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10 **SUPERIOR COURT OF ARIZONA**  
11 **IN MARICOPA COUNTY**

12 STATE OF ARIZONA, *ex rel.* MARK  
13 BRNOVICH, Attorney General,  
14 Plaintiff,  
15 v.  
16 FORD MOTOR COMPANY,  
17 Defendant.  
18

Case No.:

**CONSENT JUDGMENT**

19 The State of Arizona, *ex rel.* Mark Brnovich, the Attorney General (the “Attorney  
20 General”), filed a Complaint alleging violations of the Arizona Consumer Fraud Act, A.R.S.  
21 §§ 44-1521 to -1534 (the “CFA”), and the defendant Ford Motor Company (“Ford”) has  
22 waived service of the Complaint, has been advised of the right to a trial in this matter, and has  
23 waived the same. Ford admits the jurisdiction of this Court over the subject matter and parties,  
24 stipulates that this Court may enter this Consent Judgment, and acknowledges that this Court  
25 will retain jurisdiction for the purpose of enforcing this Consent Judgment. Ford has consented  
26 and stipulated to entry of this Consent Judgment to compromise and settle claims in connection  
27 with an investigation under the Arizona Consumer Fraud Act and not out of any admission of  
28 guilt, wrongdoing, violation, or sanction.

1 **PARTIES**

2 1. The Attorney General is authorized to bring this action under the CFA.

3 2. Ford is an automobile manufacturer that is incorporated in Delaware and has its  
4 principal place of business in Dearborn, Michigan.

5 3. All events, acts and practices described in, and relevant to, this Consent Judgment  
6 took place throughout Arizona.

7 4. This Court has jurisdiction over the Complaint and the parties necessary for the  
8 Court to enter this Consent Judgment and any orders hereafter appropriate pursuant to A.R.S.  
9 § 44-1528 and this Consent Judgment.

10 5. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

11 **NO ADMISSION OF LIABILITY**

12 6. The parties have entered into this Consent Judgment without trial of any issue of  
13 fact or law. Ford specifically denies it has violated any federal or state laws. Nothing contained  
14 herein may be taken as or construed to be an admission or concession of any violation of law  
15 or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, nor shall  
16 it constitute any evidence or finding supporting any of the allegations of fact or law alleged by  
17 the Attorney General, or any violation of state or federal law, rule or regulation or any liability  
18 or wrongdoing whatsoever. This Consent Judgment is not intended to constitute evidence or  
19 precedent of any kind except in any action or proceeding by one of the parties to enforce,  
20 rescind or otherwise implement or affirm any or all terms of this Consent Judgment. The  
21 parties expressly acknowledge and agree that nothing shall prevent the Attorneys General's  
22 enforcement rights associated with this Consent Judgment.

23 **DEFINITIONS**

24 7. The following terms used herein shall have the following meanings:

- 25 a. "Covered Conduct" shall mean Ford's advertising claims of: (1) fuel economy  
26 relating to C-MAX vehicles from Model Years ("MY") 2013–2014; and (2)  
27 maximum payload capacity of MY 2011–2015 Ford vehicles.

28 . . .

- 1 b. "Ford" shall mean Ford Motor Company and its Subsidiaries, successors and  
2 assigns.
- 3 c. "Fuel Economy" shall mean the EPA-estimated fuel economy rating used or  
4 calculated by Ford in compliance with the regulations, rules and laws proscribed  
5 by United States Environmental Protection Agency.
- 6 d. "Multistate Executive Committee" or "MSEC" shall mean the Attorneys General  
7 of Arizona, Illinois, Maryland, Oregon, Texas and Vermont.
- 8 e. "Multistate Working Group" or "MSWG" shall mean the Attorneys General of  
9 Alabama, Arizona, Arkansas, California, Colorado, Connecticut, District of  
10 Columbia, Florida, Illinois, Indiana, Iowa, Georgia, Kansas, Kentucky, Louisiana,  
11 Maine, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, New  
12 Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma,  
13 Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia,  
14 Washington, West Virginia, and Wisconsin.
- 15 f. "Payload Capacity" shall mean the combined maximum weight of cargo and  
16 passengers that the vehicle is designed to carry.
- 17 g. "Subsidiaries" shall mean any corporation, association, joint venture, partnership,  
18 limited liability company or other business entity of which at least a majority of  
19 the Voting Stock is, at the point in time when the violation of this Consent  
20 Judgment is alleged to have taken place, owned directly or indirectly by Ford  
21 Motor Company. Voting Stock means the capital stock or equivalent interests, if  
22 the entity does not have capital stock, having the right to vote for the election of  
23 directors or equivalent persons, if such entity does not have directors, of any  
24 corporation, association, joint venture, partnership, limited liability company or  
25 other business entity.

#### 26 **ALLEGATIONS OF FACT**

27 8. The Attorney General has made allegations that some of Ford's advertisements  
28 relating to estimated Fuel Economy and Payload Capacity for new motor vehicles constituted

1 deceptive and/or unfair acts and practices in violation of the CFA. Ford denies such  
2 allegations.

3 **CONCLUSIONS OF LAW**

4 9. The Attorney General alleges that Ford violated the CFA by engaging in or  
5 directing others to engage in the actions described in paragraph 8 above. Ford denies such  
6 allegations.

7 10. The Attorney General alleges that pursuant to the CFA, Ford's violations entitle  
8 the Attorney General to relief necessary to prevent the unlawful acts and practices described in  
9 this Consent Judgment and to remedy the consequences of past unlawful practices. Ford denies  
10 such allegations.

11 **ORDER**

12 NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:

13 **INJUNCTIVE RELIEF**

14 11. The injunctive relief set forth in this Consent Judgment is binding upon any of the  
15 following that receive actual notice of this Consent Judgment through personal service or  
16 otherwise: (a) Ford and its subsidiaries; and (b) its officers, servants, employees, and attorneys.

17 12. Pursuant to A.R.S. § 44-1528, Ford is enjoined, restrained, and prohibited as  
18 follows:

- 19 a. Ford shall not make false or misleading advertising claims concerning the  
20 estimated Fuel Economy of a new motor vehicle in violation of the CFA, A.R.S.  
21 §§ 44-1521 to 44-1534.
- 22 b. Ford shall not make false or misleading advertising claims concerning the  
23 Payload Capacity of a new motor vehicle in violation of the CFA, A.R.S. §§ 44-  
24 1521 to 44-1534.

25 **PAYMENT TO THE ATTORNEY GENERAL**

26 13. Ford shall pay the MSWG Attorneys General a total of \$19,000,000, plus costs of  
27 \$200,000, to be divided and paid by Ford directly to each Attorney General of the MSWG in an  
28 amount to be designated in writing by and in the sole discretion of the MSEC. Payment shall be

1 made by Ford within 30 calendar days of receiving written payment processing instructions  
2 from the MSEC. Said payment shall be used by the Attorneys General for any lawful purpose  
3 including consumer protection enforcement or consumer education, or for other uses permitted  
4 by state law, at the sole discretion of each Attorney General. Unless otherwise required by law,  
5 in no event shall any portion of this payment be characterized as a fine, civil penalty or  
6 forfeiture by Ford to any participating Attorney General's Office.

7 14. Pursuant to the amount designated by the MSEC, and as part of the payment  
8 described in paragraph 13, Ford shall pay the Attorney General \$884,364.40 by wire transfer,  
9 which will be used by the Attorney General as follows:

- 10 a. \$200,000 will be used for attorneys' fees and costs, pursuant to A.R.S. § 44-1534,  
11 and will be deposited by the Attorney General into the Consumer Protection-  
12 Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01, and used for  
13 the purposes specified in A.R.S. § 44-1531.01; and  
14 b. \$684,364.40 will be deposited by the Attorney General into the Consumer  
15 Protection-Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01,  
16 and used for the purposes specified in A.R.S. § 44-1531.01.

17 **RELEASE**

18 15. By execution of this Consent Judgment, and following a full and complete  
19 payment to the Attorney General of the amount required under paragraph 14, the Attorney  
20 General terminates its investigation of the Covered Conduct and releases and discharges, to the  
21 fullest extent permitted by law, Ford from any and all civil causes of action, claims, damages,  
22 costs, attorney's fees, or penalties the Attorney General has asserted or could have asserted  
23 under the CFA, as of the Effective Date, against Ford by reason of the Covered Conduct  
24 (collectively, the "Released Claims").

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16. Notwithstanding this Consent Judgment, the following do not comprise Released Claims:

- a. Private rights of action, including any claims consumers have or may have on an individual or class basis under state consumer protection laws against any person or entity, including Ford;
- b. Claims of environmental or tax liability;
- c. Criminal liability;
- d. Claims for property damage;
- e. Claims alleging violations of state or federal securities laws;
- f. Claims alleging violations of state or federal antitrust laws;
- g. Any claims against Ford by any other agency or subdivision of the State of Arizona; and
- h. Any obligations created under this Consent Judgment.

## ENFORCEMENT NOTICE

17. Prior to the Attorney General instituting a court proceeding based solely on an alleged violation of this Consent Judgment, the parties agree that the Attorney General will provide Ford with written notice if the Attorney General believes that Ford is in violation of any of its obligations under this Consent Judgment, including a specific description of the conduct that appears to violate the Consent Judgment and the provisions of the Consent Judgment that the conduct appears to violate, and provide Ford thirty (30) business days after the date of receipt of the notice prior to commencing any further proceeding; provided, however, that the Attorney General may take any action where the Attorney General concludes that because of the specific practice, a threat to the health or safety of the public requires immediate action.

18. Within thirty (30) business days of receipt of the Notice, Ford shall have the opportunity to demonstrate that:

- a. Ford is in compliance with the obligations of this Consent Judgment cited by the Attorney General as being violated;

- b. the alleged violation has been addressed, including by remedial actions having been taken to remedy any conduct inconsistent with this Consent Judgment; or
- c. Ford has begun to take action to address the alleged violation, is pursuing such action with due diligence, and has provided a reasonable timetable for addressing the alleged violation.

19. Nothing shall prevent the Attorney General from agreeing to provide Ford with additional time beyond the thirty (30) business days to respond to the Notice.

## NOTICES

20. Any notices required to be sent to the Attorney General or to Ford by this Consent Judgment shall be sent by certified mail and electronic mail to the following addresses:

<p>For Ford Motor Company: notice@ford.com</p> <p>Ford Motor Company One American Road Dearborn, MI 48216</p>	<p>For the Arizona Attorney General: Alyse.Meislik@azag.gov consumer@azag.gov</p> <p>Arizona Attorney General's Office Attn: Alyse Meislik, Assistant Attorney General Consumer Protection &amp; Advocacy Section 2005 N. Central Ave. Phoenix, AZ 85004</p>
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## MISCELLANEOUS

21. The parties acknowledge that no other promises, representations or agreements of any nature have been made or entered into by the parties. The parties further acknowledge that this Consent Judgment constitutes a single and entire agreement that is not severable or divisible, except that if any provision herein is found to be legally insufficient or unenforceable, the remaining provisions shall continue in full force and effect.

22. If subsequent to the Effective Date of this Consent Judgment, the federal government or Arizona enacts or promulgates any law or regulation with respect to matters governed by this Consent Judgment that creates a conflict with any provision of the Consent Judgment, Ford shall notify the Attorney General of the alleged conflict, stating with specificity the provision of this Consent Judgment it believes conflicts with the newly enacted law or

1 regulation. Attorney General shall respond to Ford's notification of the alleged conflict within  
2 thirty (30) days. In the interim, Ford shall continue to comply with the terms of this Consent  
3 Judgment to the extent possible. Factors to be considered in determining whether a conflict  
4 exists is whether conduct prohibited by this Consent Judgment is required by such federal or  
5 state law or regulation, or conduct required by this Consent Judgment is prohibited by such  
6 federal or state law or regulation.

7 23. Ford and Ford's attorney agree and understand that following the execution of  
8 this Consent Judgment, the Attorney General may communicate directly with Ford for the  
9 purpose of enforcing the terms of this agreement, resolving future complaints, and conducting  
10 undercover investigations of Ford to the extent permitted by law.

11 24. Ford understands that, in addition to any other sanctions which may be imposed  
12 under this Consent Judgment, the Attorney General reserves all statutory and legal remedies for  
13 violation of the terms of this Consent Judgment pursuant to the CFA.

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

17 26. Neither this Consent Judgment nor anything herein shall be construed or used as a  
18 waiver, limitation or bar on any defense otherwise available to Ford, or on Ford's right to  
19 defend itself from or make arguments in any pending or future legal or administrative action,  
20 proceeding, local or federal claim or suit, including without limitation, private individual or  
21 class action claims or suits, relating to Ford's conduct prior to the execution of this Consent  
22 Judgment, or to the existence, subject matter or terms of this Consent Judgment.

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

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1           28. If any provision of this Consent Judgment is held by a court of competent  
2 jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in  
3 full force and effect and shall in no way be affected, impaired, or invalidated.

4           29. This Consent Judgment may be executed by the parties in counterparts and be  
5 delivered by facsimile or electronic transmission, or a copy thereof, such constituting an  
6 original counterpart hereof, all of which together will constitute one and the same document.

7           30. The parties understand and agree that this Consent Judgment shall not be  
8 construed as an approval or sanction by the Attorney General of Ford's business practices, nor  
9 shall Ford represent that this Consent Judgment constitutes an approval or sanction of its  
10 business practices. The Parties further understand and agree that any failure by the Attorney  
11 General to take any action in response to any information submitted pursuant to this Consent  
12 Judgment shall not be construed as an approval, waiver, or sanction of any representations, acts,  
13 or practices indicated by such information, nor shall it preclude action thereon at a later date,  
14 except as provided by the Release set forth in paragraphs 18–19 of this Consent Judgment.

15           31. Nothing in this Consent Judgment shall be construed to waive, limit, or expand  
16 any claims of sovereign immunity the Attorney General may have in any action or proceeding.

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

19           33. No court costs or disbursements shall be taxed to any party.

20           34. Jurisdiction is retained by this Court for the purpose of entertaining an application  
21 by the Attorney General for the enforcement of this Consent Judgment.

22           35. This Consent Judgment is the result of a compromise between the parties. Only  
23 the Attorney General may seek enforcement of this Consent Judgment. Nothing herein is  
24 intended to create a private right of action by other parties.

25           36. The effective date of this Consent Judgment is the date that it is entered by the  
26 court.

27 . . .

28 . . .

37. This Consent Judgment resolves all outstanding claims expressly identified in the Complaint as to Ford. As no further matters remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

JUDGE OF THE SUPERIOR COURT

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6. This Consent to Judgment may be executed in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.

• • • • •

7. Ford represents and warrants that the person signing below on its behalf is duly appointed and authorized to do so.

Executed on May 18, 2022

Ford Motor Company

Signature:

Name: Thomas Falahee

Title: Assistant General Counsel

APPROVED AS TO FORM AND CONTENT:

**MARK BRNOVICH**  
Attorney General

**Ford Motor Company**

By:

Alyse C. Meislik

Assistant Attorney General

Attorneys for State of Arizona

By:

Thomas Falahee

Assistant General Counsel

Attorney for Ford Motor Company