

FORD MOTOR CO
Form FWP
November 04, 2009
Pricing Term Sheet
dated November 3, 2009

Filed pursuant to Rule 433
Registration No. 333-151355
Supplementing the Preliminary
Prospectus Supplements
dated November 2, 2009
(To Prospectus dated June 2, 2008)

FORD MOTOR COMPANY

4.25% Senior Convertible Notes due November 15, 2016 (the Notes)

This communication should be read in conjunction with the registration statement dated June 2, 2008, the accompanying prospectus and the preliminary prospectus supplement dated November 2, 2009. The information in this communication amends and supersedes the information in the preliminary prospectus supplement and the accompanying prospectus to the extent inconsistent with the information in the preliminary prospectus supplement and the accompanying prospectus.

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|--------------------------------|---|
| Issuer: | Ford Motor Company (NYSE: F) |
| Size: | \$2,500,000,000 or \$2,875,000,000 if the Underwriters exercise in full their over-allotment option |
| Maturity: | November 15, 2016, unless earlier redeemed, repurchased or converted |
| Interest: | 4.25% per annum, accruing from the settlement date |
| Interest Payment Dates: | Each May 15 and November 15, commencing May 15, 2010 |
| Closing Price of Common Stock: | \$7.44 per share on November 3, 2009 |
| Conversion Premium: | Approximately 25% over NYSE closing price on November 3, 2009 |
| Initial Conversion Price: | Approximately \$9.30 per share of common stock |
| Initial Conversion Rate: | 107.5269 shares of common stock per \$1,000 principal amount of Notes |
| Pricing Date: | November 3, 2009 |
| Settlement Date: | November 9, 2009 |
| Ranking: | The notes will be senior unsecured obligations of Ford and will: |

be effectively junior to any existing or future secured debt;

rank equally in right of payment with any existing or future senior unsecured indebtedness;

rank senior to all of our existing and future subordinated debt, including Ford's 6.50% Junior Subordinated Convertible Debentures due 2032; and

be structurally subordinated to all existing and future

liabilities of our subsidiaries, including debt for borrowed money, guarantees of our credit agreement, trade payables, lease commitments and pension and postretirement healthcare and life insurance liabilities.

As of June 30, 2009, we (excluding our subsidiaries) had approximately \$24.0 billion of indebtedness, including approximately \$14.7 billion of secured indebtedness. As of June 30, 2009, our subsidiaries (other than our financial services sector, including FMCC) had approximately \$9.9 billion of indebtedness and trade and other payables but excluding guarantees under our credit agreement and the Department of Energy ATVM arrangement agreement. As of June 30, 2009, our financial services sector had approximately \$107.7 billion of consolidated indebtedness, including approximately \$104.7 billion of consolidated indebtedness of FMCC, all of which would have been structurally senior to the notes.

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| Price to Public: | \$1,000 per \$1,000 principal amount of Notes |
| Underwriting Discount: | 2.25% |
| Net Proceeds to Issuer (before expenses): | \$2,443,750,000 (or \$2,810,312,500 if the over-allotment option is exercised in full) |
| Minimum Denomination: | \$1,000 and integral multiples thereof. |
| CUSIP: | 345370 CN8 |
| ISIN: | US345370CN85 |
| Underwriters: | Barclays Capital Inc., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated and RBS Securities Inc. are joint book-running managers. BNP Paribas Securities Corp. and HSBC Securities (USA) Inc. are co-managers. |
| Adjustment to Conversion Rate upon Designated Event: | The following table sets forth the applicable price and effective date which will determine the number of additional shares to be added to the conversion rate per \$1,000 principal amount of Notes in connection with a designated event: |

| Date | Applicable Price | | | | | | | | | | | | |
|------|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | \$7.44 | \$8.00 | \$10.00 | \$12.00 | \$14.00 | \$16.00 | \$18.00 | \$20.00 | \$22.00 | \$24.00 | \$26.00 | \$28.00 | \$30.00 |
| 9, | 26.8817 | 25.2632 | 17.2721 | 12.5344 | 9.4742 | 7.3709 | 5.8559 | 4.7246 | 3.8551 | 3.1713 | 2.6236 | 2.1783 | 1.8118 |
| 15, | 26.8817 | 25.1001 | 16.6912 | 11.8336 | 8.7745 | 6.7208 | 5.2723 | 4.2099 | 3.4060 | 2.7819 | 2.2871 | 1.8883 | 1.5622 |
| 15, | 26.8817 | 24.7086 | 15.7523 | 10.7459 | 7.7045 | 5.7362 | 4.3959 | 3.4441 | 2.7439 | 2.2130 | 1.8004 | 1.4727 | 1.2080 |
| 15, | 26.8817 | 24.2489 | 14.4732 | 9.2209 | 6.1930 | 4.3510 | 3.1779 | 2.3984 | 1.8589 | 1.4714 | 1.1824 | 0.9603 | 0.7846 |
| 15, | 26.8817 | 23.4136 | 12.4033 | 6.7248 | 3.7297 | 2.1501 | 1.3170 | 0.8714 | 0.6239 | 0.4765 | 0.3808 | 0.3119 | 0.2586 |
| 15, | 26.8817 | 22.5755 | 9.4819 | 1.8374 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| 15, | 26.8817 | 20.9167 | 7.5349 | 1.2560 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| 15, | 26.8817 | 17.4731 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

The exact applicable price and effective date may not be set forth in the table above, in which case:

if the actual applicable price is between two applicable prices in the table or the effective date is between two effective dates in the table, the increase in the conversion rate will be determined by straight-line interpolation between the numbers set forth for the higher and lower applicable prices, and/or the earlier and later effective dates, based on a 365-day year, as applicable;

if the actual applicable price is equal to or in excess of \$32.00 per share (subject to adjustment in the same manner as the applicable prices in the table above), the Issuer will not increase the conversion rate applicable to the converted note; and

if the actual applicable price is equal to or less than \$7.44 per share (the closing sale price of the Issuer's common stock on the date of hereof) (subject to adjustment in the same manner as the applicable prices in the table above), the Issuer will not increase the conversion rate applicable to the converted note.

In no event will the conversion rate exceed 134.4086 shares per \$1,000 principal amount of note, subject to adjustment in the same manner and at the same time as the conversion rate as set forth under clauses (1) through (4) under Description of Notes Conversion Rights Conversion Rate Adjustments in the preliminary prospectus supplement for the senior convertible notes offering.

The Issuer has filed a registration statement (including a prospectus) with the Securities and Exchange Commission for the offering to which this communication relates and a preliminary prospectus supplement relating to the offering. Before you invest, you should read the prospectus in that registration statement, the preliminary prospectus supplement and other documents the Issuer has filed with the Securities and Exchange Commission for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the Securities and Exchange Commission Web site at www.sec.gov.

Alternatively, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Citigroup Global Markets Inc. toll free at 1-877-858-5407, J.P. Morgan Securities Inc. at 1-631-254-1735 or Merrill Lynch, Pierce, Fenner & Smith Incorporated toll free at 1-866-500-5408.

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