Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

A This return/report is for:
- [ ] a multiemployer plan
- [X] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [ ] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HONDA RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 334

1c Effective date of plan 07/01/1962

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
AMERICAN HONDA MOTOR COMPANY, INC.

1919 TORRANCE BOULEVARD
TORRANCE, CA 90501-2746

2b Employer Identification Number (EIN)
95-2041006

2c Plan Sponsor's telephone number
310-783-2000

2d Business code (see instructions)
336100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	01/10/2020	MIKE RYAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	27313
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	17708
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	15896
b	Retired or separated participants receiving benefits	**6b**	5561
c	Other retired or separated participants entitled to future benefits	**6c**	3571
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	25028
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	566
f	Total. Add lines **6d** and **6e**.	**6f**	25594
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	2
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [ ]	Insurance	**(1)** [ ]	Insurance
(2) [ ]	Code section 412(e)(3) insurance contracts	**(2)** [ ]	Code section 412(e)(3) insurance contracts
(3) [X]	Trust	**(3)** [X]	Trust
(4) [ ]	General assets of the sponsor	**(4)** [ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

E Type of plan: ☐ Single ☐ Multiple-A ☒ Multiple-B

F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 04 Day 01 Year 2018

2 Assets:

a Market value	**2a**	4843267765
b Actuarial value	**2b**	4696665143

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	5740	1369739587	1369739587
b For terminated vested participants	3898	253010278	253010278
c For active participants	17708	2101948140	2331443502
d Total	27346	3724698005	3954193367

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.84 %
6 Target normal cost	**6**	67030278

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	12/13/2019 Date
RACHEL BATTAH Type or print name of actuary	17-06672 Most recent enrollment number
MERCER Firm name	614-227-5542 Telephone number (including area code)
325 JOHN H MCCONNELL BLVD SUITE 350 COLUMBUS, OH 43215 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	219624383	253039667
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	219624383	253039667
10	Interest on line 9 using prior year's actual return of 10.25 %	22511499	25936566
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		362538889
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.04%		21897349
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		384436238
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	242135882	278976233

Part III Funding Percentages

14	Funding target attainment percentage	14	105.59%
15	Adjusted funding target attainment percentage	15	118.77%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.79%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/05/2019	100000000	0			
			Totals ► 18(b)	100000000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	90917514

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.92%	5.52%	6.29%	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 4

22 Weighted average retirement age — **22**: 61

23 Mortality table(s) (see instructions)

Prior regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Current regulation: ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment — **27**:

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	67030278
b Excess assets, if applicable, but not greater than line 31a	**31b**	67030278

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount — **33**:

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) — **34**: 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	90917514

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	90917514
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2018** **This Form is Open to Public Inspection.**

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions). . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 14 50	NONE	1036493	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-3190871

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	213288	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-1561860

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 19 50	NONE	71059	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MOSS ADAMS

91-0189318

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	60000	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

AETNA LIFE INSURANCE COMPANY

06-6033492

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 73	NONE	10343	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name: RYAN ROWLAND
b EIN: 13-2834414
c Position: ACTUARY
d Address: 17901 VON KARMAN AVENUE
SUITE 1100
IRVINE, CA 92614
e Telephone: 949-222-1300

Explanation: ACTUARY TERMINATED EMPLOYMENT WITH MERCER. CLIENT REASSIGNED TO ANOTHER ACTUARY.

a Name:
b EIN:
c Position:
d Address:
e Telephone:

Explanation:

a Name:
b EIN:
c Position:
d Address:
e Telephone:

Explanation:

a Name:
b EIN:
c Position:
d Address:
e Telephone:

Explanation:

a Name:
b EIN:
c Position:
d Address:
e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN HONDA MASTER TRUST

b Name of sponsor of entity listed in (a): AMERICAN HONDA MOTOR COMPANY, INC.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
61-1439871-001	M	4691612613

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	400000000	100000000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	4798764019	4691612613
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	5198764019	4791612613
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	5198764019	4791612613

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	100000000	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		100000000
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		276735714
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		376735714
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	777170711	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		777170711
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	6716409	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		6716409
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		783887120
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-407151406
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MOSS ADAMS LLP **(2)** EIN: 91-0189318

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l	X		299402
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4188521. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 06-6033492 36-1561860

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 1633

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 41.6 % Investment-Grade Debt: 24.0 % High-Yield Debt: 1.3 % Real Estate: 8.2 % Other: 24.9 %

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Report of Independent Auditors and Financial Statements

Honda Retirement Plan

March 31, 2019 and 2018

MOSSADAMS

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MOSSADAMS

Report of Independent Auditors

To the Honda Retirement Plan Committee
Honda Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Honda Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of March 31, 2019 and 2018, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of March 31, 2019 and 2018, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Campbell, California
December 18, 2019

Financial Statements

Honda Retirement Plan
Statements of Net Assets Available for Benefits
March 31, 2019 and 2018

	2019	2018
Assets:		
Plan interest in the American Honda Motor Co. Master Trust, at fair value (Notes 1, 2, and 6)	$ 4,376,325,580	$ 4,458,831,527
Net assets held in 401(h) account (Note 1)	315,287,033	339,932,492
Assets held for investment purposes	4,691,612,613	4,798,764,019
Employer's contribution receivable	100,000,000	400,000,000
Total assets	4,791,612,613	5,198,764,019
Liabilities:		
Amounts related to obligation of 401(h) account (Note 1)	315,287,033	339,932,492
Net assets available for benefits	$ 4,476,325,580	$ 4,858,831,527

See accompanying notes.

Honda Retirement Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended March 31, 2019 and 2018

	2019	2018
Additions to net assets attributed to:		
Net investment income from interest in the American Honda Motor Co. Master Trust (Notes 1, 2, and 6)	$ 257,653,294	$ 426,296,393
Employer's contributions	100,000,000	400,000,000
Total additions	357,653,294	826,296,393
Deductions from net assets attributed to:		
Benefits paid directly to participants	734,502,055	394,235,595
Administrative expenses	5,657,186	12,926,175
Total deductions	740,159,241	407,161,770
Net increase (decrease) in net assets available for benefits	(382,505,947)	419,134,623
Net assets available for benefits:		
Beginning of year	4,858,831,527	4,439,696,904
End of year	$ 4,476,325,580	$ 4,858,831,527

NOTE 1 – THE PLAN AND ITS SIGNIFICANT ACCOUNTING POLICIES

General – The following description of Honda Retirement Plan (the Plan) provides only general information. Participants should refer to the plan document for a more complete description of plan provisions.

The Plan was established in 1962 and is a noncontributory defined benefit pension plan sponsored by American Honda Motor Company, Inc., and its subsidiaries (the Company). The Company is a member of American Honda Motor Co., Inc., and its subsidiaries' controlled group. The Plan provides benefits to eligible employees of the Company and other companies, affiliates, and subsidiaries which adopt the Plan with the consent of the Board of Directors of the Company.

The Plan is currently designed to be qualified under the applicable requirements of the Internal Revenue Code (the Code) and the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective July 1, 2009, the following plans merged into the American Honda Retirement Plan, which was subsequently renamed the Honda Retirement Plan:

1. American Honda Retirement Plan (the AHM Plan)
2. Honda South Carolina Retirement Plan (the HSC Plan)
3. Honda of America Mfg., Inc. Pension Plan (the HAM Plan)
4. Honda Mfg. of Alabama, LLC Pension Plan (the HMA Plan)
5. Honda Transmission Mfg. of America, Inc. Pension Plan (the HTM Plan)

Master Trust – The investments of the Plan, including assets held in a 401(h) account, are a combination of the AHM, HSC, HAM, HMA, and HTM Plans. The American Honda Motor Co. Master Trust (the Master Trust) was established in October 2010 to hold substantially all of the Plan's assets, including the assets of the 401(h) account, with those of the Midwest Express Inc. Retirement Pension Plan (Midwest Express) and the Celina Aluminum Precision Technology, Inc. Defined Benefit Plan (Celina). Each participating retirement plan has an undivided interest in the Master Trust. The investments included in the statements of net assets available for benefits represent the Plan's share of the investment in the Master Trust.

The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Net investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the interest in the commingled funds of the Master Trust or the plan-specific identified funds held in the Master Trust.

Administration – The Company has appointed the Honda Retirement Plan Committee (the Committee) to oversee the Plan's investments and has delegated the responsibility for operation and administration of the Plan to a named administrator. The Company processes and maintains the records of participant data and has contracted with The Northern Trust Company (Northern Trust) to act as the custodian and trustee. The Company has also contracted with Mercer (U.S.) Inc. (Mercer) to act as the actuary of the Plan. For the years ended March 31, 2019 and 2018, substantially all expenses incurred for administering the Plan were paid by the Plan.

Basis of accounting – The financial statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

Funding policy – The Plan's funding policy is for the Company to contribute an amount that will meet or exceed the annual ERISA minimum funding requirement. For the years ended March 31, 2019 and 2018, the Company made contributions of $100,000,000 and $400,000,000, respectively. The Company's contributions for 2019 and 2018 exceeded the minimum funding requirements of ERISA.

Death and disability benefits – If an active vested employee dies prior to commencement of benefits, a death benefit is payable to the employee's beneficiary. The benefit is a monthly survivor pension equal to 50% of the benefit that would have been paid if the vested deceased employee had retired on the date of death and elected to receive a 50% joint and survivor annuity. A participant who becomes disabled and terminates employment may receive a lump sum payment of the accrued benefit in lieu of receiving any other benefits under the Plan.

Payment of benefits – Benefit payments to participants are recorded upon distribution.

Vesting – The Plan provides that benefits vest to participants based on the earlier of the completion of 5 years of credited service or reaching age 65 while in service with the Company.

Pension benefits – Effective January 1, 2014, all new hires hired after September 4, 2013, are no longer allowed into the Plan. For service after January 1, 2014, the benefit accrual rate will decrease from 2.5% to 1.0%. Early retirement, social security supplement change, and the lump sum option have been changed to offer unlimited lump sums to all participants. The Company also allows participants in the Plan to either take the service rate decrease or stop accruing, and allows participants to have the option of receiving an additional distribution based on number of years of service.

Following are the pension benefits relating to the five affiliated plans:

1. AHM Plan

Effective January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age, 65, based upon the sum of:

A. 1.0% of compensation earned on or after January 1, 2014, provided that the participant did not elect, or was deemed to have elected by default, to discontinue accruals under the Plan on and after January 1, 2014, with the understanding that such person will be eligible to receive "Company Service Based Contributions" through and as described in the Honda 401(k) Savings Plan.

B. 2.5% of compensation earned after June 30, 2009, and prior to January 1, 2014, except as follows: the benefit will be 2.0% of compensation during the same period from Honda Aero, Inc., or Honda Aircraft Company, Inc., unless the participant was accruing benefits under the AHM Plan or its predecessor at the 2.5% of compensation rate at the time of transfer, in which case benefits shall continue to accrue at 2.5% of compensation rate.

C. The annual benefit in the normal retirement benefit form commencing at the normal retirement date accrued under the AHM Plan's predecessor through June 30, 2009.

The AHM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 62 as follows:

Employees who terminated employment prior to January 1, 2014:

Years of Vesting Service at Early Retirement Date	Reduction if Under Age 62 at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Employees who terminate employment on or after January 1, 2014:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10	1/6% per month from age 62
Less than 10	1/2% per month from normal retirement date

In addition to the early retirement benefit, participants will receive a supplemental benefit of either $300 or $600 each month depending on retirement prior to January 1, 2014, with at least 30 years of service at the actual early retirement date, or retiring on or after January 1, 2014, with at least 20 years of service, respectively. This supplemental benefit will continue from the date of early retirement until the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Prior to January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age, 65, based upon the sum of:

A. The greater of:

   i. 1.5% of the first $12,000 of earnings paid during 1983 plus 2% of earnings paid in 1983 in excess of $12,000, multiplied by years of continuous service prior to January 1, 1984, or

   ii. The sum of:

      a. 1.75% of the first $6,600 of earnings for each year of AHM Plan participation after June 30, 1970, but prior to January 1, 1984, plus 2.5% of such earnings in excess of $6,600, plus

      b. 1.75% of the first $6,600 of earnings prior to July 1, 1970, plus 2.36% of such earnings in excess of $6,600, multiplied by whole years of continuous service completed prior to July 1, 1970, and after completing one year of continuous service.

B. 2.5% of the annual compensation for each year of service after December 31, 1983.

The AHM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement prior to December 31, 1999, were entitled to accrue pension benefits earned to the actual early retirement date, with a reduction of 5/12% for each month prior to age 62. However, for those employees electing early retirement subsequent to December 31, 1999, except those employed by Honda Power Equipment Mfg., Inc. (with actual early retirement date), the reduction for each month prior to age 62 was changed and is based on the following:

Years of Vesting Service at Early Retirement Date	Reduction if under age 62 at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

In addition to the early retirement benefit, participants with at least 30 years of service at the actual early retirement date will receive a supplemental benefit of $300 each month from the date of early retirement until they reach age 62.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

2. HSC Plan

Effective January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age of 65, equal to 1.5% of compensation earned prior to January 1, 2014, plus 1.0% of compensation earned on or after January 1, 2014.

The HSC Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 62 as follows:

Employees who terminated employment prior to January 1, 2014:

Years of Vesting Service at Early Retirement Date	Reduction if under age 62 at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Employees who terminate employment on or after to January 1, 2014:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10	1/6% per month from age 62
Less than 10	1/2% per month from normal retirement date

In addition to the early retirement benefit, participants will receive a supplemental benefit of either $300 or $600 each month depending on retirement prior to January 1, 2014, with at least 30 years of service at the actual early retirement date, or retiring on or after January 1, 2014, with at least 20 years of service, respectively. This supplemental benefit will continue from the date of early retirement until the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Prior to January 1, 2014

Employees with 5 or more years of service were entitled to annual pension benefits beginning at the normal retirement age of 65, equal to 1.5% of annual compensation for each year of service.

The HSC Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 62 as follows:

Years of Vesting Service at Early Retirement Date	Reduction if under age 62 at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

In addition to their early retirement benefit, participants with at least 30 years of service at the actual early retirement date will receive a supplemental benefit of $300 for each month from the date of early retirement until they reach age 62.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

3. HAM Plan

Effective January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age of 65, based upon the sum of:

A. 1.0% of compensation earned on or after January 1, 2014, provided that the participant did not elect, or was deemed to have elected by default, to discontinue accruals under the Plan on and after January 1, 2014, with the understanding that such person will be eligible to receive “Company Service Based Contributions” through and as described in the Honda 401(k) Savings Plan.

B. 2.0% of annual compensation earned on or after January 31, 2009, and prior to January 1, 2014.

C. 2.5% of annual compensation for each year of service through December 31, 2008.

The HAM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 65 (or prior to age 62 if the participant has at least 20 years of service) as follows:

Employees who terminated employment prior to January 1, 2014:

Participants with accrued benefits earned before January 1, 2009:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Participants with accrued benefits earned after December 31, 2008:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 30	1/6% per month
30 or more	0% per month

Employees who terminate employment on or after January 1, 2014:

The greater of: (a) the participant's vested accrued benefit determined as of the early retirement date reduced for each month by which that date precedes reaching age 62 by 1/6% per month or (b) the participant's vested accrued benefit based on the early retirement reduction factors in effect prior to January 1, 2014, as described above.

In addition to the early retirement benefit, participants will receive a supplemental benefit of either $300 or $600 each month depending on retirement prior to January 1, 2014, with at least 30 years of service at the actual early retirement date, or retiring on or after January 1, 2014, with at least 20 years of service, respectively. This supplemental benefit will continue from the date of early retirement until the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Accrued benefits earned before 2009 are reduced based on the same reduction as those eligible for early retirement. Accrued benefits earned after 2008 will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Prior to January 1, 2014

Employees with 5 or more years of service were entitled to annual pension benefits beginning at the normal retirement age of 65, based upon the sum of:

A. 2.5% of annual compensation for each year of service through December 31, 2008.

B. 2.0% of annual compensation for each year of service commencing January 1, 2009.

The HAM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 65 (or prior to age 62 if the participant has at least 20 years of service) as follows:

Participants with accrued benefits earned before January 1, 2009:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Participants with accrued benefits earned after December 31, 2008:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 30	1/4% per month
30 or more	0% per month

In addition to the early retirement benefit, participants between age 55 and 62 with at least 30 years of service at the actual early retirement date will receive a supplemental benefit of $300 each month that begins on or after the participant's early retirement date and from the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Accrued benefits earned before 2009 are reduced based on the same reduction as those eligible for early retirement. Accrued benefits earned after 2008 will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

4. HMA Plan

Effective January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age of 65, equal to 2.5% of compensation prior to January 1, 2014, plus 1.0% of annual compensation earned on or after January 1, 2014, provided the employee did not elect, or was deemed to have elected by default, to discontinue accruals under the Plan effective on and after January 1, 2014, with the understanding the such person will be eligible to receive "Company Service Contributions" through and as described in the Honda 401(k) Retirement Services Plan.

The HMA Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 65 as follows:

Employees who terminated employment prior to January 1, 2014:

1/3% for each month by which benefit commencement precedes: (a) age 65 if the employee does not have at least 20 years of service or (b) age 62 if the employee has at least 20 years of service.

Employees who terminate employment after January 1, 2014:

The greater of: (a) the participant's vested accrued benefit determined as of the early retirement date reduced for each month by which that date precedes reaching age 62 by 1/6% per month or (b) the participant's vested accrued benefit based on the early retirement reduction in effect prior to January 1, 2014, as described above.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/3% for each month prior to age 65 for benefits earned before 2014, and with respect to benefits earned after 2013, by 1/2% for each month by which the early retirement date precedes age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Prior to January 1, 2014

Employees with 5 or more years of service were entitled to annual pension benefits beginning at the normal retirement age of 65, equal to 2.5% of annual compensation for each year of service.

The HMA Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction of 1/3% for each month prior to age 65 if the participant does not have at least 20 years of service or by age 62 if the participant has at least 20 years of service.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Such benefits will be reduced by 1/3% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

5. HTM Plan

Effective January 1, 2014

Employees with 5 or more years of service are entitled to annual pension benefits beginning at the normal retirement age of 65, based upon the sum of:

A. 1.0% of compensation earned on or after January 1, 2014, provided that the participant did not elect, or was deemed to have elected by default, to discontinue accruals under the Plan on and after January 1, 2014, with the understanding that such person will be eligible to receive "Company Service Based Contributions" through and as described in the Honda 401(k) Retirement Plan.

B. 2.0% of compensation earned on or after January 1, 2009, and prior to January 1, 2014.

C. 2.5% of annual compensation for each year of service through December 31, 2008.

The HTM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 65 (or to the age 62 if the participant has at least 20 years of service) as follows:

Employees who terminated employment prior to January 1, 2014:

Participants with accrued benefits earned before January 1, 2009:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Participants with accrued benefits earned after December 31, 2008:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 30	1/6% per month
30 or more	0% per month

Employees who terminate employment after January 1, 2014:

The greater of: (a) the participant's vested accrued benefit determined as of early retirement date reduced for each month by which that date precedes reaching age 62 by 1/6% per month or (b) the participant's vested accrued benefit based on the early retirement reduction in effect prior to January 1, 2014, as described above.

In addition to the early retirement benefit, participants will receive a supplemental benefit of either $300 or $600 each month depending on retirement prior to January 1, 2014, with at least 30 years of service at the actual early retirement date, or retiring on or after January 1, 2014, with at least 20 years of service, respectively. This supplemental benefit will continue from the date of early retirement until the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Accrued benefits earned before 2009 are reduced based on the same reduction as those eligible for early retirement. Benefits are reduced with actuarial equivalence for payments before age 55. For participants with less than 10 years of service, benefits are reduced with actuarial equivalence from age 65. Accrued benefits earned after 2008 will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Prior to January 1, 2014

Employees with 5 or more years of service were entitled to annual pension benefits beginning at the normal retirement age of 65, based upon the sum of:

A. 2.5% of annual compensation for each year of service through December 31, 2008.

B. 2.0% of annual compensation for each year of service after January 1, 2009.

C. For participants terminated or retired prior to July 1, 2002, each participant earned a monthly benefit equal to the sum of:

   i. Prior to January 1, 1988, the greater of $168 or 1.5% of base compensation for each year of service.

   ii. After December 31, 1987, and prior to January 1, 1997, 1.5% of base compensation for each year of service.

iii. After December 31, 1996, 2.0% of base compensation for each year of service. Effective January 1, 1999, the rate was increased to 2.5% of base compensation for each year of service after December 31, 1996.

The HTM Plan permits early retirement, with reduced benefits, to participants who are at least 55 years old and have completed 10 years of service.

Employees electing early retirement are entitled to accrued pension benefits earned to the actual early retirement date with a reduction for each month prior to age 65 (or to the age 62 if the participant has at least 20 years of service) as follows:

Participants with accrued benefits earned before January 1, 2009:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 25	1/4% per month
25 or more	1/6% per month

Participants with accrued benefits earned after December 31, 2008:

Years of Vesting Service at Early Retirement Date	Reduction at Early Retirement Date
At least 10, but less than 20	1/3% per month
At least 20, but less than 30	1/6% per month
30 or more	0% per month

In addition to the early retirement benefit, participants between age 55 and 62 and with at least 30 years of service at the actual early retirement date will receive a supplemental benefit of $300 each month that begins on or after the participant's early retirement date and from the earlier of: (a) the month in which the participant reaches age 62 or (b) the month in which the participant dies.

Employees who terminate with 10 years of service prior to age 55 may elect to commence receiving retirement benefits as early as age 55. Accrued benefits earned before 2009 are reduced based on the same reduction as those eligible for early retirement. Benefits are reduced with actuarial equivalence for payments before age 55. For participants with less than 10 years of service, benefits are reduced with actuarial equivalence from age 65. Accrued benefits earned after 2008 will be reduced by 1/2% for each month prior to age 65.

For participants who do not elect otherwise, retirement income will be paid on the basis of a qualified joint and survivor annuity for married participants and a straight-line annuity for unmarried participants.

Investment valuation and income recognition – The Plan's investments are held in the Master Trust by Northern Trust and are reported at fair value. The Plan's trustee, Northern Trust, certifies the fair value of all investments. If available, quoted market prices are used to value investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought or sold as well as held during the year.

Income taxes – The Plan has been amended since receiving a favorable determination letter dated May 28, 2013. The Company believes that the Plan is operated in accordance with, and qualifies under, the applicable requirements of the Code and related state statutes, and that the trust, which forms a part of the Plan, is exempt from federal income and state franchise taxes.

In accordance with guidance on accounting for uncertainty in income taxes, management evaluated the Plan's tax positions and does not believe the Plan has any uncertain tax positions that require disclosure or adjustment to the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Risks and uncertainties – The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Additionally, the Master Trust has investments in foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance, and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than similar types of securities of comparable U.S. companies.

The actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

401(h) Account – The HAM and HTM Plans have established a separate account (the 401(h) Account) within the Master Trust to help fund certain defined medical benefits for eligible retired associates and their dependents (Medical Benefits) in accordance with Section 401(h) of the Code. Assets accumulated for Medical Benefits may not be used for any purpose other than payment of those defined medical retiree benefits. The Company's funding policy for Medical Benefits is discretionary as approved by the Company's management, but is limited to the maximum deductible contribution. Medical Benefits are provided through the Honda Manufacturing Post-Retirement Medical Program (the Retiree Health and Welfare Plan). Any assets transferred to the 401(h) Account from the defined benefit pension plan in a qualified transfer of excess pension plan assets (and any income allocable thereto) that are not used during the plan year must be transferred out of the account to the pension plan. Accordingly, the net assets, contributions, investment income, and benefit obligation information related to Medical Benefits are reflected in the Retiree Health and Welfare Plan's financial statements. The 401(h) Account accounted for approximately 7% of the total assets in the Master Trust at March 31, 2019 and 2018.

Recent accounting pronouncement – In February 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2017-06, *Employee Benefit Plan Master Trust Reporting*. The amendment requires that a plan:

- Present its interest in the master trust and the change in its interest in the master trust in separate line items in the statement of net assets available for benefits and the statement of changes in net assets available for benefits, respectively.

- Disclose each general type of investment held by the master trust, and the dollar amount of the plan's interest in each of those general types of investment held by the master trust.

- Disclose the master trust's other assets and liabilities and the dollar amount of the plan's interest in each of those other assets and liabilities.

- Disclose the net appreciation or depreciation in the fair value of investments in the master trust and investment income for each period that a statement of changes in net assets available for benefits is presented.

- Describe the basis used to allocate net assets and total investment income to the plan.

- Disclose its percentage interest in the master trust for each period that a statement of net assets available for benefits is presented. This disclosure applies only to a plan with an undivided interest in the master trust (that is, when the plan has a proportionate, rather than a specific, interest in the master trust). FASB ASU No. 2017-06 removes the requirement to disclose the percentage interest in the master trust for a plan with divided interests.

This standard is effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this new standard will have on the Plan's financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement-Disclosure Framework (Topic 820)*. The amendments remove, modify, and add certain fair value disclosure requirements. The updated guidance is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted for any removed or modified disclosures. The Plan's sponsor is currently evaluating the timing and impact of adopting the updated provisions on its financial statements.

Subsequent events – The Plan has evaluated subsequent events through December 18, 2019, which is the date the financial statements were available to be issued.

NOTE 2 – FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The tables below represent assets of the Master Trust. Plan assets are pooled for investment purposes only, and employer contributions and distributions are separately allocable and designated to a particular defined benefit plan. The Celina and Midwest Express benefit plans accounted for approximately 1% of the total assets in the Master Trust at March 31, 2019 and 2018.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no significant changes in the methodologies used at March 31, 2019 and 2018.

(a) *Short-term investments* – Level 2 assets are valued based on inputs other than unadjusted quoted prices in active markets of exchange that are observable for the asset, either directly or indirectly. Valuation techniques are provided by outside vendors such as Interactive Data or Standard & Poor's (S&P). Included in this amount is the cash collateral received as a result of securities lending activities detailed in Note 6.

(b) *Equity securities: U.S. companies* – This category consists primarily of common stock. Level 1 assets represent unadjusted quoted prices in an active market or exchange.

(c) *Equity securities: Foreign* – This category includes common stock and preferred stock. Level 1 assets are priced using the last trade, which are unadjusted and quoted in an active market or exchange.

(d) *Pooled funds equity* – This category consists of units of commingled funds valued using the net asset value practical expedient (NAVPE) of the underlying funds minus liabilities, then divided by the number of the units outstanding. The NAVPE is accessible to the Plan and to all holders without limit.

(e) *Government and agency bonds: U.S.* – The Level 2 assets are comprised of government, agency, and index linked bonds, and are valued using observable bid evaluation prices using observable market-based inputs.

(f) *Government and agency bonds: Foreign* – This category includes bonds issued by foreign governments, agencies, and municipalities. Their purpose is the same as their U.S. counterpart. Assets are classified as Level 2 because corroborated, indicative quotes and observable market data are available.

(g) *U.S. state and local bonds* – U.S. state and local bonds are issued by state, city, and other local governments, or their agencies to finance their operating or capital expenditures. A bid evaluation is used for Level 2. The sources used are the same as those under U.S. government and agencies.

(h) *Corporate bonds* – This category includes both U.S. and foreign corporate bonds. The Level 2 assets are various debt investments in U.S. funds and U.S. and foreign companies, and are valued using observable bid evaluation prices using observable market-based inputs. Any Level 3 assets are composed of corporate bonds for which there are no observable inputs and, where extrapolated, proprietary models and indicative quotes are used.

(i) *Pooled fund debt* – This category consists of units of commingled funds valued using the NAVPE of the underlying funds minus liabilities, then divided by the number of the units outstanding. The NAVPE is accessible to the Plan and to all holders without limit.

(j) *Asset-backed securities* – These are bonds or notes backed by financial assets. Institutional observable inputs are used with an income valuation technique provided by outside vendors.

(k) *Real estate* – Real estate plan assets are invested in a U.S. commingled fund and are valued at NAVPE using proprietary models from the investment managers that are used to arrive at estimated prices.

(l) *Private equity funds* – Private equity funds are valued at NAVPE using proprietary models and uncorroborated data from the limited partnerships.

(m) *Hedge funds* – Hedge funds generally hold liquid and readily priceable securities, such as public entities in long-short funds, exchange-traded derivatives in macro/commodity trading funds, and corporate bonds in credit-relative value funds. Hedge funds do not have readily available market quotations and are therefore valued using NAVPE per share provided by the investment advisor or third-party administrator.

(n) *Derivatives* – This category includes equity contracts, interest rate forward and future contracts, interest rate option contracts, interest rate swap contacts, U.S. and foreign credit swap contracts, cash collateral, and other option contracts. Level 1 liabilities may be priced by the settlement price disseminated by future exchanges or the last trade price in an OTC market or exchange. Level 2 assets are priced using binding or corroborated, indicative quotes or evaluated prices using observable, market-based data. Level 3 liabilities are priced using uncorroborated indicative quotes provided by brokers, investment managers, or independent pricing providers.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of March 31, 2019:

	Level 1	Level 2	Level 3	Total
Interest-bearing cash	$ 121,230,588	$ -	$ -	$ 121,230,588
Short-term investments (a)	-	45,632,212	-	45,632,212
Equity securities:				
U.S. companies (b)	845,737,360	-	-	845,737,360
Foreign (c)	775,323,241	-	-	775,323,241
Total equity securities	1,621,060,601	-	-	1,621,060,601
Government and agency bonds:				
U.S. (e)	-	549,264,602	-	549,264,602
Foreign (f)	-	16,612,345	-	16,612,345
Total government and agency bonds	-	565,876,947	-	565,876,947
U.S. state and local bonds (g)	-	25,668,577	-	25,668,577
Corporate bonds				
U.S. (h)	-	516,473,858	99,125	516,572,983
Foreign (h)	-	76,837,080	-	76,837,080
Total corporate bonds	-	593,310,938	99,125	593,410,063
Asset-backed securities (j)	-	68,114,019	-	68,114,019
Derivatives (n)	-	16,522,995	(1,595,551)	14,927,444
Investments at fair value	$ 1,742,291,189	$ 1,315,125,688	$ (1,496,426)	3,055,920,451
Investments measured at NAVPE:				
Pooled funds equity (d)				126,085,110
Pooled fund debt (i)				185,024,408
Real estate (k)				177,887,724
Private equity funds (l)				830,515,351
Hedge funds (m)				504,463,973
Total investments measured at NAVPE				1,823,976,566
Total investments				$ 4,879,897,017

The table below sets forth a summary of approximate changes in the fair value of the Master Trust's Level 3 assets for the year ended March 31, 2019:

	Corporate Bonds - US	Derivatives
Balance, beginning of year	$ -	$ 2,028,484
Realized gains	677	745,336
Unrealized losses relating to instruments still held at the reporting date	(78,049)	(13,315)
Purchases	99,000	4,477,483
Sales	(330,512)	(8,833,539)
Transfer from other level	408,009	-
Balance, end of year	$ 99,125	$ (1,595,551)

The following table sets forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of March 31, 2018:

	Level 1	Level 2	Level 3	Total
Interest-bearing cash	$ 115,357,678	$ -	$ -	$ 115,357,678
Short-term investments (a)	-	64,352,104	-	64,352,104
Equity securities:				
U.S. companies (b)	873,909,535	-	-	873,909,535
Foreign (c)	693,886,322	-	-	693,886,322
Total equity securities	1,567,795,857	-	-	1,567,795,857
Government and agency bonds:				
U.S. (e)	-	515,426,827	-	515,426,827
Foreign (f)	-	27,391,084	-	27,391,084
Total government and agency bonds	-	542,817,911	-	542,817,911
U.S. state and local bonds (g)	-	28,581,683	-	28,581,683
Corporate bonds				
U.S. (h)	-	462,630,820	-	462,630,820
Foreign (h)	-	51,557,092	-	51,557,092
Total corporate bonds	-	514,187,912	-	514,187,912
Asset-backed securities (j)	-	106,100,289	-	106,100,289
Derivatives (n)	(7,500)	929,006	2,028,484	2,949,990
Investments at fair value	$ 1,683,146,035	$ 1,256,968,905	$ 2,028,484	2,942,143,424
Investments measured at NAVPE:				
Pooled funds equity (d)				402,126,220
Pooled fund debt (i)				187,563,356
Real estate (k)				270,120,472
Private equity funds (l)				702,577,458
Hedge funds (m)				506,780,443
Total investments measured at NAVPE				2,069,167,949
Total investments				$ 5,011,311,373

The table below sets forth a summary of approximate changes in the fair value of the Master Trust's Level 3 assets for the year ended March 31, 2018:

	Short-Term Investments	Corporate Bonds-Foreign	Derivatives
Balance, beginning of year	$ 3,300,000	$ 234,691	$ 1,096,393
Realized gains (losses)	-	-	(875)
Unrealized gains (losses) relating to instruments still held at the reporting date	-	-	3,941
Purchases	-	-	929,025
Sales	(3,300,000)	-	-
Transfer to other level	-	(234,691)	-
Balance, end of year	$ -	$ -	$ 2,028,484

NOTE 3 – RELATED-PARTY TRANSACTIONS

Certain Master Trust investments are managed by Northern Trust, the trustee, and Aetna, the Insurer. Any purchases and sales of these investments are open market transactions at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. Fees for investment management services provided by the trustee were paid by the Company.

In addition, Northern Trust facilitates securities lending activities with the Master Trust, which qualify as party-in-interest transactions under ERISA (Note 6).

NOTE 4 – ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits represent the estimated future periodic payments, including lump sum distributions, under the plan's provisions that are attributable to services rendered by employees through the valuation date. Accumulated Plan benefits include benefits expected to be paid to: a) retired or terminated employees or their beneficiaries, b) beneficiaries of employees who have died, and c) present employees or their beneficiaries. Benefits under the Plan are based on employees' annual compensation. The accumulated plan benefits for active employees are based on their plan compensation for all years of plan participation ending on the date at which the benefit information is presented (valuation date). The accumulated plan benefits are calculated based on benefit information as of April 1, 2019 and 2018 (the end of the respective plan year). Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable, to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Significant actuarial assumptions used in the valuations as of April 1 are as follows:

	2019	2018
Rate of return	7.1%	6.5%
Mortality table	RP2014/MP-2018	RP2014/MP-2017
Retirement age (current vested terminations):		
AHM/HSC Plans	Age 65	Age 65
HAM/HMA/HTM Plans	Age 60 if 10 years of service; otherwise age 65	Age 60 if 10 years of service; otherwise age 65

The retirement age assumptions applied to active participants are as follows:

	Manufacturing		Nonmanufacturing	
Age	Male	Female	Male	Female
55	10.00%	15.00%	5.00%	3.75%
56-57	10.00%	12.50%	3.75%	3.75%
58	10.00%	11.50%	4.00%	3.75%
59	10.00%	10.00%	5.00%	3.75%
60	12.50%	15.00%	10.00%	10.00%
61	12.50%	15.00%	10.00%	12.50%
62	22.50%	20.00%	12.50%	12.50%
63	22.50%	25.00%	12.50%	12.50%
64	22.50%	25.00%	15.00%	20.00%
65	27.50%	50.00%	15.00%	20.00%
66	40.00%	50.00%	25.00%	25.00%
67-69	40.00%	50.00%	25.00%	40.00%
70+	100.00%	100.00%	100.00%	100.00%

The following table reflects the approximate actuarially determined present values of accumulated plan benefits as of March 31:

	2019	2018
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	$ 1,242,690,000	$ 1,259,846,000
Other participants	2,148,856,000	2,531,508,000
Total vested benefits	3,391,546,000	3,791,354,000
Nonvested benefits	160,721,000	191,048,000
Total actuarial present value of accumulated plan benefits	$ 3,552,267,000	$ 3,982,402,000

Changes in the approximate actuarially determined present value of accumulated plan benefits are as follows for the years ended March 31:

	2019	2018
Actuarial present value of accumulated plan benefits at beginning of year	$ 3,982,402,000	$ 3,949,997,000
Increase (decrease) during the year:		
Benefits accumulated, net	242,388,000	127,478,000
Interest due to decrease in discount period	232,995,000	239,133,000
Change in assumptions	(171,016,000)	60,030,000
Benefits paid	(734,502,000)	(394,236,000)
Actuarial present value of accumulated plan benefits at end of year	$ 3,552,267,000	$ 3,982,402,000

The decrease in accumulated plan benefits resulting from changes in actuarial assumptions of approximately $171,016,000 for 2019 occurred as a result of changes in the following:

- The discount rate increased from 6.5% to 7.1% to reflect the long-term expected return on plan assets as of March 31, 2019.

- The lump sum conversion interest rate assumptions were updated to reflect bond yields as of March 31, 2019, as well as RP-2014/MP-2018 mortality. The prior assumption was based on bond yields as of March 31, 2018, and RP-2014/ MP-2017 mortality.

The increase in accumulated plan benefits resulting from changes in actuarial assumptions of approximately $60,030,000 for 2018 occurred as a result of changes in the following:

- The discount rate increased from 6.4% to 6.5% to reflect the long-term expected return on plan assets as of March 31, 2018.

- The lump sum conversion interest rate assumptions were updated to reflect bond yields as of March 31, 2018, as well as RP-2014/MP-2017 mortality. The prior assumption was based on bond yields as of March 31, 2017, and RP-2014/ MP-2016 mortality.

- Form of payment elections were updated to reflect recent experience.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

NOTE 5 – INFORMATION CERTIFIED BY THE TRUSTEE

The administrator elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Northern Trust, the trustee of the Plan, has certified that the following information included in the accompanying financial statements is complete and accurate:

- Plan interest in Master Trust, as reflected in the statements of net assets available for benefits as of March 31, 2019 and 2018.

- Net investment income from interest in the Master Trust, as reflected in the statements of changes in net assets available for benefits for the years ended March 31, 2019 and 2018.

- Investment information disclosed in Note 6 to the financial statements.

NOTE 6 – INTEREST IN THE MASTER TRUST

Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the interest in the commingled funds of the Master Trust or the Plan's specific identified funds held in the Master Trust. At March 31, 2019 and 2018, the Plan's interest in the net assets of the Master Trust was approximately 92%.

The following table presents net assets of the Master Trust as of March 31:

	2019	2018
Assets:		
Investments at fair value:		
Money market funds *	$ (198,781,700)	$ (184,300,241)
Equity securities	1,621,060,601	1,567,795,857
Pooled funds equity	126,085,110	402,126,220
Government and agency bonds	565,876,947	542,817,911
U.S. state and local bonds	25,668,577	28,581,683
Corporate bonds	593,410,063	514,187,912
Pooled funds debt	185,024,408	187,563,356
Asset-backed securities	68,114,020	106,100,289
Real estate	177,887,724	270,120,472
Private equity funds	830,515,351	702,577,458
Hedge funds	504,463,973	506,780,443
Derivatives	14,927,444	2,949,990
Collateral received for securities loaned	365,644,499	364,010,023
Assets held for investment purposes	4,879,897,017	5,011,311,373
Liabilities:		
Payable under securities lending agreement	365,644,499	364,010,023
Net assets	$ 4,514,252,518	$ 4,647,301,350
Plan interest in net assets of the Master Trust	$ 4,376,325,580	$ 4,458,831,527

* Net of collateral received for securities loaned

The investment income of the Master Trust is as follows for the years ended March 31:

	2019	2018
Investment income:		
Net appreciation in fair value of investments	$ 170,988,412	$ 367,638,134
Interest	84,811,523	74,132,854
Dividends	34,921,482	32,799,221
Investment expense	(15,036,448)	(16,496,418)
Total investment income	$ 275,684,969	$ 458,073,791
Plan interest in investment income of the Master Trust	$ 257,653,294	$ 426,296,393

The Master Trust participated in the trustee's Securities Lending Program for its U.S. Securities held in custody at the trustee to provide incremental income for the years ended March 31, 2019 and 2018. These securities are loaned by the trustee to third-party broker-dealers in exchange for collateral (cash and noncash), in compliance with Department of Labor collateral requirements. For U.S. securities, the collateral is at least 102% of the fair value of the borrowed securities. The collateral received (both cash and noncash) is invested in the trustee's Core U.S.A. Collateral Section Fund.

The fair value of the securities loaned that were collateralized by cash was approximately $358,292,000 and $358,564,000 at March 31, 2019 and 2018, respectively. Cash collateral of approximately $365,645,000 and $364,010,000 was held at March 31, 2019 and 2018, respectively, with offsetting liabilities. The fair value of the securities loaned collateralized by noncash collateral was approximately $54,921,000 and $57,002,000 at March 31, 2019 and 2018, respectively. Noncash collateral of approximately $56,644,000 and $58,200,000 was held at March 31, 2019 and 2018, respectively, with offsetting liabilities.

The Master Trust and the trustee each receive a percentage of net income derived from securities lending activities based on the types of securities. Income earned during the years ended March 31, 2019 and 2018, was approximately $1,273,000 and $1,140,000, respectively, which is included in interest and dividends, net of bank fees of approximately $318,000 and $285,000 for the years ended March 31, 2019 and 2018, respectively.

NOTE 7 – PLAN TERMINATION OR MODIFICATION

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- Benefits attributable to employee contributions, taking into account those paid out before termination.
- Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- Other vested benefits insured by the Pension Benefit Guaranty Corporation (the PBGC) (a U.S. Government agency) up to the applicable limitations.
- All other vested benefits (that is, vested benefits not insured by the PBGC).
- All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's benefits. However, the PBGC does not guarantee all types of benefits under the Plan and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan's sponsor and the level of benefits guaranteed by the PBGC.

NOTE 8 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at March 31:

	2019	2018
Net assets available for benefits per the financial statements	$ 4,476,325,580	$ 4,858,831,527
Net assets held in 401(h) account included as assets included in the Form 5500	315,287,033	339,932,492
Net assets available for benefits per the Form 5500	$ 4,791,612,613	$ 5,198,764,019

The net assets of the 401(h) account included in the Form 5500 are not available to pay pension benefits and can be used only to pay retiree health benefits.

The following is a reconciliation of the affected components of the changes in net assets available for benefits per the financial statements to the Form 5500 for the year ended March 31, 2019:

	Amounts per the Financial Statements	Differences	Amounts per the Form 5500
Net investment gain	$ 257,653,294	$ 19,082,420	$ 276,735,714
Benefits paid directly to participants	$ (734,502,055)	$ (42,668,656)	$ (777,170,711)
Administrative expenses	$ (5,657,186)	$ (1,059,223)	$ (6,716,409)

MOSSADAMS

Schedule SB, line 26 — Schedule of Active Participant Data

DISTRIBUTION OF ACTIVE PARTICIPANTS (ELECTED DB) AS OF APRIL 1, 2018

ATTAINED AGE	YEARS OF CREDITED SERVICE										
	UNDER 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & UP	TOTAL
Under 25		1	2								3
25–29		40	70	1							111
		59,427	57,253								
30–34		55	231	63	1						350
		60,356	62,968	60,715							
35–39		56	244	362	150	4					816
		79,052	67,412	69,489	69,561						
40–44	1	64	199	369	456	213	2				1,304
		75,039	67,007	68,898	74,867	67,737					
45–49		53	268	488	632	580	286	20			2,327
		81,384	72,871	68,152	69,544	79,853	68,462	72,381			
50–54		48	227	454	677	532	714	683	36		3,371
		81,057	81,713	64,927	69,944	77,564	80,182	72,586	72,253		
55–59		48	185	382	541	354	504	432	124		2,570
		78,897	80,123	66,660	68,001	77,896	81,161	82,305	82,334		
60–64		19	100	197	238	176	174	184	50	5	1,143
			82,136	65,249	66,632	83,242	82,134	93,984	113,582		
65–69		10	20	30	52	17	19	27	14	4	193
			84,975	64,346	70,602			106,142			
70 & up				4	4	2	1	1		1	13
Total		394	1,546	2,350	2,751	1,878	1,700	1,347	224	10	12,201
											73,714

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average compensation (i.e. not average valuation payroll) for the plan year ending March 31, 2018 limited to $270,000. Average compensation is not shown for cells with fewer than 20 participants

Schedule SB, line 26 — Schedule of Active Participant Data

DISTRIBUTION OF ACTIVE PARTICIPANTS (ELECTED 401(K)) AS OF APRIL 1, 2018

ATTAINED AGE	YEARS OF CREDITED SERVICE										
	UNDER 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & UP	TOTAL
Under 25	1										1
25–29	118	235	5								358
	598	1,334									
30–34	85	443	238	6							772
	607	2,361	7,074								
35–39	62	227	412	276	10						987
	686	1,920	8,648	12,978							
40–44	39	112	212	379	256	1					999
	662	2,495	9,341	15,613	20,213						
45–49	29	102	150	221	350	109	33				994
	581	2,031	8,867	14,527	22,479	26,832	27,353				
50–54	17	54	83	135	165	138	171	21			784
		2,609	8,894	15,803	21,648	30,323	31,649	32,988			
55–59	18	40	54	63	80	68	87	19			429
		1,897	9,151	15,153	22,574	28,648	32,083				
60–64	10	17	26	25	14	27	19	13			151
			8,385	15,943		27.731					
65–69	2	4	6	4	5		4	3			28
70 & up	1		2				1				4
Total	382	1,234	1,188	1,109	880	343	315	56			5,507
											12,678

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average accrued benefit as of April 1, 2018. Average accrued benefit is not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

ACTUARIAL ASSUMPTIONS FOR APRIL 1, 2018 FUNDING VALUATION

DISCOUNT RATE SPONSOR ELECTIONS			
Segment rates or full yield curve	Segment		
Look-back months	4		
	Stabilized	**Nonstabilized**	**PBGC**
First 5 years	3.92%	1.79%	2.91%
Next 15 years	5.52%	3.70%	3.99%
Over 20 years	6.29%	4.56%	4.43%
Mortality sponsor elections			
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2014 mortality tables projected with mortality improvement.		
• Disabled Participants			
AHM & HSC	Same as healthy mortality		
HTM, HAM & HMA			
– Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995		
– Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994		
417(e) lump sums	Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and unisex generational mortality.		
Other economic assumptions			
• Salary increases	See Table I for sample rates		
• Inflation	2.20% per year		
• Expected investment return	6.80% per year for year 2016, 6.60% for year 2017, and 6.80% per year for year 2018		
• Expenses	$8,440,000 added to current year normal cost (prior year expenses adjusted for known or expected changes in PBGC premium rounded to the nearest $10,000)		
DEMOGRAPHIC ASSUMPTIONS			
• Withdrawal	See Table II for sample rates.		
• Disability incidence	• AHM – 1985 Pension Disability Table Class 1 – Unisex • HSC – 1985 Pension Disability Table Class 3 – Unisex • HTM/HAM/HMA – 25% of 1985 Pension Disability Table Class 3 See Table III for sample rates.		
• Retirement age	See Tables IV for sample rates.		
• Benefit commencement age for deferred vested	30% of future deferred vested participants elect an immediate lump sum. All other future deferred vested and current deferred vested are assumed to commence annuities at: • Manufacturing 58 • Non-Manufacturing 63		

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

• Spouse assumptions	**Male participants**	**Female participants**
— Percentage married	100.00%	100.00%
— Spouse age difference	2 years younger	1 year older
Form of payment	See Table V	
Unpredictable contingent event assumptions	Not applicable	

Tables of Sample Rates

TABLE I(A) – MANUFACTURING SALARY SCALE INCREASE	
SERVICE	RATE
1	5.00%
2	5.00%
3	5.00%
4	5.00%
5+	2.20%

TABLE I(B) – NON-MANUFACTURING SALARY SCALE INCREASE	
ATTAINED AGE	RATE
25	6.54%
30	5.80%
35	5.16%
40	4.62%
45	4.18%
50	3.84%
55	3.60%
60	3.46%
65	3.42%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE II

SAMPLE WITHDRAWAL RATES

ATTAINED	HAM		MANUFACTURING		NON-MANUFACTURING	
AGE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
25	7.50%	10.36%	6.00%	6.74%	12.00%	15.00%
30	4.27%	5.89%	6.00%	6.74%	8.53%	6.00%
35	2.20%	3.04%	3.50%	4.95%	5.30%	6.00%
40	1.32%	1.82%	3.00%	3.17%	3.28%	4.00%
45	1.13%	1.56%	2.50%	2.81%	2.30%	4.00%
50	1.14%	1.57%	2.50%	2.81%	2.16%	2.00%
55	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

TABLE III

SAMPLE DISABILITY INCIDENCE RATES

ATTAINED	AHM		HSC		HTM/HAM/HMA	
AGE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
20	0.03%	0.03%	0.14%	0.14%	0.04%	0.02%
25	0.04%	0.04%	0.20%	0.20%	0.05%	0.04%
30	0.06%	0.06%	0.30%	0.30%	0.08%	0.06%
35	0.10%	0.10%	0.42%	0.42%	0.11%	0.10%
40	0.16%	0.16%	0.59%	0.59%	0.15%	0.14%
45	0.26%	0.26%	0.82%	0.82%	0.21%	0.19%
50	0.45%	0.45%	1.22%	1.22%	0.31%	0.30%
55	0.85%	0.85%	2.09%	2.09%	0.53%	0.49%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE IV RETIREMENT RATES				
ATTAINED	MANFACTURING (INCLUDES HAM)		NON-MANUFACTURING	
AGE	MALE	FEMALE	MALE	FEMALE
55	10.00%	15.00%	5.00%	3.75%
56	10.00%	12.50%	3.75%	3.75%
57	10.00%	12.50%	3.75%	3.75%
58	10.00%	11.50%	4.00%	3.75%
59	10.00%	10.00%	5.00%	3.75%
60	12.50%	15.00%	10.00%	10.00%
61	12.50%	15.00%	10.00%	12.50%
62	22.50%	20.00%	12.50%	12.50%
63	22.50%	25.00%	12.50%	12.50%
64	22.50%	25.00%	15.00%	20.00%
65	27.50%	50.00%	15.00%	20.00%
66	40.00%	50.00%	25.00%	25.00%
67	40.00%	50.00%	25.00%	40.00%
68	40.00%	50.00%	25.00%	40.00%
69	40.00%	50.00%	25.00%	40.00%
70+	100.00%	100.00%	100.00%	100.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE V – FORM OF PAYMENT ELECTION	
Active Retirements:	
• Life Annuity	10.00%
• Lump Sum	65.00%
• 50% Joint and Survivor Annuity	10.00%
• 100% Joint and Survivor Annuity	15.00%
Future Vested Terms:	
• Life Annuity	7.00%
• Immediate Lump Sum	30.00%
• Deferred Lump Sum	46.00%
• 50% Joint and Survivor Annuity	7.00%
• 100% Joint and Survivor Annuity	10.00%
Current Vested Terms:	
• Life Annuity	10.00%
• Lump Sum	65.00%
• 50% Joint and Survivor Annuity	10.00%
• 100% Joint and Survivor Annuity	15.00%
Current and Future Disabilities:	
• Same as Active Retirement	
Future Deaths	
• Life Annuity	35.00%
• Lump Sum	65.00%

RATIONALE FOR ECONOMIC ASSUMPTIONS

- Interest discounts for funding – Prescribed by the IRS.
- Long-term rate of return on assets – The expected rate of return on plan assets is based on the median simulated investment return using Capital Market Assumptions within 3 months of the measurement date developed by Mercer Investment Consulting for the plan's target asset mix.
- Salary increases – Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Inflation – Based on the inflation assumption published by Mercer's Asset Class Return Assumptions document within 3 months of the measurement date.
- Expenses – This assumption is based on prior year's actual expenses adjusted for known or expected changes in PBGC premiums.
- Lump sum conversion interest rates – Based on implied future spot rates using the Mercer Yield Curve as of the accounting measurement date.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

RATIONALE FOR DEMOGRAPHIC ASSUMPTIONS

- Withdrawal: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Disability incidence: As Honda's population was not large enough for a credible experience study of disability incidence, this assumption is based on the Conference of Consulting Actuaries' 1985 Pension Disability Study Class 1 and Class 3 rates.
- Retirement age: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Benefit commencement age: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Spouse age difference: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Spouse marriage assumption: The plan pays a death benefit under all circumstances. Therefore, as assumption of 100% was selected.
- Form of payment: Based on plan experience as reflected in the Honda Retirement Program Experience Study dates October 2015, updated October 2018 to reflect another 3 years of experience.

ACTUARIAL METHODS FOR FUNDING

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** All
  The Honda Federal Credit Union (HCU) is a separate controlled group. However, these employees participate in the HRP. As a result, their liability is included in the HRP valuation results. Further the HRP is categorized as a Multiple-B multiple employer plan (i.e., it is funded as if all participants were employed by a single employer).

- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- **Insurance contracts**: The plan does have insurance contracts which are included in the value of plan assets.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides disability benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Multiple-Employer Plan Participating Employer Information

(A) NAME OF PARTICIPATING EMPLOYER	(B) EIN	(C) PERCENT OF TOTAL CONTRIBUTIONS
Honda Credit Union	95-3036119	0.5%
American Honda Motor Company	95-2041006	99.5%

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ File as an attachment to Form 5500 or 5500-SF.

OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 04/01/2018 and ending 03/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
HONDA RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 334

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
AMERICAN HONDA MOTOR COMPANY, INC.

D Employer Identification Number (EIN)
95-2041006

E Type of plan: ☐ Single ☐ Multiple-A ☒ Multiple-B

F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 04 Day 01 Year 2018

2 Assets:

a Market value	2a	4,843,267,765
b Actuarial value	2b	4,696,665,143

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	5,740	1,369,739,587	1,369,739,587
b For terminated vested participants	3,898	253,010,278	253,010,278
c For active participants	17,708	2,101,948,140	2,331,443,502
d Total	27,346	3,724,698,005	3,954,193,367

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐

a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	5.84%
6 Target normal cost	6	67,030,278

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Rachel Battah RB — 12/13/2019

Signature of actuary — Date

RACHEL BATTAH — 1706672

Type or print name of actuary — Most recent enrollment number

MERCER — 614-227-5542

Firm name — Telephone number (including area code)

325 JOHN H MCCONNELL BLVD
SUITE 350
COLUMBUS OH 43215

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	219,624,383	253,039,667
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	219,624,383	253,039,667
10	Interest on line 9 using prior year's actual return of 10.25%	22,511,499	25,936,566
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		362,538,889
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.04%		21,897,349
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		384,436,238
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	242,135,882	278,976,233

Part III Funding Percentages

14	Funding target attainment percentage	14	105.59%
15	Adjusted funding target attainment percentage	15	118.77%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.79%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/05/2019	100,000,000	0			
			Totals ► 18(b)	100,000,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	90,917,514

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

	1st segment:	2nd segment:	3rd segment:	
a Segment rates:	3.92%	5.52%	6.29%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

23 Mortality table(s) (see instructions)

Prior regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Current regulation: ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	**31a**	67,030,278
b Excess assets, if applicable, but not greater than line 31a	**31b**	67,030,278

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	90,917,514
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	90,917,514
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Manufacturing (includes HAM) - Male: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 61.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	10.00%	10,000	1,000	55,000
56	10.00%	9,000	900	50,400
57	10.00%	8,100	810	46,170
58	10.00%	7,290	729	42,282
59	10.00%	6,561	656	38,710
60	12.50%	5,905	738	44,287
61	12.50%	5,167	646	39,397
62	22.50%	4,521	1,017	63,067
63	22.50%	3,504	788	49,665
64	22.50%	2,715	611	39,102
65	27.50%	2,104	579	37,617
66	40.00%	1,526	610	40,279
67	40.00%	915	366	24,533
68	40.00%	549	220	14,940
69	40.00%	330	132	9,096
70	100.00%	198	198	13,841
Total			10,000	608,385
			Average Weighted Retirement Age	60.84

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Manufacturing (includes HAM) - Female: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 60.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	15.00%	10,000	1,500	82,500
56	12.50%	8,500	1,063	59,500
57	12.50%	7,438	930	52,992
58	11.50%	6,508	748	43,407
59	10.00%	5,759	576	33,981
60	15.00%	5,183	778	46,651
61	15.00%	4,406	661	40,314
62	20.00%	3,745	749	46,439
63	25.00%	2,996	749	47,188
64	25.00%	2,247	562	35,953
65	50.00%	1,685	843	54,771
66	50.00%	843	421	27,807
67	50.00%	421	211	14,114
68	50.00%	211	105	7,162
69	50.00%	105	53	3,634
70	100.00%	53	53	3,687
Total			10,000	600,100
			Average Weighted Retirement Age	60.01

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Non-Manufacturing - Male: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	5.00%	10,000	500	27,500
56	3.75%	9,500	356	19,950
57	3.75%	9,144	343	19,545
58	4.00%	8,801	352	20,418
59	5.00%	8,449	422	24,924
60	10.00%	8,026	803	48,158
61	10.00%	7,224	722	44,065
62	12.50%	6,501	813	50,386
63	12.50%	5,689	711	44,799
64	15.00%	4,978	747	47,785
65	15.00%	4,231	635	41,252
66	25.00%	3,596	899	59,339
67	25.00%	2,697	674	45,179
68	25.00%	2,023	506	34,390
69	25.00%	1,517	379	26,172
70	100.00%	1,138	1,138	79,653
Total			10,000	633,514
			Average Weighted Retirement Age	63.35

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Non-Manufacturing - Female: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	3.75%	10,000	375	20,625
56	3.75%	9,625	361	20,213
57	3.75%	9,264	347	19,802
58	3.75%	8,917	334	19,394
59	3.75%	8,582	322	18,988
60	10.00%	8,260	826	49,563
61	12.50%	7,434	929	56,687
62	12.50%	6,505	813	50,415
63	12.50%	5,692	711	44,824
64	20.00%	4,980	996	63,750
65	20.00%	3,984	797	51,797
66	25.00%	3,188	797	52,594
67	40.00%	2,391	956	64,069
68	40.00%	1,434	574	39,015
69	40.00%	861	344	23,753
70	100.00%	516	516	36,146
Total			10,000	631,634
			Average Weighted Retirement Age	63.16

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

OVERALL WEIGHTED AVERAGE RETIREMENT AGE FOR ACTIVE PARTICIPANTS:

	(A) NUMBER OF ACTIVE PARTICIPANTS	(B) WEIGHTED AVERAGE RETIREMENT AGE	(C) [(A)/TOTAL(A)] *(B)
Manufacturing (includes HAM) - Male	10,248	60.84	35.23
Manufacturing (includes HAM) - Female	2,720	60.01	9.22
Non-Manufacturing - Male	3,152	63.35	11.28
Non-Manufacturing - Female	1,580	63.16	5.64
Total	17,700		61.37

The resulting overall weighted average retirement age using these counts as weighting factors is approximately 61.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

ACTUARIAL ASSUMPTIONS FOR APRIL 1, 2018 FUNDING VALUATION

DISCOUNT RATE SPONSOR ELECTIONS

Segment rates or full yield curve	Segment
Look-back months	4

	Stabilized	Nonstabilized	PBGC
First 5 years	3.92%	1.79%	2.91%
Next 15 years	5.52%	3.70%	3.99%
Over 20 years	6.29%	4.56%	4.43%

Mortality sponsor elections

• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2014 mortality tables projected with mortality improvement.
• Disabled Participants	
AHM & HSC	Same as healthy mortality
HTM, HAM & HMA	
– Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
– Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994
417(e) lump sums	Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and unisex generational mortality.

Other economic assumptions

• Salary increases	See Table I for sample rates
• Inflation	2.20% per year
• Expected investment return	6.80% per year for year 2016, 6.60% for year 2017, and 6.80% per year for year 2018
• Expenses	$8,440,000 added to current year normal cost (prior year expenses adjusted for known or expected changes in PBGC premium rounded to the nearest $10,000)

DEMOGRAPHIC ASSUMPTIONS

• Withdrawal	See Table II for sample rates.
• Disability incidence	• AHM – 1985 Pension Disability Table Class 1 – Unisex • HSC – 1985 Pension Disability Table Class 3 – Unisex • HTM/HAM/HMA – 25% of 1985 Pension Disability Table Class 3 See Table III for sample rates.
• Retirement age	See Tables IV for sample rates.
• Benefit commencement age for deferred vested	30% of future deferred vested participants elect an immediate lump sum. All other future deferred vested and current deferred vested are assumed to commence annuities at: • Manufacturing 58 • Non-Manufacturing 63

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

	Male participants	Female participants
• Spouse assumptions		
– Percentage married	100.00%	100.00%
– Spouse age difference	2 years younger	1 year older
Form of payment	See Table V	
Unpredictable contingent event assumptions	Not applicable	

Tables of Sample Rates

TABLE I(A) – MANUFACTURING SALARY SCALE INCREASE	
SERVICE	RATE
1	5.00%
2	5.00%
3	5.00%
4	5.00%
5+	2.20%

TABLE I(B) – NON-MANUFACTURING SALARY SCALE INCREASE	
ATTAINED AGE	RATE
25	6.54%
30	5.80%
35	5.16%
40	4.62%
45	4.18%
50	3.84%
55	3.60%
60	3.46%
65	3.42%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE II

SAMPLE WITHDRAWAL RATES

ATTAINED	HAM		MANUFACTURING		NON-MANUFACTURING	
AGE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
25	7.50%	10.36%	6.00%	6.74%	12.00%	15.00%
30	4.27%	5.89%	6.00%	6.74%	8.53%	6.00%
35	2.20%	3.04%	3.50%	4.95%	5.30%	6.00%
40	1.32%	1.82%	3.00%	3.17%	3.28%	4.00%
45	1.13%	1.56%	2.50%	2.81%	2.30%	4.00%
50	1.14%	1.57%	2.50%	2.81%	2.16%	2.00%
55	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

TABLE III

SAMPLE DISABILITY INCIDENCE RATES

ATTAINED	AHM		HSC		HTM/HAM/HMA	
AGE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
20	0.03%	0.03%	0.14%	0.14%	0.04%	0.02%
25	0.04%	0.04%	0.20%	0.20%	0.05%	0.04%
30	0.06%	0.06%	0.30%	0.30%	0.08%	0.06%
35	0.10%	0.10%	0.42%	0.42%	0.11%	0.10%
40	0.16%	0.16%	0.59%	0.59%	0.15%	0.14%
45	0.26%	0.26%	0.82%	0.82%	0.21%	0.19%
50	0.45%	0.45%	1.22%	1.22%	0.31%	0.30%
55	0.85%	0.85%	2.09%	2.09%	0.53%	0.49%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE IV RETIREMENT RATES				
ATTAINED	MANFACTURING (INCLUDES HAM)		NON-MANUFACTURING	
AGE	MALE	FEMALE	MALE	FEMALE
55	10.00%	15.00%	5.00%	3.75%
56	10.00%	12.50%	3.75%	3.75%
57	10.00%	12.50%	3.75%	3.75%
58	10.00%	11.50%	4.00%	3.75%
59	10.00%	10.00%	5.00%	3.75%
60	12.50%	15.00%	10.00%	10.00%
61	12.50%	15.00%	10.00%	12.50%
62	22.50%	20.00%	12.50%	12.50%
63	22.50%	25.00%	12.50%	12.50%
64	22.50%	25.00%	15.00%	20.00%
65	27.50%	50.00%	15.00%	20.00%
66	40.00%	50.00%	25.00%	25.00%
67	40.00%	50.00%	25.00%	40.00%
68	40.00%	50.00%	25.00%	40.00%
69	40.00%	50.00%	25.00%	40.00%
70+	100.00%	100.00%	100.00%	100.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

TABLE V – FORM OF PAYMENT ELECTION	
Active Retirements:	
• Life Annuity	10.00%
• Lump Sum	65.00%
• 50% Joint and Survivor Annuity	10.00%
• 100% Joint and Survivor Annuity	15.00%
Future Vested Terms:	
• Life Annuity	7.00%
• Immediate Lump Sum	30.00%
• Deferred Lump Sum	46.00%
• 50% Joint and Survivor Annuity	7.00%
• 100% Joint and Survivor Annuity	10.00%
Current Vested Terms:	
• Life Annuity	10.00%
• Lump Sum	65.00%
• 50% Joint and Survivor Annuity	10.00%
• 100% Joint and Survivor Annuity	15.00%
Current and Future Disabilities:	
• Same as Active Retirement	
Future Deaths	
• Life Annuity	35.00%
• Lump Sum	65.00%

RATIONALE FOR ECONOMIC ASSUMPTIONS

- Interest discounts for funding – Prescribed by the IRS.
- Long-term rate of return on assets – The expected rate of return on plan assets is based on the median simulated investment return using Capital Market Assumptions within 3 months of the measurement date developed by Mercer Investment Consulting for the plan's target asset mix.
- Salary increases – Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Inflation – Based on the inflation assumption published by Mercer's Asset Class Return Assumptions document within 3 months of the measurement date.
- Expenses – This assumption is based on prior year's actual expenses adjusted for known or expected changes in PBGC premiums.
- Lump sum conversion interest rates – Based on implied future spot rates using the Mercer Yield Curve as of the accounting measurement date.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

RATIONALE FOR DEMOGRAPHIC ASSUMPTIONS

- Withdrawal: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Disability incidence: As Honda's population was not large enough for a credible experience study of disability incidence, this assumption is based on the Conference of Consulting Actuaries' 1985 Pension Disability Study Class 1 and Class 3 rates.
- Retirement age: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Benefit commencement age: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Spouse age difference: Based on 2010 through 2014 plan year experience as reflected in the Honda Retirement Program Experience Study dates October 2015.
- Spouse marriage assumption: The plan pays a death benefit under all circumstances. Therefore, as assumption of 100% was selected.
- Form of payment: Based on plan experience as reflected in the Honda Retirement Program Experience Study dates October 2015, updated October 2018 to reflect another 3 years of experience.

ACTUARIAL METHODS FOR FUNDING

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** All
  The Honda Federal Credit Union (HCU) is a separate controlled group. However, these employees participate in the HRP. As a result, their liability is included in the HRP valuation results. Further the HRP is categorized as a Multiple-B multiple employer plan (i.e., it is funded as if all participants were employed by a single employer).

- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.

- **Insurance contracts**: The plan does have insurance contracts which are included in the value of plan assets.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides disability benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Summary of Plan Provisions

SUMMARY OF MAJOR PLAN PROVISIONS

Effective date and plan year	Original plan: July 1, 1962 (AHM) Restated plan: January 1, 2014 Plan year: April 1 through March 31
Status of the plan	The plan has been closed to new entrants. However, employees employed prior to September 2013 and who elected to continue accruing benefits in the plan continue to participate in the plan. Employees employed prior to September 2013 and who elected to receive enhanced contributions in the Honda Savings Plan stopped accruing pension benefits on January 1, 2014.
Significant events that occurred during the year	None
Definitions	
• Eligibility	One year of continuous service and not a member of a unit covered by a collective bargaining agreement unless such agreement explicitly provides for coverage under this plan. Participation is restricted to employees of employers who have adopted the plan. Ineligible employees include student associates or associates from an Affiliated Company working on a temporary basis.
• Employee contributions	None required or permitted.
• Vesting service	Measured in days while employed. Employee credited with one year of service for each 365 day period of employment.
• Pensionable earnings	Salary paid during a plan year for services rendered excluding gifts and awards, bonuses, expense allowances, commissions, severance pay, pay for unused sick, vacation (AHM and HSC only), or other paid time off, overtime pay, shift premiums (HAM, HMA and HTM only), attendance pay, temporary assignment allowances and tax-free Code Section 132(f) transportation benefits or cash in lieu of such benefits. Earnings prior to participation are disregarded for AHM and HSC.
Normal retirement	
• Eligibility	Attainment of age 65.
• Benefit	The participant's benefit accrued as of June 30, 2009 plus for service after June 30, 2009 through December 31, 2013: • AHM – 2.5% of earnings each year while a participant (2% of earnings each year for participants employed by Honda Aero, Inc. or Honda Aircraft Company, unless participant transfers to one of these two divisions, in which case it should remain at 2.5% of earnings). • HSC – 1.5% of earnings each year while an active plan participant • HAM/HTM – 2.0% of earnings from date of hire • HMA – 2.5% of earnings from date of hire. plus for service after December 31, 2013: • AHM, HSC, HAM, HTM, HMA – 1.0% of earnings each year while a participant.
Early retirement	
• Eligibility	Age 55 and 5 years of service.

Schedule SB, Part V — Summary of Plan Provisions

- Benefit

The accrued benefit earned to the actual Early Retirement Date, with a reduction as specified below:

For terminations after December 31, 2013:

Age and Years of Vesting Svc.	Reduction
Leave Honda after 55 and 10	0.1667% / mo. From 62
Leave Honda before 55 and 10	0.5% / mo. From NRD

However, for HAM and HTM participants who terminate after December 31, 2013, the early retirement benefit can't be less their accrued benefit as of December 31, 2013 based early retirement factors in effect of December 31, 2013.

For terminations before January 1, 2014:

For AHM/HSC and for HAM/HTM benefits accrued before 2009, the reduction below is from age 62 for AHM/HSC and for HAM/HTM participants with 20 years of service. Otherwise, the reduction is from age 65.

Years of Vesting Service.	Reduction
At least 10 but less than 20	0.3333% per month
At least 20 but less than 25	0.2500% per month
25 or more	0.1667% per month

For HAM/HTM benefits accrued after 2008, the reduction below is from age 62 for participants with 20 years of service. Otherwise, the reduction is from age 65.

Years of Vesting Service.	Reduction
At least 10 but less than 20	0.3333% per month
At least 20 but less than 30	0.1667% per month
30 or more	0% per month

For HMA, the reduction is 0.3333% per month from age 62 for participants with 20 years of service. Otherwise, the reduction is 0.3333% per month from age 65.

- Social Security Supplement

Terminate before January 1, 2014:

- For all early retirements with at least 30 years of vesting service, a $300 supplemental benefit shall be paid for each month prior to age 62.

Terminate on or after January 1, 2014:

- For all early retirements with at least 20 years of vesting service, a $600 supplemental benefit shall be paid for each month prior to age 62.

Late retirement

- Eligibility

Termination after Normal Retirement Date or in-service commencement of benefits on or after April 1 following the calendar year in which a participant attains age 70½.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	Accrued benefit based on service and compensation through termination date or benefit commencement date for in-service commencement of benefits on or after April 1 following the calendar year in which a participant attains age 70½. Actuarial increases are provided on HTM benefits payable after normal retirement age attributable to service prior to July 1, 2009.
Deferred vested	
• Eligibility	100% after 5 years of vesting service
• Benefit	Accrued Normal Retirement Benefit: • Benefit payable as an immediate lump sum or equivalent annuity.
Disability Prior to January 1, 2014	
• Eligibility	• *AHM/HSC* – A participant is disabled while he or she is disabled under the terms of the Employer's long-term disability plan by reason of a medically determinable physical or mental impairment and is contemporaneously receiving benefits under such plan. • *HAM/HMA* – A participant needs to be receiving Social Security disability benefits and receiving benefits under the Employer's long-term disability plan to be eligible for benefits.
• Benefit	• *AHM/HSC/HAM/HMA* – Benefits continue to accrue during periods of disability based on earnings at time of disability.
Disability	
• Eligibility	• *HTM* – A participant needs to be receiving Social Security disability benefits and receiving benefits under the Employer's long-term disability plan to be eligible for benefits.
• Benefit	• *HTM* – Participants may elect to receive their vested accrued benefit any time before age 65. No additional benefits accrue.
Death benefits	
• Pre-retirement benefit	• The Joint and 50% benefit to the beneficiary of an employee with a vested accrued benefit at date of death.
• Post-retirement	According to option elected.
Form of benefits	
• Automatic form for unmarried participants	Life Annuity
• Automatic form for married participants	Joint and 50% Survivor Annuity

Schedule SB, Part V — Summary of Plan Provisions

• Optional forms	• Joint and Survivor Option -- provides a reduced amount of income during the employee's lifetime; 50%, 75% or 100% continues after employee's death to the spouse for the remainder of spouse's lifetime. • Certain and Life Option -- provides a reduced amount payable for life, with a guarantee of 60 or 120 monthly payments (or other period of months for HTM participants that will not violate the incidental death benefit rule under Code Section 401(a)(9)). • Social Security Adjustment Option – provides an actuarially computed retirement income, which takes into account the employee's primary insurance amount under the Federal Social Security Act payable as of age 62, in effect on the date of his retirement. • Lump Sum Option – provides a one-time payment of the present value of the participant's vested accrued benefit and, if applicable, their Social Security Supplemental. The lump sum includes the value of early retirement subsidies, if applicable.
• Optional form conversion factors	Amount of an optional form of benefit (other than a lump sum or Social Security Adjustment Option) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 7.0% annual interest rate and the RP-2000 combined employee and healthy annuitant mortality table projected to 2015 (restated as a unisex table by applying 70/30 male/female weighting) For lump sum and Social Security Adjustment Option, PPA interest rates equal to the 3-tiered minimum present value segment rates for the fifth full month preceding the first day of the Plan Year during which the lump sum payment occurs or level income annuity payments commence, and mortality applicable to the plan year of payment.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. The limit is indexed annually. For 2018, the limit is $275,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2018, the limit is $220,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2014 are included in this valuation:

- **Most recent plan amendments included:** The plan document as amended and restated effective January 1, 2014.
- **Plan amendments excluded:** None
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to

participants who defer retirement beyond age 70½. Current active participants over age 70½ are valued excluding the late retirement actuarial increase. Benefits include compensation and service through expected retirement date. Due to the minimal number of participants past normal retirement age that have not yet commenced benefits, exclusion of late retirement adjustments prior to actual retirement is not material.

- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.

- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.

- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

PLAN PROVISIONS SPECIFIC TO FUNDING

Additional Benefits Included or Excluded

- **IRC Section 436 benefit restrictions:**

  - *Plan amendments:* See above.

  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.

  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.

- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

PLAN PROVISION CHANGES SINCE PRIOR VALUATION

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2017 to 2018.

Schedule SB, line 24 — Change in Actuarial Assumptions

ACTUARIAL ASSUMPTION CHANGES SINCE PRIOR VALUATION

Funding

- The expense component of normal cost decreased from $14,600,000 to $8,440,000 to reflect expectations for the current plan year. The expected change in the PBGC variable premium is the primary driver for the change in the expense assumption.

- Expected investment return was updated from 6.60% to 6.80% to reflect expectations in the current plan year.

- Form of payment elections were updated to reflect recent experience.

Schedule SB, line 26 — Schedule of Active Participant Data

DISTRIBUTION OF ACTIVE PARTICIPANTS (ELECTED DB) AS OF APRIL 1, 2018

ATTAINED AGE	YEARS OF CREDITED SERVICE										
	UNDER 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & UP	TOTAL
Under 25		1	2								3
25–29		40 59,427	70 57,253	1							111
30–34		55 60,356	231 62,968	63 60,715	1						350
35–39		56 79,052	244 67,412	362 69,489	150 69,561	4					816
40–44	1	64 75,039	199 67,007	369 68,898	456 74,867	213 67,737	2				1,304
45–49		53 81,384	268 72,871	488 68,152	632 69,544	580 79,853	286 68,462	20 72,381			2,327
50–54		48 81,057	227 81,713	454 64,927	677 69,944	532 77,564	714 80,182	683 72,586	36 72,253		3,371
55–59		48 78,897	185 80,123	382 66,660	541 68,001	354 77,896	504 81,161	432 82,305	124 82,334		2,570
60–64		19	100 82,136	197 65,249	238 66,632	176 83,242	174 82,134	184 93,984	50 113,582	5	1,143
65–69		10	20 84,975	30 64,346	52 70,602	17	19	27 106,142	14	4	193
70 & up				4	4	2	1	1		1	13
Total		394	1,546	2,350	2,751	1,878	1,700	1,347	224	10	12,201 73,714

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average compensation (i.e. not average valuation payroll) for the plan year ending March 31, 2018 limited to $270,000. Average compensation is not shown for cells with fewer than 20 participants

Schedule SB, line 26 — Schedule of Active Participant Data

DISTRIBUTION OF ACTIVE PARTICIPANTS (ELECTED 401(K)) AS OF APRIL 1, 2018

ATTAINED AGE	YEARS OF CREDITED SERVICE										
	UNDER 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & UP	TOTAL
Under 25	1										1
25–29	118 598	235 1,334	5								358
30–34	85 607	443 2,361	238 7,074	6							772
35–39	62 686	227 1,920	412 8,648	276 12,978	10						987
40–44	39 662	112 2,495	212 9,341	379 15,613	256 20,213	1					999
45–49	29 581	102 2,031	150 8,867	221 14,527	350 22,479	109 26,832	33 27,353				994
50–54	17	54 2,609	83 8,894	135 15,803	165 21,648	138 30,323	171 31,649	21 32,988			784
55–59	18	40 1,897	54 9,151	63 15,153	80 22,574	68 28,648	87 32,083	19			429
60–64	10	17	26 8,385	25 15,943	14	27 27.731	19	13			151
65–69	2	4	6	4	5		4	3			28
70 & up	1		2				1				4
Total	382	1,234	1,188	1,109	880	343	315	56			5,507 12,678

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average accrued benefit as of April 1, 2018. Average accrued benefit is not shown for cells with fewer than 20 participants.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Manufacturing (includes HAM) - Male: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 61.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	10.00%	10,000	1,000	55,000
56	10.00%	9,000	900	50,400
57	10.00%	8,100	810	46,170
58	10.00%	7,290	729	42,282
59	10.00%	6,561	656	38,710
60	12.50%	5,905	738	44,287
61	12.50%	5,167	646	39,397
62	22.50%	4,521	1,017	63,067
63	22.50%	3,504	788	49,665
64	22.50%	2,715	611	39,102
65	27.50%	2,104	579	37,617
66	40.00%	1,526	610	40,279
67	40.00%	915	366	24,533
68	40.00%	549	220	14,940
69	40.00%	330	132	9,096
70	100.00%	198	198	13,841
Total			10,000	608,385
			Average Weighted Retirement Age	60.84

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Manufacturing (includes HAM) - Female: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 60.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	15.00%	10,000	1,500	82,500
56	12.50%	8,500	1,063	59,500
57	12.50%	7,438	930	52,992
58	11.50%	6,508	748	43,407
59	10.00%	5,759	576	33,981
60	15.00%	5,183	778	46,651
61	15.00%	4,406	661	40,314
62	20.00%	3,745	749	46,439
63	25.00%	2,996	749	47,188
64	25.00%	2,247	562	35,953
65	50.00%	1,685	843	54,771
66	50.00%	843	421	27,807
67	50.00%	421	211	14,114
68	50.00%	211	105	7,162
69	50.00%	105	53	3,634
70	100.00%	53	53	3,687
Total			10,000	600,100
			Average Weighted Retirement Age	60.01

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Non-Manufacturing - Male: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	5.00%	10,000	500	27,500
56	3.75%	9,500	356	19,950
57	3.75%	9,144	343	19,545
58	4.00%	8,801	352	20,418
59	5.00%	8,449	422	24,924
60	10.00%	8,026	803	48,158
61	10.00%	7,224	722	44,065
62	12.50%	6,501	813	50,386
63	12.50%	5,689	711	44,799
64	15.00%	4,978	747	47,785
65	15.00%	4,231	635	41,252
66	25.00%	3,596	899	59,339
67	25.00%	2,697	674	45,179
68	25.00%	2,023	506	34,390
69	25.00%	1,517	379	26,172
70	100.00%	1,138	1,138	79,653
Total			10,000	633,514
			Average Weighted Retirement Age	63.35

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Non-Manufacturing - Female: Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) RETIREMENT AGE	(B) RETIREMENT PERCENT	(C) LX	(D) NUMBER OF EMPLOYEES EXPECTED TO RETIRE (B) X (C)	(E) (A) X (D)
55	3.75%	10,000	375	20,625
56	3.75%	9,625	361	20,213
57	3.75%	9,264	347	19,802
58	3.75%	8,917	334	19,394
59	3.75%	8,582	322	18,988
60	10.00%	8,260	826	49,563
61	12.50%	7,434	929	56,687
62	12.50%	6,505	813	50,415
63	12.50%	5,692	711	44,824
64	20.00%	4,980	996	63,750
65	20.00%	3,984	797	51,797
66	25.00%	3,188	797	52,594
67	40.00%	2,391	956	64,069
68	40.00%	1,434	574	39,015
69	40.00%	861	344	23,753
70	100.00%	516	516	36,146
Total			10,000	631,634
			Average Weighted Retirement Age	63.16

It should be noted that while rounded numbers are shown in the table, the full content of each cell is used in the calculations.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

OVERALL WEIGHTED AVERAGE RETIREMENT AGE FOR ACTIVE PARTICIPANTS:

	(A) NUMBER OF ACTIVE PARTICIPANTS	(B) WEIGHTED AVERAGE RETIREMENT AGE	(C) [(A)/TOTAL(A)] *(B)
Manufacturing (includes HAM) - Male	10,248	60.84	35.23
Manufacturing (includes HAM) - Female	2,720	60.01	9.22
Non-Manufacturing - Male	3,152	63.35	11.28
Non-Manufacturing - Female	1,580	63.16	5.64
Total	17,700		61.37

The resulting overall weighted average retirement age using these counts as weighting factors is approximately 61.

Schedule SB, Part V — Summary of Plan Provisions

SUMMARY OF MAJOR PLAN PROVISIONS

Effective date and plan year	Original plan: July 1, 1962 (AHM) Restated plan: January 1, 2014 Plan year: April 1 through March 31
Status of the plan	The plan has been closed to new entrants. However, employees employed prior to September 2013 and who elected to continue accruing benefits in the plan continue to participate in the plan. Employees employed prior to September 2013 and who elected to receive enhanced contributions in the Honda Savings Plan stopped accruing pension benefits on January 1, 2014.
Significant events that occurred during the year	None
Definitions	
• Eligibility	One year of continuous service and not a member of a unit covered by a collective bargaining agreement unless such agreement explicitly provides for coverage under this plan. Participation is restricted to employees of employers who have adopted the plan. Ineligible employees include student associates or associates from an Affiliated Company working on a temporary basis.
• Employee contributions	None required or permitted.
• Vesting service	Measured in days while employed. Employee credited with one year of service for each 365 day period of employment.
• Pensionable earnings	Salary paid during a plan year for services rendered excluding gifts and awards, bonuses, expense allowances, commissions, severance pay, pay for unused sick, vacation (AHM and HSC only), or other paid time off, overtime pay, shift premiums (HAM, HMA and HTM only), attendance pay, temporary assignment allowances and tax-free Code Section 132(f) transportation benefits or cash in lieu of such benefits. Earnings prior to participation are disregarded for AHM and HSC.
Normal retirement	
• Eligibility	Attainment of age 65.
• Benefit	The participant's benefit accrued as of June 30, 2009 plus for service after June 30, 2009 through December 31, 2013: • AHM – 2.5% of earnings each year while a participant (2% of earnings each year for participants employed by Honda Aero, Inc. or Honda Aircraft Company, unless participant transfers to one of these two divisions, in which case it should remain at 2.5% of earnings). • HSC – 1.5% of earnings each year while an active plan participant • HAM/HTM – 2.0% of earnings from date of hire • HMA – 2.5% of earnings from date of hire. plus for service after December 31, 2013: • AHM, HSC, HAM, HTM, HMA – 1.0% of earnings each year while a participant.
Early retirement	
• Eligibility	Age 55 and 5 years of service.

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• Benefit	The accrued benefit earned to the actual Early Retirement Date, with a reduction as specified below: For terminations after December 31, 2013: **Age and Years of Vesting Svc.** — **Reduction** Leave Honda after 55 and 10 — 0.1667% / mo. From 62 Leave Honda before 55 and 10 — 0.5% / mo. From NRD However, for HAM and HTM participants who terminate after December 31, 2013, the early retirement benefit can't be less their accrued benefit as of December 31, 2013 based early retirement factors in effect of December 31, 2013.
	For terminations before January 1, 2014: For AHM/HSC and for HAM/HTM benefits accrued before 2009, the reduction below is from age 62 for AHM/HSC and for HAM/HTM participants with 20 years of service. Otherwise, the reduction is from age 65. **Years of Vesting Service.** — **Reduction** At least 10 but less than 20 — 0.3333% per month At least 20 but less than 25 — 0.2500% per month 25 or more — 0.1667% per month For HAM/HTM benefits accrued after 2008, the reduction below is from age 62 for participants with 20 years of service. Otherwise, the reduction is from age 65. **Years of Vesting Service.** — **Reduction** At least 10 but less than 20 — 0.3333% per month At least 20 but less than 30 — 0.1667% per month 30 or more — 0% per month For HMA, the reduction is 0.3333% per month from age 62 for participants with 20 years of service. Otherwise, the reduction is 0.3333% per month from age 65.
• Social Security Supplement	Terminate before January 1, 2014: • For all early retirements with at least 30 years of vesting service, a $300 supplemental benefit shall be paid for each month prior to age 62. Terminate on or after January 1, 2014: • For all early retirements with at least 20 years of vesting service, a $600 supplemental benefit shall be paid for each month prior to age 62.
Late retirement	
• Eligibility	Termination after Normal Retirement Date or in-service commencement of benefits on or after April 1 following the calendar year in which a participant attains age 70½.

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• Benefit	Accrued benefit based on service and compensation through termination date or benefit commencement date for in-service commencement of benefits on or after April 1 following the calendar year in which a participant attains age 70½. Actuarial increases are provided on HTM benefits payable after normal retirement age attributable to service prior to July 1, 2009.
Deferred vested	
• Eligibility	100% after 5 years of vesting service
• Benefit	Accrued Normal Retirement Benefit: • Benefit payable as an immediate lump sum or equivalent annuity.
Disability Prior to January 1, 2014	
• Eligibility	• *AHM/HSC* – A participant is disabled while he or she is disabled under the terms of the Employer's long-term disability plan by reason of a medically determinable physical or mental impairment and is contemporaneously receiving benefits under such plan. • *HAM/HMA* – A participant needs to be receiving Social Security disability benefits and receiving benefits under the Employer's long-term disability plan to be eligible for benefits.
• Benefit	• *AHM/HSC/HAM/HMA* – Benefits continue to accrue during periods of disability based on earnings at time of disability.
Disability	
• Eligibility	• *HTM* – A participant needs to be receiving Social Security disability benefits and receiving benefits under the Employer's long-term disability plan to be eligible for benefits.
• Benefit	• *HTM* – Participants may elect to receive their vested accrued benefit any time before age 65. No additional benefits accrue.
Death benefits	
• Pre-retirement benefit	• The Joint and 50% benefit to the beneficiary of an employee with a vested accrued benefit at date of death.
• Post-retirement	According to option elected.
Form of benefits	
• Automatic form for unmarried participants	Life Annuity
• Automatic form for married participants	Joint and 50% Survivor Annuity

Schedule SB, Part V — Summary of Plan Provisions

• Optional forms	• Joint and Survivor Option -- provides a reduced amount of income during the employee's lifetime; 50%, 75% or 100% continues after employee's death to the spouse for the remainder of spouse's lifetime. • Certain and Life Option -- provides a reduced amount payable for life, with a guarantee of 60 or 120 monthly payments (or other period of months for HTM participants that will not violate the incidental death benefit rule under Code Section 401(a)(9)). • Social Security Adjustment Option – provides an actuarially computed retirement income, which takes into account the employee's primary insurance amount under the Federal Social Security Act payable as of age 62, in effect on the date of his retirement. • Lump Sum Option – provides a one-time payment of the present value of the participant's vested accrued benefit and, if applicable, their Social Security Supplemental. The lump sum includes the value of early retirement subsidies, if applicable.
• Optional form conversion factors	Amount of an optional form of benefit (other than a lump sum or Social Security Adjustment Option) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 7.0% annual interest rate and the RP-2000 combined employee and healthy annuitant mortality table projected to 2015 (restated as a unisex table by applying 70/30 male/female weighting)
	For lump sum and Social Security Adjustment Option, PPA interest rates equal to the 3-tiered minimum present value segment rates for the fifth full month preceding the first day of the Plan Year during which the lump sum payment occurs or level income annuity payments commence, and mortality applicable to the plan year of payment.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. The limit is indexed annually. For 2018, the limit is $275,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2018, the limit is $220,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2014 are included in this valuation:

- **Most recent plan amendments included:** The plan document as amended and restated effective January 1, 2014.
- **Plan amendments excluded:** None
- **Late retirement increases:**

Schedule SB, Part V — Summary of Plan Provisions

  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. Current active participants over age 70½ are valued excluding the late retirement actuarial increase. Benefits include compensation and service through expected retirement date. Due to the minimal number of participants past normal retirement age that have not yet commenced benefits, exclusion of late retirement adjustments prior to actual retirement is not material.

  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.

- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.

- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

PLAN PROVISIONS SPECIFIC TO FUNDING

Additional Benefits Included or Excluded

- **IRC Section 436 benefit restrictions:**

  - *Plan amendments:* See above.

  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.

  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.

- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

PLAN PROVISION CHANGES SINCE PRIOR VALUATION

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2017 to 2018.

Schedule SB, line 24 — Change in Actuarial Assumptions

ACTUARIAL ASSUMPTION CHANGES SINCE PRIOR VALUATION

Funding

- The expense component of normal cost decreased from $14,600,000 to $8,440,000 to reflect expectations for the current plan year. The expected change in the PBGC variable premium is the primary driver for the change in the expense assumption.

- Expected investment return was updated from 6.60% to 6.80% to reflect expectations in the current plan year.

- Form of payment elections were updated to reflect recent experience.