

Nathan Oscarson Commercial and Government Sales 16800 Executive Plaza Dr Dearborn, MI 48126

Dear Valued Government Partner:

First, I'd like to thank you for your continued support over the years as we have worked together to provide for the vehicle needs of our communities. We have always tried to place our government partners first in all our decision making.

As you know, this past year has presented an extremely challenging environment for the global automotive industry due to the continuing global microchip shortage, major disruptions in the supply chain due to the war in Eastern Europe and other factors and the lingering impact of Covid. This unprecedented combination of events has contributed to logistical challenges and unpredictable manufacturing plant downtime. Given the high order submissions and unforeseen plant downtime, we will not be able to build all the unscheduled 2022 MY vehicles currently in the Government order bank. We will be prioritizing all 2022 MY vehicles that have been Purchase Order verified and re-submitted as a 2023 MY. Please work with your dealership contact to verify which orders will need to be carried over from one year to the next.

Compounding matters, we are experiencing record inflation, greater than at any time in the last forty years. Inflation, as well as significant impacts on raw material costs are affecting new vehicle pricing. Given these circumstances, we will not guarantee price protection on unscheduled 2022 MY orders that are re-entered into the 2023 MY order bank. We appreciate your understanding as we work through these challenging times, and you can be assured that we are closely monitoring such global events and will communicate any implications beyond the 2023 MY at the appropriate time.

Please contact your dealership representative for complete details. Thank you again for your loyalty and support of the Ford brand.

Sincerely,

## Nathan Oscarson

National Government Sales Manager