

STATE OF TEXAS,

Plaintiff,

v.

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

Defendants.

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

98<sup>TH</sup> JUDICIAL DISTRICT

**AGREED FINAL JUDGMENT AND PERMANENT INJUNCTION**

Plaintiff, STATE OF TEXAS (“State” or “Plaintiff”), acting by and through Attorney General Ken Paxton, has brought this action pursuant to the provisions of the § 17.47 of the Texas Deceptive Trade Practices–Consumer Protection Act, TEX. BUS. & COM. CODE ANN. § 17.41 *et seq.* (“DTPA”), having filed a Plaintiff’s Original Complaint and Application for Permanent Injunction against the Defendants.

Plaintiff and Defendants, by their counsel, have agreed to the entry of this Agreed Final Judgment and Permanent Injunction (“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 DTPA, or any other law as alleged by Plaintiff.

Contemporaneous with the filing of this Judgment, Defendants are entering into similar agreements with 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, hereinafter collectively 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 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 Texas, acting by and through Attorney General Ken Paxton.

1.2 Defendants are American Honda Motor Co., Inc., and Honda of America Mfg., Inc. American Honda Motor Co., Inc., is located at 1919 Torrance Boulevard, Torrance, California 90501. Honda of America Mfg., Inc., is located at 24000 Honda Parkway, Marysville, Ohio 43040.

#### **II. JURISDICTION**

2.1 Pursuant to § 17.47 of the DTPA, this Court has jurisdiction over the subject matter and over the Defendants for the purpose of entering and enforcing this 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 Judgment, including enforcement of this Judgment.

### III. VENUE

3.1 Pursuant to § 17.47(b) of the DTPA, venue is proper because Honda has done business in Travis County, Texas, by advertising, marketing, distributing, selling, and financing motor vehicles manufactured by Honda of America Manufacturing, Inc. and by Defendants' consent, as indicated by the signatures of their Counsel on this Agreed Judgment.

### IV. DEFINITIONS

As used in this 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, § 17.47 of the Texas Deceptive Trade Practices–Consumer Protection Act, TEX. BUS. & COM. CODE ANN. § 17.41 *et seq.*, 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 Date<sup>1</sup>:

- 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;

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<sup>1</sup> 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.

- 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;
- d) Adopting and maintaining policies and procedures to ensure compliance with its obligations under this 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 Judgment about the 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 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 Texas Attorney General may or may not, in his discretion, treat any such breach or other 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 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. After Honda’s receipt of written notice of (i) a copy of the Judgment filed with the Court and (ii) payment instructions, Honda shall pay \$5,697,785.36 to the Office of the Attorney General of Texas on or after September 15, 2020, but no later than September 30, 2020. Of the

amount paid to the State of Texas, \$3,947,785.36 shall be designated for the Supreme Court Judicial Fund, pursuant to TEX. GOV'T CODE § 402.007, and the remaining \$1,750,000.00 shall be designated as attorney's fees and investigative costs under TEX. GOV'T CODE § 402.006(c). 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.

### **VIII. RELEASE**

8.1 By execution of this Judgment and following a full and complete payment of the sum provided by paragraph 7.1, the Attorney General of Texas 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 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 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 Texas and any subdivision thereof, not covered by the release in Paragraph 8.1;
- h) Any obligations created under this 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 Texas believes that Honda has failed to comply with any provision of this Judgment and, if in the Attorney General of Texas' sole discretion the failure to comply does not threaten the health or safety of the citizens of the State of Texas and/or does not create an emergency requiring immediate action, the Attorney General of Texas 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 Texas, unless the Attorney General of Texas 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 Texas may agree to provide Honda with more than thirty (30) days to respond. The Attorney General of Texas shall receive and consider the response from Honda prior to initiating any proceeding for any alleged failure to comply with this Judgment.

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

9.3 It is the Parties' intent that nothing in this 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 Judgment.

9.4 In the event that Honda believes a conflict outlined in Paragraph 9.3 exists, Honda must notify the Attorney General of Texas of the alleged conflict, stating with specificity the provision of this Judgment it believes conflicts with the item(s) outlined in Paragraph 9.3 above. The Attorney General of Texas 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 Judgment to the extent possible.

#### **X. CONSENT TO JUDGMENT**

10.1 Honda consents to each member of the Multistate Working Group filing a Judgment containing these terms, along with all other necessary pleadings, including Complaints, 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 Complaint and this Judgment and waives any defect associated with service. Honda does not require issuance or service of a Summons.

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

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

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 Judgment in the jurisdiction in which it is being filed.

#### **XI. GENERAL PROVISIONS**

11.1 Honda is entering into this 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 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 Judgment.

11.2 This 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 Judgment avoid compliance with this Judgment.

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

11.4 Honda shall provide a copy of this Judgment to, or otherwise fully apprise, its officers, directors, employees, agents and contractors responsible for carrying out and effecting the terms of this Judgment. To the extent the individuals occupying the above listed positions change, Honda shall provide a copy of this 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 Judgment shall not be construed as an approval or a sanction by the Attorney General of Texas of Honda's business practices, nor shall Honda represent that this Judgment constitutes an approval or sanction of its business practices. The Parties further understand and agree that any failure by the Attorney General of Texas to take any action in response to any information submitted pursuant to this 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 Judgment.

11.6 Nothing in this Judgment shall prevent Honda from fulfilling its obligations to comply with this 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 Judgment are satisfied.

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

11.9 This Judgment shall operate as an injunction issued under § 17.47 of the DTPA which shall be enforceable under § 17.47 of the DTPA, provided, however, that nothing in this 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 Judgment are subject to applicable penalties under the laws of the State wherein this Judgment is entered.

11.11 Unless otherwise prohibited by law, this 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 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 Judgment.

11.13 Each party has cooperated in (and in any construction to be made of this Judgment shall be deemed to have cooperated in) the drafting and the preparation of this 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 Judgment.

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

11.15 Honda agrees that this 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 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 Judgment. Likewise, the provisions of this 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 Judgment.

11.17 Neither this 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 Judgment, or to the existence, subject matter or terms of this Judgment.

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

11.19 This Judgment may only be enforced by the Parties.

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

Division Chief  
Consumer Protection Division  
Office of the Attorney General  
P.O. Box 12548  
Austin, Texas 78711-2548



Any notices or other documents sent to Honda pursuant to this Judgment shall be sent to the following address:

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

And

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

And

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 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 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

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 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 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 Judgment.

13.4 The undersigned counsel for Texas warrants and represents that (s)he is fully authorized to execute this Judgment on behalf of Texas.

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

**ORDERED AND ADJUDGED** on this 26th day of August 2020.

  
\_\_\_\_\_  
JUDGE PRESIDING

**APPROVED AS TO SUBSTANCE AND FORM AND ENTRY REQUESTED:**

KEN PAXTON  
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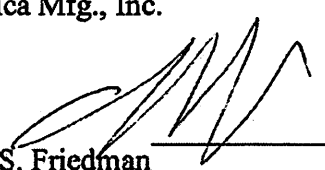
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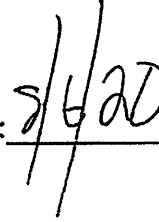
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**Exhibit A – Honda/Acura Vehicles Originally Equipped with  
Alpha Inflators**

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
Accord 2-Door	2001	09V-259	1HGCG22561A000014 - 1HGCG22471A035443 1HGCG32571A000013 - 1HGCG325X1A032650	7/18/2000 - 8/3/2001 7/18/2000 - 7/30/2001
		10V-041	1HGCG22501A014572 - 1HGCG22491A036691 1HGCG32701A018631 - 1HGCG32781A034267	1/15/2001 - 8/14/2001 3/21/2001 - 8/14/2001
		11V-260	1HGCG22551A007875 - 1HGCG22461A036745 1HGCG32531A004530 - 1HGCG316X1A034375	11/6/2000 - 8/15/2001 11/4/2000 - 8/15/2001
Accord 2-Door	2002	09V-259	1HGCG22542A001082 - 1HGCG22562A010432 1HGCG32022A001110 - 1HGCG32502A008343	8/23/2001 - 11/14/2001 8/22/2001 - 11/16/2001
			1HGCG22582A000145 - 1HGCG22502A032863 1HGCG32032A000001 - 1HGCG32132A030382	8/15/2001 - 6/28/2002 6/12/2001 - 6/28/2002
		11V-260	1HGCG22562A000001 - 1HGCG22592A029461 1HGCG32052A000002 - 1HGCG32592A014528	8/15/2001 - 5/20/2002 8/8/2001 - 1/28/2002
Accord 4-Door	2001	09V-259	1HGCF85461A000202 - 1HGCF86601A146921 JHMCF85471C000002 - JHMCF86421C000813 1HGCG16411A000014 - 1HGCG16511A087275 1HGCG56661A000017 - 1HGCG56621A148794 3HGCG56471G700001 - 3HGCG56461G700720 JHMC56421 C000015 - JHMC56631C033252 1HGCG66521A000142 - 1HGCG665X1A148250	8/21/2000 - 7/20/2001 7/17/2000 - 6/26/2001 7/20/2000 - 7/31/2001 7/20/2000 - 7/27/2001 7/02/2001 - 8/9/2002 1/13/2001 - 7/3/2001 8/21/2000 - 7/26/2001

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
			3HGCG66571G700367 - 3HGCG66501G703840 JHMCG65561C000003 ~ JHMCG66001C027751	10/9/2000 - 3/09/2001 7/4/2000 - 7/3/2001
		10V-041	1HGCG165X1A036051 - 1HGCG16501A087302 1HGCG56661A089569 - 1HGCG56481A149995 1HGCG66531A077974 - 1HGCG66581A149994 1HGCF86681A070199 - 1HGCF866X1A149454 JHMC86441C000750 - JHMC86471C000824 JHMCG56401C032199 - JHMCG56631C033283 JHMCG66051C026336 - JHMCG66061C027821	1/15/2001 - 8/1/2001 3/19/2001 - 8/1/2001 2/26/2001 - 7/31/2001 2/6/2001 - 7/27/2001 6/11/2001 - 7/03/2001 5/28/2001 - 7/05/2001 5/16/2001 - 7/07/2001
		11V-260	JHMC854X1C000138 - JHMC86411C000737 1HGCF86471A026466 - 1HGCF86661A148611 1HGCG16581A018745 1HGCG165X1A087257 JHMCG55431 C000011 - JHMCG56621C032903 1HGCG56651A024471 - 1HGCG56471A149857 JHMCG65581C000004 - JHMCG66001C027345 1HGCG66551A026010 - 1HGCG668X1A149232	8/23/2000 - 4/17/2001 10/30/2000 - 7/26/2001 10/27/2000 7/31/2001 7/6/2000 - 6/26/2001 10/27/2000 - 7/31/2001 7/6/2000 - 6/27/2001 10/27/2000 - 7/27/2001
Accord 4-Door	2002	09V-259	1HGCF86662A001089 - 1HGCF86662A054018 JHMC85402C000005 - JHMC86462X000086 1HGCG16522A000985 - 1HGCG16542A037889	8/11/2001 - 12/4/2001 7/26/2001 - 8/1/2001 8/2/2001 - 12/4/2001

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
			1HGCG56722A000607 - 1HGCG56442A056165 3HGCG56452G700001 - 3HGCG564X2G703704 JHMCG56782C000001 - JHMCG56772C033281 3HGCG66572G700001 - 3HGCG66532G703705 JHMCG66542C000145 - JHMCG66032C028832	7/31/2001 - 12/7/2001 8/17/2001 - 2/26/2002 6/11/2001 - 4/16/2002 8/13/2001 - 2/8/2002 7/5/2001 - 5/13/2002
		10V-041	3HGCG56452G700001 - 3HGCG56402G706126 3HGCG66572G700001 - 3HGCG66502G705881 1HGCG16412A000001 - 1HGCG165X2A060304 1HGCG567X2A000001 - 1HGCG56402A156781 1HGCG66802A000314 - 1HGCG668X2A115079 1HGCF86662A000122 - 1HGCF86602A116108 JHMC85432C000001 - JHMC85462C000492 JHMCG56442C000003 - JHMCG56612C031498 JHMCG66522C000001 - JHMCG66852C025436	8/17/2001 - 6/7/2002 8/13/2001 - 6/3/2002 7/31/2001 - 4/8/2002 5/10/2001 - 6/26/2002 7/31/2001 - 4/5/2002 7/31/2001 - 4/8/2002 7/26/2001 - 3/15/2002 7/4/2001 - 2/27/2002 7/4/2001 - 2/20/2002
		11V-260	JHMC86422C000117 - JHMC85402C000490 1HGCF86692A001247 - 1HGCF86662A144494 1HGCG164X2A000031 - 1HGCG16582A069938 JHMCG56702C002387 - JHMCG56632C030806 1HGCG56712A000002 - 1HGCG56652A140044	9/4/2001 - 2/7/2002 8/1/2001 - 6/3/2002 8/1/2001 - 5/30/2002 7/16/2001 - 2/11/2002 7/25/2001 - 5/17/2002

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
			JHMCG66802C001867 - JHMCG66542C025157 1HGCG66892A000313 - 1HGCG66582A157692	7/17/2001 - 2/8/2002 8/1/2001 - 6/28/2002
Civic 2-Door	2001	09V-259	1HGEM22971L000001 - 1HGEM229X1L124960	9/19/2000 - 9/10/2001
		10V-041	1HGEM21931L067826 - 1HGEM22561L124788	3/19/2001 - 9/10/2001
		11V-260	1HGEM22941L005382 - 1HGEM21211L125029	10/27/2000 - 9/10/2001
Civic 2-Door	2002	09V-259	1HGEM22902L024786 - 1HGEM22932L081872	12/6/2001 - 5/31/2002
		10V-041	1HGEM21502L000213 - 1HGEM219X2L093101	9/10/2001 - 7/16/2002
		11V-260	1HGEM21392L000001 - 1HGEM22532L082887	6/5/2001- 6/6/2002
Civic 4-Door	2001	09V-259	1HGES15511L000052 - 1HGES16551L078249 2HGES165X1H500108 - 2HGES16571H576787 JHMES152X1S000012 - JHMES16551S001089 1HGES26701L000002 - 1HGES267X1L078061 2HGES267X1H500049 - 2HGES25741H576724 JHMES267X1S000009 ~ JHMES26721S005303 1HGEN26481 L000004 - 1HGEN26401L000742	7/18/2000 - 8/27/2001 8/29/2000 - 4/16/2001 6/28/2000 ~ 9/4/2000 7/25/2000 - 8/27/2001 8/28/2000 - 4/16/2001 7/12/2000 - 5/18/2001 7/27/2000 ~ 6/26/2001
		10V-041	2HGES16571H569239 - 2HGES16561H576814 2HGES26721H542523 - 2HGES25791H576718 1HGES16581L049070 - 1HGES16501L077042 1HGES26781L049206 - 1HGES26751L077481	3/21/2001 - 4/16/2001 1/15/2001 - 4/16/2001 3/22/2001 - 8/21/2001 3/23/2001 - 8/23/2001

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
			1HGEN26431L000511 - 1HGEN26451L000803 JHMES16571S010618 - JHMES16581S012572 JHMES26731S005228 - JHMES26711S006300	4/12/2001 - 7/26/2001 6/1/2001 - 7/18/2001 6/1/2001 - 7/13/2001
		11V-260	1HGEN26481L000021 - 1HGEN26461L000261 1HGES16591L033489 - 1HGES16561L078373 2HGES16261H514156 - 2HGES15561H602491 JHMES15221S000019 - JHMES16521S012339 1HGES25781L033976 - 1HGES26761L078073 2HGES267X1H517773 - 2HGES25741H603372 JHMES26741S000085 - JHMES26781S006231	11/15/2000 - 12/22/2000 10/30/2000 - 8/27/2001 10/23/2000 - 7/9/2001 8/1/2000 - 7/4/2001 10/31/2000 - 8/27/2001 11/3/2000 - 7/11/2001 8/2/2000 - 7/5/2001
Civic 4-Door	2002	09V-259	1HGES15572L000008 - 1HGES15562L057851 1HGES25792L000244 - 1HGES26782L045822 1HGEN265X2L000001 - 1HGEN26462L000293 JHMES165X2S000067 - JHMES16512S006162 JHMES26792S000003 - JHMES26742S003926	8/14/2001 - 5/22/2002 8/28/2001 - 4/2/2002 6/21/2001 - 12/5/2001 08/06/2001 - 03/07/2002 08/28/2001 - 02/08/2002
		11V-260	HGEN26532L000003 - 1HGEN26572L000361 1HGES16582L000002 1HGES16522L044299 JHMES16502S000241 - JHMES16552S006150 1HGES26772L000001 - 1HGES26712L063613 2HGES26742H563990	9/19/2001 - 12/12/2001 5/24/2001 - 3/19/2002 8/29/2001 - 2/27/2002 5/24/2001 - 6/14/2002 3/20/2002

Make/Model	Model Year	Recall	VIN Range	Manufacture Date
			JHMES26712S000014 - JHMES26772S003922	8/30/2001 - 2/11/2002
CR-V	2002	09V-259	SHSRD684X2U000137 - SHSRD68452U00014	10/4/2002 - 10/4/2002
			SHSRD788X2U000101 - SHSRD78802U000303	2/19/2002 - 4/11/2002
		10V-041	JHLRD68452C000005 - JHLRD68452C020769	07/17/2001 - 05/31/2002
			JHLRD78412C000007 - JHLRO78482C089378	05/11/2001 - 08/09/2002
		11V-260	JHLRD68502C000003 - JHLRD684X2C011534 JHLRD78882C000041 - JHLRD788X2C055316	6/28/2001 - 2/11/2002 6/28/2001 - 4/4/2002
Odyssey	2002	10V-041	5FNRL18672B000062 - 5FNRL187828022371	10/9/2001 - 5/10/2002
			2HKRL18002H500089 - 2HKRL18792H584264	7/31/2001 - 5/14/2002
		11V-260	2HKRL18602H500002 - 2HKRL18652H586536 5FNRL186928000001 - 2HKRL18992H545109	3/6/2001 - 6/3/2002 8/30/2001 - 6/27/2002
Pilot	2003	10V-941	2HKYF185X3H509382	6/12/2002
		11V-260	2HKYF18153H500005 - 2HKYF18603HS15488	11/22/2001 - 7/17/2002
Acura 3.2 TL	2002	09V-259	19UUA56932A000011 - 19UUA56992A046846	10/24/2000 - 11/2/2001
		10V-041	19UUA56822A005756 - 19UUA56772A061652	3/19/2001 - 1/31/2002
		11V-260	19UUA56992A000031 - 19UUA56722A061705	12/5/2000 - 1/31/2002
Acura 3.2 TL	2003	10V-041	19UUA56623A000069 - 19UUA56623A026672	2/4/2002 - 6/12/2002
		11V-260	19UUA56923A000003- 19UUA56823A025927	12/4/2001 6/7/2002

<b>Make/Model</b>	<b>Model Year</b>	<b>Recall</b>	<b>VIN Range</b>	<b>Manufacture Date</b>
Acura CL	2003	10V-041	19UYA41703A006707	6/12/2002
		11V-260	19UYA41793A000050 - 19UYA427X3A003330	12/4/2001 - 3/19/2002