UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

UNITED STATES OF AMERICA, Plaintiff) Case No. 16-CR-20810-04
v.) Honorable George Caram Steeh
TAKATA CORPORATION, Defendant.)))

FIFTEENTH STATUS REPORT OF THE SPECIAL MASTER

1. Eric D. Green, the court-appointed Special Master for the custody, administration, and distribution of the Takata Airbag Restitution Funds, hereby respectfully submits his Fifteenth Status Report pursuant to paragraph 4 of this Court's Appointment Order (the "Status Report"). The Status Report provides an overview of the Special Master's work from November, 2019 through January 17, 2020 (the "Reporting Period") and anticipated future efforts. The Special Master is presently on schedule regarding the processing of Claims and distribution of the restitution funds available to eligible Claimants who have filed Claims with the Individual Restitution Fund (the "IRF").

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the *Fourteenth Status Report of the Special Master*, dated November 19, 2019 [Doc. 118].

I. <u>ACTIVITIES IN THE REPORTING PERIOD.</u>

A. <u>CURRENT CLAIMS PAYMENT PROCESS</u>.

- 2. On October 3, 2019, this Court entered an order granting the *Special Master's Supplemental Request for Approval of First Distribution of Individual Restitution Fund* (the "Supplemental Request Order") (Dkt. No. 116). As described in the Supplemental Request Order, the value of a point was set at \$71.01 and a total amount of \$10,890,945.72 of the IRF was allocated for distribution to Current Claimants. A list of the Current Claimants was provided to the Court in connection with the *Special Master's Supplemental Request for Approval of First Distribution of Individual Restitution Fund* (the "Supplemental Request") (Dkt. No. 113).
- 3. Pursuant to the Supplemental Request Order, the Court approved 102 Current Claims for payment. As of the date of this filing, the Special Master has received Releases and Fee Riders from 100 Current Claimants. Additionally, so that the Court is aware, the Special Master, as Trustee of the Takata Airbag Tort Compensation Trust Fund (the "TATCTF"), has also received Releases from 95 TATCTF claimants in respect of their TATCTF Claims.
- 4. The Special Master distributes payments to Current Claimants who have submitted Releases and Fee Riders, as applicable, on a weekly basis. As of the date of this filing, the Special Master has distributed funds to 100 Current

Claimants in the aggregate amount of \$10,777,329.72. The remaining two unpaid Current Claimants will receive payment shortly after the Special Master receives Releases and Fee Riders. For the Court's information, \$6,919,324.02 has been distributed out of the TATCTF during the Reporting Period.

- B. EVALUATING "FUTURE CLAIMS" FOR COMPENSATION FROM THE INDIVIDUAL RESTITUTION FUND AND THE TATCTF.
- 5. The Special Master has now received 171 "Future Claims," *i.e.*, claims filed after August 31, 2018 or arising out of an accident after April 10, 2018. The Future Claims population breaks down as follows:
 - 56 assert IRF, Trust, and POEM Claims;
 - 84 assert IRF and Trust Claims;
 - 17 assert solely an IRF Claim;
 - 3 assert solely a Trust Claim;
 - 1 asserts solely a POEM Claim;
 - 1 asserts IRF and POEM Claims;
 - 0 assert Trust and POEM Claims; and
 - 9 fail to assert any claim type.
- 6. Out of the one hundred and seventy-one (171) Future Claims received, the Special Master and his professionals have completed their review and evaluation of sixty-two (62) Future Claims (the "Evaluated Claims"). The Special

Master has already provided notice of his determinations to Claimants holding Evaluated Claims, and the applicable cure and internal appeals periods with respect to the Special Master's eligibility and valuation determinations have elapsed. Accordingly, the Special Master will file his second request for Court approval of the Special Master's determinations in respect of the Evaluated Claims shortly after the filing of this Status Report.

- 7. In addition to the Evaluated Claims, approximately sixty (60) Future Claimants have received a determination from the Special Master, but these Future Claims are still either in the appeal window or the subject of a pending appeal. The Special Master will continue to review and evaluate the remaining pending Future Claims and progress them towards final determinations and Court approval. The Special Master and his claims evaluation team are committed to completing their evaluation of Future Claims (as they become pending Claims) within thirty (30) days of receipt.
- 8. Finally, as part of the global claims handling process, the Special Master is also working with a lien resolution consultant to negotiate the handling of Medicare and Medicaid liens on individual awards for Future Claims, and to facilitate the resolution of other, non-governmental liens. This effort will be synchronized with the other steps in the claims resolution process to ensure that all

liens are handled properly and each Claimant knows the net amount of the

Claimant's award.

GOING FORWARD EFFORTS. II.

> 9. As stated above, the Special Master and his team will continue to

receive claims for compensation from the IRF and TATCTF (in his capacity as

Trustee of that Trust), and will continue the process of reviewing, evaluating and

distributing funds on account of claims. The Special Master and his team will also

continue to evaluate the claims data and recall completion rate data in connection

with any future point-value evaluations. Lastly, the Special Master and his team

intend to present additional Future Claims for court approval contemporaneously

with the filing of the next status report.

CONCLUSION

The Special Master will continue to perform his responsibilities and 10.

duties consistent with the Appointment Order and all other directives of this Court.

Dated: January 17, 2020

Respectfully submitted,

Eric D. Green, Special Master

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