

**UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**
1200 New Jersey Avenue SE
Washington, D.C. 20590

_____)
In re:)
Ford Motor Company)
RQ21-002)
_____)

CONSENT ORDER

This Consent Order is issued pursuant to the authority of the National Highway Traffic Safety Administration (“NHTSA”), an operating administration of the U.S. Department of Transportation. This Consent Order sets forth the requirements and performance obligations, agreed to by Ford Motor Company (“Ford”), under the following terms and conditions.

I. NATURE OF THE ACTION

1. The National Traffic and Motor Vehicle Safety Act of 1966 as amended and recodified (the “Safety Act”), 49 U.S.C. Chapter 301, provides for regulation of motor vehicles and motor vehicle equipment by the Secretary of Transportation. The Secretary has delegated the authorities under the Safety Act to the NHTSA Administrator. 49 C.F.R. § 1.95(a). All authorities lawfully vested and reserved to the NHTSA Administrator may be exercised by the NHTSA Deputy Administrator. *See* 49 C.F.R. § 501.5(a).

2. Under the Safety Act, a manufacturer of a motor vehicle that decides in good faith that a vehicle contains a defect related to motor vehicle safety or does not comply with an applicable federal motor vehicle safety standard must notify NHTSA by submitting a Defect and Noncompliance Information Report (“DIR”). 49 U.S.C. § 30118(c); 49 C.F.R. § 573.6. A

manufacturer must submit the DIR not more than five working days after it knew or should have known of a safety-related defect or noncompliance in its vehicles. *See* 49 C.F.R. § 573.6(b).

3. A DIR must contain, among other things: identification of the vehicles potentially involved, including a description of the manufacturer's basis for its determination of the recall population and a description of how the recalled vehicles differ from similar vehicles not included in the recall; the total number of vehicles potentially involved; in the case of a noncompliance, the test results and other information that the manufacturer considered in determining the noncompliance, including "the date of each test and observation that indicated that a noncompliance might or did exist"; and a description of the manufacturer's remedy program. 49 C.F.R. § 573.6(c).

4. Until October 1, 2021, a manufacturer conducting a recall was required to submit a report to NHTSA containing information about the manufacturer's recall progress "for each of six consecutive quarters beginning with the quarter in which the campaign was initiated." 49 C.F.R. § 573.7.¹

5. A manufacturer that has sold 25,000 or more light vehicles in the United States in a calendar year is required to "make motor vehicle safety recall information applicable to the vehicles they manufactured available to the public on the Internet." 49 C.F.R. § 573.15. The information must be in "a format that is searchable by vehicle make and model and vehicle identification number (VIN), that preserves consumer privacy, and that includes information about each recall that has not been completed for each vehicle." *Id.*

6. A person who violates the Safety Act, or a regulation thereunder, is liable to the United States Government for a civil penalty. 49 U.S.C. § 30165(a); 49 C.F.R. § 578.6(a). A

¹ As of November 15, 2021, a manufacturer conducting a recall is required to submit quarterly reports for eight consecutive quarters. *See* 49 U.S.C. § 30118(f).

separate violation occurs for each motor vehicle and for each failure or refusal to allow or perform a required act. 49 U.S.C. § 30165(a)(1); 49 C.F.R. § 578.6(a)(1). A violation of 49 U.S.C. § 30166, or a regulation thereunder, is subject to civil penalties for each day of the violation. 49 U.S.C. § 30165(a)(3); 49 C.F.R. § 578.6(a)(3).

7. On August 3, 2021, NHTSA opened Recall Query (“RQ”) 21-002 to investigate Ford’s compliance with the Safety Act requirements, including the timeliness and scope of Ford’s rearview camera recall 20V-575, filed on September 23, 2020.

8. On April 14, 2022, Ford filed recall 22V-252 to expand the scope of 20V-575.

9. On March 8, 2024, following discussions with NHTSA regarding RQ21-002 Ford filed recall 24V-188, to further expand the scope of 20V-575 by 1,988 additional vehicles.

10. Based on the information revealed by NHTSA’s investigation, including information provided by Ford, NHTSA asserted that Ford violated multiple provisions of the Safety Act and regulations thereunder, including by: failing to timely recall vehicles with the rearview camera noncompliance; providing inaccurate and/or incomplete information in its DIR; failing to timely submit certain quarterly recall reports with respect to recalls other than 20V-575; and failing to fully comply with the requirement for public availability of motor vehicle recall information with respect to recalls other than 20V-575. Ford disagreed with these assertions. To administratively resolve these issues, NHTSA and Ford have mutually agreed to this Consent Order.

11. NHTSA issues this Consent Order pursuant to its authority under the Safety Act, 49 U.S.C. Chapter 301, to compromise the amount of civil penalties, 49 U.S.C. § 30165(b), to inspect and investigate, *id.* § 30166(b)(1), and to require any person to file reports or answers to specific questions, *id.* § 30166(e).

It is AGREED by Ford and ORDERED by NHTSA that the following provisions will apply.

II. TERMS AND CONDITIONS OF CONSENT ORDER

Civil Penalty

12. In determining an appropriate civil penalty amount, NHTSA considered the civil penalty factors specifically set forth in § 30165(c), as well as Ford's cooperation with NHTSA throughout the investigation. Subject to the terms in the remainder of this Paragraph, Ford must pay a civil penalty in the sum of one hundred and sixty-five million dollars (\$165,000,000) ("Total Civil Penalty").

- a. Of the Total Civil Penalty, the sum of sixty-five million dollars (\$65,000,000) ("Non-Deferred Amount") must be paid within sixty (60) calendar days of the Effective Date of this Consent Order in accordance with instructions provided by NHTSA.
- b. Of the Total Civil Penalty, the sum of fifty-five million dollars (\$55,000,000) ("Abeyance Amount") will be deferred and held in abeyance by NHTSA pending Ford's satisfactory completion, as reasonably determined by NHTSA, of the requirements of this Consent Order. In the event that Ford commits material violations of the Safety Act, regulations thereunder, or this Consent Order, during the term of this Consent Order, Ford may be obligated to pay the Abeyance Amount or a portion thereof in accordance with Paragraph 18 below, and may be liable for additional civil penalties beyond the Abeyance Amount for those violations of the Safety Act and regulations thereunder.

- c. Of the Total Civil Penalty, forty-five million dollars (\$45,000,000) (the “Performance Obligation Amount”) must be expended by Ford during the term of this Consent Order to fulfill the performance obligations identified in Paragraphs 22 through 25 and 38 through 41.

13. Pursuant to this agreement, Ford admits that it owes a debt in the amount of one hundred and sixty-five million dollars (\$165,000,000), as provided for in Paragraph 12, arising from activities under the jurisdiction of the U.S. Department of Transportation, due and owing to the United States under the Federal Claims Collection Act of 1966, as amended and codified at 31 U.S.C. § 3701, *et seq.* (hereinafter the “Claims Collection Act”).

14. If Ford fails to make the payment of the Non-Deferred Amount as set forth in Paragraph 12(a) above, or any payments of the Abeyance Amount as may be imposed in accordance with this Consent Order, on or before their respective due dates, Ford will be in default of this Consent Order and the remaining balance of the Total Civil Penalty will become due immediately. In that event: (i) Ford agrees not to contest any collection action undertaken by NHTSA or the United States pursuant to applicable law, including the Claims Collection Act and the U.S. Department of Transportation’s regulations, 49 C.F.R. Part 89, either administratively or in any court, and (ii) Ford affirmatively waives any and all defenses or rights that would otherwise be available to it in any such proceeding. In addition, in such a proceeding, Ford will pay the United States all reasonable costs of collection and enforcement, including attorneys’ fees and expenses. This provision does not preclude Ford from contesting the imposition of any of the Abeyance Amount in accordance with Paragraphs 19 and 63 below.

15. Upon receipt of the Non-Deferred Amount and expiration of the Consent Order (including any extensions), Ford, including its current and former directors, officers, employees,

agents, successors, and assigns, will be deemed released from liability for civil penalties pursuant to 49 U.S.C. § 30165 in connection with any and all violations of the Safety Act or regulations thereunder relating to RQ21-002 (including all allegations in Paragraph 10) or the recall review required by, and only to the extent explained in, Paragraph 44 (including any resulting recalls) from the inception of the Safety Act through the Effective Date of this Consent Order and, with respect to the recall review required by Paragraph 44, the release extends through the completion date for that review set forth in Paragraph 44.

16. Nothing in this Consent Order discharges Ford from any obligation to comply with the Safety Act or regulation thereunder.

17. This Consent Order does not release Ford from liabilities, if any, that may be asserted by the United States, the U.S. Department of Transportation, NHTSA, or any governmental entity, other than the civil penalty liability under 49 U.S.C. § 30165 as described in Paragraph 15.

Abeyance Amount

18. The Abeyance Amount is subject to release on the following schedule:
- a. If NHTSA does not make a determination that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order by the end of the first year of the Consent Order, eleven million dollars (\$11,000,000) will be deemed released.
 - b. If NHTSA does not make a determination that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order by the end of the second year of the Consent Order, an additional sixteen million and five hundred thousand dollars (\$16,500,000) will be deemed released.

- c. If NHTSA does not make a determination that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order by the end of the third year of the Consent Order, and does not exercise its option for an extension pursuant to Paragraph 53, the remainder of the Abeyance Amount (twenty seven million and five hundred thousand dollars (\$27,500,000)) will be deemed released.
- d. If NHTSA exercises its option for an extension pursuant to Paragraph 53, and if NHTSA does not make a determination that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order by the end of the third year of the Consent Order, an additional thirteen million and seven hundred and fifty thousand dollars (\$13,750,000) will be deemed released.
- e. If NHTSA exercises its option for an extension pursuant to Paragraph 53, and if NHTSA does not make a determination that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order by the end of the extended term of the Consent Order, the remainder of the Abeyance Amount (thirteen million and seven hundred and fifty thousand dollars (\$13,750,000)) will be deemed released.

19. Should NHTSA reasonably believe that, during the term of the Consent Order, including any extension, Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order, NHTSA will provide written notice of the alleged violation(s) to Ford, including a statement regarding the Abeyance Amount or the portion thereof that will be due if NHTSA makes a final determination in accordance with this Paragraph. Ford will have thirty (30) calendar days, or such other time as mutually agreed by NHTSA and Ford, from the

date on which the issue was communicated to Ford by NHTSA (“Evaluation Period”) to respond to the notice in writing and, if appropriate, cure and rectify the conduct leading to the alleged violation. NHTSA will consider Ford’s rectification or curing of the conduct in determining whether or what resulting Abeyance Amount is appropriate. Ford’s response will provide its views, along with any supporting information and documentation. Should there be a dispute following the evaluation period, the parties (including representatives from Ford’s Office of General Counsel and NHTSA’s Office of the Chief Counsel) agree to meet and reasonably discuss the alleged violation. If no mutually agreeable resolution is reached after discussion, and NHTSA subsequently and reasonably makes a final determination in writing that Ford has materially violated the Safety Act, regulations thereunder, or the terms of this Consent Order, then Ford, subject to the terms of Paragraph 63, will be liable for the Abeyance Amount or the portion thereof determined by NHTSA. The Abeyance Amount or portion thereof will be paid by Ford in accordance with instructions from NHTSA within thirty (30) calendar days of NHTSA’s determination. NHTSA agrees that this provision does not apply to any dispute arising out of EA16-003 and related proceedings.

20. Ford will only be liable for payment of the Abeyance Amount or portion thereof in accordance with the conditions in Paragraph 18. Ford will be deemed released from liability for any portion of the Abeyance Amount remaining at the expiration of this Consent Order.

Performance Obligation Amount

21. This Consent Order requires Ford to expend a total of forty-five million dollars (\$45,000,000) (the “Performance Obligation Amount”) on specific projects (the “Performance Obligation Amount Projects”), as outlined in this section and as described further in Paragraphs 38 through 41.

22. Ford must expend at least twenty million dollars (\$20,000,000) on advanced Safety Data Analytics capabilities, as defined in Paragraph 38.

23. Ford must expend at least ten million dollars (\$10,000,000) developing an end-to-end information and document interface platform that centralizes information relevant to vehicle compliance and actual or potential safety issues and investigations, as defined in Paragraph 39.

24. Ford must expend at least ten million dollars (\$10,000,000) to build and develop a multi-modal driver assist technology test lab that provides in-house testing capabilities focused on low voltage electronics (including, but not limited to, rearview cameras) for evaluating safety field issues and other safety investigative purposes, as defined in Paragraph 40.

25. Ford must expend at least five million dollars (\$5,000,000) enhancing and developing its information technology solution for tracing vehicle components by VIN, as defined in Paragraph 41.

26. Except as provided by Paragraph 27, full expenditure of the Performance Obligation Amount allocated to each Performance Obligation Amount Project during the term of the Consent Order is a necessary but not sufficient condition of the related Performance Obligations in Paragraphs 21 through 25 and 38 through 41.

27. If Ford has not expended the full Performance Obligation Amount within thirty-five (35) months after the Effective Date of this Consent Order, if the Consent Order is not extended, or, if the Consent Order is extended, by one month prior to the expiration of the extended term, the unexpended portion of the Performance Obligation Amount will become immediately due and owing to the U.S. Treasury, except that NHTSA, in its sole discretion, may count a reasonable amount of Ford's future costs in implementing any portion of the Performance Obligation Amount toward the required investment.

Performance Obligations

28. Ford must use reasonable best efforts to take all actions and do all things necessary to comply with this Consent Order, and to cooperate with NHTSA in carrying out its Performance Obligations and other requirements of this Consent Order.

Independent Third Party

29. No later than thirty (30) calendar days after the Effective Date of this Consent Order, Ford will retain, at its sole cost and expense, an Independent Third Party with expertise in motor vehicles and the requirements of the Safety Act, selected by NHTSA from three qualified candidates previously provided by Ford, for the duration of the Consent Order. Ford must pay the compensation and expenses of the Independent Third Party, including any persons hired by the Independent Third Party as is reasonably necessary to carry out the duties of the Independent Third Party, after consultation with Ford.

30. Ford agrees to cooperate fully with the Independent Third Party to ensure that the Independent Third Party has access to the information that is reasonably necessary for it to carry out its duties under the Consent Order. Full cooperation entails, for example, producing reasonably requested materials, employees for interview, and other items in a timely manner, i.e., with enough time for the Independent Third Party to complete a given report or task. To carry out the responsibilities outlined herein, Ford will allow the Independent Third Party to interview Ford personnel, and will grant reasonable requests to attend meetings, review non-privileged documents and other materials, or other reasonable requests. To the extent that the Independent Third Party reasonably seeks access to information contained in privileged documents, Ford will use best efforts to provide the Independent Third Party with access to information without compromising the privilege. Notwithstanding anything in this Consent Order to the contrary,

nothing in this Consent Order or any action required of or taken by Ford pursuant to this Consent Order is a waiver of Ford's right to claim privilege, confidentiality or trade secret protection over any information or documents. The Independent Third Party must notify NHTSA if not provided the access or assistance from Ford it believes it needs to carry out its responsibilities under this Consent Order.

31. The Independent Third Party will be responsible for reviewing, assessing, and making recommendations regarding Ford's compliance with this Consent Order, the Safety Act, and regulations thereunder, including but not limited to Ford's collection and consideration of information to be evaluated in its recall decision-making process and procedures (including whether a recall is needed and recall scoping), and its implementation of all Performance Obligations. With respect to any written work plan, schedule, report, or communication submitted to NHTSA by the Independent Third Party under the terms of this Consent Order, Ford will, when appropriate under 49 U.S.C. § 30167 and 49 C.F.R. Part 512, request confidential treatment of any information that Ford may consider to be confidential business information.

32. No later than sixty (60) calendar days after Ford's retention of the Independent Third Party, the Independent Third Party must submit to NHTSA a preliminary work plan and schedule for the completion of the review, assessments, and recommendations required by Paragraph 31.

33. No later than one-hundred and eighty (180) calendar days after Ford's retention of the Independent Third Party, the Independent Third Party must submit to NHTSA a final work plan and schedule for the completion of the review, assessments, and recommendations required by Paragraph 31.

34. The Independent Third Party must provide reports to NHTSA detailing findings regarding Ford's compliance with the terms of this Consent Order, the Safety Act, and regulations thereunder. The reports will also provide the Independent Third Party's recommendations and an assessment of the extent to which Ford has accepted or adopted each of the recommendations. No fewer than fourteen (14) calendar days prior to providing any such report to NHTSA, the Independent Third Party will provide a draft of the report to Ford. Ford will then have no fewer than seven (7) days to provide corrections and comments on the draft to the Independent Third Party prior to submission to NHTSA. The Independent Third Party may, based on independent judgment, accept or reject such corrections or comments from Ford. These reports will be provided to NHTSA and Ford on a quarterly basis (every three months) with the first report due three months after the date of submission of the final work plan pursuant to Paragraph 33. If this Consent Order is extended, the submission of these reports to NHTSA will continue on a quarterly basis (every three months) until the end of the Consent Order term.

35. In the final quarterly report of the initial term of this Consent Order pursuant to Paragraph 34, the Independent Third Party will address the extent to which Ford accepted and adopted all of the Independent Third Party's recommendations. The final quarterly report will not provide any opinion as to whether an extension of the Consent Order is warranted. Within fourteen (14) days of that quarterly report, in the event the Independent Third Party identifies recommendations that Ford did not accept and adopt, Ford will submit a report to NHTSA detailing why it has not accepted and adopted each such recommendation. If this Consent Order and the term of the Independent Third Party are extended, the Independent Third Party will address the extent to which Ford accepted and adopted all of the Independent Third Party's recommendations within the final quarterly report of the extended term. Within fourteen (14)

days of that quarterly report, to the extent it occurs, in the event the Independent Third Party identifies recommendations that Ford did not accept and adopt, Ford will submit a report to NHTSA detailing why it has not accepted and adopted each such recommendation.

36. Nothing in the reporting or meeting structure established herein is intended to restrict the ability of the Independent Third Party to communicate with or otherwise raise issues to NHTSA at any time during the Consent Order, as the Independent Third Party reasonably deems warranted. Likewise, nothing herein is intended to limit NHTSA's ability to contact the Independent Third Party or Ford or request additional information from the Independent Third Party or Ford about any matter within the scope of this Consent Order outside of the reporting structure specified herein, as NHTSA reasonably deems warranted. Any failure of the Independent Third Party to meet the specifications of this Consent Order will not be deemed a violation of the Consent Order by Ford.

37. Ford may not remove, terminate, or otherwise hinder the work of the Independent Third Party such that the Independent Third Party is unable to reasonably perform the duties under this Consent Order. Only in the following extraordinary circumstances may Ford request NHTSA's approval to remove and replace the Independent Third Party: if Ford has good grounds to believe that the Independent Third Party (a) is no longer physically or mentally capable of carrying out work required under this Consent Order; (b) has refused or failed to properly carry out work under this Consent Order; or (c) is otherwise no longer qualified to carry out work under this Consent Order. Any such proposal from Ford must be in writing and must acknowledge that removal of the Independent Third Party may extend the term of the Consent Order and will result in a new Independent Third Party who is subject to all duties and responsibilities under this Consent Order.

Performance Obligation Amount Projects

38. *Safety Data Analytics*: Ford will develop and implement advanced data analytics capabilities and processes to enhance its ability to detect and study emerging safety-related trends on its vehicles and enhance recall completion. This infrastructure will encompass, *inter alia*, assessing the potential of integrating machine learning and predictive analytics and sensing methodologies into Ford's existing processes to identify and investigate potential safety issues.

39. *End-to-End Information and Document Interface Platform*: Ford will develop and implement an end-to-end information and document interface platform that will automate linkage between regulatory requirements and engineering requirements, and link engineering documents and analyses to root cause and prevent recurrence. This will improve the ability to identify the commodities and systems affected when a defect or noncompliance is identified and enable a robust internal coordination.

40. *Multi-Modal Driver Assist Technology Test Lab*: Ford will build and develop a multi-modal driver assist technology test lab. This lab will focus on low voltage electronics (including, but not limited to, rearview cameras) for evaluating safety field issues and other safety investigative purposes.

41. *VIN-Based Traceability*: Ford will invest in technology that allows it to trace select components to the VIN level. This technology will be aimed at, *inter alia*, improving Ford's ability to more rapidly and accurately identify specific parts and vehicles with actual or potential safety issues, including for accurately scoping investigations and recalls.

42. After consultation with the Independent Third Party, Ford will meet with NHTSA, either virtually or in person, no later than one-hundred and eighty (180) calendar days after the Effective Date of this Consent Order to discuss an initial plan for each Performance

Obligation Amount Project, along with an estimated timeline for its implementation and cost. After this initial plan meeting, Ford will notify NHTSA of any material changes to this information within thirty (30) days of learning of such material changes, and will reasonably consider any feedback from NHTSA on any of the Performance Obligation Amount Projects. Ford will update NHTSA on the progress of implementing the Performance Obligation Amount Projects during its meetings with the agency pursuant to Paragraphs 51 and 52.

43. After consultation with and consent from the Independent Third Party, if Ford determines that the full Performance Obligation Amount allocated to a particular Performance Obligation Amount Project will not be needed to satisfy the associated Performance Obligations, Ford may request NHTSA's permission to reallocate the estimated balance to another Performance Obligation Amount Project. NHTSA, in its sole discretion, may approve such a request without requiring a written amendment of this Consent Order under Paragraph 54. Ford may not expend any portion of the Performance Obligation Amount on any projects or for any purpose other than those specified in Paragraphs 38 through 41.

Review of All Recalls Filed Within the Previous Three Years

44. Ford will conduct a thorough review of all recalls that it has filed within the three years prior to the Effective Date of this Consent Order to ensure that it has accurately scoped each recall to address the identified defect or noncompliance (the "Recall Review"). Where Ford finds that it has not accurately scoped a recall, it will, within five (5) working days of its identification of the inaccurate scope, file a new recall for the additional vehicles that fully complies with all applicable Safety Act and regulatory requirements. With each new recall that results from this review, Ford must additionally certify via sworn declaration to NHTSA's Chief Counsel that prior to the Effective Date of this Consent Order, no employee of Ford's Automotive Safety Office or any other employee with recall decision-making authority had

actual knowledge of the need to file a new, updated recall. The declaration shall further explain in sufficient detail how and when Ford discovered the corresponding scope issue. If Ford's knowledge of the need to adjust the scope of a new recall filed pursuant to this paragraph predates its review pursuant to this paragraph, i.e., if Ford is unable to truthfully submit such a declaration, the remaining amount of the Abeyance Amount or a portion thereof shall immediately become due in accordance with Paragraphs 18-19.

45. Ford will meet with NHTSA, either virtually or in person, no later than thirty (30) calendar days after the Effective Date of this Consent Order to discuss a proposed plan for this review. Ford's final plan for this review must be submitted to NHTSA no later than forty-five (45) calendar days after the Effective Date of this Consent Order and it shall include a prioritization and phasing of the review. The review shall be completed no later than two hundred and forty (240) calendar days after the Effective Date of this Consent Order. Ford will update the Independent Third Party and NHTSA on the progress of this review during its meetings with the agency pursuant to Paragraphs 51 and 52. Nothing in this provision should be construed to alter the reporting requirements in 49 C.F.R. § 573.6, including the requirement that defect and noncompliance information reports must be submitted within 5 working days after a determination of a safety-related defect, or a noncompliance, exists.

Process Improvements, Written Procedures, and Employee Training

46. Ford will review, improve, and implement company processes for the purpose of identifying and reporting safety-related defects and noncompliances more quickly. Such process improvements will include, but not be limited to, changes for the purposes of:

- a. improving Ford's ability to analyze data to identify potential safety-related defects and noncompliances;

- b. encouraging and improving information-sharing across functional areas and disciplines;
- c. increasing the speed with which recall decisions are made, including by clarifying the recall decision-making process to decrease the number of steps prior to making the final decision of whether to conduct a recall; and
- d. improving communication with NHTSA regarding actual or potential safety-related defects or noncompliances.

47. Ford must develop or update written policies and procedures and employee training materials explaining the requirements for compliance with the Safety Act, the regulations thereunder, and this Consent Order. Such training will include, but will not be limited to, the legal requirements related to the issues that led to this Consent Order.

48. Ford must submit the written procedures and training materials required under Paragraph 47, together with a proposed training schedule that includes both intervals and required attendees (identified by employee position and/or responsibilities) at training sessions to NHTSA and the Independent Third Party within one hundred-and-twenty (120) calendar days after the Effective Date of this Consent Order. The training schedule must include mandatory annual training for employees with responsibility for vehicle safety or NHTSA compliance and mandatory on-boarding training within a reasonable time period for new employees with responsibility for vehicle safety or NHTSA compliance. Ford must incorporate any reasonable feedback provided by NHTSA and the Independent Third Party into the written procedures and training materials and adopt the written policies as mandatory company policies (applicable to all Ford internal divisions, businesses, and subsidiaries) within one hundred-and-eighty (180) calendar days after the Effective Date of this Consent Order. If, during the term of this Consent

Order, the Independent Third Party's recommendations pursuant to Paragraph 34 require subsequent updates to such written procedures and training materials, Ford and the Independent Third Party will discuss those proposed changes with NHTSA through the quarterly meetings described in Paragraph 51 and 52 below before making those revisions.

Safety Evaluation List

49. Ford must submit a Safety Evaluation List ("SEL") to NHTSA's Office of Defects Investigation, Office of Vehicle Safety Compliance, and Office of the Chief Counsel on a monthly basis throughout the term of this Consent Order. The SEL will be compiled in a form, manner, and scope and submitted on a schedule agreed to by NHTSA and Ford at their first quarterly meeting pursuant to Paragraph 52 herein, and will include all issues then under evaluation as potential safety-related defects or noncompliances, including issues related to existing recalls, regardless of whether those issues are being investigated or reviewed by NHTSA and regardless of whether the issues ultimately result in a recall or non-recall action by Ford. The first SEL is due within thirty (30) calendar days after agreement on the form, manner, and scope. In addition to the SEL being required under this Consent Order, each SEL is also considered a required report under 49 U.S.C. § 30166(e). The addition of an issue on an SEL is without prejudice to resolving the issue without the need to conduct a recall or non-recall action.

VIN Lookup Tool

50. Ford will certify to NHTSA every six (6) months throughout the term of the Consent Order that its VIN lookup tool is fully compliant with 49 C.F.R. § 573.15.

Quarterly Meetings with NHTSA

51. On a recurring quarterly basis and throughout the term of this Consent Order, beginning three (3) months after the Effective Date of this Consent Order, representatives of Ford, including its legal counsel, will meet with the Independent Third Party and NHTSA, either

virtually or in person, to discuss Ford's performance under this Consent Order, compliance with the Safety Act and regulations thereunder, and Ford's acceptance and adoption of the Independent Third Party's recommendations. If one or more quarterly meetings fail to occur due to circumstances beyond Ford's control, the meeting omission will not be deemed a violation of this Consent Order by Ford.

52. In addition to the meetings required by Paragraph 51, representatives of Ford's Safety Office must meet with NHTSA, either virtually or in person, on at least a quarterly basis throughout the term of this Consent Order. Such meetings will include a discussion of Ford's Safety Data Analytics (as referenced in Paragraphs 22 and 38), as well as any open issues, recent technical service bulletins, consumer complaints submitted to NHTSA (Vehicle Owner Questionnaires), Ford's recall decision-making (including decisions not to recall) or other issues of interest to NHTSA's Office of Enforcement. If one or more quarterly meetings fail to occur due to circumstances beyond Ford's control, the meeting omission will not be deemed a violation of this Consent Order by Ford.

III. TERM OF THE CONSENT ORDER

53. The term of this Consent Order is three (3) years from the Effective Date; provided, however, that NHTSA may extend all or part of the Consent Order for up to an additional one-year term if NHTSA reasonably finds that an extension is warranted.

IV. AMENDMENT

54. This Consent Order may not be modified, amended, or waived except by an instrument in writing signed by all parties, and no provision may be modified, amended, or waived other than by a writing setting forth such modification, amendment, or waiver.

55. The parties may agree, without need for an amendment as specified in Paragraph 54, to reasonable changes to specified report or meeting dates, schedules, or meeting cadences.

V. MISCELLANEOUS

56. Nothing in this Consent Order may be interpreted or construed in a manner inconsistent with, or contravening, any federal law, rule, or regulation at the time of the execution of this Consent Order, or as amended thereafter.

57. None of the specific reporting obligations described in this Consent Order relieve Ford of its obligation to submit any other reports required by the Safety Act or its corresponding regulations, or otherwise comply with existing laws and regulations.

58. The parties will each bear their own respective attorneys' fees, costs, and expenses, except as provided in Paragraph 14 above.

59. This Consent Order is effective upon its full execution by all individuals and parties listed as signatories below ("Effective Date"). Any breach of the obligations under this Consent Order, may, at NHTSA's option, be immediately enforceable in any United States District Court. Ford agrees that it will not raise any objection as to venue.

60. In the event of Ford's breach of, or failure to perform, any term of this Consent Order, NHTSA reserves the right to pursue any and all appropriate administrative and/or judicial remedies, including, but not limited to, assessing interest for untimely civil penalty payments and/or commencing litigation to enforce this Consent Order in any United States District Court.

61. This Consent Order was negotiated and prepared by both NHTSA and Ford. If any of the provisions in this Consent Order require a court's interpretation, no ambiguity will be construed against the drafter.

62. The parties that are the signatories to this Consent Order have the legal authority to enter into this Consent Order, and each party has authorized its undersigned to execute this Consent Order on its behalf.

63. In any legal action between the parties concerning the enforceability of this Consent Order, Ford expressly waives any and all defenses and agrees not to plead, argue, or otherwise raise any defenses other than (i) that the payment of the Non-Deferred Amount set forth in Paragraph 14(a) was made, if applicable, and/or (ii) that Ford has substantially complied with the terms of this Consent Order.

64. This Consent Order is binding upon, and inures to the benefit of, Ford and its current and former directors, officers, employees, agents, parents, subsidiaries, affiliates, successors, and assigns. Ford agrees to waive any and all defenses that may exist or arise in connection with any person or entity succeeding to the interests or obligations herein, including as a result of any changes to the corporate structure or relationships among or between Ford and any of its parents, subsidiaries, or affiliates.

65. Should any condition or other provision contained herein be held invalid, void, or illegal by any court of competent jurisdiction, it may be severed from the remainder of this Consent Order and will in no way affect, impair, or invalidate any other provision of this Consent Order.

66. This Consent Order does not create rights in, or grant any cause of action to, any third party not a party to this Consent Order.

67. This Consent Order may be executed in counterparts, each of which is effective as an original signature.

68. This Consent Order is a fully integrated agreement and will in all respects be interpreted, enforced, and governed under the federal law of the United States. This Consent Order, which is fully incorporated hereto by reference, sets forth the entire agreement between the parties with regard to the subject matter hereof. There are no promises, agreements, or conditions, express or implied, other than those set forth in this Consent Order.

[SIGNATURE PAGES FOLLOW]

APPROVED AND SO ORDERED:

NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION,
U.S. DEPARTMENT OF TRANSPORTATION

Dated: November 13, 2024

By: **SOPHIE M SHULMAN** Digitally signed by SOPHIE M SHULMAN
Date: 2024.11.13 15:39:15 -05'00'

Sophie Shulman
Deputy Administrator

Dated: November 13, 2024

By: **ADAM RAVIV** Digitally signed by ADAM RAVIV
Date: 2024.11.13 14:05:47 -05'00'

Adam Raviv
Chief Counsel

Dated: November 13, 2024

By: **KERRY ELIZABETH KOLODZIEJ** Digitally signed by KERRY ELIZABETH KOLODZIEJ
Date: 2024.11.13 14:02:18 -05'00'

Kerry Kolodziej
Assistant Chief Counsel
for Litigation and Enforcement

Dated: November 13, 2024

By: **ASHLEY MONIQUE SIMPSON** Digitally signed by ASHLEY MONIQUE SIMPSON
Date: 2024.11.13 13:59:41 -05'00'

Ashley Simpson
Senior Trial Attorney

Dated: November 13, 2024

By: **SARAH CHAVAH KOHLHOFER** Digitally signed by SARAH CHAVAH KOHLHOFER
Date: 2024.11.13 13:56:40 -05'00'

Sarah Kohlhofer
Senior Trial Attorney

AGREED:

FORD MOTOR COMPANY

Dated: Nov-13-2024, 2024

By: _____

Robert Holycross
Vice President, Chief Sustainability, Environment
& Safety Officer
Ford Motor Company

Dated: _____, 2024

By: _____

Erika Z. Jones
Mayer Brown LLP
Counsel for Ford Motor Company

AGREED:

FORD MOTOR COMPANY

Dated: _____, 2024

By: _____

Robert Holycross
Vice President, Chief Sustainability, Environment
& Safety Officer
Ford Motor Company

Dated: November 13, 2024



By:

Erika Z. Jones
Mayer Brown LLP
Counsel for Ford Motor Company