-IN.....	13
DOCUMENTATION AND RETENTION.....	13
<b>FAQS .....</b>	<b>14</b>

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### AZ-Plan

An eligible Ford employee (A-Plan) or retiree/surviving spouse (Z-Plan) may generate up to 4 (four) PINs per calendar year to be used toward the purchase/lease of a new vehicle for them or their eligible family members as noted below (see PIN Generation for details):

- All active full-time hourly employees & regular salaried employees, beginning with date of hire.
- All hourly retirees receiving a normal, early (regular or special) or disability retirement benefit, as long as any medical benefits are being received.
- Salaried retirees who retired under the General Retirement Plan.
- Surviving spouses of employees who died while actively employed and surviving spouses of retirees who retired under the General Retirement Plan, or who are receiving benefits under the Ford-UAW Retirement Plan.
- All U.S. Temporary Part-Time employees (TPTs) and Long Term Supplemental (LTS) employees are eligible for A-Plan in the U.S.
- Employees on an approved leave of absence, for the duration of the leave or until expiration of any medical benefits.
- Employees on layoff, for the first 12 months of the layoff.
- Employees taking a separation package, complete details on their AXZ-Plan privileges are included in their separation packet.
- All regular part-time hourly and salaried employees who are eligible to receive medical benefits.
- Deferred Vested Eligible Retirees at age 55 years older.
- Members of the immediate family of the above. "Immediate family" means the following relatives of the employee or retiree:
  - Spouse
  - Parents (including stepparents)
  - Spouse's parents
  - Grandparents
  - Spouse's grandparents
  - Sons and daughters (including in-laws and stepchildren)
  - Grandchildren
  - Brothers and sisters (including in-laws, half and step)
  - Aunts and uncles (including in-laws, half and step)
  - Nieces and nephews (including in-laws, half and step)
- Employees of approved subsidiary companies and approved affiliated companies are eligible as defined at the time of approval.
- When both the employee/retiree and his/her spouse are deceased, the surviving family members are no longer eligible

### **Proof of Eligibility**

The dealership must retain a copy in the deal jacket of the following:

- A completed and signed [AXZD-Plan Pricing Agreement](#) listing the eligible sponsor or company.
- A copy of the factory invoice showing the New Vehicle Purchase Program price on the line labeled "AXZD-Plan."
- **Proof of Eligibility:**
  - AZ-Plan - no proof of eligibility required. While the dealerships are not responsible for verifying A/Z-Plan eligibility, the sponsors may be audited and will be required to provide proof of relationship between sponsor and customer.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### D-Plan

#### D-Plan Privileges Program

The Blue Oval Certified and Lincoln Mercury Elite Programs are cancelled effective July 8, 2011 and replaced by the new D-Plan Privileges Program. Dealerships that achieve a Voice of Customer target will be eligible for D-Plan.

- Current BOC/LME Voice of Customer targets will be maintained in the D-Plan Privileges Program
- Training and Internet Certification requirements and annual anniversary dates are dropped
- Certification will be determined monthly
- D-Plan dealership employee requirements and administrative guidelines remain in effect
- Your dealership must have a D-Plan Coordinator identified in STARS.

An eligible Ford or Lincoln dealership employee may generate up to 2 (two) PINs per calendar year to be used toward the purchase/lease of a new vehicle for them or their eligible family members as noted below (see PIN Generation for details):

- D-Plan Privileges Program certified dealership employees and eligible family members. NOTE: Your eligibility will become effective within 3 days following your dealership's certification.
- Active Dealership employee participants must be entered in STARS.
- The following family members are eligible to participate:
  - Spouse
  - Parents (including stepparents)
  - Spouse's parents
  - Grandparents
  - Spouse's grandparents
  - Sons and daughters (including in-laws and stepchildren)
  - Grandchildren
  - Brothers and sisters (including in-laws, half and step)

The dealership must retain a copy in the deal jacket of the following:

- A completed and signed [AXZD-Plan Pricing Agreement](#) listing the eligible sponsor or company.
- A copy of the factory invoice showing the New Vehicle Purchase Program price on the line labeled "AXZD-Plan."
- **Proof of Eligibility:**
  - D-Plan - the dealership employee must be entered in STARS. A copy of proof of the customer's relationship to the sponsor provided by the eligible certified dealership employee, the [D-Plan Checklist](#), and a dealership paycheck stub from the eligible dealership employee at the time of pin generation.

### X-Plan

#### Partner Recognition:

An eligible Partner Recognition employee or retiree may generate up to 2 (two) PINs per calendar year to be used toward the purchase/lease of a new vehicle for them or members of their households as noted below (see PIN Generation for details):

- X-Plan Partners are identified as employee based, membership based, or **C&I Affinity Offer targets**
  - Employees (full time, part-time and contract) and retirees of eligible Partner companies (suppliers, fleets, etc.)

# FORD AND LINCOLN

## AXZD-Plans Program Rules

- Members of specific organizations or groups (see [X-Plan Partner Membership Organizations](#) listed on FMCDDealer, C&I Resources)
- **Targeted recipients of select C&I Affinity Offers**
- Residents of the same household as listed above (drivers license required for proof of residency).
- Participation is by invitation only as determined by Ford Motor Company. Not all suppliers, fleets, etc. are eligible.

### **Friends & Neighbors:**

An eligible Ford employee or retiree may sponsor up to 4 (four) PINs per calendar year to be used toward the purchase/lease of a new vehicle for a friend or neighbor as noted below (see PIN Generation for details):

- Selected individuals sponsored by a Ford Motor Company employee or retiree such as an extended family member, friend or neighbor.
- Sponsors must know the individuals they are sponsoring.
- Dealership employees may not act as a broker by requesting a PIN for a customer from a sponsor.
- Dealerships or anyone connected with or acting on behalf of the dealership cannot purchase or solicit PINs.

### **Proof of Eligibility**

The dealership must retain a copy in the deal jacket of the following:

- A completed and signed [AXZD-Plan Pricing Agreement](#) listing the eligible sponsor or company, if appropriate.
- A copy of the factory invoice showing the New Vehicle Purchase Program price on the line labeled "AXZD-Plan."
- Proof of Eligibility:
  - Partner Recognition -
    - Employee - the dealership must retain a copy of proof of employment from the eligible company. Any one of the following: a pay stub, company ID badge, healthcare card or W-2, print out from [www.theworknumber.com](http://www.theworknumber.com).
    - Member – Customer must be a member of the eligible organization for a minimum of 90 days prior to the sale date of the vehicle. The dealership must retain a copy of proof of membership. Any one of the following are accepted: Membership Card, Invoice showing customer is within good standing and is current, or Screen print of Website ( Must show full name and member since information ). Member are only accepted from the [X-Plan Partner Membership Organizations](#) listed on FMCDDealer, C&I Resources.
      - For Mustang Club of America member - Customer must provide a membership Card as proof of eligibility and dealer must retain a copy as proof of membership. Customer name and membership expiration date must be on the membership card. Customer must be a member for a minimum of 90 days prior to the sales date of the vehicle. US Resident only.
    - Household - driver's license as verification of the same household as the sponsor, plus proof of sponsor employment or membership as noted above.
    - Business - Proof of Business Ownership as noted below, plus proof of residence and sponsor employment or membership as noted above.
    - C&I Affinity Offer Recipient – copy of offer and where applicable, proof of association with affinity partner.
  - Friends & Neighbors -
    - Business – Proof of Business Ownership as noted below.
- Proof of Business Ownership Documents - Dealers are required to verify customer eligibility & retain a copy of at least ONE of the following acceptable proofs of eligibility in the sales jacket:
  - Business License (not occupational license)

# FORD AND LINCOLN

## AXZD-Plans Program Rules

- Copies of "DBA" or assumed name documentation
- Articles of Incorporation
- Business Incorporation Documents
- Sales Tax License
- Commercial General Liability Insurance Policy/Public Liability Insurance Policy and/or Workman's Compensation Insurance Policy
- State or Federal forms showing a Federal I.D. Number
- Verifiable D&B Listing (linking owner name to business name)
- FIN Code is only proof required for customers who have a FIN code
- Individual state authorized business / corporate websites, e.g. Sunbiz in Florida
- Note 1: Business Cards, letterhead, invoices and Business phone listings from Yellow Page Advertisement are NOT acceptable proof of commercial customer eligibility.
- Note 2: Evidence of a listed individual's name in specific profession is NOT an acceptable proof of business.

### **Vehicle Giveaway Process**

Please reference the Contests and Incentives Standard Eligibility Rules for Retail Programs regarding Dealership processing for Ford Motor Company Vehicle Sweepstakes and Giveaway's.

## **Products**

### **Eligible Products**

- Current model and prior model year vehicles sold in the United States. See [fmcdealer.com](http://fmcdealer.com) or VINCENT for vehicle eligibility.
- Vehicles may be ordered from production or, if the dealer agrees, may be selected from the inventory of the dealership. Dealers are not required to participate, but if they do, they must be an authorized Ford Motor Company dealer for the product sold and agree to abide by the New Vehicle Purchase Program guidelines set forth in this document. (For example, Ford dealers may not sell Lincoln products.)
- New prior model year vehicles may be purchased or leased at AXZD-Plan pricing from dealer stock while supplies last.
- Dealer demonstrator units (no mileage restriction). No additional discount is permitted beyond incentives compatible with an AXZD-Plan deal.
- Dealer out-of-service Ford Courtesy Transportation (FCTP) vehicles are eligible for AXZD-plan deal. No additional discount is permitted beyond incentives compatible with an AXZD-Plan deal. However, the FCTP in-service incentive, a dealer cash program, must be passed on to the AXZD-Plan customer as part of the deal.
- D-Plan Only - Only Ford and Lincoln vehicles are available for purchase under D-Plan.
  - Cross-buying/leasing is allowed. For example, an employee of a Ford dealership may obtain a Lincoln product and vice versa. Vehicles should be purchased/leased from the sponsoring employee's dealership. If this is not practical, however, eligible relatives may purchase/lease their vehicle from any participating Ford or Lincoln Dealership.

### **Ineligible Products**

- Certain commercial use or specialty products and certain "low-supply" vehicles as defined by Ford (run Smart VINCENT by VIN for specific vehicle eligibility). See the [FMCDealer.com](http://FMCDealer.com), Marketing & Advertising, AXZD Plans for a list of Ineligible Products.
- Used vehicles.
- Driver training vehicles.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### Program Policies

#### Obligations and Rules

- It is a direct violation of the program rules to refer a customer to a sponsor for the purposes of requesting a PIN or to act as a broker to locate AXZD-Plan customers for a sponsor. In other words, dealership employees may not find customers for sponsors and may not solicit or purchase PINs from a sponsor to give to a customer. In fact, purchasing PINs for anyone is a violation of Plan rules and is strictly prohibited.
- Participating dealerships agree to comply with all of the terms outlined in this document, including the Red Carpet Lease provisions, if leased through Ford Credit.
- Authorized Ford and Lincoln dealerships are encouraged, but not obligated, to participate in the New Vehicle Purchase Program.
- Participating dealerships must sign a Dealer Agreement located on the [AXZD-Plan Pricing Agreement](#) on each New Vehicle Purchase Program sale or lease.
- Dealerships must be authorized Ford or Lincoln dealers ("under their Sales and Service Agreement(s)") for the product being purchased or leased.
- All sales or lease contracts with Program customers will be by an employee of the participating dealership. Commissions to dealerships will be withheld or charged back if non-employees, including brokers and agents, are used to participate in Plan transactions in any capacity.
- As with any retail sale, dealership personnel may prospect outside their market area boundaries. But they are not permitted to display vehicles outside their assigned trade area (PMA) unless an exception is pre-approved by the Regional Office. Contact your Regional Office for exception requests.
- Dealerships agree that no one connected with or acting on behalf of the dealership shall solicit New Vehicle Purchase Program business on Ford Motor Company property. Solicitation includes the distribution of business cards or advertising "fliers" and the placement of notices on Company bulletin boards. In addition, solicitation via telephone, email, fax, or U.S. mail is also prohibited. Dealer advertising in Ford publications (e.g. Ford World) will be permitted so long as such advertisements are institutional in content.
- Dealer advertising must be clear in stating that Plan pricing is available to eligible customers only. It is improper for a dealer to make the express or implied claim to the general public that Ford has authorized the dealer to offer the Plans or the Plans' pricing to ALL potential customers. Refer to eFC #0700411 dated May 2, 2007 and titled *Appropriate Use of the AXZ-Plan Trade Name*.
- AXZD-Plan customers are required to arbitrate warranty-related disputes via the Dispute Resolution Program (DRP) before initiating or proceeding with legal action. Failure to seek resolution of warranty-related disputes via the DRP before initiating legal action may result in the suspension of Purchase Plan privileges for sponsor (as noted below).
- Final Paid vehicles are no longer eligible for AXZD-Plan sales

#### What if a Customer Ignores the Plan Rules?

- The Company cannot ignore abuse of the New Vehicle Purchase Program. Plan abuse may cost the Company inappropriate dealer commission payments. Those unnecessary payments impact all Company employees because the payments detract from Company profits, which provide a basis for future product programs, capital expenditures and, of course, profit sharing.
- The purchase, lease and disposal of vehicles under the New Vehicle Purchase Program are monitored regularly for abuse through a computerized system. Customers who do not comply with the requirements noted above will be contacted and asked to explain the circumstances involved.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

- The privilege to participate may be withdrawn or suspended if the Company determines that the Ford or Dealership employee has violated the provisions of the New Vehicle Purchase Program or Company policy. In addition, the employee may be subject to disciplinary action, including termination of employment.
- Note: Even if the customer who violates these provisions is not a Company employee, the sponsoring employee, retiree or surviving spouse is responsible and subject to the above sanctions.

### Dealer-to-Customer Gifts and Fees

The following are guidelines regarding what is, and is not, permissible.

#### **Nominal Gifts**

- Unless prohibited by your state law, dealerships may offer nominal gifts or rewards valued at \$50 or less (dealership cost), to the AXZD-Plan customers at point of sale, provided the sale occurs after September 11, 2006. All gifts or rewards offered by a dealership must be comparable with gifts or rewards provided by the dealership on retail sales or leases (i.e. Dealers cannot offer gifts/rewards to only AXZD-Plan customers).
- Examples of acceptable gifts include a wall calendar, Motorcraft apparel, gas card, an oil change, a car wash, etc, provided the item or service does not exceed \$50 in value (dealership cost).
- Dealerships may not offer services or items below their market value (dealership cost) to stay within the \$50 limit (i.e. \$1 for rust proofing or \$10 for a bed liner).
- No service, accessory or items valued above \$50 may be given to AXZD-Plan customers, even if the same offer is extended to non-Plan customers. The only exception would be an FDAF/LMDA promoting a limited time offer which covers an entire group of dealers in a market area (i.e. free bed liners with the purchase of an F-Series) as this would not give one dealer a competitive advantage over another for Plan business since all dealers are participating.

#### **Referral Fees**

##### AZD-Plan

- Unless prohibited by applicable state law, dealerships may offer referral fees of \$50 or less after the completion of an AZD Plan sale or lease. All referral fees offered by a dealership on AZD Plan sales or leases must be equal to or less than referral fees offered by the dealership on retail sales or leases. Dealers cannot offer referral fees only on AZD Plan sales or leases. No more than one referral payment may be made per AZD Plan sale or lease.

##### X-Plan - Friends & Neighbors and Partner Recognition

- Dealerships may not offer referral fees to the employee, retiree, surviving spouse or Partner Recognition employee sponsor for an X Plan sale. Unless prohibited by applicable state law, dealerships may offer referral fees to other individuals of \$50 or less after the completion of an X Plan sale or lease. All referral fees offered by a dealership on X Plan sales or leases must be equal to or less than referral fees provided by the dealership on retail sales or leases. Dealers cannot offer referral fees only on X Plan sales or leases. No more than one referral payment may be made per X Plan sale or lease.

#### **Document Fees**

- Dealers will be permitted to assess up to \$75 in documentary fees on each A/Z-Plan delivery and up to \$100 in documentary fees on each X-Plan and D-Plan delivery to an eligible purchaser under the terms of the plan unless otherwise provided by state or local laws or regulation. Each dealer is responsible for complying with applicable laws or regulations.
- Unless otherwise provided by state or local laws or regulations: In states where dealers are not permitted to charge as much as \$75 for A/Z-Plan doc fees or \$100 for X-Plan and D-Plan doc fees, dealers would be capped at the lesser amount as provided by the state. In states that permitted more than \$75 or \$100, dealers would be permitted to charge the AZ-Plan customer



# FORD AND LINCOLN

## AXZD-Plans Program Rules

\$75 and the X-Plan or D-Plan customer \$100. In states that permitted more than \$75 or \$100 and also required that all customers be charged the same amount, dealers may charge the A/Z-Plan customer \$75 and the X-Plan or D-Plan customer \$100 and indicate any additional fees have been paid by Ford Motor Company as part of the AXZD-Plan Program dealer reimbursement on the buyer's order.

- Document Fee Charges should be detailed on the most current AXZD Plan Pricing Agreement, page two, Section 4.

### Other Fees

- Dealerships may not charge a dealer trade fee or any other additional transportation costs to the customer.
- Dealerships may not charge vehicle preparation fees.
- Actual fees charged by states or local municipalities that are passed through to the customer are not required to be included in the \$75/\$100 Documentation Fee limit. In addition, if a dealership offers electronic titling/registering through a third party and the Plan customer opts in, the dealership may charge the customer the actual fee charged by the third party. Any dealer mark-up will be included in the \$75/\$100 Documentation Fee limit. In the event of an audit, dealers must prove that all fees meet these criteria.

### Financing, Insurance, Titles and Taxes

- Financing, whether purchase or lease, may be obtained at the customer's discretion from any source.
- Each vehicle purchased or leased will be covered by the same warranty and policy as those offered to retail customers.
- The customer is responsible for all federal, state, and local taxes, license and title fees.
- New Vehicle Purchase Program customers are required to provide their own liability and collision insurance for both purchases and leases. For leases, there are specified coverage minimums. Lessees should request information about these amounts from the dealer prior to obtaining insurance and signing the final lease papers.
- Titling eligibility is as follows:
  - Vehicles must be retained in the customer's possession and registered as provided above for at least six months from the date of purchase or lease. [Exceptions to the 6 month rule on retaining an AXZ plan vehicle will be granted if the vehicle is approved for a Vehicle Loyalty Allowance \(VLA\) or a buyback \(RAV\). If requesting a new PIN for the replacement vehicle, dealerships should advise Vehicle Programs that the PIN is requested for a vehicle which is replacing an approved VLA or RAV vehicle.](#)
  - Individuals:
    - Vehicles must be registered or titled to the eligible AXZD-Plan customer.
    - Non-eligible members may appear as co-signers or co-makers of the loan or other financing agreement, and may also appear on the Vehicle Title or Registration. However, the primary user of the vehicle must be the AXZD-Plan eligible member.
    - Vehicles also may be registered in the name of a customer's trust provided that the customer's name is included in the name of the trust, i.e. "John Smith Trust."
  - Commercial:
    - AZD-Plan vehicles may not be registered or titled in the name of a business.
    - AZD-Plan vehicles may not be purchased or leased for commercial use.
    - X-Plan vehicles may be registered or titled in the name of a business (excluding automotive dealerships and their leasing companies). X-Plan vehicles may be purchased or leased for commercial use.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### Pricing & Incentives

- The New Vehicle Purchase Program customer is entitled to the price in effect at the time the vehicle was invoiced. Any money refunded to the dealer by Ford Motor Company for price increases occurring after the order is submitted, but before shipment to the dealer, must be refunded to the customer.
- All AXZD-Plan customers are eligible for most public retail incentives or rebates (Cash Rebates, APR, Lease, etc.).
- All AXZD-Plan customers for out-of-service Ford Courtesy Transportation vehicles must receive the in-service FCTP dealer cash incentive.
- Dealer Cash (flat payments) must be passed to the AXZD-Plan customer.
- Stairstep Dealer Cash Programs offer an alternative AZD-Plan flat payment, which must be passed to the customer. Stairstep Dealer Cash programs may not offer an alternative X-Plan flat payment. See specific program announcements for details.
- Any solicitation or acceptance of money, items of value or discounts off the New Vehicle Purchase Program price not defined in this document from a dealership or anyone connected with or acting on behalf of the dealership in connection with the purchase or lease of a vehicle under the New Vehicle Purchase Program, is contrary to the Program's provisions and to Company policy and is prohibited. Customers must do business with dealership employees at the dealership and may not use brokers or other third parties.
- New Vehicle Purchase Program customers may use the services of FordDirect and participating Dealers may choose to pay FordDirect's fees without violating this section; provided, however, that any such fees paid to FordDirect by participating dealers shall not be passed on to New Vehicle Purchase Program customers.

### Vehicle Trade-in Allowance

- Vehicle trade-in allowance is not covered by the New Vehicle Purchase Program.
- [AXZD-Plan Pricing Agreement](#) must identify the A, X, Z or D Plan price, the price of each dealer-added option, negative equity on vehicle trades, gifts, or referral fees & any other allowable fees/taxes.
- Negative equity on vehicle trades must be supported by the documents in the deal jacket.

### Pricing Formula

- The AXZD-Plan price is the amount shown on the line labeled appropriately near the bottom of the factory invoice. The New Vehicle Purchase Program price includes advertising, finance costs, transportation, and Company Administration Fee.
- X-Plan is a pre-determined price based on dealer invoice or A-Plan price depending on brand. The X-Plan price is noted on the dealer invoice.

### AZ-Plan

- Ford
  - Dealer Invoice - Holdback - Advertising Assessment + Administration Fee\* ([see sample invoice](#))
- Lincoln (effective 1/10/11)
  - Dealer Invoice - Holdback - 2% of MSRP + Administration Fee\*
- Lincoln (effective 1/14/13)
  - Dealer Invoice - 4% of MSRP + Administration Fee\*

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### D-Plan

- Ford
  - Dealer Invoice - Holdback - Advertising Assessment + Administration Fee\* + \$100 Advertising Surcharge ([see sample invoice](#))
- Lincoln (effective 1/10/11)
  - Dealer Invoice - Holdback - 2% of MSRP + Administration Fee\* + \$100 Advertising Surcharge
- **Lincoln (effective 1/14/13)**
  - **Dealer Invoice - 4% of MSRP + Administration Fee\* + \$100 Advertising Surcharge**

### X-Plan

- Ford
  - Dealer Invoice - (0.4% \* Dealer Invoice) + Administration Fee\* ([see sample invoice](#))
- Lincoln
  - Dealer Invoice + (0.6% \* Dealer Invoice) + Administration Fee\* ([see sample invoice](#))

\*\$275 Administration Fee for 2010MY and later vehicles

### **Dealer Commission Schedule:**

AZD-Plan Commission is 6.0% of adjusted AZD-Plan price. Lincoln AZD-Plan Commission is 6.25%, effective with vehicles invoiced after January 9, 2011. X-Plan Commission is 2% of adjusted AZ-Plan price.

Vincent Payment Dealer Commission Calculation:

### AZ-Plan

- Ford
  - $6.0\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge} - 0.5\% \text{ Dealer Pass-thru [Ford] OR } 0.25\% \text{ Dealer Pass-thru [Lincoln]}) + \text{Advertising Refund} - \text{Administration Fee}^*$
- Lincoln (effective 1/10/11)
  - $6.25\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge}) - \text{Administration Fee}^*$  (Invoice date after January 9, 2011)

### D-Plan

- Ford
  - $6.0\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge} - 0.5\% \text{ Dealer Pass-thru [Ford] OR } 0.25\% \text{ Dealer Pass-thru [Lincoln]}) + \text{Advertising Refund} - \text{Administration Fee}^* - \text{D Plan Supplemental Advertising Charge}$
- Lincoln (effective 1/10/11)
  - $6.25\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge}) - \text{Administration Fee}^* - \text{D Plan Supplemental Advertising Charge}$  (Invoice date after January 9, 2011)

### X-Plan

- Ford
  - $2.0\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge} - 0.5\% \text{ Dealer Pass-thru [Ford] OR } 0.25\% \text{ Dealer Pass-thru [Lincoln]}) - \text{Administration Fee}^*$
- Lincoln (effective 1/10/11)
  - $2.0\% \times (\text{AZ Plan price} - \text{Destination \& Delivery} - \text{Administration Fee}^* - \text{Finance Charge} - \text{Fuel Charge}) - \text{Administration Fee}^*$  (Invoice date after January 9, 2011)

\*\$275 Administration Fee for 2010MY and later vehicles

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### **Administration Fee**

- The fee (\$275 for 2010MY and later vehicles) is included in the AXZD-Plan price collected from the customer on Ford's behalf at the time of vehicle sale. The dealer commission is reduced by the amount of the fee to represent the transfer of funds to Ford. The dealership should not add the fee into the transaction, as the AXZD-Plan vehicle price has already been "grossed-up" by the amount of the fee. The fee is paid by the customer and retained by the dealership; therefore, it does not reduce the dealer's total commission. This fee covers costs of managing the New Vehicle Purchase Program and is separate from the up to \$75 A/Z-Plan document fee and \$100 X-Plan or D-Plan document fee permitted as discussed in the Program Policies section above.

### **D-Plan Supplemental Advertising Charge**

- The Supplemental Advertising Charge (currently \$100) is included in the D-Plan price collected from the customer on the FDAF's or LMDA's behalf at the time of the vehicle sale. The dealer commission is reduced by the amount of the fee to represent the transfer of funds to the FDAF or LMDA. The fee is paid by the customer and retained by the dealership; therefore, it does NOT reduce the dealer's total commission.

### **AZD-Plan Price Surcharge (discontinued, effective January 11, 2010)**

## Dealership Process

### **Sale and Delivery Requirements**

- The dealership may require the New Vehicle Purchase Program customer to make a deposit when placing a vehicle order. Some or all of this deposit may be retained by the dealership if the customer declines to accept delivery of the product ordered. An agreement in writing should be reached with the customer concerning the amount of the deposit and the conditions under which it may be retained by the dealership if the transaction is not completed.
- Lease transactions may require a refundable security deposit and/or acquisition fee based on lender's terms and conditions. The security deposit is held until the end of the lease and is refunded, provided that the lease terms have been satisfied. The deposit is usually equal to one month's payment, rounded to the next \$25.
- The dealer is required to provide a true copy of the factory invoice showing the New Vehicle Purchase Program price on the line labeled "AZ-Plan," "D-Plan" or "X-Plan". The customer must be provided with a completed and signed AXZD-Plan Pricing Agreement showing each added item and its price.
- The dealership may charge any price negotiated above dealer cost between the dealer and the customer for undercoating, dealer installed options, extended service contracts and other items or services that add value to the vehicle, provided such items are priced separately and listed individually on the retail buyer's order and the AXZD-Plan Pricing Agreement. This sheet must be signed by the customer indicating the customer agrees and accepts the price(s) as listed.
- Dealerships will notify the customer as soon as the vehicle has been prepared for delivery. The customer must accept delivery and make final settlement within five working days of the date of notification by the dealer. Unless otherwise agreed to between the dealer and the customer, vehicle disposition becomes the sole responsibility of the dealer on the sixth day.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### **PIN Generation**

- Ford Motor Company employees/retirees visit [www.axz.ford.com](http://www.axz.ford.com)
- Partner Recognition customers visit [www.fordpartner.com](http://www.fordpartner.com)
- Dealership employees visit [www.dplan.ford.com](http://www.dplan.ford.com)
- X-Plan PINs titled in the name of a business (excluding automotive dealerships and their leasing companies) must be generated using the last 4 (four) digits of the company's Federal Tax Identification Number.
- PIN must be generated before the date of sale.
- PIN is 8 digits, including the alpha character in the first position, which designates the type of PIN:
  - A-12-345-67 = A-Plan PIN
  - Z-12-345-67 = Z-Plan PIN
  - D-12-345-67 = D-Plan PIN
  - X-12-345-67 = X (Friends & Neighbor)-Plan PIN
  - P-12-345-67 = X (Partner Recognition)-Plan PIN

### **PIN Validation & Lock-In**

Dealerships should use the following process to validate customer eligibility to participate in the New Vehicle Purchase Programs:

- Obtain customer's PIN and last 4 digits of their Social Security Number or other ID as instructed in program materials
- Select Option 4 - Vehicle Sales Menu
- Select Option 2 - Automated AXZ-Plan Menu
- Select Option 1 - Plan Eligibility and Lock-in
- Enter Plan Type (A,X,Z), PIN (excluding the alpha character in the first position), last 4 of SSN or other ID as instructed in program materials and indicate whether Buyer's order has been signed (press enter) - Use A-Plan type for D-Plan
- If valid, system will provide Customer Name, Program Name, Company/Organization Name (X-Plan Only) and Proof of Employment/Affiliation Required (X-Plan Partner Only)

### **Documentation and Retention**

- A copy of the completed and signed [AXZD-Plan Pricing Agreement](#) must be kept at the dealership for future audit.
- All commission claims are subject to future audit and possible chargeback to the dealership. Participating dealerships agree to make available such dealership records to the extent considered necessary by Ford Motor Company for audit of the transactions claimed under the New Vehicle Purchase Program. Dealers must retain all records and documents, including journals and ledgers, which relate in any way, in all or in part, to covered transactions - for at least two years.
- Regarding D-Plan: The [D-Plan Eligibility Checklist](#) is provided to assist the dealer in collecting and recording appropriate proof of relationship documents. It is highly recommended that this document be completed and retained to support claims in the event of an audit. Additionally, the selling dealer who is not the employing dealer for the D-Plan sponsor in question is encouraged to request and file a copy of the completed D-Plan Eligibility Checklist. Retaining this document will help ensure relationship rules under D-Plan have been followed, assist auditors with validating claims in the event of an audit and help protect dealers from potential chargebacks.
- Refer to the Key Document Links at the beginning of this document or the Forms/Guide section of the AXZD-Plan Dealer Website for the AXZD-Plan Pricing Agreement and D Plan Eligibility Checklist.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

### FAQs

1. May customers purchase or lease?
  - Yes. They can purchase or lease any qualified vehicle in the New Vehicle Purchase Program provided they are qualified customers with a good credit rating. Financing, whether purchase or lease, may be obtained at the customer's discretion from any source.
2. How long do customers have to keep an AXZD-Plan vehicle?
  - They must keep an AXZD-Plan vehicle in their possession and registered in their name for at least six months from the date of purchase or lease.
3. Can I sell a used vehicle on the AXZD-Plan?
  - No. A used vehicle cannot be purchased with AXZD-Plan pricing. Plan sales are for new vehicles only.
4. Can a dealer demonstrator be purchased on the AXZD-Plan program?
  - Yes. A dealer demonstrator vehicle is eligible using AXZD-Plan pricing. Ford no longer requires a demonstrator form to be signed because there is no limitation to the amount of miles on the vehicle. However, no additional discount is permitted beyond incentives compatible with an AXZD-Plan deal.
5. Can an out-of-service Ford Courtesy Transportation (FCTP) vehicle be purchased on the AXZD-Plan program?

Yes. An out-of-service FCTP vehicle is eligible for AXZD-plan pricing. Dealers are required to pass on the in-service FCTP incentive to all AXZD-plan customers. No additional discount is permitted beyond incentives compatible with an AXZD-Plan deal.
6. May I charge a "document fee" or other added fees? Is this allowed?
  - Yes. Dealers will be permitted to assess up to \$75 in documentary fees on each A/Z-Plan delivery and up to \$100 in documentary fees on each X-Plan and D-Plan delivery to an eligible purchaser under the terms of the plan unless otherwise provided by state or local laws or regulation. Each dealer is responsible for complying with applicable laws or regulations.
7. What if I am in a state that allows me to charge more than \$75?
  - Unless otherwise provided by state or local laws or regulations: In states where dealers are not permitted to charge as much as \$75 for A/Z-Plan doc fees or \$100 for X-Plan and D-Plan doc fees, dealers would be capped at the lesser amount as provided by the state. In states that permitted more than \$75 or \$100, dealers would be permitted to charge the AZ-Plan customer \$75 and the X-Plan or D-Plan customer \$100. In states that permitted more than \$75 or \$100 and also required that all customers be charged the same amount, dealers may charge the A/Z-Plan customer \$75 and the X-Plan or D-Plan customer \$100 and indicate any additional fees have been paid by Ford Motor Company as part of the AXZD-Plan Program dealer reimbursement on the buyer's order.
8. How does this change the \$275 administration fee?
  - There is no change. The \$275 administration fee covers costs of managing the New Vehicle Purchase Program and is not to be confused with a "document fee" charged by the dealer to the customer.
9. Are customers eligible for other incentives?
  - Yes. AXZD-Plan customers are eligible for most public incentives and many incentives normally paid to the dealer. There are some special offers that are not compatible with the Plans. Customers are encouraged to contact a dealer to best determine which incentives they are eligible for.
10. Are Plan customers eligible to receive dealer cash?

# FORD AND LINCOLN

## AXZD-Plans Program Rules

- Yes. If the dealer cash offers an AXZD-Plan flat pay alternative, the full amount must be passed along to the customer.
11. How does a Plan sale/lease affect the dealership's performance in a dealer cash stairstep program?
- AZD-Plans sales are included as "counters" in most stair-step incentive programs. When these programs are reconciled, all counter vehicles (including AZD-Plans) are counted first, thus helping the dealership to achieve their various bonus levels. X-Plan sales in most stairstep programs are treated as retail.
12. Are vehicle trade-in's allowed under these programs?
- Yes. A customer may choose to trade in a vehicle while using this program. However, the dealer determines the amount of the vehicle trade in allowance. Dealerships should take extra time to explain the vehicle trade valuation process, as some Plan customers believe that vehicle trade valuations are unfair. Also, any vehicle trade negative equity has to be listed on the AXZD-Plan Pricing Agreement.
13. How long are these New Vehicle Purchase Programs in effect?
- There is no effective expiration date. However, Ford Motor Company reserves the right to modify the program, remove eligibility, or cancel the program at any time. In the case of D-Plan, the dealership must be certified for employees to be eligible for the program.
14. Can a dealership advertise Plan Pricing?
- Dealer advertising must be clear and state Plan pricing is available to eligible customers only. A dealership is not allowed to expressly represent or imply to the general public that Ford has authorized the dealer to offer Plans or the Plans' pricing to all potential customers.
15. How long is a PIN valid?
- Most PIN's remain active for 12 months from date of issue. **However in cases of Affinity Offers an expiration date of less than 12 months may be generated on a given PIN based on the specific Affinity Offer.**
16. Are there restrictions on model years eligible?
- New prior model year vehicles may be purchased or leased at AXZD-Plan pricing from dealer stock while supplies last.
17. Can a vehicle be obtained for my business or for another person?
- AZD-Plan vehicles cannot be titled to a business. They must be titled and registered in the eligible employee, retiree, eligible family member's name for a minimum of six months. However, X-Plan purchases may be titled in the name of a business (excluding in the name of a dealership and their leasing companies). PINs must be generated using the last 4 (four) digits of the company's federal tax identification number.
18. What if the PIN provided doesn't work?
- Customers may obtain a forgotten PIN or verify his/her PIN by logging onto the web site they obtained it, or contacting the call center. In either case, customers will need to reference their name and last four digits of Social Security Number or other ID as instructed in program materials.
19. Are the New Vehicle Purchase Programs retroactive?
- No. This special pricing offer is available only when a customer identifies himself or herself as a customer and provides a PIN prior to completing the purchase or lease transaction. The program is not retroactive.

# FORD AND LINCOLN

## AXZD-Plans Program Rules

20. Can an E or F- Series Chassis be purchased or leased on the AXZD-Plan?
- Yes. But remember, AZD-Plan purchases must be titled in an individual's name and may be only for personal use. In addition, vehicles under AZD-Plan may not be purchased or leased for commercial use. However, X-Plan purchases may be titled in the name of a business (excluding automotive dealerships and their leasing companies), and therefore used commercially. PINs must be generated using the last 4 (four) digits of the company's federal tax identification number. Note, only F-150 through F-450 (W42 and W43 pickups only) are available on AXZD-Plan.
21. May I provide a retail customer with an AXZD-Plan sponsor's contact information for the purposes of requesting a PIN?
- No, this is in direct violation of the program rules. Dealership employees may not find customers for sponsors and may not solicit or purchase PINs from a sponsor to give to a customer.