

FORD MOTOR COMPANY AND SUBSIDIARIES
Schedule II — Valuation and Qualifying Accounts
(in millions)

Description	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions	Balance at End of Period
For the Year Ended December 31, 2020				
Allowances deducted from assets				
Credit losses	\$ 530	\$ 840	\$ 38 (a)	\$ 1,332
Doubtful receivables	49	28	20 (b)	57
Inventories (primarily service part obsolescence)	462	226 (c)	—	688
Deferred tax assets	843	1,301 (d)	163	1,981
Total allowances deducted from assets	<u>\$ 1,884</u>	<u>\$ 2,395</u>	<u>\$ 221</u>	<u>\$ 4,058</u>
For the Year Ended December 31, 2021				
Allowances deducted from assets				
Credit losses	\$ 1,332	\$ (306)	\$ 100	\$ 926
Doubtful receivables	57	3	13 (b)	47
Inventories (primarily service part obsolescence)	688	36 (c)	—	724
Deferred tax assets	1,981	(670) (d)	244	1,067
Total allowances deducted from assets	<u>\$ 4,058</u>	<u>\$ (937)</u>	<u>\$ 357</u>	<u>\$ 2,764</u>
For the Year Ended December 31, 2022				
Allowances deducted from assets				
Credit losses	\$ 926	\$ 50	\$ 119	\$ 857
Doubtful receivables	47	57	11 (b)	93
Inventories (primarily service part obsolescence)	724	(6) (c)	—	718
Deferred tax assets	1,067	(242) (d)	3	822
Total allowances deducted from assets	<u>\$ 2,764</u>	<u>\$ (141)</u>	<u>\$ 133</u>	<u>\$ 2,490</u>

(a) Finance receivables deemed to be uncollectible and other changes, principally amounts related to finance receivables sold and translation adjustments. For the year ended 2020, includes \$(252) million related to the adoption of ASU 2016-13 for cumulative pre-tax adjustments recorded to retained earnings as of January 1, 2020.

(b) Accounts receivable deemed to be uncollectible as well as translation adjustments.

(c) Net change in inventory allowances, including translation adjustments.

(d) Change in valuation allowance on deferred tax assets including translation adjustments.