

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80203	▲ COURT USE ONLY ▲
STATE OF COLORADO, ex rel., PHILIP J. WEISER, ATTORNEY GENERAL Plaintiff, v. AMERICAN HONDA MOTOR CO., INC. and HONDA OF AMERICA MFG., INC., Defendant(s)	
PHILIP J. WEISER, Attorney General Jay B. Simonson, 24077* First Assistant Attorney General Mark T. Bailey Senior Assistant Attorney General II, *36861 Ralph L. Carr Colorado Judicial Center 1300 Broadway, 10th Floor Denver, CO 80203 Telephone: (720) 508-6000 FAX: (720) 508-6040	Case Number:
CONSENT ORDER AND JUDGMENT	

Plaintiff, the State of Colorado, acting by and through Attorney General Philip J. Weiser has brought this action pursuant to the provisions of the Colorado Consumer Protection Act (“CCPA”), Colo. Rev. Stat. § 6-1-101 *et seq.*, having filed a Complaint against the Defendants.

Plaintiff and Defendants, by their counsel, have agreed to the entry of this Consent Order and 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

1 the violations of the Colorado Consumer Protection Act (“CCPA”), Colo. Rev. Stat. §
2 6-1-101 *et seq.* or any other law as alleged by Plaintiff.

3 Contemporaneous with the filing of this Judgment, Defendants are entering
4 into similar agreements with the Attorneys General¹ of Alabama, Alaska, Arkansas,
5 Connecticut, Delaware, District of Columbia, Florida, Georgia, Guam, Idaho,
6 Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland,
7 Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska,
8 Nevada, New Hampshire, New Jersey, New York, Northern Mariana Islands, North
9 Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South
10 Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington,
11 West Virginia, Wisconsin, and Wyoming, hereinafter collectively (including the
12 State of Colorado) referred to as “Attorneys General” or “Signatory Attorneys
13 General.”

14 **PRELIMINARY STATEMENT**

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

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

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

25 **I. PARTIES**

26

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.

1 4.2 “Applicable Consumer Protection Law” shall mean all applicable civil
2 consumer protection and unfair and deceptive acts and practices laws, including,
3 without limitation, the Colorado Consumer Protection Act (“CCPA”), Colo. Rev.
4 Stat. § 6-1-101 *et seq.*, any regulations associated with such statutes, as well as
5 common law and equitable claims.

6 4.3 “Covered Conduct” shall mean business practices, acts, representations
7 and omissions, by any of the Released Parties, whether actual or alleged, related to
8 the design, testing, manufacture, purchase, advertising, installation, or recall of
9 Takata Airbags, to the extent such conduct provides the basis for a claim under any
10 actual or potential Applicable Consumer Protection Law. For the avoidance of
11 doubt, Covered Conduct includes any notice or communications by the Released
12 Parties related to Takata Airbags. As of the Effective Date, Honda represents that
13 it does not know of any defect related to motor vehicle safety and does not have any
14 evidence of a defect related to motor vehicle safety in unrecalled Takata inflators
15 supplied to Honda with phase-stabilized ammonium nitrate containing desiccant.
16 The term “defect related to motor vehicle safety” is to be construed in accordance
17 with how those words are defined in 49 U.S.C. § 30102 and used in 49 U.S.C. §
18 30118.

19 4.4 “Effective Date” shall mean August 12, 2020, notwithstanding the date
20 of the entry of this Order by the Court.

21 4.5 “Frontal Airbag Module” shall mean the frontal airbag inflator and
22 other frontal airbag component parts.

23 4.6 “Honda Vehicles” shall mean all automobiles distributed by American
24 Honda Motor Co., Inc. for sale in the United States, whether they bear the “Honda”
25 or “Acura” label.

26 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.,

1 excessive internal pressure inside the inflator) causes the inflator body to burst or
2 break apart at any time during the air bag deployment sequence. Signs of an
3 inflator rupture include, but are not limited to, unusual tears in airbag cushion
4 fabric and/or metal shards detected or found in the vehicle passenger compartment.

5 4.8 "ISO" refers to the International Organization for Standardization.

6 4.9 "ISO 9001" and "ISO/TS 16949" certifications refer to those specific
7 standards issued under the auspices of the International Organization for
8 Standardization.

9 4.10 "IATF" refers to the International Automotive Task Force working in
10 coordination with the ISO technical committee(s).

11 4.11 "Multistate Executive Committee" shall mean the Attorneys General of
12 Arkansas, Connecticut, District of Columbia, Florida, Georgia, Maryland, New
13 Jersey, Oregon, South Carolina, South Dakota, and Texas.

14 4.12 "Multistate Working Group" shall mean the Attorneys General of
15 Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, District of Columbia,
16 Florida, Georgia, Guam, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky,
17 Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi,
18 Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York,
19 Northern Mariana Islands, North Carolina, North Dakota, Ohio, Oregon,
20 Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas,
21 Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

22 4.13 "Released Parties" shall mean Honda, its subsidiaries and affiliates,
23 and in their official capacities, all present and former officers, directors, agents,
24 employees, and representatives of such entities.

25 4.14 "Takata" shall mean TK Holdings, Inc., Takata Americas, TK Finance,
26 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

1 Irvin de Mexico, S.A. de C.V., Takata de Mexico, S.A. de C.V., and Strosshe-Mex S.
2 de R.L. de C.V.

3 4.15 “Takata Airbags” shall mean all Frontal Airbag Modules designed,
4 manufactured, supplied or sold by Takata and which utilize ammonium nitrate as
5 the propellant, regardless of whether such airbags have been subject to a safety
6 recall pursuant to the Federal Motor Vehicle Safety Act.

7 4.16 “Tier 1 Suppliers” shall mean manufacturers or suppliers that provide
8 airbag assemblies or airbag components directly to Honda for installation in its
9 motor vehicles.

10 4.17 “United States” shall mean the 50 states, District of Columbia, and all
11 of its territories.

12 V. INJUNCTIVE RELIEF

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

15 5.1 Advertising, promoting, or otherwise representing in any way that is
16 false, deceptive, or misleading (a) its airbags, (b) the safety of its airbags, (c) the
17 safety of any components of its airbags, including, but not limited to, ammonium
18 nitrate, or (d) the overall safety of its vehicles, except that subsection (d) shall not
19 apply to representations that solely address the safety of a specific vehicle
20 component other than airbags or airbag components;

21 5.2 Engaging in acts or practices which constitute violations of Applicable
22 Consumer Protection Law in connection with: (1) the offer or sale of Honda Vehicles
23 equipped with airbags, to the extent Honda provides any guidance, directive, notice
24 or other communication to dealers or consumers concerning the offer or sale of such
25 vehicles, or (2) the design, testing, purchase or installation of airbags in Honda
26 Vehicles; and

1 5.3 In its communications directed to consumers, including advertising,
2 making representations regarding the safety of its airbags, or components of such
3 airbags, unless those representations have a reasonable scientific or engineering
4 basis.

5 VI. ADDITIONAL RELIEF

6 It is further Ordered, Adjudged and Decreed that:

7 6.1 Honda shall make the following improvements to its product safety
8 and integrity processes pertaining to new Honda Vehicles after the Effective Date:

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

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

16 6.2 Honda shall make the following improvements to its product safety
17 and integrity processes pertaining to frontal airbags it installs in new Honda
18 Vehicles after the Effective Date²:

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

23
24 ² Paragraphs 6.2(d)(1)-(d)(6) and 6.2(f) of this Consent Decree do not apply to the two
25 specific electric powertrain vehicle models (to be branded as either Honda or
26 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.

1 b) Maintaining ISO9001:2015 or IATF 16949 (previously ISO/TS
2 16949) certifications, and any successor or superseding certifications, for
3 Honda's manufacturing facilities;

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

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

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

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

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

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

25 5. Requiring that airbag inflator suppliers provide Honda
26 with photographs, test results, and access to test data relating to the

1 performance of inflator designs and components, as part of the inflator
2 evaluation process and testing protocol; and

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

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

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

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

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

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

25 j) Requiring mandatory training for all employees in the United
26 States involved with designing, procuring, or handling Frontal Airbag
Modules. Should Honda use the services of consultants or independent

1 contractors for these functions in the future, this subparagraph also shall
2 apply to them. Further, this subparagraph shall apply with respect to new
3 employees with relevant responsibilities and to employees whose jobs have
4 changed to include relevant responsibilities. The training required by this
5 subparagraph shall be conducted by the quality divisions or appropriate
6 other groups within Honda.

7 6.3 Honda shall train all its management level employees responsible for
8 the implementation of the terms of this Judgment about the Judgment
9 requirements and incorporate this training into its on-boarding training for any
10 new management level employee whose responsibilities are related to the
11 implementation of the terms of this Judgment.

12 6.4 Honda shall implement internal complaint and reporting procedures,
13 including, but not limited to, processes and procedures to enable Honda employees,
14 including engineers or other personnel, to report confidentially and anonymously
15 any concerns with product safety or testing data to an independent third party, and
16 to prohibit retaliation in any form against any employee who makes or is suspected
17 of making such a complaint. Honda shall, for a period of five (5) years from the date
18 of its receipt of a complaint, maintain records of any such complaint detailing the
19 date of the complaint, the subject matter of the complaint, a description of Honda's
20 response to the complaint, and the date(s) of any corrective action(s) taken in
21 response to the complaint.

22 6.5 Honda shall continue to identify and replace recalled Takata airbag
23 inflators as set forth in the National Highway Traffic Safety Administration's
24 ("NHTSA") Coordinated Remedy Order, as amended previously or in the future,
25 particularly in the Alpha Population. Such efforts shall continue for so long as
26 required by NHTSA.

1 6.6 Honda shall continue to publicize on its United States-facing website,
2 in at least English and Spanish, the following information regarding the current
3 status of its efforts to replace Takata Airbags under recall in the United States: (a)
4 the models and model years in which Takata Airbags are subject to recall, (b) the
5 total number of airbags recalled and (c) the total number of airbags replaced. Such
6 information shall be updated at least monthly. The requirements of this Paragraph
7 shall terminate one year after the date on which NHTSA either terminates the
8 Coordinated Remedy Order or closes its investigation EA15-001, whichever occurs
9 first.

10 6.7 Honda shall notify the Attorney General of South Carolina, as lead
11 state of the Multistate Working Group, of any new Takata Airbag-related recalls in
12 the United States involving Honda Vehicles. Honda shall provide such notice
13 within three (3) business days of the date that Honda notifies such action to NHTSA
14 or is required to issue such recall notice by NHTSA. In addition, Honda shall also
15 notify the Attorney General of South Carolina, as lead state of the Multistate
16 Working Group, of any new rupture events within the United States resulting in
17 death or injury within seven (7) business days of the date Honda notifies NHTSA.

18 6.8 Honda shall comply in all respects with the NHTSA Coordinated
19 Remedy Order, including amendments (“CRO”), regarding Takata Airbags. Honda
20 shall notify the Attorney General of South Carolina, as lead state of the Multistate
21 Working Group, of any breaches or failures to comply with the terms of the CRO. In
22 addition, Honda shall notify the Attorney General of South Carolina, as lead state
23 of the Multistate Working Group, of any NHTSA or court finding that Honda has
24 breached or otherwise failed to comply with the terms of the CRO. The Colorado
25 Attorney General may or may not, in its discretion, treat any such breach or other
26 failure to comply as a breach of this Judgment. Nothing herein should be construed
to suggest that Honda agrees that any violation of the CRO amounts to a violation

1 of this agreement, or, in any way, waives its right to challenge any assertion that
2 this agreement has been breached when such assertion is based, in whole or in part,
3 upon a violation of the CRO.

4 6.9 Honda shall provide the Attorney General of South Carolina, as lead
5 state of the Multistate Working Group, a copy of every publicly-available report
6 provided to NHTSA under the terms of the CRO, including amendments.

7 **VII. PAYMENT PROVISIONS**

8 7.1 Honda shall pay the States Eighty-Four Million, One Hundred and
9 Fifty-One Thousand, Two Hundred and Ten Dollars and Fifteen Cents
10 (\$84,151,210.15) to be divided and paid by Honda directly to each Signatory
11 Attorney General of the Multistate Working Group in an amount to be designated
12 in writing by and in the sole discretion of the Multistate Executive Committee.
13 Within fifteen (15) days of Honda's receipt of written notice of (i) a copy of the
14 Judgment filed with the Court and (ii) payment instructions, Honda shall pay
15 \$1,590,271.31 to the Colorado Attorney General. Said payments are to be held,
16 along with any interest thereon, in trust by the Attorney General to be used in the
17 Attorney General's sole discretion for reimbursement of the State's actual costs and
18 attorneys' fees, the payment of restitution, if any, and for future consumer fraud or
19 antitrust enforcement, consumer education, or public welfare purposes. Said
20 payment at the sole discretion of each Signatory Attorney General. In no event
21 shall any payment made by Honda under this paragraph be construed as a penalty
22 or forfeiture, or as a payment in lieu of a penalty or forfeiture.

23 7.2 Within fifteen (15) days of the Effective Date, Honda shall pay One
24 Million Dollars (\$1,000,000.00) by wire transfer payable to the National Association
25 of Attorneys General ("NAAG"). This amount shall be placed in the National
26 Attorneys General Training and Research Institute ("NAGTRI") Endowment Fund.
NAGTRI is the training and research arm of the National Association of Attorneys

1 General. Upon making this payment to NAAG, Honda shall notify the Attorney
2 General of South Carolina, as lead state of the Multistate Working Group.

3 VIII. RELEASE

4 8.1 By execution of this Judgment and following a full and complete
5 payment of the sums provided by paragraphs 7.1 and 7.2 herein, the Attorney
6 General of Colorado releases and discharges, to the fullest extent permitted by law,
7 the Released Parties from any and all civil causes of action, claims, damages, costs,
8 attorneys' fees, or penalties arising from the Covered Conduct occurring before or as
9 of the Effective Date that the Colorado Attorney General, either in his or her
10 sovereign enforcement capacity or as *parens patriae*, has asserted or could have
11 asserted against any of the Released Parties and constituting a claim under
12 Applicable Consumer Protection Law (the "Released Claims").

13 8.2 Notwithstanding any term of this Judgment, the following do not
14 comprise Released Claims:

- 15 a) Private rights of action, including any claims consumers have or
16 may have on an individual or class basis under state consumer protection
17 laws against any person or entity, including Honda;
- 18 b) Claims of environmental or tax liability;
- 19 c) Criminal liability;
- 20 d) Claims for property damage;
- 21 e) Claims alleging violations of state, local, or federal securities
22 laws;
- 23 f) Claims alleging violations of state, local, or federal antitrust
24 laws;
- 25 g) Any other civil or administrative liability that any person or
26 entity, including the Released Parties, has or may have to the State of

1 Colorado and any subdivision thereof, not covered by the release in
2 Paragraph 8.1;

3 h) Any obligations created under this Judgment; and

4 i) Any claims, other than Applicable Consumer Protection Law,
5 related to the Covered Conduct.

6 IX. DISPUTE RESOLUTION

7 9.1 If the Attorney General of Colorado believes that Honda has failed to
8 comply with any provision of this Judgment and, if in the Attorney General of
9 Colorado's sole discretion the failure to comply does not threaten the health or
10 safety of the citizens of the State of Colorado and/or does not create an emergency
11 requiring immediate action, the Attorney General of Colorado shall provide notice
12 to Honda of such alleged failure to comply and Honda shall have thirty (30) days
13 from receipt of such notice to provide a good faith written response, including either
14 a statement that Honda believes it is in full compliance with the relevant provision
15 or a statement explaining how the violation occurred, how it has been addressed or
16 when it will be addressed, and what Honda will do to make sure the violation does
17 not occur again. Within that thirty (30) day period, Honda may request a meeting
18 to discuss the alleged violation. If Honda makes such a request, the State shall
19 meet with Honda, either by phone or in person, at the earliest possible date, but in
20 no event more than ten (10) business days from the date of Honda's request. Honda
21 shall provide its written response in advance of any meeting with the Attorney
22 General of Colorado, unless Attorney General of Colorado agrees to waive this
23 requirement. The request for, or occurrence of, a meeting does not enlarge the
24 period of time for Honda to provide its written response, although the Attorney
25 General of Colorado may agree to provide Honda with more than thirty (30) days to
26 respond. The Attorney General of Colorado shall receive and consider the response

1 from Honda prior to initiating any proceeding for any alleged failure to comply with
2 this Judgment.

3 9.2 Nothing in this Section shall be construed to limit the Attorney
4 General of Colorado's authority, including his authority provided under Applicable
5 Consumer Protection Law.

6 9.3 It is the Parties' intent that nothing in this Judgment shall create a
7 conflict with (i) federal, state, or local law applicable to Honda or (ii) any provision
8 of the CRO or other orders or instructions issued by NHTSA. The Parties agree
9 that the requirements of law or applicable provisions of the CRO shall take
10 precedence over the requirements of this Judgment.

11 9.4 In the event that Honda believes a conflict outlined in Paragraph 9.3
12 exists, Honda must notify the Attorney General of Colorado of the alleged conflict,
13 stating with specificity the provision of this Judgment it believes conflicts with the
14 item(s) outlined in Paragraph 9.3 above. The Attorney General of Colorado shall
15 respond in writing to Honda's notification of the alleged conflict within thirty (30)
16 days. In the interim, Honda shall continue to comply with the terms of this
17 Judgment to the extent possible.

18 X. CONSENT TO JUDGMENT

19 10.1 Honda consents to each member of the Multistate Working Group
20 filing a Judgment containing these terms, along with all other necessary pleadings,
21 including Complaints, in their respective jurisdictions. Honda waives any challenge
22 to jurisdiction or venue.

23 10.2 Honda agrees to accept service of the Signatory Attorney General's
24 Complaint and this Judgment and waives any defect associated with service.
25 Honda does not require issuance or service of a Summons.

26

1 10.3 Honda admits to the jurisdiction of this Court and consents to the
2 entry of this Judgment and to the rights of the Attorney General of Colorado to
3 enforce the terms and conditions of this Judgment.

4 10.4 Honda states that no promise of any kind or nature whatsoever (other
5 than the written terms of this Judgment) was made to Honda to induce Honda to
6 enter into this Judgment, that Honda has entered into this Judgment voluntarily,
7 and that this Judgment constitutes the full and complete terms of the agreement
8 between Honda and the Attorney General of Colorado.

9 10.5 Honda agrees to execute and deliver such authorizations, documents,
10 and instruments as are required under the various judicial procedures for
11 acceptance of this Judgment in the jurisdiction in which it is being filed.

12 **XI. GENERAL PROVISIONS**

13 11.1 Honda is entering into this Judgment solely for the purposes of
14 settlement, and nothing contained herein may be taken as or construed to be an
15 admission by Honda of any violation of any law, regulation or local requirement,
16 contractual obligation, or any duty whatsoever whether based in statute, regulation,
17 common law, contract, or otherwise, all of which Honda expressly denies. This
18 Judgment is not intended to constitute evidence or precedent of any kind except in
19 any action or proceeding by one of the Parties to enforce, rescind, or otherwise
20 implement or affirm any or all terms of this Judgment.

21 11.2 This Judgment shall be binding upon the Parties and their successors
22 and assigns. In no event shall assignment of any right, power, or authority under
23 this Judgment avoid compliance with this Judgment.

24 11.3 If the Signatory Attorney General is required to file a petition to
25 enforce any provision of this Judgment against Honda, Honda agrees to pay all
26 court costs and reasonable attorneys' fees, to the extent permitted by Colorado law,

1 associated with any successful petition to enforce any provision of this Judgment
2 against Honda.

3 11.4 Honda shall provide a copy of this Judgment to, or otherwise fully
4 apprise, its officers, directors, employees, agents and contractors responsible for
5 carrying out and effecting the terms of this Judgment. To the extent the
6 individuals occupying the above listed positions change, Honda shall provide a copy
7 of this Judgment to the replacements within thirty (30) days from the date on which
8 such person assumes his/her position with Honda.

9 11.5 The Parties understand and agree that this Judgment shall not be
10 construed as an approval or a sanction by the Attorney General of Colorado of
11 Honda's business practices, nor shall Honda represent that this Judgment
12 constitutes an approval or sanction of its business practices. The Parties further
13 understand and agree that any failure by the Attorney General of Colorado to take
14 any action in response to any information submitted pursuant to this Judgment
15 shall not be construed as an approval, waiver, or sanction of any representations,
16 acts, or practices indicated by such information, nor shall it preclude action thereon
17 at a later date, except as provided by the release set forth in Section VIII of this
18 Judgment.

19 11.6 Nothing in this Judgment shall prevent Honda from fulfilling its
20 obligations to comply with this Judgment through the assistance of third parties
21 who are not Released Parties. However, regardless of whether third parties so
22 assist Honda, it is solely Honda's responsibility to ensure that the obligations of this
23 Judgment are satisfied.

24 11.7 Nothing in this Judgment shall be construed to waive, limit, or expand
25 any claims of sovereign immunity the State may have in any action or proceeding.

26 11.8 Nothing in this Judgment shall be construed to create, waive, limit or
expand any private right of action.

1 11.9 This Judgment shall operate as an injunction issued under Colo. Rev.
2 Stat. § 6-1-110(1) which shall be enforceable under Section 6-1-110(1), provided,
3 however, that nothing in this Judgment shall constitute an admission or finding
4 that any Defendant has been engaged or is engaged in any violation of Applicable
5 Consumer Protection Law or has otherwise acted unlawfully.

6 11.10 Honda agrees that any violations of this Judgment are subject to
7 applicable penalties under the laws of the State wherein this Judgment is entered.

8 11.11 Unless otherwise prohibited by law, this Judgment may be executed at
9 different times and locations in counterparts, each of which shall be deemed an
10 original, but all of which together constitute one and the same instrument.

11 11.12 Nothing in this Judgment shall provide any rights or permit any
12 person or entity not a party hereto, including any State or Attorney General not a
13 member of the Multistate Working Group, to enforce any provision of this
14 Judgment.

15 11.13 Each party has cooperated in (and in any construction to be made of
16 this Judgment shall be deemed to have cooperated in) the drafting and the
17 preparation of this Judgment. Any rule of construction to the effect that any
18 ambiguities are to be resolved against the drafting party shall not be employed in
19 any interpretation of this Judgment.

20 11.14 All filing fees associated with commencing this action and obtaining
21 this Court's approval and entry of this Judgment shall be borne by Honda.

22 11.15 Honda agrees that this Judgment does not entitle it to seek or to
23 obtain attorneys' fees as a prevailing party under any statute, regulation, or rule,
24 and Honda further waives any right to attorneys' fees that may arise under such
25 statute, regulation, or rule.

26 11.16 The provisions of this Judgment which state that Honda shall perform
a certain action or engage in certain practices or conduct itself in a certain manner

1 (e.g., comply with various statutes), shall not be construed to imply that Honda did
2 not perform that action or engage in that practice or conduct itself in that manner
3 before the execution of this Judgment. Likewise, the provisions of this Judgment
4 stating that Honda shall not perform a certain action or engage in certain practices
5 or conduct itself in a certain manner, shall not be construed to imply that Honda
6 performed that action, or engaged in that practice, or conducted itself in that
7 manner before the execution of this Judgment.

8 11.17 Neither this Judgment nor anything therein shall be construed or used
9 as a waiver, limitation or bar on any defense otherwise available to Honda, or on
10 Honda's right to defend itself from or make arguments in any pending or future
11 legal or administrative action, proceeding, local or federal claim or suit, including
12 without limitation, private individual or class action claims or suits, relating to
13 Honda's conduct prior to the execution of this Judgment, or to the existence, subject
14 matter or terms of this Judgment.

15 11.18 The terms of this Judgment may be modified only by a subsequent
16 written agreement signed by all Parties.

17 11.19 This Judgment may only be enforced by the Parties.

18 11.20 Whenever Honda shall provide notice to the Attorney General of
19 Colorado under this Judgment, that requirement shall be satisfied by sending
20 notice to:

21 Any notice or other documents sent to Honda pursuant to this Judgment shall be
22 sent to:

23 Ashley L. Taylor, Jr.
24 Troutman Pepper Hamilton Sanders LLP
25 1001 Haxall Point, 15th floor
26 Richmond, VA 23219
Direct: 804-697-1286
Mobile: 804-310-0934
ashley.taylor@troutman.com

1 And

2

3 Clayton S. Friedman
4 Crowell & Moring LLP
5 3 Park Plaza, 20th Floor
6 Irvine, CA 92614
7 Direct: 949-798-1316
8 Mobile: 949-500-7479
9 cfriedman@crowell.com

7

8 And

9 Doug Bishop
10 Assistant General Counsel
11 American Honda Motor Co., Inc.
12 700 Van Ness Ave
13 Torrance, CA 90501
14 Direct: 310-781-4732
15 doug_bishop@hna.honda.com

14

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

20

21 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,
22 6.7, 6.9, and 11.4 of this Judgment will expire five (5) years after the Effective Date
23 plus any applicable implementation period set forth in Paragraph 11.22.

23

24 Paragraphs 6.1, 6.2(d), 6.2(f), and 6.4 of this Judgment will expire ten (10) years
25 after the Effective Date plus any applicable implementation period set forth in
26 Paragraph 11.22.

26

1 11.22 Notwithstanding any other provision of this Judgment, the obligations
2 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
3 11.4 shall not take effect until 90 days after the Effective Date and the obligations
4 created by Paragraphs 6.1, 6.2(d), 6.2(g), and 6.3 shall not take effect until 180 days
5 after the Effective Date.

6 **XII. COMPLIANCE WITH ALL LAWS**

7 12.1 Nothing in this Judgment shall be construed as relieving Honda of its
8 obligations to comply with all state, local, and federal laws, regulations or rules, or
9 as granting permission to engage in any acts or practices prohibited by such law,
10 regulation or rule.

11 **XIII. REPRESENTATIONS AND WARRANTIES**

12 13.1 As of the Effective Date, Honda warrants and represents that it does
13 not know of any defect related to motor vehicle safety and does not have any
14 evidence of a defect related to motor vehicle safety in unrecalled Takata inflators
15 supplied to Honda with phase-stabilized ammonium nitrate containing desiccant.
16 The term “defect related to motor vehicle safety” is to be construed in accordance
17 with how those words are defined in 49 U.S.C. § 30102 and used in 49 U.S.C. §
18 30118.

19 13.2 Honda warrants and represents that it manufactured, manufactures,
20 offered, offers, sold, sells, distributed and distributes vehicles in the United States.

21 13.3 Defendants warrant and represent that they are the proper parties to
22 this Judgment and that American Honda Motor Co., Inc., and Honda of America
23 Mfg., Inc., are the true legal names of the entities agreeing to this Judgment.

24 13.4 The undersigned counsel for the State of Colorado warrants and
25 represents that (s)he is fully authorized to execute this Judgment on behalf of the
26 State of Colorado.

1 13.5 Counsel for Honda shall provide a corporate resolution authorizing the
2 execution of this Judgment on its behalf and warrants and represents that (s)he is
3 fully authorized to execute this Judgment on behalf of Honda.

4 13.6 Honda acknowledges and agrees that the Multistate Working Group
5 members have relied on all of the representations and warranties set forth in this
6 Judgment and that if any such representation is proved false, unfair, deceptive,
7 misleading or inaccurate in any material respect, the Multistate Working Group
8 members, by and through their respective Attorneys General, have the right to seek
9 any relief or remedy afforded by law or equity in their respective states.

10 **IT IS SO ORDERED AND ADJUDGED** in Denver Colorado this ____ day
11 of _____ 2020.

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14 **JOINTLY APPROVED FOR ENTRY AND SUBMITTED BY:**
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1 For Defendant:

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

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5 By: _____
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1 For Defendant:

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

4

5 By: _____

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1 For American Honda Motor Co., Inc. and
2 Honda of America Mfg., Inc.

3
4 By: _____
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1 For Plaintiff:

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3 By: _____
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8 Denver, CO 80203

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