UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

UNITED STATES OF AMERICA, Plaintiff

Case No. 16-CR-20810-04

v.

TAKATA CORPORATION, Defendant.

Honorable George Caram Steeh

FORTIETH 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 Fortieth Status Report pursuant to paragraph 4 of this Court's Appointment Order (the "<u>Status Report</u>").¹ The Status Report provides an overview of the Special Master's work from February 13, 2024 through April 19, 2024 (the "<u>Reporting Period</u>") 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 "<u>IRF</u>").

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the *Thirty-Ninth Status Report of the Special Master*, dated February 20, 2024 [Docket No. 200].

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

A. APPROVAL OF TWENTY-FIFTH IRF DISTRIBUTION REQUEST.

1. On February 20, 2024, the Special Master filed the *Special Master's Request for Approval of Twenty-Fifth Distribution of Individual Restitution Fund* [Docket No. 199] (the "<u>Twenty-Fifth IRF Distribution Request</u>"), seeking Courtapproval for: (i) a twenty-fifth distribution from the IRF to compensate one (1) eligible Claims; and denial of three (3) ineligible Claim.

2. Consistent with the procedures set forth in the Minutes of July 25, 2019 Conference with Special Master (the "July 2019 Minutes Order") [Docket 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 Twenty-Fifth IRF Distribution Request; and (iii) that such Claimants may object to the Twenty-Fifth IRF Distribution Request by submitting a written response to the Special Master on or before March 14, 2024 (the "Objection Deadline").

3. 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 "<u>Release</u>"). Additionally, if any Claimant was represented by counsel, such counsel must execute and submit to the Special Master a fee rider (a "<u>Fee</u> <u>Rider</u>") acknowledging and agreeing to abide by the restriction on attorney's fees set forth in the IRF Methodology Order. [Docket No. 78, Page ID 2219].

4. On April 16, 2024, the Court entered an order granting the Special Master's Request. *See Order Granting Special Master's Request For Approval Of Twenty-Fifth Distribution Of Individual Restitution Fund* [Docket No. 201]. Accordingly, the Special Master will begin processing and making these payments, subject to the Modified Points Schedule and 2024 Point Value, on a rolling basis following receipt of the necessary documentation.

II. <u>GOING FORWARD EFFORTS</u>.

A. CLAIM EVALUATION AND PROCESSING EFFORTS.

5. The Special Master and his team 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 pointvalue 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. THE 2024 MODIFIED POINT VALUE AND <u>SUPPLEMENTAL PAYMENTS</u>

6. As discussed in greater detail in the *Thirty-Ninth Status Report of the Special Master*, on January 12, 2024 the Special Master filed a motion (the "<u>Second</u> <u>Point Value Modification Motion</u>") [Docket No. 196] to set the value of an IRF point at \$224 (the "2024 Point Value"). On January 25, 2024, the Court entered an order granting the Second Point Value Modification Motion and approving the 2023 Point Value (the "<u>2024 Point Value Order</u>"). [Docket No. 198].

7. Entry of the 2024 Point Value Order authorized the Special Master to issue supplemental payments totaling \$8,179,996.00 to claimants who previously received an IRF award. The supplemental payment notices detail, among other things, the exact amount of each eligible claimant's supplemental payment. At the time of this filing, nearly all supplemental payments have been issued.

CONCLUSION

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

Dated: May 2, 2024

Respectfully submitted,

Eric D. Green, Special Master