

I. ACTIVITIES IN THE REPORTING PERIOD.

A. OUTREACH TO POTENTIAL CLAIMANTS UPDATE.

1. In the *Twenty-Fourth Status Report of the Special Master*, dated July 27, 2021 [Dkt. No. 151], the Special Master informed the Court that pursuant to the Revised IRF Methodology [Docket No. 77-1], Claimants who were involved in an incident prior to April 11, 2018 were required to file their claims with the IRF by April 11, 2021 and claims filed thereafter would be deemed untimely and barred unless the claimant could show good cause to consider the untimely claim. *See* Docket No. 77-1 at p. 25. The April 11, 2021 bar date also applies to claims submitted to the TATCTF. Therefore, any claims arising out incidents before April 11, 2018 would be presumptively time-barred unless they were filed with the IRF (and TATCTF) before April 11, 2021.

2. Leading up to the April 11, 2021 deadline, the Special Master conducted extensive outreach to potential claimants who may have held claims that could be time barred. For example, in addition to publishing notices of the deadline and conducting his advertising campaign as a matter of course, the Special Master contacted key members of the plaintiffs' bar to notify them of the deadline. In addition, the Special Master's team contacted all lawyers and individuals who had mailed notices of claim to the Special Master but had not yet completed a claim submission. As a result of the Special Master's outreach efforts, a relatively high

number of claims were filed in late-March and the first half of April 2021. The Special Master has completed initial review of these claims, nearly all of which were addressed in the Tenth, Eleventh, and Twelfth IRF Distribution Requests. The Special Master and his team continue to work with claimants to cure outstanding deficiencies so that all of these claims can be evaluated.

B. APPROVAL OF TWELFTH IRF DISTRIBUTION REQUEST.

3. On November 22, 2022, the Special Master filed the *Special Master’s Request for Approval of Twelfth Distribution of Individual Restitution Fund* (the “Twelfth IRF Distribution Request”) [Dkt. No. 156], seeking Court-approval for: (i) a twelfth distribution from the IRF to compensate nine (9) eligible Claims, and (ii) the denial of twenty-one (21) ineligible Claims.

4. Consistent with the procedures set forth in the Minutes of July 25, 2019 Conference with Special Master (the “July 2019 Minutes Order”) [Dkt. No. 110], the Special Master notified the affected Claimants: (i) of their point award and the monetary value of the award (if any); (ii) of the filing of the Twelfth IRF Distribution Request; and (iii) that such Claimants may object to the Twelfth IRF Distribution Request by submitting a written response to the Special Master on or before December 15, 2021 (the “Objection Deadline”).

5. As the Court is aware, there are two conditions that must be met for Claimants with compensable Claims to receive payment from the IRF. First, all

Claimants must execute and submit to the Special Master the Court-approved release agreement (a “Release”). Additionally, if any Claimant was represented by counsel, such counsel must execute and submit to the Special Master a fee rider (a “Fee Rider”) acknowledging and agreeing to abide by the restriction on attorney’s fees set forth in the IRF Methodology Order. [Dkt. No. 78, Page ID 2219].

6. On January 12, 2022, the Court entered an order granting the Special Master’s Request. *See Order Granting Special Master’s Request For Approval Of Twelfth Distribution Of Individual Restitution Fund* [Dkt. No. 158]. Accordingly, the Special Master will begin processing and making these payments, subject to the Modified Points Schedule and 2021 Point Value, on a rolling basis following receipt of the necessary documentation.

II. GOING FORWARD EFFORTS.

A. CLAIM EVALUATION AND PROCESSING EFFORTS.

7. During the prior Reporting Periods, the Special Master purchased and executed upon, through its Claims Agent, Epiq, a comprehensive media plan to conduct outreach to potential claimants via various media platforms. The Special Master, in consultation with his advisors, recently approved a media plan that went into effect in August 2021. Unlike previous years, the 2021 media plan allocates additional resources to publication impressions in hot and humid regions—where ruptures and aggressive deployments are most likely to occur. The 2021 Re-

Estimation Report revealed that ruptures and aggressive deployments are occurring in these regions at a greater proportion than that projected in previous estimation reports. As a result, the Special Master determined to increase the allocation of budgeted media resources to these regions.

8. Relatedly, the Special Master continues to monitor closely the pandemic's effect on claim filing activity and rupture incidents, both of which have materially decreased during the pandemic. Though it remains too early to make any definitive conclusions regarding the pandemic's effect on claim filing activity, the Special Master has observed a slight increase in claim filings as COVID-19 restrictions are lifted throughout the country. The Special Master will continue to monitor closely claim filing trends and inform the Court accordingly.

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. The Special Master and his claims evaluation team remain committed to completing its initial evaluation of Claims within thirty (30) days of the Special Master's receipt thereof.

B. DISTRIBUTION OF REMAINING RESTITUTION FUNDS.

10. The Restitution Order sets forth the following timeline for the Special Master to distribute the IRF Restitution Funds:

Upon the later of (a) five years after entry of the plea in this case (the time currently estimated by the defendant for the recall of its defective products to be completed), or (b) the date upon which such recall is complete, any funds remaining of the \$125,000,000 in restitution monies provided for in this paragraph shall be paid to the United States. However, upon reaching either date, the Special Master may request a reasonable extension in light of unresolved or anticipated claims, as circumstances warrant.

Restitution Order [Doc. 24], at ¶ 4. Upon the later of these two events occurring, the Special Master is required to return undistributed funds to the United States. Five years “after entry of the plea in this case” is February 27, 2022, as the Plea Agreement is dated February 27, 2017. *See* Rule 11 Plea Agreement [Doc. 23].

11. Following multiple communications with executives from Reorganized Takata and numerous other OEM representatives, it is the Special Master’s understanding that the Takata PSAN inflator recall is not anticipated to be completed for at least another two years. Thus, the Special Master does not believe that an obligation to pay the undistributed portion of the IRF Restitution Fund to the United States will be triggered on February 27, 2022.

12. However, the same provision of the Restitution Order also authorizes the Special Master to request an extension “upon reaching either date” in order to resolve “unresolved or anticipated claims.” *See* Restitution Order [Doc. 24], at ¶ 4.

The Special Master anticipates requesting an extension pursuant to this provision of the Restitution Order in February 2022, and will provide additional detail regarding the basis for the request at that time.

CONCLUSION

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

Dated: January 26, 2022

Respectfully submitted,

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

Eric D. Green, Special Master