

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA ex rel.
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA

Plaintiff,

v.

AMERICAN HONDA MOTOR CO., INC.
and HONDA OF AMERICA MFG., INC.,

Defendants.

EQUITY NO.

CONSENT JUDGMENT

FINAL CONSENT JUDGMENT

Plaintiff, State of Iowa (“the People” or “Plaintiff”), appearing through its attorney, Thomas J. Miller, Attorney General of the State of Iowa, by Jessica Whitney, Special Assistant Attorney General has brought this action pursuant to the provisions of the Iowa Consumer Fraud Act, Iowa Code § 714.16, having filed a Complaint against the Defendants.

Plaintiff and Defendants, by their counsel, have agreed to the entry of this Consent Judgment by this Court without trial or adjudication of any issue of fact or law and without admission of any wrongdoing or admission of any of the violations of the Iowa Consumer Fraud Act, Iowa Code § 714.16 or any other law as alleged by Plaintiff.

Contemporaneous with the filing of this Consent Judgment, Defendants are entering into similar agreements with the Attorneys General¹ of Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Guam, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York,

¹ With regard to Maryland, any references to the Attorney General or Attorneys General shall mean the Consumer Protection Division, Office of the Attorney General of Maryland.

North Carolina, North Dakota, Northern Mariana Islands, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming, hereinafter collectively (including Iowa) referred to as “Attorneys General” or “Signatory Attorneys General.”

PRELIMINARY STATEMENT

WHEREAS, since December 2015, an Attorneys General Multistate Working Group has been engaged in an investigation regarding American Honda Motor Co., Inc.’s and Honda of America Mfg., Inc.’s (hereinafter referred to collectively as “Honda” or “Defendants”) use of Takata Airbags in Honda Vehicles, the use of which compromised the safety of the vehicles.

WHEREAS, this Consent Judgment is agreed to by the Parties and entered into solely for the purpose of allowing the Parties to avoid further expenses of litigation and to avoid protracted litigation.

NOW THEREFORE, upon the consent of the Parties hereto, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

I. PARTIES

1.1 Plaintiff is the State of Iowa.

1.2 Defendants are American Honda Motor Co., Inc., and Honda of America Mfg., Inc.

1.3 American Honda Motor Co., Inc., is located at 1919 Torrance Boulevard, Torrance, California 90501.

1.4 Honda of America Mfg., Inc., is located at 24000 Honda Parkway, Marysville, Ohio 43040.

II. JURISDICTION

Pursuant to the provisions of Iowa Code § 714.16(10), this Court has jurisdiction over the subject matter and over the Defendants for the purpose of entering into and enforcing this Consent Judgment. Jurisdiction is retained by this Court for the purpose of enabling the Signatory Attorney General or the Defendants to apply to this Court for such further orders and directions as may be necessary or appropriate for the construction and modification of the injunctive provisions herein or execution of this Consent Judgment, including enforcement of this Consent Judgment.

III. VENUE

Pursuant to the provisions of Iowa Code § 714.16(10), venue as to all matters between the Parties hereto relating to or arising out of this Consent Judgment shall lie exclusively in the Iowa District Court for Polk County.

IV. DEFINITIONS

As used in this Consent Judgment, the following words or terms shall have the following meanings:

4.1 “Alpha Population” shall mean certain Model Year (“MY”) 2001-2002 Honda Civic and Accord, MY 2002-2003 Acura TL, MY 2002 Honda CR-V and Odyssey, and MY 2003 Acura CL and Honda Pilot vehicles as set forth in Exhibit A, to the extent they still contain original equipment Takata inflators.

4.2 “Applicable Consumer Protection Law” shall mean all applicable civil consumer protection and unfair and deceptive acts and practices laws, including, without limitation Iowa Consumer Fraud Act, Iowa Code § 714.16, any regulations associated with such statutes, as well as common law and equitable claims.

4.3 “Covered Conduct” shall mean business practices, acts, representations and omissions, by any of the Released Parties, whether actual or alleged, related to the design,

testing, manufacture, purchase, advertising, installation, or recall of Takata Airbags, to the extent such conduct provides the basis for a claim under any actual or potential Applicable Consumer Protection Law. For the avoidance of doubt, Covered Conduct includes any notice or communications by the Released Parties related to Takata Airbags. As of the Effective Date, Honda represents that it does not know of any defect related to motor vehicle safety and does not have any evidence of a defect related to motor vehicle safety in unrecalled Takata inflators supplied to Honda with phase-stabilized ammonium nitrate containing desiccant. The term “defect related to motor vehicle safety” is to be construed in accordance with how those words are defined in 49 U.S.C. § 30102 and used in 49 U.S.C. § 30118.

4.4 “Effective Date” shall mean August 12, 2020, notwithstanding the date of the entry of this Order by the Court.

4.5 “Frontal Airbag Module” shall mean the frontal airbag inflator and other frontal airbag component parts.

4.6 “Honda Vehicles” shall mean all automobiles distributed by American Honda Motor Co., Inc. for sale in the United States, whether they bear the “Honda” or “Acura” label.

4.7 “Inflator Rupture” shall mean an incident (or alleged incident) occurring in the field, in the United States, by which some mechanism (e.g., excessive internal pressure inside the inflator) causes the inflator body to burst or break apart at any time during the air bag deployment sequence. Signs of an inflator rupture include, but are not limited to, unusual tears in airbag cushion fabric and/or metal shards detected or found in the vehicle passenger compartment.

4.8 “ISO” refers to the International Organization for Standardization.

4.9 “ISO 9001” and “ISO/TS 16949” certifications refer to those specific standards issued under the auspices of the International Organization for Standardization.

4.10 “IATF” refers to the International Automotive Task Force working in coordination with the ISO technical committee(s).

4.11 “Multistate Executive Committee” shall mean the Attorneys General of Arkansas, Connecticut, District of Columbia, Florida, Georgia, Maryland, New Jersey, Oregon, South Carolina, South Dakota, and Texas.

4.12 “Multistate Working Group” shall mean the Attorneys General of Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Guam, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Northern Mariana Islands, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

4.13 “Released Parties” shall mean Honda, its subsidiaries and affiliates, and in their official capacities, all present and former officers, directors, agents, employees, and representatives of such entities.

4.14 “Takata” shall mean TK Holdings, Inc., Takata Americas, TK Finance, LLC, TK China, LLC, Takata Protection Systems Inc., Interiors in Flight Inc., TK Mexico Inc., TK Mexico LLC, TK Holdings de Mexico, S. de R.L. de C.V., Industrias Irvin de Mexico, S.A. de C.V., Takata de Mexico, S.A. de C.V., and Strosshe-Mex S. de R.L. de C.V.

4.15 “Takata Airbags” shall mean all Frontal Airbag Modules designed, manufactured, supplied or sold by Takata and which utilize ammonium nitrate as the propellant, regardless of whether such airbags have been subject to a safety recall pursuant to the Federal Motor Vehicle Safety Act.

4.16 “Tier 1 Suppliers” shall mean manufacturers or suppliers that provide airbag assemblies or airbag components directly to Honda for installation in its motor vehicles.

4.17 “United States” shall mean the 50 states, District of Columbia, and all of its territories.

V. INJUNCTIVE RELIEF

Except as otherwise stated herein, the Released Parties are hereby permanently enjoined from:

5.1 Advertising, promoting, or otherwise representing in any way that is false, deceptive, or misleading (a) its airbags, (b) the safety of its airbags, (c) the safety of any components of its airbags, including, but not limited to, ammonium nitrate, or (d) the overall safety of its vehicles, except that subsection (d) shall not apply to representations that solely address the safety of a specific vehicle component other than airbags or airbag components;

5.2 Engaging in acts or practices which constitute violations of Applicable Consumer Protection Law in connection with: (1) the offer or sale of Honda Vehicles equipped with airbags, to the extent Honda provides any guidance, directive, notice or other communication to dealers or consumers concerning the offer or sale of such vehicles, or (2) the design, testing, purchase or installation of airbags in Honda Vehicles; and

5.3 In its communications directed to consumers, including advertising, making representations regarding the safety of its airbags, or components of such airbags, unless those representations have a reasonable scientific or engineering basis.

VI. ADDITIONAL RELIEF

It is further Ordered, Adjudged and Decreed that:

6.1 Honda shall make the following improvements to its product safety and integrity processes pertaining to new Honda Vehicles after the Effective Date:

a) Designing, documenting and implementing or maintaining risk management processes including independently addressing supplier fraud and high impact safety issues; and

b) Updating or bringing into conformity, as necessary, and maintaining conformity with best industry practices quality manuals, guidelines, and related reference and instructional materials used in North America, including supplier and quality control manuals.

6.2 Honda shall make the following improvements to its product safety and integrity processes pertaining to frontal airbags it installs in new Honda Vehicles after the Effective Date²:

a) Adopting and complying in all respects with frontal airbag inflator standards that are consistent with or more stringent than those set forth by the United States Council for Automotive Research (USCAR24), as revised from time to time;

b) Maintaining ISO9001:2015 or IATF 16949 (previously ISO/TS 16949) certifications, and any successor or superseding certifications, for Honda's manufacturing facilities;

c) Requiring and documenting that Tier 1 Suppliers of Frontal Airbag Modules to Honda have current ISO 9001:2015 or IATF 16949 (previously ISO/TS 16949) certifications, and any successor or superseding certifications;

² Paragraphs 6.2(d)(1)-(d)(6) and 6.2(f) of this Consent Decree do not apply to the two specific electric powertrain vehicle models (to be branded as either Honda or Acura) utilizing GM Ultium batteries and OnStar connected services to be manufactured by General Motors in North America and distributed for sale by American Honda Motor Co., Inc. in the United States starting in Model Year 2024 pursuant to an agreement announced by GM and Honda on April 2, 2020. These two vehicles have Frontal Airbag Modules designed and developed by General Motors in conjunction with its suppliers.

d) Adopting and maintaining policies and procedures to ensure compliance with its obligations under this Consent Judgment, including:

1. Directing all airbag inflator suppliers, prior to the start of any testing or evaluation of a new airbag inflator design, to submit all qualitative information about proposed inflator propellants to Honda and to get an approval from Honda to conduct tests/evaluation using the subject propellants;

2. Adopting testing protocols which include thermal cycling and assessment of the effect of moisture on propellant combustion. For tests that evaluate the effect of potential moisture intrusion, Honda will require that moisture be added to the propellant prior to testing;

3. Conducting visits to suppliers during the development process for frontal airbag inflators to assess compliance with testing requirements and satisfaction of development milestones;

4. Requiring airbag inflator suppliers to disassemble, examine, test, and evaluate airbag inflators under the direct observation of Honda personnel, as part of the revised testing protocol;

5. Requiring that airbag inflator suppliers provide Honda with photographs, test results, and access to test data relating to the performance of inflator designs and components, as part of the inflator evaluation process and testing protocol; and

6. Requiring that the development process for any new airbag inflator be completed, and the final design be verified and approved by Honda before the design will be considered for use in a new Honda Vehicle.

e) Maintaining records, such as QAV-1 and QAV-2 audit records, of Frontal Airbag Module supplier visits, including the name of the respective Honda representative who attended, employment capacity, description of visit purpose and tasks performed, results of any audits conducted, and any observations or concerns noted by the Honda representative;

f) Ensuring that all new airbag inflator designs installed in Frontal Airbag Modules in Honda Vehicles following the Effective Date will include features intended to counteract the potential for Inflator Rupture and reduce the effects on vehicle occupants if an Inflator Rupture occurs;

g) Ensuring that there are adequate processes for identifying, tracking/tracing, handling, replacing and documenting Frontal Airbag Modules;

h) Designing, documenting and implementing processes for identifying safety or quality issues for frontal airbags, including the contents of said frontal airbags, as long as the contents are not the proprietary intellectual property of the supplier;

i) Labeling all Frontal Airbag Modules with machine readable labels, so that production lots can be readily identified; and

j) Requiring mandatory training for all employees in the United States involved with designing, procuring, or handling Frontal Airbag Modules. Should Honda use the services of consultants or independent contractors for these functions in the future, this subparagraph also shall apply to them. Further, this subparagraph shall apply with respect to new employees with relevant responsibilities and to employees whose jobs have changed to include relevant responsibilities. The training required by this subparagraph shall be conducted by the quality divisions or appropriate other groups within Honda.

6.3 Honda shall train all its management level employees responsible for the implementation of the terms of this Consent Judgment about the Consent Judgment requirements and incorporate this training into its on-boarding training for any new management level employee whose responsibilities are related to the implementation of the terms of this Consent Judgment.

6.4 Honda shall implement internal complaint and reporting procedures, including, but not limited to, processes and procedures to enable Honda employees, including engineers or other personnel, to report confidentially and anonymously any concerns with product safety or testing data to an independent third party, and to prohibit retaliation in any form against any employee who makes or is suspected of making such a complaint. Honda shall, for a period of five (5) years from the date of its receipt of a complaint, maintain records of any such complaint detailing the date of the complaint, the subject matter of the complaint, a description of Honda's response to the complaint, and the date(s) of any corrective action(s) taken in response to the complaint.

6.5 Honda shall continue to identify and replace recalled Takata airbag inflators as set forth in the National Highway Traffic Safety Administration's ("NHTSA") Coordinated Remedy Order, as amended previously or in the future, particularly in the Alpha Population. Such efforts shall continue for so long as required by NHTSA.

6.6 Honda shall continue to publicize on its United States-facing website, in at least English and Spanish, the following information regarding the current status of its efforts to replace Takata Airbags under recall in the United States: (a) the models and model years in which Takata Airbags are subject to recall, (b) the total number of airbags recalled and (c) the total number of airbags replaced. Such information shall be updated at least monthly. The requirements of this Paragraph shall terminate one year after the date on which NHTSA either terminates the Coordinated Remedy Order or closes its investigation EA15-001, whichever occurs first.

6.7 Honda shall notify the Attorney General of South Carolina, as lead state of the Multistate Working Group, of any new Takata Airbag-related recalls in the United States involving Honda Vehicles. Honda shall provide such notice within three (3) business days of the date that Honda notifies such action to NHTSA or is required to issue such recall notice by NHTSA. In addition, Honda shall also notify the Attorney General of South Carolina, as lead state of the Multistate Working Group, of any new rupture events within the United States resulting in death or injury within seven (7) business days of the date Honda notifies NHTSA.

6.8 Honda shall comply in all respects with the NHTSA Coordinated Remedy Order, including amendments (“CRO”), regarding Takata Airbags. Honda shall notify the Attorney General of South Carolina, as lead state of the Multistate Working Group, of any breaches or failures to comply with the terms of the CRO. In addition, Honda shall notify the Attorney General of South Carolina, as lead state of the Multistate Working Group, of any NHTSA or court finding that Honda has breached or otherwise failed to comply with the terms of the CRO. The Attorney General of the State of Iowa may or may not, in its discretion, treat any such breach or other failure to comply as a breach of this Consent Judgment. Nothing herein should be construed to suggest that Honda agrees that any violation of the CRO amounts to a violation of this agreement or in any way waives its right to challenge any assertion that this agreement has been breached when such assertion is based, in whole or in part, upon a violation of the CRO.

6.9 Honda shall provide the Attorney General of South Carolina, as lead state of the Multistate Working Group, a copy of every publicly-available report provided to NHTSA under the terms of the CRO, including amendments.

VII. PAYMENT PROVISIONS

7.1 Honda shall pay the States Eighty-Four Million, One Hundred and Fifty-One Thousand, Two Hundred and Ten Dollars and Fifteen Cents (\$84,151,210.15) to be divided and paid by Honda directly to each Signatory Attorney General of the Multistate Working Group in

an amount to be designated in writing by and in the sole discretion of the Multistate Executive Committee. Within fifteen (15) days of Honda's receipt of written notice of (i) a copy of the Consent Judgment filed with the Court and (ii) payment instructions, Honda shall pay \$1,248,563.01 to the Attorney General of the State of Iowa. Said payment shall be used by the State of Iowa for such purposes that may include, but are not limited to, attorneys' fees and other costs of investigation and litigation, or to be placed in, or applied to, the consumer protection law enforcement fund, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, or for other uses permitted by Iowa Code § 714.16 and Iowa Code § 714.16C, at the sole and complete discretion of each Signatory Attorney General. In no event shall any payment made by Honda under this paragraph be construed as a penalty or forfeiture, or as a payment in lieu of a penalty or forfeiture.

7.2 Within fifteen (15) days of the Effective Date, Honda shall pay One Million Dollars (\$1,000,000.00) by wire transfer payable to the National Association of Attorneys General ("NAAG"). This amount shall be placed in the National Attorneys General Training and Research Institute ("NAGTRI") Endowment Fund. NAGTRI is the training and research arm of the National Association of Attorneys General. Upon making this payment to NAAG, Honda shall notify the Attorney General of South Carolina, as lead state of the Multistate Working Group.

VIII. RELEASE

8.1 By execution of this Consent Judgment and following a full and complete payment of the sums provided by paragraphs 7.1 and 7.2 herein, the Attorney General of the State of Iowa releases and discharges, to the fullest extent permitted by law, the Released Parties from any and all civil causes of action, claims, damages, costs, attorneys' fees, or penalties arising from the Covered Conduct occurring before or as of the Effective Date that the Attorney General, either in his or her sovereign enforcement capacity or as *parens patriae*, has asserted or

could have asserted against any of the Released Parties and constituting a claim under Applicable Consumer Protection Law (the “Released Claims”).

8.2 Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims:

- a) Private rights of action, including any claims consumers have or may have on an individual or class basis under state consumer protection laws against any person or entity, including Honda;
- b) Claims of environmental or tax liability;
- c) Criminal liability;
- d) Claims for property damage;
- e) Claims alleging violations of state, local, or federal securities laws;
- f) Claims alleging violations of state, local, or federal antitrust laws;
- g) Any other civil or administrative liability that any person or entity, including the Released Parties, has or may have to the State of Iowa and any subdivision thereof, not covered by the release in Paragraph 8.1;
- h) Any obligations created under this Consent Judgment; and
- i) Any claims, other than Applicable Consumer Protection Law, related to the Covered Conduct.

IX. DISPUTE RESOLUTION

9.1 If the Attorney General of the State of Iowa believes that Honda has failed to comply with any provision of this Consent Judgment and, if in the Attorney General of the State of Iowa’s sole discretion the failure to comply does not threaten the health or safety of the citizens of the State of Iowa and/or does not create an emergency requiring immediate action, the

Attorney General of the State of Iowa shall provide notice to Honda of such alleged failure to comply and Honda shall have thirty (30) days from receipt of such notice to provide a good faith written response, including either a statement that Honda believes it is in full compliance with the relevant provision or a statement explaining how the violation occurred, how it has been addressed or when it will be addressed, and what Honda will do to make sure the violation does not occur again. Within that thirty (30) day period, Honda may request a meeting to discuss the alleged violation. If Honda makes such a request, the State shall meet with Honda, either by phone or in person, at the earliest possible date, but in no event more than ten (10) business days from the date of Honda's request. Honda shall provide its written response in advance of any meeting with the Attorney General of the State of Iowa, unless the Attorney General of the State of Iowa agrees to waive this requirement. The request for, or occurrence of, a meeting does not enlarge the period of time for Honda to provide its written response, although the Attorney General of the State of Iowa may agree to provide Honda with more than thirty (30) days to respond. The Attorney General of the State of Iowa shall receive and consider the response from Honda prior to initiating any proceeding for any alleged failure to comply with this Consent Judgment.

9.2 Nothing in this Section shall be construed to limit the Attorney General of the State of Iowa's authority, including his/her authority provided under Applicable Consumer Protection Law.

9.3 It is the Parties' intent that nothing in this Consent Judgment shall create a conflict with (i) federal, state, or local law applicable to Honda or (ii) any provision of the CRO or other orders or instructions issued by NHTSA. The Parties agree that the requirements of law or applicable provisions of the CRO shall take precedence over the requirements of this Consent Judgment.

9.4 In the event that Honda believes a conflict outlined in Paragraph 9.3 exists, Honda must notify the Attorney General of the State of Iowa of the alleged conflict, stating with

specificity the provision of this Consent Judgment it believes conflicts with the item(s) outlined in Paragraph 9.3 above. The Attorney General of the State of Iowa shall respond in writing to Honda's notification of the alleged conflict within thirty (30) days. In the interim, Honda shall continue to comply with the terms of this Consent Judgment to the extent possible.

X. CONSENT TO JUDGMENT

10.1 Honda consents to each member of the Multistate Working Group filing a Consent Judgment containing these terms, along with all other necessary pleadings, including Petitions, in their respective jurisdictions. Honda waives any challenge to jurisdiction or venue.

10.2 Honda agrees to accept service of the Signatory Attorney General's Petition and this Consent Judgment and waives any defect associated with service. Honda does not require issuance or service of Original Notice.

10.3 Honda admits to the jurisdiction of this Court and consents to the entry of this Consent Judgment and to the rights of the Attorney General of the State of Iowa to enforce the terms and conditions of this Consent Judgment.

10.4 Honda states that no promise of any kind or nature whatsoever (other than the written terms of this Consent Judgment) was made to Honda to induce Honda to enter into this Consent Judgment, that Honda has entered into this Consent Judgment voluntarily, and that this Consent Judgment constitutes the full and complete terms of the agreement between Honda and the Attorney General of the State of Iowa.

10.5 Honda agrees to execute and deliver such authorizations, documents, and instruments as are required under the various judicial procedures for acceptance of this Consent Judgment in the jurisdiction in which it is being filed.

XI. GENERAL PROVISIONS

11.1 Honda is entering into this Consent Judgment solely for the purposes of settlement, and nothing contained herein may be taken as or construed to be an admission by Honda of any violation of any law, regulation or local requirement, contractual obligation, or any duty whatsoever whether based in statute, regulation, common law, contract, or otherwise, all of which Honda expressly denies. This Consent Judgment is not intended to constitute evidence or precedent of any kind except in any action or proceeding by one of the Parties to enforce, rescind, or otherwise implement or affirm any or all terms of this Consent Judgment.

11.2 This Consent Judgment shall be binding upon the Parties and their successors and assigns. In no event shall assignment of any right, power, or authority under this Consent Judgment avoid compliance with this Consent Judgment.

11.3 If the Signatory Attorney General is required to file a petition to enforce any provision of this Consent Judgment against Honda, Honda agrees to pay all court costs and reasonable attorneys' fees, to the extent permitted by Iowa law, associated with any successful petition to enforce any provision of this Consent Judgment against Honda.

11.4 Honda shall provide a copy of this Consent Judgment to, or otherwise fully apprise, its officers, directors, employees, agents and contractors responsible for carrying out and effecting the terms of this Consent Judgment. To the extent the individuals occupying the above listed positions change, Honda shall provide a copy of this Consent Judgment to the replacements within thirty (30) days from the date on which such person assumes his/her position with Honda.

11.5 The Parties understand and agree that this Consent Judgment shall not be construed as an approval or a sanction by the Attorney General of the State of Iowa of Honda's business practices, nor shall Honda represent that this Consent Judgment constitutes an approval or sanction of its business practices. The Parties further understand and agree that any failure by the Attorney General of the State of Iowa to take any action in response to any information

submitted pursuant to this Consent Judgment shall not be construed as an approval, waiver, or sanction of any representations, acts, or practices indicated by such information, nor shall it preclude action thereon at a later date, except as provided by the release set forth in Section VIII of this Consent Judgment.

11.6 Nothing in this Consent Judgment shall prevent Honda from fulfilling its obligations to comply with this Consent Judgment through the assistance of third parties who are not Released Parties. However, regardless of whether third parties so assist Honda, it is solely Honda's responsibility to ensure that the obligations of this Consent Judgment are satisfied.

11.7 Nothing in this Consent Judgment shall be construed to waive, limit, or expand any claims of sovereign immunity the State may have in any action or proceeding.

11.8 Nothing in this Consent Judgment shall be construed to create, waive, limit or expand any private right of action.

11.9 This Consent Judgment shall operate as an injunction issued under Iowa Consumer Fraud Act, Iowa Code § 714.16 which shall be enforceable under the Iowa Consumer Fraud Act, Iowa Code § 714.16, provided, however, that nothing in this Consent Judgment shall constitute an admission or finding that any Defendant has been engaged or is engaged in any violation of Applicable Consumer Protection Law or has otherwise acted unlawfully.

11.10 Honda agrees that any violations of this Consent Judgment are subject to applicable penalties under the laws of the State wherein this Consent Judgment is entered.

11.11 Unless otherwise prohibited by law, this Consent Judgment may be executed at different times and locations in counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

11.12 Nothing in this Consent Judgment shall provide any rights or permit any person or entity not a party hereto, including any State or Attorney General not a member of the Multistate Working Group, to enforce any provision of this Consent Judgment.

11.13 Each party has cooperated in (and in any construction to be made of this Consent Judgment shall be deemed to have cooperated in) the drafting and the preparation of this Consent Judgment. Any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in any interpretation of this Consent Judgment.

11.14 All filing fees associated with commencing this action and obtaining this Court's approval and entry of this Consent Judgment shall be borne by Honda.

11.15 Honda agrees that this Consent Judgment does not entitle it to seek or to obtain attorneys' fees as a prevailing party under any statute, regulation, or rule, and Honda further waives any right to attorneys' fees that may arise under such statute, regulation, or rule.

11.16 The provisions of this Consent Judgment which state that Honda shall perform a certain action or engage in certain practices or conduct itself in a certain manner (e.g., comply with various statutes), shall not be construed to imply that Honda did not perform that action or engage in that practice or conduct itself in that manner before the execution of this Consent Judgment. Likewise, the provisions of this Consent Judgment stating that Honda shall not perform a certain action or engage in certain practices or conduct itself in a certain manner, shall not be construed to imply that Honda performed that action, or engaged in that practice, or conducted itself in that manner before the execution of this Consent Judgment.

11.17 Neither this Consent Judgment nor anything therein shall be construed or used as a waiver, limitation or bar on any defense otherwise available to Honda, or on Honda's right to defend itself from or make arguments in any pending or future legal or administrative action, proceeding, local or federal claim or suit, including without limitation, private individual or class

action claims or suits, relating to Honda's conduct prior to the execution of this Consent Judgment, or to the existence, subject matter or terms of this Consent Judgment.

11.18 The terms of this Consent Judgment may be modified only by a subsequent written agreement signed by all Parties.

11.19 This Consent Judgment may only be enforced by the Parties.

11.20 Whenever Honda shall provide notice to the Attorney General of the State of Iowa under this Consent Judgment, that requirement shall be satisfied by sending notice to:

THOMAS J. MILLER, Attorney General of the State of Iowa
c/o Jessica Whitney
Special Assistant Attorney General
Director-Consumer Protection Division
Iowa Department of Justice
1305 E. Walnut St.
Des Moines, IA 50319
Telephone: (515) 281-5926
Jessica.Whitney@ag.iowa.gov

Any notices or other documents sent to Honda pursuant to this Consent Judgment shall be sent to:

Ashley L. Taylor, Jr.
Troutman Pepper Hamilton Sanders LLP
1001 Haxall Point, 15th Floor
Richmond, VA 23219
Direct: 804-697-1286
Mobile: 804-310-0934
ashley.taylor@troutman.com

Clayton S. Friedman
Crowell & Moring LLP
3 Park Plaza, 20th Floor
Irvine, CA 92614
Direct: 949-798-1316
Mobile: 949-500-7479
cfriedman@crowell.com

Doug Bishop

Assistant General Counsel
American Honda Motor Co., Inc.
700 Van Ness Ave
Torrance, CA 90501
Direct: 310-781-4732
doug_bishop@hna.honda.com

All notices or other documents to be provided under this Consent Judgment shall be sent by United States mail, certified mail return receipt requested, or other nationally recognized courier service that provides for tracking services and identification of the person signing for the notice or document, and shall have been deemed to be sent upon mailing. Any party may update its designee or address by sending written notice to the other party informing them of the change.

11.21 Paragraphs 6.2(a), 6.2(b), 6.2(c), 6.2(e), 6.2(g), 6.2(h), 6.2(i), 6.2(j), 6.3, 6.7, 6.9, and 11.4 of this Consent Judgment will expire five (5) years after the Effective Date plus any applicable implementation period set forth in Paragraph 11.22. Paragraphs 6.1, 6.2(d), 6.2(f), and 6.4 of this Consent Judgment will expire ten (10) years after the Effective Date plus any applicable implementation period set forth in Paragraph 11.22.

11.22 Notwithstanding any other provision of this Consent Judgment, the obligations created by Paragraphs 6.2(a), 6.2(b), 6.2(c), 6.2(e), 6.2(f), 6.2(h), 6.2(i), 6.2(j), 6.4, and 11.4 shall not take effect until 90 days after the Effective Date and the obligations created by Paragraphs 6.1, 6.2(d), 6.2(g), and 6.3 shall not take effect until 180 days after the Effective Date.

XII. COMPLIANCE WITH ALL LAWS

12.1 Nothing in this Consent Judgment shall be construed as relieving Honda of its obligations to comply with all state, local, and federal laws, regulations or rules, or as granting permission to engage in any acts or practices prohibited by such law, regulation or rule.

XIII. REPRESENTATIONS AND WARRANTIES

13.1 As of the Effective Date, Honda warrants and represents that it does not know of any defect related to motor vehicle safety and does not have any evidence of a defect related to motor vehicle safety in unrecalled Takata inflators supplied to Honda with phase-stabilized ammonium nitrate containing desiccant. The term “defect related to motor vehicle safety” is to be construed in accordance with how those words are defined in 49 U.S.C. § 30102 and used in 49 U.S.C. § 30118.

13.2 Honda warrants and represents that it manufactured, manufactures, offered, offers, sold, sells, distributed and distributes vehicles in the United States.

13.3 Defendants warrant and represent that they are the proper parties to this Judgment and that American Honda Motor Co., Inc., and Honda of America Mfg., Inc., are the true legal names of the entities agreeing to this Consent Judgment.

13.4 The undersigned counsel for Iowa warrants and represents that she is fully authorized to execute this Consent Judgment on behalf of Iowa.

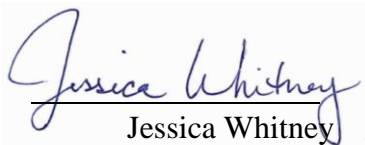
13.5 Counsel for Honda shall provide a corporate resolution authorizing the execution of this Consent Judgment on its behalf and warrants and represents that she is fully authorized to execute this Consent Judgment on behalf of Honda.

13.6 Honda acknowledges and agrees that the Multistate Working Group members have relied on all of the representations and warranties set forth in this Consent Judgment and that if any such representation is proved false, unfair, deceptive, misleading or inaccurate in any material respect, the Multistate Working Group members, by and through their respective Attorneys General, have the right to seek any relief or remedy afforded by law or equity in their respective states.

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR PLAINTIFF, STATE OF IOWA

By:

A handwritten signature in blue ink that reads "Jessica Whitney". The signature is written in a cursive style and is positioned above a horizontal line.

Date: August 25, 2020

Jessica Whitney
Special Assistant Attorney General
Director-Consumer Protection Division
Iowa Department of Justice
1305 E. Walnut St.
Des Moines, IA 50319

FOR DEFENDANT:

National Counsel for American Honda Motor Co., Inc. and Honda of America Mfg., Inc.

By: ashley L Taylor Date: 8/05/2020

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American Honda Motor Co., Inc. and
Honda of America Mfg., Inc.

By: Catherine M. McEvilly

Date: 8-6-20

Catherine M. McEvilly
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