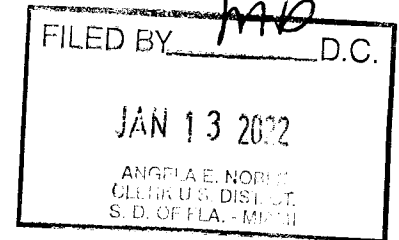


**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA**

**IN RE: TAKATA AIRBAG PRODUCTS
LIABILITY LITIGATION**

Case No. 1:15-md-02599-FAM

**THIS DOCUMENT RELATES TO:
ECONOMIC LOSS TRACK CASES AGAINST
BMW, HONDA, MAZDA, NISSAN, SUBARU,
AND TOYOTA DEFENDANTS**



**STATUS REPORT BY THE SETTLEMENT SPECIAL ADMINISTRATOR ON THE
IMPLEMENTATION AND WIND DOWN OF THE BMW, MAZDA, HONDA, NISSAN,
SUBARU, AND TOYOTA SETTLEMENT AGREEMENTS**

The Settlement Special Administrator of the BMW, Honda, Mazda, Nissan, Subaru, and Toyota Settlement Agreements (collectively, the “Original Settlement Agreements”) submits this Report to the Court to provide an update on the ongoing implementation of the Original Settlement Agreements, including future plans related to the wind down of the BMW, Honda, Mazda, Nissan, Subaru, and Toyota Settlement Programs (collectively, the “Original Settlement Programs”) and the eventual termination of the Qualified Settlement Funds.

As the Court is aware, the Original Settlement Agreements were preliminarily approved in the Summer/Early spring of 2017, with their Effective Dates in the Summer of 2018. Additionally, settlement agreements for defendants Ford and Volkswagen/Audi were preliminarily approved on September 5, 2018 and November 9, 2021, with their Effective Dates March 9, 2020 and July 8, 2022, respectively. The Ford and Volkswagen settlement agreements are noted as there are shared services and resources between the Original Settlement Agreements and the Ford and

Volkswagen/Audi settlement agreements that affect winding down the Original Settlement Agreements.

In addition to the Outreach Programs for which the Settlement Special Administrator has provided periodic status reports to the Court pursuant to the Original Settlement Agreements, the Settlement Special Administrator has been administering the Qualified Settlement Fund, will to continue to do so, for the following purposes: (a) the Out-of-Pocket Claims Process; (b) the Rental Car/Loaner Program; (c) notice and related costs; (d) claims administration, including expenses associated with the Settlement Special Administrator and his consultants, Taxes, fees, and related costs; (e) residual cash payments to Class Members; (f) Settlement Class Counsel's fees and expenses; and (g) incentive awards to individual Plaintiffs.

Considering that Year Four and the Final Registration/Claim Deadline of the Original Settlement Agreements have now passed, the Settlement Special Administrator provides this Status Report to the Court to inform as to the remaining tasks to be completed for purposes of winding down the Original Settlement Programs to conclusion over the next year.

TELEPHONE HOTLINE

Epiq¹ has continued to maintain a toll-free telephone number, 1-888-735-5596, with an Interactive Voice Response ("IVR") system to accommodate potential claimants who have questions about the Original Settlement Agreements and the Ford and Volkswagen/Audi settlement agreements. Call agents are available to take calls Monday through Friday, 8:00 am – 8:00 pm Central Time, excluding days when Epiq is closed for federal holidays, etc.

¹ Epiq was engaged by the Court-appointed Settlement Special Administrator to assist in implementing the Original Settlement Agreements. Notably, Epiq was also Court-appointed as the Notice Administrator for the Original Settlement Agreements.

WEBSITE

Epiq continues to maintain the case website, <https://www.autoairbagsettlement.com/>, which is dedicated to the Original Settlement Agreements and the Ford and Volkswagen/Audi settlement agreements in order to assist claimants and to periodically update the site pursuant to the directions of the Settlement Special Administrator. The main case website also provides individualized subpages for each of the specific settlement agreements (including the Original Settlement Agreements as well as the Ford and Volkswagen/Audi settlement agreements), to address particular questions that claimants may have relevant to a specific settlement agreement.

WRITTEN CORRESPONDENCE

Epiq established the dedicated email address, info@autoairbagsettlement.com, and continues to respond to inquiries sent by individuals and attorneys, in the direction of and/or in conjunction with the Settlement Special Administrator. Other written correspondence sent to the Original Settlement Agreements' dedicated PO Box or received via a courier service are also responded to by Epiq pursuant to the direction of and/or in conjunction with the Settlement Special Administrator.

OUT-OF-POCKET CLAIMS AND RESIDUAL DISTRIBUTION

All Out-of-Pocket Claims have been reviewed, and, where eligible, payments have been issued in accordance with the Original Settlement Agreements. Additionally, the Residual Distributions for Years One through Four of the Original Settlement Agreements have been completed. Any funds remaining in the Qualified Settlement Funds will be distributed in

accordance with Section III.E of the Original Settlement Agreements. The Settlement Special Administrator does not anticipate the necessity of any *cy pres* distribution at this time.

DISTRIBUTION TAX REPORTING

In order to facilitate accurate tax reporting for some claimants, an IRS Form W-9 Claimant that matched the name and Social Security Number or name and Employer Identification Number issued by the IRS was required to be on file with the Settlement Special Administrator prior to payment being issued. IRS Forms 1099-MISC were issued for Class Representatives and eligible claimants, where applicable, as per the IRS deadline of January 31 of the year following the distribution(s).

PROPOSED CASE CLOSURE ORDER

The Settlement Special Administrator respectfully requests that the Court issue an Order approving the following to allow the Settlement Special Administrator and/or Epiq, where applicable, to take the actions specified below to further the close down of the Original Settlement Agreements:

- a) Continue to file state and federal tax returns and make payments as necessary from the Qualified Settlement Funds, or associated accounts, of the Original Settlement Agreements as applicable;
- b) Continue to issue IRS Forms 1099-MISC to claimants with reportable distributions and file the same information with the IRS along with annual tax filings, as necessary through the end of the Original Settlement Programs;

- c) Retain the Court's jurisdiction over the Qualified Settlement Funds of the Original Settlement Agreements until such time as these accounts are closed and fully distributed pursuant to this Court's Case Closing Order;
- d) Maintain the existing toll-free number and IVR in its current state until February 29, 2024, at which time the toll-free number and IVR will be modified to remove all information related to the Original Settlement Programs. The toll-free number and live agents will remain operating to service the Ford and Volkswagen/Audi settlement programs;
- e) Maintain the website through February 29, 2024, in its current form, after which a single subpage for each of the Original Settlement Programs will be maintained, with all other subpages removed. Each single subpage will indicate that the case is closed and that the email and live call operators are no longer available to assist claimants with inquiries, but will include information on the escheated distributions and how to request copies of IRS Forms 1099s previously issued. The single subpages related to each of the Original Settlement Programs shall be decommissioned on or about February 28, 2025. The <https://www.autoairbagsettlement.com/> website will remain operating to service the Ford and Volkswagen/Audi settlement programs;
- f) Maintain the case PO Box servicing the Original Settlement Programs and physical mailing address through February 29, 2024, after which any mail relating to the Original Settlement Programs will be returned to sender;
- g) Maintain the existing info@autoairbagsettlement.com through February 29, 2024 to service the Original Settlement Programs. Any question received on or after February 29, 2024 related to the Original Settlement Programs will receive a response indicating

that the Original Settlement Programs are completed. The email address will remain functional after February 29, 2024 to service the Ford and Volkswagen/Audi settlement programs;

- h) Destroy all paper copies of documentation, correspondence, filings, data files, CD/DVD/drives provided by Claimants, or other physical media relating to the Original Settlement Programs as soon as practicable on or after February 29, 2024;
- i) Archive all electronic copies of claims, documentation, correspondence, filings, data files, or other media relating to the Original Settlement Programs as soon as practicable after February 29, 2024, with a final purge of the same occurring as soon as practicable after February 28, 2026;
- j) Terminate vendor contracts and other outstanding contracts relating to the Original Settlement Programs as and when determined to be appropriate by the Settlement Special Administrator in his sole discretion;
- k) Finalize and close of any Funds established by Section III.A or otherwise, including for example any associated operating accounts, of the Original Settlement Agreements as and when determined to be appropriate by the Settlement Special Administrator in his sole discretion;
- l) Accelerate escheatment of any unclaimed funds or uncashed checks associated with claims in the Original Settlement Agreements to the states as soon as practicable at the time of the closure of the Qualified Settlement Funds and associated accounts, in order to timely wind down the Original Settlement Programs; and
- m) Finalize and complete any other issues requiring resolution that may arise in the winddown of the Original Settlement Programs.

CONCLUSION

The Settlement Special Administrator offers this Report to ensure that the Court is informed of the status of the Original Settlement Programs to date. If the Court would find additional information helpful, the Settlement Special Administrator stands ready to provide it at the Court's convenience.

/s/ Patrick A. Juneau

PATRICK A. JUNEAU

Settlement Special Administrator