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**AUTOS INDUSTRY** 

## Senators Press Car Executives, Regulator on Explosive Air Bags

During congressional hearing, lawmakers lodge concerns on lagging repairs to Takata's rupture-prone devices



Heidi King, deputy administrator of the National Highway Traffic Safety Administration, speaking during a Senate Commerce subcommittee hearing on Tuesday. PHOTO: ERIC THAYER/BLOOMBERG NEWS

By Mike Spector

March 20, 2018 5:34 p.m. ET

Senate lawmakers pressed regulators and automotive executives on lagging repairs of rupture-prone air bags, bemoaning the pace of an unprecedented recall of devices linked to numerous deaths and injuries.

While coordination and data-sharing among regulators, auto makers and others tackling the recalled air bags is encouraging, "clearly the results are mixed and work remains to be done," said Sen. Jerry Moran (R., Kan.), chairman of the Senate Commerce subcommittee holding a hearing on the recall Tuesday.

Some 21 million Takata Corp. air bags that risk rupturing and unleashing metal shards have been repaired since the largest automotive recall in U.S. history launched several years ago. That equals about 42% of the 50 million currently recalled, a total expected to climb as high as 70 million by the end of next year. The recall currently covers roughly 37 million vehicles spanning 19 auto makers.

Takata filed for bankruptcy protection in the U.S. and Japan last year amid mounting liabilities from the recalls with plans to sell operations to a rival. The Japanese automotive supplier also pleaded guilty last year to criminal wire fraud for sending misleading testing reports on the air bags to auto makers.

"Manufacturers have made progress in reaching consumers and persuading them to bring their vehicles in for a free repair, but progress is uneven—overall completion rates are not where we want them to be," said Heidi King, deputy administrator at the National Highway Traffic Safety Administration, the U.S. agency overseeing the recall.

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"Over all, these recall completion rates are disappointing, unacceptable and remain a cause for great concern," said Sen. Bill Nelson (D., Fla.). He cited a 2014 Orlando car crash that police first suspected to be a homicide because of the carnage from a rupturing air bag.

John Buretta, an independent monitor auditing the recalls under regulators' supervision, likened the air bags to grenades and ticking time bombs. The air bags, linked to nearly two dozen deaths and hundreds of injuries globally, used propellants with ammonium nitrate that can destabilize after prolonged exposure to heat and humidity, leading to explosions, investigations have found.

Honda Motor Co. HMC 1.19% ▲, historically Takata's largest customer, has replaced or accounted for nearly 14 million air bags, or more than 72% of those currently recalled, said Rick Schostek, an executive vice president at the auto maker's North American operations.

He apologized to victims of air bags in Honda vehicles, including Alexander Brangman, a consumer safety advocate attending the hearing whose daughter died after a crash in one of the auto maker's cars.

The Japanese auto maker, disproportionately affected by the safety crisis, has sent a team of more than 500 employees canvassing owners of vehicles with the most dangerous air bags across the U.S. in attempt to galvanize them to seek repairs.

The employees have knocked on doors more than 600,000 times, Mr. Schostek said. Ford Motor Co.  $F + 0.43\% \triangle$ , Fiat Chrysler Automobiles NV and Mazda Motors Corp. are also canvassing vehicle owners.

Sen. Richard Blumenthal (D. Conn.) pressed a Ford executive on the auto maker's limited policy of providing loaner vehicles to customers with pickup trucks subject to a do-not-drive recall and those whose vehicles can't be repaired quickly.

Desi Ujkashevic, global director of Ford's automotive safety office, stopped short of committing to providing loaner vehicles to other customers. "We...ensure that we offer adequate solutions," she said.

Honda and other auto makers have developed a so-called batch look-up tool that can search up to 10,000 vehicle identification numbers at once to find open safety recalls. Mr. Schostek said he hoped the tool, being offered free of charge, would help state motor-vehicle departments, insurance companies, dealers, salvage yards and repair shops alert consumers to the air-bag recall.

Other available systems currently require the entry of one vehicle identification number at a time, a process viewed as slow and cumbersome. Auto makers "aren't going to convince a large auction house or salvage yard to punch in one VIN" at a time, Mr. Schostek said in a discussion with reporters.

Honda, which provides loaner vehicles to all customers with recalled Takata air bags, has encountered vehicle owners who refuse to seek repairs, Mr. Schostek said in the discussion with reporters. He said there was little Honda could do to cajole those owners. He advocated for legislative efforts to require consumers to address open recalls before having their vehicles registered.

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