

Ford Motor Company

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Operator: Good morning. Welcome to the broadcast of Ford Motor Company's annual meeting of shareholders. I now would like to introduce Ford's executive chairman, Mr. William Clay Ford, Jr.

Bill Ford: Thank you, and good morning, everyone. I am Bill Ford, chairman of your board of directors, and it's my privilege to call to order our 63rd Annual Meeting of Shareholders and our second virtual annual meeting. Today's live webcast of our annual meeting helps us to better engage you, our shareholders, by making it accessible to you wherever you're located. Thank you to everyone who's joined us today.

At this time, I would like to introduce the company officers that are here with me today. Jim Hackett, President and CEO and member of the board of directors. Bob Shanks, executive vice president and chief financial officer. Jon Osgood, our corporate secretary, and Bradley Gayton, group vice president and general counsel. Also, in addition to Jim and me, the other members of the board of directors are attending today's meeting through the live webcast. I'd like to thank the board for the great work they do on our behalf.

Before we get to the business of the meeting, I'd like to go over the mechanics of our virtual annual meeting. If you'd like to submit a question during the meeting, you may do so by typing your question in the box located at the bottom left corner of the webcast screen. We will respond to those questions during the Q&A period immediately following remarks by Jim and me. Answers to any pertinent questions that we're unable to respond to during the meeting will be posted to our investor relations website as soon as practical after the meeting and will remain there for a week. Additionally, if you haven't already voted your shares, you may do so by clicking on the "vote here" button at the bottom right of the webcast screen. The polls will remain open until the conclusion of the Q&A period of the meeting.

So now let's take care of the business of the meeting. The agenda is shown at the top-right corner of the webcast. We'll start with the matters to be voted on today. And after that, I'll report on the state of our business, and Jim will outline for you our vision to continue moving the company forward. After Jim's report, we'll have a Q&A period. Shareholders who have proposals on our proxy will be given 3 minutes to speak in support of their proposal. Representatives of Broadridge Financial Services have been appointed as the inspectors of elections for this meeting. So let's go to the proposals.

Proposal 1, election of directors. So the first item to be voted upon is the election of directors. The 14 director nominees who have been designated by the board of directors as candidates for election are shown in the proxy statement. We are all members of the current board. Jon, will you please make the nominations?

Jon Osgood:

I nominate as directors the 14 nominees named in our proxy statement.

Bill Ford:

Thank you, Jon. Proposal 2. The next item of business is proposal 2 in the proxy statement, ratifying the selection by the audit committee of PricewaterhouseCoopers as the independent registered public accounting firm to audit the company's books for 2018. Joining us today is Saverio Fato, PWC's 2018 global audit engagement partner for Ford. Saverio, thank you for joining us. Jon, will you please move Proposal 2?

Jon Osgood:

I move the adoption of the resolution in the proxy statement relating to ratifying the selection of the independent registered public accounting firm.

Bill Ford:

Thank you, Jon. The board of directors recommends a vote for this proposal. We'll now proceed to proposal 3, which relates to a shareholder advisory vote to approve the compensation of the named executives as disclosed in the proxy. We seek to closely align the interests of our executives with yours, the shareholders. Our compensation programs are designed to reward our executives for the achievement of short and long-term goals, while avoiding unnecessary risk-taking. Our more detailed reasons in support of this proposal are set out in the proxy statement. Jon, will you please move Proposal 3?

Jon Osgood:

Sure. I move the adoption of the resolution in the proxy statement related to the approval on an advisory basis of the compensation of the named executives as disclosed in the company's proxy statement.

Bill Ford:

Thank you, Jon. The board recommends a vote for this proposal. Proposal 4, which relates to the approval of the company's 2018 long-term incentive plan. The 2018 long-term incentive plan replaces the expired 2008 plan. It will allow the company to continue to grant stock awards that incentivize our employees to achieve strategic objectives and align their interests with the interests of shareholders. The board supports the 2018 plan for the reasons set forth in the proxy statement. Jon, will you please move this proposal?

Jon Osgood:

I move the resolution in the proxy statement related to the approval of the 2018 long-term incentive plan.

Bill Ford:

Thanks, Jon. The board of directors recommends a vote for this proposal. And we'll now proceed to Proposal 5, which requests that the board take steps to adopt a recapitalization plan to provide for all the company stock to have one vote per share. The board recommends a vote against Proposal 5 for the reasons set forth in our proxy. And I ask the Operator to now open the line so that Mr. John Chevedden may present this proposal at this time. Mr. Chevedden, please proceed.

John Chevedden:

Hello, this is John Chevedden, can you hear me?

Bill Ford:

Yes, we can. Thank you.

John Chevedden:

Proposal 5, equal voting rights for each shareholder. Shareholders request that our board take steps to ensure that all our company's outstanding stock has an equal one vote per

share in each voting situation. This would encompass all practical steps, including encouragement in negotiation with shareholders who have more than one vote per share to request that they relinquish for the common good of all shareholders any preexisting rights. Ford family shares have 36 votes per share compared to the tiny one vote per share for regular shareholders. This dual class voting stock reduces accountability by allowing corporate control to be retained by insiders disproportionate to their money at risk. The 2016 proposal on this topic won the all-time highest support for any Ford shareholder proposal, almost 1.8 billion votes. This proposal topic has received more than 51% of the independent vote of the non-family Ford stock in each year since 2011. In spite of such consistent support from regular Ford shareholders, Ford management has done absolutely nothing to address this serious issue. Not even one baby step. It is time that the 62-year practice of disenfranchising Ford public shareholders is changed for the common benefit of all shareholders. It is especially important to address a shareholder right such as one vote for each share to make up for management taking away an important shareholder right, the right to an in-person annual meeting. We did not even have an opportunity to vote on giving up this important right. For decades, shareholders of US companies had a once a year opportunity to ask a CEO questions in person. Plus our directors can casually flip their phones to mute during the entire annual meeting.

A virtual meeting is a complacency plan for our directors and top management. Top management has no incentive to avoid making mistakes for 365 days out of the year out of concern that mistakes will be addressed in person at the annual meeting.

In response to this practice, shareholders can vote against the paycheck of a CEO who refuses to answer shareholder questions in person and acts like an in-person contact with shareholders as a nuisance. Plus this company which was supposedly dedicated to the adoption of high technology, schedules its meeting at 5:00 in the morning, Silicon Valley time. The lack of an in-person meeting is one more reason we need equal voting rights for each share of stock. Vote yes for Proposal 5.

Bill Ford:

Thank you very much, Mr. Chevedden. We'll now proceed to Proposal 6 which relates to the disclosure of the company's lobbying activities and expenditures. The Board recommends a vote against Proposal 6 for the reasons set out in our proxy statement. I ask the Operator to open the line so that Mr. Timothy Brennan may propose the Proposal at this time. Mr. Brennan, please proceed.

Timothy Brennan:

Good morning, Mr. Ford. Fellow shareholders and members of the board, my name is Tim Brennan, I'm the Treasurer and Chief Financial Officer of the Unitarian Universalist Association and I want to move our proposal item number 6 on the proxy card which requests our company to provide a report on its federal and state lobbying including indirect funding of lobbying through trade associations. The proposal also asks for a description of management's decision-making process and board's oversight for making lobbying payments.

Last year the UUA filed a similar resolution which received the support of 38% of shareholders who were not insiders. If you remove the insiders, 38% supported it. That's a strong message. And like last year, the company's opposition statement addresses election spending. But our proposal is about lobbying which is distinct under the law. And that's why the SEC instructed management to allow separate proposals on lobbying and election spending.

One of the UUA's 7 principles that guide us calls for us to uphold the Democratic process in society at large. As Unitarian Universalists, we're deeply concerned that excessive

spending and dark money and policies making process can corrupt the Democratic process, especially if it comes without full transparency. In fact, Supreme Court Justice Scalia, who supported Citizens United Ruling which opened up spending on lobbying and elections, said "requiring people to stand up in public for their political acts fosters civic courage without which democracy is doomed". Further, we believe lobbying transparency is in the best interest of Ford and its shareholders. Since 2010, Ford has spent more than almost \$43 million on federal lobbying and there's incomplete disclosure about the spending at the state level as well where the company also lobbies.

Compared to its peers, Ford's disclosure is lacking. Specifically, according to ISS, our company does not disclose specific policy positions it supports and it does not disclose the board committee with responsibility for oversight. Corporate reputation is tied to shareholder value. As studies show, companies with a high reputational ranking perform better financially than lower ranked companies. And without transparency and accountability, corporate assets can be used to promote public policy objectives, which can pose risks. For example, Ford has been a leader in sustainability, including you, Mr. Ford, going back a long time. But there's a values incongruity, as Ford supports the automobile manufacturing alliance which is lobbying for the weakening of the fuel efficiency standards. Proxy advisor ISS supports this proposal, noting that Ford does not have a report on its lobbying expenditures, nor does it provide comprehensive information about its management level oversight for reviewing lobbying activities at trade association memberships and does not disclose a list of its trade association memberships, nor the portion of dues and other payments used for lobbying purposes. When we submitted this proposal, we suggested that it might be productive for the company to have a dialogue with shareholders about this, but that invitation was not accepted. So I extend the invitation again. Going forward, I hope we can talk about this. I'd like to see Ford get into the category of best practice. Our request for disclosure is a call for transparency and accountability and spending of shareholder resources. We urge shareholders to vote for this proposal. Thank you.

Bill Ford:

Thank you very much, Mr. Brennan. Okay, we'll now move to Proposal 7, which relates to the disclosure of the company's plans to meet greenhouse gas emission requirements. The board recommends a vote against Proposal 7 for the reasons set forth in our proxy. And I ask the operator to open a line so that Ms. Danielle Fugere may present the proposal. Ms. Fugere, please proceed if you're ready.

Danielle Fugere:

Thank you. Good morning, Mr. Chairman, members of the board. My name is Danielle Fugere, President of AsYouSow and I am speaking to item 7, the request for a report on greenhouse gas and fuel economy standards. I will start my comments by noting that we are living in significant times. As business leaders of one of the largest sources of greenhouse gas emissions, passenger cars and light duty trucks contribute nearly 20% of US emissions. Your actions, collectively and individually, can affect the world's climate. The further we get down the road of climate warming, the more costly and difficult it becomes to stop the warming process. Knowing this, the recent challenges to CAFE standards have created a great deal of concern and consternation among company shareholders.

Current standards were considered a success a few short years ago, hard-fought and hard-negotiated. But ultimately resulting in a single national standard that reduced emissions and saved consumers money while increasing innovation and the global competitiveness of US companies. Now, we see chaos. An administration that appears happy to pull the plug on fuel economy and emission standards, states gathering in courtrooms to defend their vehicle emission laws, NGOs, consumers, and citizens

publicly crying foul, and a very fluid political arena. In sum, there's a great deal of uncertainty moving forward. Shareholders are here today asking for clarity. Will Ford continue with current product plans, making only marginal changes, or will it sell vehicles in line with dramatically relaxed standards? What impact will the company's movement away from passenger vehicles have? We know our company has no intent to end greenhouse gas emission reductions, and for that we strongly commend you. But there is significant room between small reductions and currently mandated reductions. CAFE standards achieve nearly 5% per year greenhouse gas emission reductions. There is a tremendous on-the-ground difference between, for instance, a 5% annual decrease in emissions, and a 0.5% decrease, which we've heard the administration might be considering. If Ford chooses on the low end, the company's competitiveness, its market share, and its reputation could be harmed. It could lose customers, pay significant penalties down the road, and fail to innovate to the degree it otherwise would have. Shareholders must be given clear information to understand how our company is planning to act in the face of these important choices. Generalized statements of continued reductions or long-term two-degree pathways are insufficiently concrete. We hope you will provide the clarity we seek. Thank you.

Bill Ford:

Thank you very much. I just want to clarify. You know, there's been a lot of misinformation out there. Jim Hackett and I wrote an op-ed about a month ago stating our position I think very clearly. We are not asking the administration for a roll-back. We want California at the table, and we want one national standard that includes California, and we've been very clear on that. And so, thank you very much for your comments, because you raise a lot of very important points.

Proposal 8, which relates to the disclosure of the company's political activities and expenditures, the board recommends a vote against Proposal 8 for the reasons set forth in our proxy statement. And I ask the Operator to open a line so that Mr. James McRitchie may present the proposal at this time. Mr. McRitchie, please proceed, if you're ready.

James McRitchie:

Okay. The proposal asks Ford to disclose its policies on political spending and its procedures, and to identify recipients. Disclosure is in the best interest of Ford and its shareholders. The supreme court recognized this in its 2010 Citizens United decision. According to Justice Kennedy, prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for their positions and supporters. Shareholders can determine whether their corporation's political speech advances the corporation's interests in making profits, and citizens can see where their elected officials are in the pocket of so-called money interests. This transparency enables the electors to make informed decisions and give proper weight to different speakers and messages. The court expressed enthusiasm that technology today makes disclosure "rapid and informative." Unfortunately, the court envisioned a mechanism that does not exist. Relying on publicly available data does not provide a complete picture of our company's political spending. For example, Ford's payment to trade associations that may be used for election related activities are undisclosed. This proposal asks our company to disclose all of its political spending, including payments to trade associations and other tax-exempt organizations which may be used for political purposes. Implementation would bring Ford into line with a growing number of leading companies, including Procter & Gamble, which present this information on their websites. Support by mutual funds for this topic and other funds have jumped significantly in 2017 to 48% from 43% in 2016, according to analysis by FundVotes. Our company's board and shareholders need comprehensive disclosure to fully evaluate the political use of corporate assets. We urge you to vote for Proposal 8, transparent political spending. Thank you.

Bill Ford:

Thank you very much, Mr. McRitchie. Okay, we've covered each of the proposals listed in the proxy. Before I offer comments on our business, I want to remind you that the polls are still open. If you mailed in a proxy, or if you voted over the telephone or online, you don't need to vote now unless you want to change your vote. To vote your shares online, please click on the "vote here" button in the bottom right-hand corner of the webcast screen. Okay, so once again, I'd like to welcome everyone participating online and we appreciate you taking the time to join us today. And thanks to everyone who presented or discussed a proposal. And now Jim and I would like to report on the state of our business.

In 2017, Ford Motor Company took a major step forward towards our goal of becoming the world's most trusted company, a company that can deliver real value for all our stakeholders, from customers to shareholders, while building a compelling future in a fast-changing world. It started at the top with the appointment of our new President and CEO, Jim Hackett. In 2011, at the TED conference, I suggested that the transportation system was becoming badly outdated and that we needed a leap in thinking. We were going to build smart cars, but we also needed smart roads, smart public transportation, different types of systems and more. We needed an integrated system that uses data to enable personal mobility on a massive scale. And this is how we could advance Ford's founding principles of freedom of movement is fundamental to human progress. And I believe Jim is the right person to help lead us during this transformative time in the auto industry. He's a true visionary who has a unique view of how to bring this future of smart vehicles for a smart world into life. He's also helping us to bring more great products sooner to our dealer showrooms. Last year, we achieved our eighth consecutive year of solid earnings and positive operating related cash flow. Our consistent profitability has enabled us to deliver more than \$15 billion to our shareholders since 2012. We're proud of that achievement, but we know that business as usual is no longer good enough, and that's why we are aggressively reducing costs and reallocating capital to the products and markets where we have the greatest strengths and the highest potential for growth. We are making strategic choices and tough decisions that will drive greater returns for the business and our shareholders, including identifying \$25 billion of cost and efficiency opportunities through 2022.

For nearly 115 years, we've been driven by our passion for our products and our customers. This is an exciting yet unprecedented time of disruption, and we must remain focused on delivering great products for our customers, which is the foundation for our future. This includes responding to shifting consumer preferences by delivering new, exciting vehicles that our customers will love, and deliver better fuel economy as we phase out some slower-selling models. We're moving to electrify our vehicles and accelerating their introduction into the market. This represents our efforts to address climate change by driving sustainability throughout our business and reducing our customers' carbon footprint. We're also accelerating our efforts to develop autonomous technologies and create mobility experiences and services that will transform the way people connect and interact. These services have potential to have a far-reaching economic, social and environmental impact around the world. Our approach to mobility is human-centered, focused not just on introducing new technologies, but importantly, on improving people's lives.

Our industry is being disrupted with new technologies and business models and competitors all around the world. We plan on winning, and we have many strengths to build upon as we move forward. We have more than a century of experience in mass production of vehicles, and we're making acquisitions in building internal capabilities

that will help position us for the future. And as we move into the future, we'll continue to identify the right partners and talent that can give us a strategic advantage. But our greatest strength is our people. Ford employees are resilient and resourceful, and they're ready to take on the future. They're making the strategic choices and tough decisions that will drive greater returns for our business and our shareholders. Our board of directors, leadership team, and employees are all passionately committed to delivering business results, creating value for the future and improving people's lives around the world. And as always, we thank you for your continued support. And now I'd like to ask our President and CEO Jim Hackett to elaborate on our plans and progress in more detail. Jim, welcome, and it's all yours.

Jim Hackett:

Hey, Bill, thank you so much. Good morning to all of our shareholders today. I'm so happy that you've joined us today, because, you know, it's an honor to lead this great company, and a privilege to speak to you directly. As Bill said, our industry is undergoing a complete redesign of what we think is the historic transportation system. This future redesign will reshape how our customers live, work, and move, how business is transacted, or how cities are managed, or how urban congestion and pollution are controlled. We want to do more than compete in this new world. We intend to lead its design. We do have challenges that lie in front of us, and we see a path for Ford to be an outstanding company in the future. We are getting fit, and we are moving faster, and I'm pleased to have this opportunity to report our progress to you directly this morning.

Now, the essential first step to solidify Ford's strategy was to ground ourselves in this core belief that Ford Motor Company was built on the belief that freedom of movement drives human progress. You know, to move freely is to have opportunity, and we've made mobility available and affordable to generation after generation. We do build great cars and trucks that allow people to move freely, and now with a more intelligent world, we can do more for human progress than we ever could before. Because we believe so strongly, we've identified our aspiration to become the world's most trusted company, designing smart vehicles for a smart world. It expresses how we'll leverage our trusted 115-year legacy and pair that with the increasingly intelligent technology to deliver new products and solutions based on the needs of our customers. But of course, reaching our aspirations means developing a plan and relentlessly delivering on it. We've been iterating on this and it's come together in this evolved frame that you're going to see on the slide here. I'd like to use this new framework as the basis for the comments today.

Now, rooted in this passion for product and deep customer insight, this plan includes four strategic choices, our focus on fitness, and specific metrics to track our success. This framework sets the direction for how we will build value for all our stakeholders moving forward. Making smart choices, driving a more competitive, higher return in resilient business. Our first choice in this graphic is to have a winning portfolio. As Bill mentioned, we will focus on products and markets where we know we can win. In North America, we're going to have the freshest lineup in the industry by 2020, and when that happens, trucks and utilities, including their electrified versions, are going to be almost 90% of our volume. With every new SUV we introduce, we plan to offer a hybrid or plug-in hybrid model, helping us improve the capability and efficiency of our SUVs.

As part of this shift, given declining consumer demand for cars and product profitability issues we've talked about, you've probably heard that we'll not invest in next generation of traditional Ford sedans for North America. Now, over the next few years, our Ford car portfolio in North America will transition to two vehicles, our best-selling Mustang and our all-new Focus Active crossover that's coming out next year. Listen, this doesn't mean we intend to lose those customers. Rather, we want to give them what they're telling us

they really want. While it seems like a significant change, what is important to emphasize is that we're simply reinventing the American car. Rather than leave those customers behind, we're pairing our best fuel economy technologies with larger silhouettes the customers are telling us that they want.

Our second choice is a full commitment to new propulsion systems. This does include adding hybrid electrics to high volume, profitable vehicles like the F150, Mustang, Explorer, and Bronco. Our battery electric vehicle rollout starts in 2020, with a performance utility. So exciting. And we'll have 16 battery electric vehicles by 2022. In our endeavor to make electric vehicles more desirable, we're going to deliver these vehicles with the capability, performance, interior design that customers desire, need, and want without any kind of traditional fuel economy penalty.

Our third choice is advancing the design in the engineering of autonomous technology. We'll develop a profitable autonomous vehicle that offers the most trusted and human-centered ride handling and goods delivery experience. We have these great partners in Pittsburgh at Argo AI, and they have assembled an incredible collection of talent and expertise. We're working hand in hand with them to build a great AV business model. Now, history has told us that with new technology comes great anticipation, and it's often used in ways we could have never imagined at the beginning. So we're committed to staying flexible and agile as we work to use this autonomous technology to augment and make people's lives better.

Our final choice is the mobility experience. We're going to create and scale this mobility platform, which includes services that will drive new, what we call sticky revenue, revenue that stays during good times and bad times, and then creates profit streams for us. We see ourselves not just as a provider of mobile solutions, but also as an orchestrator of digital connections from vehicle, to street, to business, to home. Now, these smart choices can only be achieved if the company is fit. While we're still making great strides in that today as we've talked about, we had to make key decisions that lead us to where we are now. With fitness, we're ensuring that Ford has all the options it will need to be here for a very long time. Fitness is comprised of four components. The first is improved operating leverage, which means we have the capacity in our costs and investments that we already have to do more. The second is future business models that are adaptive, be it build, partner or buy, to generate the highest returns. And the third is improved capital efficiency. We really are watching closely how much capital we need to have to create the profit. The fourth is our bedrock, a strong and resilient balance sheet.

So over our plan period, which is 2019 through 2022, we have identified \$11.5 billion of cumulative costs and efficiency opportunities. This is incremental to those who were following us last October where we announced \$14 billion in reduced material and engineering costs. It's \$11.5 billion of new costs added to the incremental \$14 billion from last October. So by applying just the results of our fitness review over the plan period, from 2019 to 2022, we now expect to meet our 8% adjusted EBIT margin target in 2020. That's two years earlier than our previous target of 2022. We believe we can increase our return on invested capital, or the profit we generate on the investments we make, from 10% to the high teens by 2020. Our objective to improve our returns reflects a profound refocus of our business and our fitness and strategy work, which has helped to gain clarity on where we need to focus. I'd just add anecdotally, the time we've spent has allowed us to get here with these actions.

Now, to ensure that we're delivering against this robust plan, we're committing to

measure our progress with four key metrics. They are overall growth, our EBIT margin, return on invested capital, and cash flow. Let me say those again. Growth, EBIT margin, return on invested capital, and cash flow. Which gives us the flexibility to strengthen our business while we invest in the future and we reward our shareholders with distributions. So when you consider our 2018 first quarter results, you can already see some of these actions paying off. Revenue was up 7% year over year to \$42 billion. That's our growth. The adjusted EPS rose 7.5% to \$0.43 a share. That's our EBIT margin. And we generated \$3 billion in operating cash flow. In 2017, we delivered a 3% increase in revenue, and net income increased by \$3 billion to \$7.6 billion. This supported a \$500 million supplemental cash dividend.

As I said earlier, we intend to lead in this new era of transportation, and I hope you can see we're moving faster than ever to do so, to become that world's most trusted company designing smart vehicles for a smart world. Clearly, to improve people's lives and to deliver long-term profitable growth to our shareholders. We're committed to continuing to take appropriate and decisive action to drive that profitable growth and maximize returns of our business over the long-term. And most importantly, our team is energized. They're acting with a renewed sense of urgency and excited about transforming Ford into the company that will lead this new era of mobility. An opportunity that I know we can deliver.

Let me again thank you for joining us and for your continued support of our efforts. Before we move to Q&A, we put together a brief video that highlights how our four strategic choices have begun playing out. Let's take a look.

[video plays]

Bill Ford:

I hope you enjoyed the video, and Jim, thank you for your remarks. At this point, I'd like to answer some of the questions that were submitted online. I'll remind you that the polls remain open until the conclusion of the Q&A period. And so let's get started.

The first one. Why is Ford stock price so low compared to other automobile manufacturers? Schwab gave it an A rating, but the price is ridiculously low.

Well, I share your frustration, and actually, the whole management team does. But actually, our whole sector is -- has been under pressure. And in fact, we continue to trade at a valuation premium compared to some of our key competitors. And I think this is really because of our strong balance sheet and our commitment to shareholder returns, particularly our dividend. In 2017, we returned almost \$3 billion in the form of dividends and shares repurchased, and between 2012 and 2018 we expect this to be about \$18.3 Billion. So we're very focused on shareholder returns. We're also frustrated with the stock price. That's really why also Jim kicked off the whole fitness effort, because we need to get our base business back into fighting shape. And so Jim mentioned we've got \$25 billion of costs coming out. We announced we're returning to 8% margins two years earlier than we'd already committed to, and we're very focused on return on invested capital, all of which we think when we pull this off will enhance our stock price. But really, in the last day, there's been an item that has affected our stock price, particularly yesterday, and so I'd like, Bob, if you could maybe give us a little more color to the stock price, but also speak to the event that happened just a couple days ago.

Bob Shanks:

Sure. Let me talk about that event first. So, back in early May, there was a fire at one of our critical suppliers here in Michigan. We have since then been working with that supplier and others to restore full production at our F150 plants as well as for super duty

at the Kentucky truck facility near Louisville as soon as possible. This resulted in a shortage of die cast parts that affected those product lines as well as several others. We do have very strong inventories of our best-selling F-Series pickups and the other vehicles that were affected, so customers will be able to find the models that they want. Currently, the F150 production has been suspended at our plant in Kansas City, and it was suspended at Dearborn last night. As I mentioned, the F-Series super duty plant in Kentucky also is down. We do expect to continue super duty production to continue at our Ohio assembly plant in Avon Lake. I have to say, this effort represents Ford at its best, and thanks to the work that we're doing with suppliers, our manufacturing and engineering team, as well as the people in our plants, we expect any impacts to be short-term. While the production shortage is expected to have an adverse impact on the company's near-term results, the company's guidance of delivering an adjusted EPS in the range of \$1.45 to \$1.70 for the full year is unchanged.

Jim Hackett: You know, Bob, I'll just add that our people, this factory had an explosion, and because of the heat, no one could go in there until the fire marshal cleared it. Our people actually put a tent up and stayed all night to be there at the moment that they could go in with big lifts to pull tooling out, which is what we're about in moving these tools to other locations to get production up and going. So this is Ford at its best.

Bill Ford: Thank you, Bob and Jim. So here's one on product. Who decided to eliminate the production of all sedans except for Mustangs? I don't agree with this move at all, especially with the rise of oil prices.

Well, I'll turn this over to Jim in just a minute, but I will say this. You know, we -- I wish the coverage had been a little different of that announcement, because if you got beyond the headline, which was Ford getting out of cars, you would have seen that actually we're adding to our product lineup, and that by 2020 we're going to have the freshest dealer showroom in the business. So, you know, the headlines looked like Ford was retreating. In fact, nothing could be further from the truth. We are actually going full speed ahead on new products. Our dealers are going to love them. Our customers will love them. And frankly, they're going to have better fuel economy. I mean, because of all the things Jim said in his remarks about electrification and hybridization of our entire fleet. So we're really excited by this. We've been listening to our customers and we've been watching the shifts in the marketplace, and importantly, we're placing bets where we believe we can get you, the shareholders, very good returns. Jim, would you like to add anything to that?

Jim Hackett: You bet, Bill. I'm anxious, actually, to address this because it begins with what our customers are telling us. They prefer what we're calling larger silhouettes. And there's all kinds of advantages with the ride height, the space, the performance of these vehicles. But, as in the past, every time that there was a move to larger silhouettes, and then maybe gas prices went up, there could be a penalty for customer shifting. What we're suggesting to you is in the future, and this was timed with the way we're thinking about this decision, customers will have propulsion options that essentially don't give them the fuel penalty that they would have had in the past. In fact, we're seeing that today, just with the innovation we have in light weighting and Eco boost, the existing gasoline engine in the Escape is as fuel efficient as a sedan Fusion. In the future, the Escape has these different propulsion options so people can trade up. And you need to think about the design opportunity we have with these kinds of propulsion systems to change the way vehicles feel to our customers in terms of space and height. So we really don't want anyone to think we're leaving anything, we're just moving to a modern version. And I said to Bill the other day, didn't Henry Ford build in the Model T a lot of capability for it to go across

country, you know, in fields and things like that, they could put side boards on it. It's because the utility of that vehicle was highly preferred. So this is an exciting new generation of vehicles coming from Ford. And I just want to add, Bill, that the implications to our fuel standards, we had planned in meeting the standard with this change. So there's no retraction at all. We're not going to drive people with these new opportunities away from meeting that standard. In fact, it helps us get there.

Bill Ford: Thank you, Jim, that's great. So, here's one. Why is the company so stingy with paying dividends? Was that sent in by a member of the Ford family? Bob, I think I'll let you handle this one.

Bob Shanks: Thank you. All right, so let me just talk first of all about what our strategy is. Our strategy is a commitment to pay 40% to 50% of trailing adjusted net income to our shareholders annually via dividends and share repurchases. And the dividends come in two forms. One is a regular dividend, which is presently \$0.15 per share per quarter, which is \$2.4 billion a year, and we've also been, over the last number of years, we've been paying a supplemental dividend, that gets us into the 40% to 50% range that we're targeting. And thirdly, we have for a number of years had a share repurchase program to offset the dilution effect of the compensation related issuances that we've had. Now, our payout ratio places us in the top quartile among our auto peers, so it is a very healthy level. In fact, we have one of the highest dividend yields in the S&P 500. So we'll continue to reward shareholders in that manner and in fact, the point that you raised earlier, one of the things I do think is providing support to the stock is the strong balance sheet, but also the very healthy level of dividends that we have as well.

Bill Ford: Great. Thank you. Okay, this question is for Bill Ford. This past February, SEC Commissioner Robert Jackson, Jr. spoke out against corporate royalties, aka dual-class voting shares, of which Ford is the poster child. His point was that it hurt the company in the long-term and, given the downward spiral of Ford's stock since Alan Mulally retired, it seems to support his hypothesis. What are your thoughts on how Ford is helped by having such an undemocratic voting system, and how do you convince Wall Street analysts and investors that this structure actually maximizes shareholder value, when reality says otherwise?

Well, first of all, the common shareholders do have the majority of the stock, and so they're at 60%. I guess I would say secondly, nothing has changed since 1956. Anybody who's ever bought a share of Ford from the day it went public has known of this structure. So nobody has had the rules changed on them as a holder. We also believe that it gives us the ability to really balance the near-term and the long-term in a way that's an advantage for us. Because, you know, my family has been a shareholder obviously since the inception, and we would like to be a shareholder for the next 115 years. And as such, we're not only interested in a great business today, which we are, but we're also interested in building a very strong business for the future. And I think it gives us a little longer view than perhaps other companies. The other thing I would say is that going into the great recession, there were three American companies, two of which went bankrupt, one of which did not. And that one that didn't had the family shareholding. And we've emerged from the downturn with very solid financial performance for I believe it's eight years in a row. And finally, there's a sense of accountability. You know, my family name is on every product that we sell, and shareholders know where to find me. I'm not going to take a golden parachute and leave anybody holding the bag. So that's something that I think about all the time, and I know a lot of our employees and shareholders find that of great value. So, Jim, maybe you could take this one?

Jim Hackett: You bet.

Bill Ford: I've got another one, unless you'd like to add to that.

Jim Hackett: No, I was just going to confirm, look, I had a choice to take this job or not and coming out of retirement. And I can -- I've been on a number of public company boards, and I can warrant to our shareholders the way this company is run, the way Bill thinks about it, is purely about competing and winning, and there's just no relaxing because of this dual shareholding stock. It's probably the opposite.

Bill Ford: Thanks, Jim. So, there's a question on EV recharging infrastructure and it says, will Ford invest in the recharging infrastructure, and if so, will it be for profit as current gas stations are or will it charge the public? And so, could you kind of take a crack at the EV infrastructure?

Jim Hackett: You bet. And the questioner has got a good mind for what we call a design problem, which is we create these vehicles, but we need the system to refuel them, and it's not automatically there. Neither was the gasoline system when it first came out years ago, 100 years ago. So, at the highest level, just to confirm, we and others are making big commitments to electric in our portfolio. So that alone gives the rest of the system a signal that all these vehicles are coming, and therefore an infrastructure has to be there. And it's key to the adoption by our customers. So, for example, in Europe, we're part of a joint venture for higher-powered charging system, and it's there first because the mandates by countries to not have diesel is going to cause the electric vehicle to be adopted sooner. This is likely to happen, Bill, in China as well given the government's position. So what we need in the US. is not only the commitment to the portfolio you've heard us say, but a government and private partnerships. And I personally, along with Hau Thai-Tang, who leads our product development, have been visiting utility companies in our country to talk about their interest in this, and, in fact, oil companies. Some of the largest oil companies in the country have talked about their ability and their interests. So what I imagine, Bill, is that there's a partnership emerging here and there will be more to talk about. But we realize that that has to follow the development of these vehicles, and we're committed to that.

Bill Ford: Yeah, that's great. Thank you, Jim. So, here's one on executive comp. Given the company's dismal stock performance, declining sales, and numerous recalls, please justify the level of compensation paid to the board of directors and the bonuses paid to officers. Jon, you want to take that one?

John Osgood: Sure. Let me start with company officers. As Bill mentioned during his earlier remarks, we strongly believe in aligning executive compensation with the company's business performance and long-term shareholder value, which is why approximately 80% of senior executive compensation is performance-based awards tied to the company's business and stock performance. The 2018 performance-based awards are tied to new metrics that ensure tighter alignment with our corporate strategy and business plan. For example, our 2018 cash bonus plan contains the following metrics. Company revenue at 20%, company adjusted EBIT margin at 30%, company operating cash flow at 30%, and quality at 20%. With respect to our performance-based stock, restricted stock units, the metrics are weighted 75% for financial metrics, including a three-year average for adjusted EBIT margin, and a 3-year average for external annual return on invested capital. The other 25% is exclusively shareholder returns, TSR. With respect to our board members, effective January 1st, 2018, non-employee director fees were increased to \$315,000, up from \$250,000, of which \$215,000 of that, or roughly 68%, is

mandatorily deferred into restricted stock units which the directors cannot sell until they actually depart from the board, which creates big incentive in alignment in terms of compensation for our directors with shareholders. I'd also mention that we rely on an independent third party consultant to help us monitor the external landscape with respect to director compensation, and Ford makes changes from time to time to make sure we remain competitive and that we're able to attract very highly qualified directors.

Bill Ford: Thanks, Jon. Okay, here's one on racing. For the second year in a row, the annual report has no mention of Ford Racing, Ford performance parts, Motor Craft, and the cost and profit contribution of each segment. Is there a timetable for spinning these businesses off now that the company is exiting the passenger car business? The Ford Racing pride is fading away which is very disturbing to us loyal owners. I'm going to ask Bob to take this in just a second, but let me just say this. I feel like I don't think the Ford pride in racing is fading away. In fact, one of the great moments of my lifetime was two years ago at Le Mans where we came back with our GT and 50 years after exiting, having beaten Ferrari 50 years ago, came back and beat Ferrari again in 2016. And what was really fun and really cool was being there with a huge contingent of Ford enthusiasts, from really all around the world. They came to Le Mans, and then we had a hell of a race. So that was to me one of the great times, moments of my career. But to answer your question maybe more directly, I'd like to have Bob take a crack at this.

Bob Shanks: Thanks, Bill. So there is no contemplation of spinning off Ford Racing or Ford performance parts or Motor Craft. As you mentioned, they're important to us, and there's a lot of pride, particularly in Ford Racing, because Ford Racing creates advocates, and data shows that among customers who are racing fans, there's a high level of loyalty to Ford Motor Company. We have announced that we're going to transition from Fusion to Mustang in NASCAR competition, and we are considering motor sports competitions and events related to electrified vehicles in order to demonstrate the off-road capability of our future products. So, Ford Racing is going to continue to be an important part of Ford Motor Company.

Bill Ford: Yeah, you bet it is. Our products are ones that our customers are so passionate about, and racing fans are the most passionate of our customers, and we're not about to abandon them. So, there have been some questions, I'm going to summarize them because they're all over the map, on the virtual annual meeting and whether or not this is a good idea. So, I must tell you, I actually feel some sadness in it, because I miss seeing a lot of the people that were at the annual meetings, and I miss the give and take and the banter back and forth with some of the participants. The problem was, the attendance at these meetings were small and getting smaller, and it was pretty much the same people going to them. So we believed that by going to this format, we could greatly expand the number of shareholders that we actually reached and could ask questions. And in fact, that's happened. You know, our participation last year was way, way, way up over the annual meeting, the in-person annual meeting, and the same again for this year. So, there are tradeoffs, for sure. As I say, I personally miss seeing a lot of the regulars, because it was a lot of fun, and as I say, I also miss a lot of the banter back and forth. But really, in terms of reaching the most shareholders and getting the most democratic process that we can, we think this is the best way to do it. As I say, unfortunately, there are some tradeoffs.

But it wouldn't be an annual meeting without a question from the following person, who has been a stalwart at every single annual meeting, and I'd like to read her question/statement. Good morning, Mr. Chairman and board of directors and fellow shareholders. I'm Jane C. Garcia from the great comeback city of Detroit. I want to

express my appreciation for the support Ford continues to give Puerto Rico after the devastating hurricane. Ford's commitment has been outstanding and exemplary. Our Southwest Detroit community is very appreciative for all that Ford gives back through the Southwest Detroit Ford Resource & Engagement Center. The services provided in Southwest Detroit provide so many people with services throughout the entire city. We must express our appreciation for the outstanding work that Jim Vella, for those of you who don't know Jim, he heads up our Ford Fund, and his team do through the fund and how many people they're serving. For over 115 years, Ford has made such an impact in this city, and now with the refurbishing of parts of Corktown, people are just so excited about the future of Detroit.

So, thank you, Jane, and thank you for all you do in the community. It's people like you who really make our world a better place. You are so tireless. We're just happy to help you and support you, kind of however and wherever we can. You know, we're very grateful, those of us who live in Detroit, we're very grateful for your leadership and your passion and your compassion, because it shows through every day.

Okay, so, here's another product one. Why has Ford chosen to eliminate its presence in the car market and primarily focus on trucks? Is this decision being made due to rollback in standards and emissions? So, Jim, would you mind taking that?

Jim Hackett:

Not at all. And, you know, to reaffirm, both Bill and I posted on medium a really straightforward perspective on these standards. For those shareholders who don't know, 11 years ago, there was a standard created for CAFE here in North America, and the company has been compliant. It's been meeting its targets. There's a prospective move by the government to roll those back. What they're talking about is the future standards, which are higher than they are now, would be flattened out. Bill and I have been clear in our position that Ford is designing its business to exceed and meet those standards that were set previously. All the decisions that we just made about the \$11 billion portfolio for electrification, the decisions to include in propulsion hybrids, is in order to meet these kinds of standards. In fact, to our shareholders, you need to know there's no company today presently that's making any kind of profit on electrification. So a commitment to this means that we have to find a way to be profitable. So there's really kind of underlying in that point is the fact that we're so committed to this standard, we want to do it in the face of what would be easier to just let it relax. We don't believe that's the right thing to do for CO₂. And Bill, if I could, just to sneak in something I'd love to talk to in future meetings about, is that the arrival of these smarter cars and their ability to communicate with each other, we have the prospect that cars won't be stuck in traffic like they were, which is one of the reasons that we have CO₂ problems. Or that they don't have to take as long to search for a parking spot, which is one of the biggest ways we have fuel inefficiency. So something about the smartness that we're talking about is much more probably impactful in the future that our shareholders don't know about. So we look forward to telling them about that story as it comes out.

Bill Ford:

Great. Thank you. So, here's one on recalls. Please explain in detail while the company should absorb any cost of recalls, when the problem was the failure of supplier parts. Shouldn't the supplier bear the entire burden? I'm going to ask Bob to take a crack at this.

Bob Shanks:

Thank you, very good question. So, first of all, let me just remind everyone that we take this whole area very seriously as the safety of our customers comes first, and as soon as we have information or data that suggests that we need to take action, regardless of what the root cause is, we certainly do so, and we have a very, very robust process around that. I will say that part of that process is to understand, as I mentioned, the root cause. So is

that a Ford design issue? Is that a supplier design issue? And oftentimes, we actually find it's maybe a gray area, where potentially the issue is on both the parties' sides of that line. So we do actually have as that process plans and actions that go back to suppliers where they did have a role in the issue itself to recover cost. So that is part of the process. Usually, that takes place sometime after we book the initial impact of the recall. That's understandable, because we have to go through a negotiation and discussion with them to be clear in terms of who's at fault. But that is part of the process, and we do benefit from that.

Bill Ford: Thanks, Bob. Thank you. Okay, here's one on child labor. So, CNN recently showed the chain of custody for cobalt from child labor and unsafe tunnels in Africa through intermediaries to car manufacturers. Are we certain that we're purchasing cobalt and other rare materials not just environmentally sound, but through respecting human right channels? Not just cleansing our supply chain by purchasing through intermediaries. Thank you. Bradley, do you want to take a crack at that one?

Bradley Gayton: Sure, Bill. Good morning to our fellow shareholders and thank you for that question. It is with a great deal of pride that our company has long recognized that protecting human rights in our operations, in our supply chain is an important sustainability issue, and we remain committed to respecting human rights everywhere we operate. Human rights and working conditions programs are really an integral part of the efforts to develop and be more sustainable and have an ethical supply chain. And that includes robust purchasing processes that we have, supplier training and education on human rights issues, we even offer third party social responsibility audits to provide suppliers with feedback on how they're meeting both local legal requirements and Ford's expectations around this issue. So to be clear, we aim to ensure that everything we make, or that others are making for us, are consistent with local laws and our own commitment to protecting human rights. And I'd also guide you to look at our sustainability report online. Our group vice president of sustainability has provided a wonderful report that outlines these issues there as well. So thank you for that question.

Bill Ford: Bradley, thank you. So, here's another one. As a Ford investor, I feel like Sisyphus, but instead of rolling a rock uphill only to see it roll down, I wait for Ford stock price to again hit \$13. Yet it seems day after day, even after the DOW is up 200, Ford is always red. Anyway, my question for Bill Ford, given the erosion of stock price from a high of \$17 during Alan Mulally's tenure to the \$11 range in 4 years of a raging bull market, isn't it about time to admit that perhaps using \$11 billion of the \$28 billion cash hoard, of our \$28 billion cash hoard, to retire 1 billion shares might help shareholders and show confidence in Ford as a viable company.

I'm going to turn this over to Bob. Before I do, I'd just like to say, look, we want to get the stock moving. Jim announced some really pretty far-reaching actions, really in the last quarter, that we have in mind. And it was very clear in terms of the costs we're taking out, the capital allocation that we've got going to invest in our higher margin products. And also, we're not finished. We've got more to come. This business can get fitter and it will get fitter. And we have more actions to come that will show that. So we're with you on this. But I'd like to ask Bob maybe to provide a little more detail.

Bob Shanks: Before I give a direct answer, maybe it would help first to just share with shareholders the degree to which we actually touch base with investors and get feedback from investors and what they're telling us about our distributions. With our new executive director, we are being even more aggressive in terms of our outreach. Let me just give you an example. Following the first quarter call, we had myself, we had Joe Hinrichs

who is the President of Global Operations, Jim Farley, President of Global Markets. Among ourselves, we covered 5 cities with 3 separate teams. We met with over 60 firms that represented over 1/3 of our actively managed equity base and about 13% of our unsecured debt. We're going to have more of these. We have them scheduled for the balance of the year. We go to a lot of conferences. We do a lot of one to ones at conferences. Of course, we're going to have our Analyst and Investor Day in September. So we get a lot of touch points and questions and feedback from a very broad array of the investor base. And on this particular point, I have to tell you that they're all over the place. I get feedback from big investors, please don't pay as much out on the dividend, we'd like you to hold even more cash. I get others that would like more. I get others that are for buybacks, others that are against buybacks. So there's no common theme around that. But I think it's important that shareholders understand that our policy, which is benchmark, is to pay out 40% to 50% of our trailing adjusted net income. We do that. It's just a question of what form do we do that. We're not holding back in terms of what is a benchmark level of distributions. Our choice at the moment is to do it primarily through distributions of dividends, although there is an element of share repurchases, as I mentioned, and we're certainly not fundamentally opposed to doing a larger share buyback program at some point in time, if that makes sense, but at the moment, that's not our plan.

Bill Ford: Great. Thanks, Bob. Okay, we'll do a couple more, so here's one. Dear Bill and Jim, with regards to Autonomic and the TMC, when will we see Ford announce partnerships with other OEMs/tech companies, and when do you foresee the first pilot project with a specific city? In other words, should investors expect some news on these developments later in 2018? Thank you for your time and keep up the good work.

Jim Hackett: Thank you, Bill, and to that question, let me just be direct. You should be expecting announcements in 2018. I'm very excited about this acquisition. Quickly, Bill, Autonomic is a cloud-based company. It's made up of some superstars, so to speak. I don't think I'm exaggerating. The folks that were involved in development of cloud structures and other cloud companies that are household names, they came together to form this business. We were an early investor and the rapport and partnership was so strong that we decided just to come together fully. So Ford bought out the rest of the organization, kept the whole team. Basically, the way this works is vehicles in the future can talk to vehicles through modems in their vehicles, and they can talk to a cloud. The reason for that is we need both of these things for a vehicle to relate to the cities. And I think I talked earlier about how a vehicle can find an empty parking spot, will be because of this cloud service. That's a simple primer on why it's an important structure. These things make money because there's services that come from those cloud arrangements because other people, let's just think of a brand name coffee provider, who will pay for access to the data customers are willing to share to send promotions directly to your vehicle. There are lots of other OEMs or people that make products like we do, that are interested in being part of this cloud. So it's ironic that it's ours but they would want to join because they can build their own businesses to reach their own vehicles as well. So we're in talks with a number of them, not ready to roll all that out, but I'm really happy with the progress. And by the way, this is all over the world, the interest that we've received. There's also excitingly other tech companies. These are people that are in other parts of the world that want to have the ability to be on the cloud and talk to our customers. So all in all, Autonomic is a really key component of our mobility service strategy, and Marcy Klevorn and Sunny Madra who is the head of Ford X are doing a great job with this.

Bill Ford: Thanks, Jim. Thank you. So, last question, and then we'll continue on with the meeting.

This one's on Lincoln. Can we expect Ford Motor Company to make a continued commitment to Lincoln despite recent comments by management that Lincoln is losing money? And what is the company presently doing to reduce tensions with the Chinese inspectors of Lincoln products imported from the US to China? This is obviously a political problem created by the actions of our government and retaliatory moves by the Chinese, but how is Ford going to deal with the issue? Thank you.

Jim Hackett:

Well, I'd just addressed the second thing first. The trade situation in China you know, as everyone reads, is fluid, but I have nothing new to report in that area. We enjoyed great relationships with the Chinese government in our Lincoln brand. There in fact, let me start with why I'm so excited about that. Lincoln is growing extremely fast in China. It's a brand that's expanded not only through dealers, but models that are there, and we're going to be producing our first vehicle there in 2020. But I think, Bill, the highlight of Lincoln right now is the fact that we had our second consecutive vehicle of the year award with the Navigator. My goodness, this vehicle is hotter than anyone could expect. I get lots of calls from people around the world asking if they can move up their order for their Navigator, so this product has done extremely well. That was on the heels of the sedan that we had introduced earlier that is continuing through its cycle. And we just completed two big shows, the New York Auto Show and the Beijing Auto Show where we showed the new Lincoln Aviator. And both best of shows there, the product has standing room only crowds and it continues this insight into how to make luxury -- you know, one level up in terms of a standard of performance. So Lincoln is doing very well.

The other thing that during the time when the brand was on its rebirth, we tried and have implemented new customer service techniques that take care of our customers, and it has raised the brand awareness and rating of Ford, the highest its -- excuse me, of Lincoln, the highest it's been in the last ten years. So Lincoln's progress is not in question right now. What we needed to do is to complete the rest of the cycle of the new products in the China expansion, and I think we'll then meet some of the goals that we set out for the brand.

Bill Ford:

That's great. Thank you, Jim. And thank you, ladies and gentlemen, for all your thoughtful questions. And as I indicated earlier, the polls for voting will close upon conclusion of the Q&A period. And accordingly, I now declare the polls closed. So, there were some questions that we weren't able to answer today due to time constraints. So, answers to those questions will be posted online at www.shareholder.ford.com. And they'll be posted as soon as we can and they'll remain up for a week. So at this time, I'd like to hear the voting results. Jon?

Jon Osgood:

Sure, Bill. Only a small percentage of the total vote remains to be counted, but it won't significantly affect the voting results. With respect to Proposal 1, the election of directors, each of the director nominees received at least 89.4% of the votes. The votes on the remaining proposals was as follows.

On Proposal 2, relating to the ratification of the selection of the independent registered public accounting firm, 98% of the votes cast were in favor.

On Proposal 3, relating to approval on an advisory basis of the compensation of the named executives, 96.1% of the votes cast were in favor.

On Proposal 4, relating to approval of the 2018 long-term incentive plan, 69% of the votes cast were in favor.

On Proposal 5, relating to consideration of a recapitalization plan to provide that all company stock have one vote per share, 63.9% of the votes cast were against.

On Proposal 6, relating to the disclosure of the company's lobbying activities and expenditures, 83.3% of the votes cast were against.

On Proposal 7, relating to the disclosure of the company's plans to meet greenhouse gas emissions requirements, 87.2% of the votes cast were against.

And finally, on Proposal 8, relating to the disclosure of the company's political activities and expenditures, 82.6% of the votes cast were against.

Bill Ford: Thank you, Jon. In view of the results, I declare that each of the nominees for director named in the proxy statement has been duly elected a director of the company. Proposals 2, 3, and 4 have been adopted and Proposals 5, 6, 7 and 8 have been defeated. That takes care of the business of the meeting, and the meeting is adjourned, and thank you all for joining us today.

Operator: This broadcast has concluded. Thank you for attending.