

and the Takata Airbag Tort Compensation Trust Fund (“TATCTF”).² On May 29, 2018, the Special Master sought and obtained this Court’s approval of the following: the Notice Program (described below); the Personal Injury Claim Form; the Wrongful Death Claim Form; the lists of required supporting documentation; the Notice of Claim Form, which enables claimants to timely file but defer consideration of their claim; and the HIPAA release.³ The Special Master also sought and obtained this Court’s approval of a revision to the Individual Restitution Fund methodology to define “Current Claims” as claims filed within ninety days after the launch of the Notice Program (rather than claims filed within ninety days of the Effective Date of the Plan in the U.S. Bankruptcy Proceedings). *See id.*

3. The next day, on May 30, 2018, the Special Master launched the targeted Notice Program for the Individual Restitution Fund and the TATCTF, which was approved by this Court and is comprised of direct notification through

² As described in further detail in the Fifth Status Report, the Special Master also serves as the Trustee of the TATCTF, which was created in the U.S. Bankruptcy Proceedings of certain Takata debtors (including Takata’s U.S. affiliate, TK Holdings Inc.) to, among other things, administer, resolve, and liquidate certain personal injury or wrongful death claims related to the malfunction of PSAN Inflators (“PSAN PI/WD Claims”). All PSAN PI/WD Claims against TK Holdings Inc. and its affiliated debtors (“Trust Claims”) or against any Consenting OEM that elects to become a “Participating OEM” (“POEM Claims”) are channeled to the TATCTF. To date, Honda/Acura is the only Participating OEM.

³ *See Special Master’s Request for Approval of Individual Restitution Fund Claim Forms, Notice Program, and Extension of Current Claims Filing Deadline*, dated May 29, 2018 [Doc. 92]; *Order Granting Special Master’s Request for Approval of Individual Restitution Fund Claim Forms, Notice Program, and Extension of Current Claims Filing Deadline*, dated May 29, 2018 [Doc. 94].

mail and email, indirect notice through international publication and a press release, and various types of online media. *See id.* This targeted notice supplements the notice program in the U.S. Bankruptcy Proceedings, which was designed to reach approximately 83 million past and present registered owners of a vehicle containing a PSAN Inflator. The Notice Program is an international five-year program. The components that have been implemented in the Reporting Period are summarized below.

4. With respect to direct notification, Garden City Group (“GCG”), the Special Master’s Claims Administrator, mailed a claim package that consisted of the following six documents: the Direct Notice; Wrongful Death Claim Form; Supporting Documentation Checklist for Wrongful Death Claims; Personal Injury Claim Form; Supporting Documentation Checklist for Personal Injury Claims; and the Notice of Claim. The claim package was mailed to the 715 potential claimants and lawyers who: (i) were identified to the Special Master or GCG by members of the TATCTF’s Trust Advisory Committee or the TATCTF’s OEM Advisory Committee; or (ii) had emailed or called the Special Master or his advisors and stated that they had been injured by a Takata airbag.

5. Direct notice was also sent via email to 502 of the 715 potential claimants and lawyers who were sent the claim package by mail. Another 79 potential claimants and lawyers for whom GCG does not have a mailing address

were sent the direct notice via email. All notification emails contained the direct notice in the body of the email and directed the recipient of the email to visit the Special Master's claims submission website, www.TakataInjuryClaimSubmission.com, to view and download the Claim Forms and Notice of Claim. In all, 794 persons were sent direct notification by mail, email or both.

6. Of the 715 mailing packages that were sent, 19 were returned as undeliverable. Of the 581 email notices that were sent, 17 bounced back and were not delivered. The Special Master's team is in the process of trying to obtain updated address information for the notices that were not successfully delivered. As of June 17, 2018, of the 794 people who were sent the direct notice via mail and/or email, 770 persons received the notice. This represents more than a 96% success rate of delivery.

7. The direct notice was supplemented by an extensive indirect notice program utilizing several different types of media sources, including newspaper publication, ads on display networks and social media, and a widely distributed press release. More specifically, the publication notice was published on May 30, 2018 in *USA Today* and *The International New York Times*. "Display ads" and "banner ads" have been posted on websites, such as Yahoo and *The New York Times*, as well as on such social media sites as Facebook, Twitter, Instagram and

LinkedIn. The press release was issued on May 30, 2018 and distributed to the United States and its territories, Canada, Latin America, Pan Europe, Pan Asia, the Middle East, Israel and Africa in 18 different languages. The press release was also issued to certain international automotive industry contacts in the United States, including: (i) journalists at several newspapers, such as *The New York Times* and the *Chicago Tribune*, who cover the automotive industry; (ii) a number of automotive magazines, such as *Road & Track*, *Automotive Digest* and *Canadian Auto Service Professional*; and (iii) certain websites, radio stations and TV stations.

8. In conjunction with the launch of the Notice Program, the Special Master launched the claims processing program for the Individual Restitution Fund and TATCTF. As soon as the claims submission website went live on May 30, 2018, the Special Master and his team of professionals began receiving claims and inquiries. As of July 12, 2018, there have been 2,642 unique visits to the claims submission website.

9. As of July 23, 2018, the Special Master and his team have received claim forms from 70 individuals, including 65 personal injury claim forms and 8 wrongful death claim forms. Three individuals submitted both types of forms. These claim forms consist of: (i) 6 claims for compensation from the Individual Restitution Fund (“IRF Claims”) only; (ii) 35 IRF and Trust Claims; (iii) 6 IRF,

Trust, and POEM Claims; (iv) 2 IRF and POEM Claims; (v) 4 Trust Claims only; and (vi) 17 claims that do not specify the type of claim asserted.⁴ In addition, there have been 4 Notices of Claims received from individuals who have not submitted claim forms, and 219 portal registrations without the submission of claim forms. This early response provides a real-life opportunity to test all of the Special Master's systems and processes.

B. DISTRIBUTING THE \$850 MILLION OEM RESTITUTION FUND.

10. In the prior reporting period, the Special Master, in coordination with the Consenting OEMs, Takata, TKH, and the Purchaser, successfully disbursed \$848,737,326.28 of the \$850 million OEM Restitution Fund to the Consenting OEMs and placed the remaining funds at the OEM Restitution Trust Fund at Wilmington Trust, N.A. pending disbursement to the Non-Consenting OEMs. On April 30, 2018, the Court approved the procedures for the remaining distributions, which require the OEMs to execute a distribution and release agreement in order to receive a distribution. *See Order Granting Special Master's Request for Approval of Payment Procedures for Remaining OEMs*, dated Apr. 30, 2018 [Doc. 90]. On May 8, 2018, the Special Master delivered notices and distribution and release agreements to the seven remaining OEMs by email and overnight mail.

⁴ These counts reflect the type of claim asserted on the claim forms and may change as the claim review process progresses.

11. On July 9, 2018, upon request of the Special Master, the Court approved an amendment to the allocation schedule (which contains the names, percentage of allocation, and dollar amount of restitution that the OEMs are entitled to receive) to correct the name of one of the remaining OEMs. *See Order Granting Special Master's Request for Approval of Amendment to OEM Restitution Allocation Schedule*, dated July 9, 2018 [Doc. 96].

12. On July 17, 2018, the Special Master received Guangzhou Automobile Group Motor (HANGZHOU) Co., Ltd.'s executed distribution and release agreement. On July 19, 2018, the Special Master instructed Wilmington Trust, N.A. to disburse the \$41,430 allocated to Guangzhou Automobile Group Motor (HANGZHOU) Co., Ltd. by check. The Special Master has not received any other executed distribution and release agreements.

13. The Special Master has made several attempts to contact the six remaining OEMs who have not received a distribution from the OEM Restitution Fund. The Special Master mailed notices and distribution and release agreements to each of the six remaining OEMs. One OEM, Jiangxi Changhe Suzuki Automobile, Co., Ltd., refused to accept delivery of the package from UPS. In addition, the Special Master sent email notification to four of the six remaining OEMs—Jiangxi Changhe Suzuki Automobile, Co., Ltd.; Maruti Suzuki India Limited; South East Fujian Motor Co., Ltd.; and Zhejiang Geely Automobile Parts

& Components Stock Co., Ltd.—on two occasions. The Special Master attempted to provide email notification to Atiwe Autoteile Herstellungs-und Vertriebs GmbH; however, the email bounced back. The Special Master has confirmed the contact information for these OEMs with the Consenting OEMs and counsel for the Purchaser.

14. Accordingly, the Special Master is preparing a recommendation for the Court regarding how to disburse the funds remaining in the OEM Restitution Fund.

II. GOING FORWARD EFFORTS.

15. The Special Master and his team will continue to receive claims for compensation from the Individual Restitution Fund and TATCTF, and begin the process of reviewing claims. Based on experience with other trusts, it is anticipated that the number of claims to be filed will surge close to the August 31, 2018 cut-off for filing as a “Current Claim.”

16. Thereafter, as explained in the Third Status Report to this Court, the Special Master and his economist, NERA Economic Consulting, will re-estimate the reserve for “Future Claims” filed after August 31, 2018.⁵ This will permit the Special Master to calculate the amount of the Individual Restitution Fund available

⁵ See *Third Status Report of the Special Master*, dated January 29, 2018 [Doc. 59], ¶ 11.

for Current Claims and to determine the dollar value of a Current Claim based on the number of points it has been awarded and the dollar value of a point.

CONCLUSION

17. The Special Master will continue to perform his responsibilities and duties consistent with the Appointment Order and all other directives of this Court.

Dated: July 30, 2018

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'E. D. Green', written over a horizontal line.

Eric D. Green, Special Master

CERTIFICATE OF SERVICE

I hereby certify that on July 31, 2018, I electronically filed the foregoing paper with the Clerk of the Court using the ECF system, which will send notification of such filing to the following:

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Respectfully submitted,

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