

FORD MOTOR COMPANY VEHICLE AUCTION SALES RULES

The Ford Motor Company Closed Auction Sale is made available for Ford and Lincoln franchised dealers only. All purchasing dealers (Dealers) must have executed a Ford-sponsored auction agreement to purchase vehicles. Dealers who have not executed the agreement will not be allowed to purchase at any closed sale.

VEHICLE DESTINATION

Vehicles must be shipped directly to the primary dealership address as defined in the respective Sales and Service Agreements, or to a secondary location previously approved by Ford.

HOLDING PERIOD

All vehicles must be purchased for retail, lease or fleet resale purposes and may not be wholesaled for a period of thirty (30) days. Dealers may re-sell vehicles to rental car companies prior to the thirty (30) day holding period if placed into rental service for a minimum of ninety (90) days.

RECORD RETENTION

Dealers must retain records on all resale transactions of auction vehicles for two (2) years. These records are subject to audit.

DEALER ADVERTISING

Dealers are prohibited from advertising vehicles that exclusively feature Repurchase Vehicles for a franchise they do not hold, unless the ad clearly indicates they are used vehicles.

VIOLATIONS AND PENALTIES

Any violation of the above sale rules may result in suspension of auction privileges, financial penalties or both.

PAYMENT

All units purchased will be subject to a buyer's fee. Payment (check, draft or the Ford Credit Signature Plan) for units purchased must be made at the conclusion of the sale and must be in the name of the purchasing dealer.

VEHICLES SOLD AS USED

All vehicles are sold as used vehicles and cannot be re-sold as new.

ARBITRATION POLICY

Ford Vehicle Remarketing follows the Standards set forth in the NAAA Arbitration Policy in place at the time of vehicle sale.

To participate in the Auction, Dealers must adhere to the NAAA Arbitration Policy in place at the time of the vehicle sale, including the obligations set forth in the Buyer Responsibilities section of such policy.

No vehicles will be sold before the sale starts or after sale ends ("off the block" sales are prohibited). All sales are final. All vehicles are sold "as is" except for hidden damage to major components such as frame or drivetrain. Claims of hidden damage should be reported to the auction or Ford pursuant to the guidelines set forth in the NAAA Arbitration Policy. Hidden damage to items covered by existing warranties will be handled as a warranty claim. Any deductibles involved are the responsibility of the Dealer. Visible defects, including body damage, hail damage, chipped windshields or missing parts, are considered "as is" and will not be arbitrated.

ONLINE PURCHASES – SALES DOCUMENTATION

All sale documentation for vehicles purchased via any online sales channel must be completed, signed and returned to the auction within 24 hours one business day after the sale.

OVER \$400 ANNOUNCEMENT

Auction body and paint repairs over \$400 (excluding bumpers and paintless dent repair) will be indicated in the catalogue and/or announced from the block.

WARRANTIES

All limited warranties and extended service contracts are based on time and mileage. If time and mileage limitations are exceeded, no warranties remain.

All Reacquired Vehicles are eligible for the FCSD Reacquired Vehicle Limited Warranty of twelve (12) months or 12,000 miles (from the date of first retail sale), whichever occurs first (vehicles sold to retail customers in California and registered in California have no mileage restriction).

WARRANTIES CONT.

The forms required to activate the warranty will be given to the purchasing dealer along with the other sales documentation. Purchasing dealers must sign all required forms at the time of sale at the block.

If no warranty start date has already been activated for Ford, Lincoln or Mercury vehicles, and the warranty has not been voided by Ford Motor Company, the effective warranty start date is the day the unit is purchased at auction.

EMISSIONS RESTRICTIONS

50 State Emissions:

Vehicles with 50 state Emissions have no auction sale restrictions based on emission. They can be sold through all Ford Sponsored Auction and to any eligible attending dealer, regardless of miles or category code.

49 State or Federal Emissions:

Vehicles with Federal Emissions or 49 State standards can be sold in any Federal Emissions auction state to any Federal Emissions state dealer. However, if a Federal Emissions vehicle has less than 7,500 miles, it can NOT be sold in lane or online at a California or Green States auction location or to a dealer from one of those states. The vehicle must be shipped to a Federal Emissions state to be sold to a Federal Emissions state dealer. If the vehicle has more than 7,500 miles it can be sold anywhere.

California/Green State Emissions:

Vehicles with California/Green State Emissions can be sold in any state unless it is a Company Service Vehicle (CSV). CSV vehicles with CA / Green States emissions must be sold in a CA, Green State or a Cross Border auction state (a state that borders California or other Green State) and can only be sold to a California/Green State or a Cross Border dealer regardless of miles. In the context of Emission regulations the CSVs do not qualify as "used" because they have not been sold outside of Ford Motor Company.

It is the dealer's responsibility to understand and abide by the wholesale purchase Emission Restrictions of vehicles offered at Ford Sponsored Auctions.

STATE RESTRICTIONS

Dealers are responsible for understanding and abiding by all state and federal laws, restrictions and regulations related to the purchase of vehicles at auction and subsequent wholesale or retail sale of auction-purchased vehicles from Ford Sponsored Auctions.

SIGNATURE PLAN

All vehicles purchased in any Ford-Sponsored Closed Sale may be placed on the eligible Dealer's Ford Credit floor plan.

WINDOW STICKER INFORMATION

Window sticker information is provided on most vehicles indicating original equipment levels. However, it is the buyer's responsibility to confirm and inspect prior to purchase. No aftersale adjustments will be made for missing or changed equipment.

NOTATIONS – VEHICLE TYPES

The type of units offered (Company Service Vehicles, Rental Repurchase, Red Carpet Lease, etc.) can be clearly identified by examining the notations on the windshield, the Dealer handout, on all online purchasing platforms (e.g. Simulcast, Liveblock, QUIC/OVE, etc.) and the sale documentation. It is the responsibility of the purchasing dealer to not misrepresent the type of unit to the ultimate customer when the unit is resold.

Definitions of the various types of vehicles that may be offered in the sale are listed on the following page to better assist and inform you when bidding.

Category Code Description

CCD	Ford Credit Repossession: A vehicle that was charged off and later recovered by Ford Credit.
CLT	Canadian Border Lease Red Carpet Lease: Terminated Red Carpet Lease vehicles that originally were leased and operated in Canada.
CML	Commercial Lease Termination: A vehicle that was leased to a business for commercial use.
CMR	Commercial Lease Repossession: A repossessed Commercial lease vehicle.
COP	Customer Option Plan: A retail finance vehicle with a balloon payment option at the end of the term.

NOTATIONS CONT.

Category Code Description

CRE	Canadian Border Rental Repurchase: Canadian vehicles that have been sold to daily rental companies, operated in Canada, and repurchased by Ford.
CSV	Company Service Vehicles: Any vehicle owned and used by Ford Motor Company, including subsidiaries. These vehicles are driven, evaluated or leased by Company-designated individuals or organizations. May include vehicles damaged in transit.
DRR	Dealer Rental Repossession: Dealer Daily Rental vehicle that was repossessed.
FLT	Automotive Remarketing Services (ARS) Fleet: A vehicle owned by a commercial fleet ARS customer.
GAV	Rental – Guaranteed Auction Value: Vehicles that have been sold to daily rental companies and returned to Ford Motor Company for resale.
LSE	ARS Lease: A vehicle owned by a leasing company that is an ARS customer.
MIS	ARS Dealer Owned/Other: Vehicles offer in the ARS program that are owned by Ford or Lincoln dealerships or entities not associated with another ARS category code (other).
RCR	Red Carpet Lease Repossession: A Red Carpet lease vehicle that was repossessed by Ford Credit.
RCT	Red Carpet Lease Termination: Terminated Red Carpet Lease vehicles that originally were leased and operated in the United States.
REP	Rental Repurchase: Vehicles that have been sold to daily rental companies or commercial fleets and repurchased by Ford Motor Company.
RNT	ARS Rental: Vehicles offered in the ARS program that are owned by daily rental companies.
RTR	Ford Credit Repossession: A vehicle financed by Ford Credit that has been repossessed.
WHR	Ford Credit Wholesale Repossession: Vehicles that Ford Credit repossesses from a Ford or Lincoln dealer.
WLR	Ford Credit Wholesale Lease Repossession: Lease vehicles that Ford Credit repossesses from a Ford or Lincoln dealer.

REACQUIRED VEHICLES

Reacquired vehicles are all vehicles that have been reacquired from retail customers by Ford Customer Services Division. There are special rules and forms for these vehicles that all purchasing dealers must follow.

POTENTIAL OPEN RECALL NOTIFICATIONS

Any vehicle presented in this sale may have an open manufacturer's recall. It is the responsibility of the purchasing dealership to make an informed buying decision. No vehicles will be arbitrated for open recalls.

Please note that the designation "RN" on the dealer handout, simulcast/Liveblock or other selling platform identifies vehicles with a potential open manufacturer's recall.

FORD SPONSORED AUCTIONS AND VEHICLE DATA HISTORY

To ensure dealers can bid and purchase vehicles from Ford Remarketing with confidence, we make vehicles available for physical inspection prior to auction. In addition, we provide detailed condition reports on-line that indicate the condition of the vehicle being offered.

While Ford Remarketing takes every reasonable effort to accurately describe the used vehicle we offer adheres to the National Auto Auction Association (NAAA) arbitration guidelines it remains the purchasing dealer's responsibility, as a used vehicle professional, to perform their due diligence when purchasing any used vehicle.

Presently, the Ford Sponsored auctions run an AutoCheck Auction Exception Data Report to determine if a vehicle history requires an auction announcement. To ensure problem vehicles are captured in the AutoCheck database the auctions and others provide AutoCheck with a wide range of vehicle history information.

VEHICLE DATA HISTORY CONT.

The AutoCheck Auction Exception Data Report alerts auctions of problem vehicles by checking auction, insurance, and public records for required disclosure at the time of auction sale (see below). If a dealer desires a complete Electronic Data Vehicle History reports (CarFax, AutoCheck) it should be obtained at their expense prior to sale.

In reference to Electronic Data Vehicle History Reports, Ford's arbitration policy is consistent with the NAAA which can be found under "General Arbitration Policies" as follows:

- "The auction does not guarantee information listed in the Electronic Data Vehicle Histories (i.e. CarFax, AutoCheck, etc.) and may not arbitrate solely on EDVH data."

CROSS-LINE BUYING RULES FOR FORD FACTORY CLOSED AUCTIONS – 2025 MODEL YEAR VEHICLES

For the purpose of this Agreement, cross-line buying is hereby defined as the purchase of vehicles by dealers not franchised by the company for the products purchased. There will be no cross-line buying of current model Auction Vehicles permitted at "Closed Ford Sponsored Sales" regardless of the number of offerings in the Closed sale. The Company may offer current model year vehicles in the Open sale after a minimum of two offerings in the Closed sale. After the introduction of any new model year vehicle, cross line buying will be permitted on one-year-old models except for Lincolns and Trucks which will be permitted 15 months after introduction or January 1, 2026, whichever occurs first.

Ford Motor Company reserves the right to allow earlier cross-line buying of specific vehicle lines, if, in its judgment, market conditions warrant. The Company also reserves the right to adjust and align the dates to ensure simple consistent rules are applicable across vehicle lines. For the most up-to-date cross-line buying rules, visit www.remarketing.dealerconnection.com.

Vehicle Cross-Line Buying Date

Vehicle Line	2025 MY Cross-Line Buying Date	Vehicle Line	2025 MY Cross-Line Buying Date
Econoline	1/1/2025	Bronco	1/1/2026
Explorer	6/1/2025	Corsair	1/1/2026
Aviator	9/1/2025	Expedition	1/1/2026
Escape	10/1/2025	Mustang Mach-E	1/1/2026
Mustang	11 /1/2025	Nautilus	1/1/2026
Bronco Sport	12/1/2025	Navigator	1/1/2026
F-Series	12/1 /2025	Ranger	1/1/2026
Maverick.	12/1/2025	Transit.	1/1/2026