

**Toyota Airbag Control Unit Settlement**  
**In Re: ZF-TRW Airbag Control Units Products Liability Litigation**  
**U.S. District Court For The Central District of California**  
**Case No. 2:19-ml-02905**

**Claims Review Protocol – Out-of-Pocket Claims Process<sup>1</sup>**

Pursuant to Section II.A.6 of the Settlement Agreement, granted final approval on November 28, 2023, and its associated provisions, including any applicable Orders of the Court, this Settlement Special Administrator’s Claims Review Protocol will be utilized for receiving, categorizing, assessing, and determining Out-of-Pocket Claims.

Claimants may opt to either a) seek reimbursement for Out-of-Pocket expenses under Section III.B of the Settlement Agreement, and/or b) register solely for the Residual Distribution under Section III.C of the Settlement Agreement. While this Claims Review Protocol has been drafted for the Out-of-Pocket Claims Process, many of its provisions are also applicable to the receipt, categorization, assessment, and determination of Residual Distribution claims.<sup>2</sup>

All information provided by each claimant in a Registration/Claim Form, along with any supporting documentation submitted by the claimant, shall be data entered (where necessary), stored and maintained by the Settlement Notice Administrator. Claim data and documentation will be segregated and organized by claimant and claimed vehicle. Each claimant will be linked to an original existing record, where available, in the Settlement Notice Administrator’s vehicle ownership/lease database, or linked to a new record if no match to the vehicle ownership/lease database is found based on available data.

**Eligibility Requirements**

1. **Registration/Claim Form Timeliness**

Under Section II.A.4., the deadline to submit a Registration/Claim Form is December 11, 2028, which is three years from the Effective Date of the Settlement Agreement.

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<sup>1</sup> Capitalized terms used but not defined herein shall have the respective meanings given to them in the Settlement Agreement.

<sup>2</sup> As explained where appropriate within this Claims Review Protocol, Class Members who file Out-of-Pocket Claims may also be eligible for a Residual Distribution payment (if any are eventually issued).

## 2. Registration/Claim Form Completeness

Each Registration/Claim Form will be assessed for completeness (meaning that all required information has been filled out by the claimant and the Registration/Claim Form has been executed by the claimant under penalty of perjury). Based on this review, the Registration/Claim Forms will be categorized as either Complete or Incomplete.

Where a Registration/Claim Form is Complete, the claim will proceed to the next steps in the Out-of-Pocket Claims Process.<sup>3</sup>

## 3. Subject Vehicle Verification

The Settlement Notice Administrator maintains a database by Vehicle Identification Number (“VIN”) of all Subject Vehicles, as detailed in Exhibit 2 of the Settlement Agreement. The VIN of the claimed vehicle provided by a claimant on a Registration/Claim Form will be compared to this Subject Vehicle database to confirm whether the claimed vehicle is a Subject Vehicle, and thus potentially eligible under the Settlement Agreement.

If the VIN of the claimed vehicle is confirmed to be a Subject Vehicle, then the claim will proceed to the next steps in the Out-of-Pocket Claims Process.<sup>4</sup>

## 4. Vehicle Ownership/Lease Verification

Based on data available to the Settlement Notice Administrator, and based on documentation provided by the claimant in/with the Registration/Claim Form, the Settlement Special Administrator may be able to confirm a claimant’s ownership/lease of a claimed Subject Vehicle during the Class period. To the extent this is possible, the Settlement Special Administrator will verify the same, and the claim will proceed to the next steps in the Out-of-Pocket Claims Process.

To the extent the Settlement Special Administrator is NOT able to verify a claimant’s ownership/lease of a claimed Subject Vehicle based on available data, the Settlement Special Administrator will assess any supporting documentation submitted by the claimant to determine whether it substantiates that the claimant owned/leased the claimed Subject Vehicle during the Class period. Sufficient documentation may include, but not be limited to, a bill of sale, vehicle title, vehicle registration, etc., which must include the claimant’s name and the VIN of the claimed Subject Vehicle. The documentation must also be dated

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<sup>3</sup> Claimants who fail to fill out and execute the Registration/Claim Form in its entirety have failed to fully or adequately assert any claim whatsoever under the Settlement Agreement. In view of this, such claimants will not be eligible for Out-of-Pocket expense reimbursement or for a Residual Distribution payment.

<sup>4</sup> Claimants who submit claims for non-Subject Vehicles do not meet the definition of a Class Member. In view of this, such claimants will not be eligible for Out-of-Pocket expense reimbursement or for a Residual Distribution payment.

so that the Settlement Special Administrator can confirm the period of ownership/lease. If the Settlement Special Administrator finds that the supporting documentation is sufficient to substantiate the claimant's ownership/lease of the claimed Subject Vehicle during the Class period, the claim will proceed to the next steps in the Out-of-Pocket Claims Process.<sup>5</sup>

#### 5. Recall Verification

Pursuant to the Settlement Agreement, the Out-of-Pocket Claims Process shall be used to pay for Class Members' reasonable Out-of-Pocket expenses **related to the Recall**. In view of this, Out-of-Pocket Claims associated with Subject Vehicles that have not yet been subject to the Recall are ineligible for Out-of-Pocket expense reimbursement, unless and until those Unrecalled Vehicles are subject to a Recall before the end of the Claims Period.

The Settlement Notice Administrator's Subject Vehicle database by Year, Make, and Model also confirms whether the vehicles have been subject to the Recall, per Exhibit 2 of the Settlement Agreement. The VIN of the claimed vehicle provided by a claimant on the Registration/Claim Form for an Out-of-Pocket Claim will be compared to this Subject Vehicle database to confirm whether the claimed vehicle has been subject to the Recall, and thus potentially eligible for Out-of-Pocket expense reimbursement under the Settlement Agreement.

If the claimed vehicle is confirmed to have been subject to the Recall, then the claim will proceed to the next steps in the Out-of-Pocket Claims Process.<sup>6</sup>

#### 6. Recall Remedy Verification

Pursuant to the Settlement Agreement, claimants may submit one claim for Out-of-Pocket expense reimbursement for each Recall Remedy performed on each Recalled Vehicle that the claimant owned/leased. Implicit in this provision is that the claimant must have had the Recall Remedy performed on the claimed Subject Vehicle in order to be eligible for Out-of-Pocket expense reimbursement. This is further confirmed in the Settlement

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<sup>5</sup> Where a claimant's ownership/lease of a Subject Vehicle during the Class Period cannot be confirmed, the claimant does not meet the definition of a Class Member. In view of this, such claimants will not be eligible for Out-of-Pocket expense reimbursement or for a Residual Distribution payment.

<sup>6</sup> Even if these claims are ineligible for Out-of-Pocket expense reimbursement, these claimants will be eligible for a Residual Distribution payment (if any are eventually issued) under Section III.C so long as the Settlement Special Administrator is able to confirm that the claimant is a Class Member, *i.e.*, that 1) the claimant owned/leased the claimed vehicle during the Class period and 2) the claimed vehicle is a Subject Vehicle. Such Class Members will be eligible for a Residual Distribution payment without the need to re-file a separate Registration/Claim Form, even if the Out-of-Pocket Claim is determined to be ineligible and closed. **If, however, the claimed vehicle is later subject to the Recall, and the claimant at that time incurs reasonable Out-of-Pocket expenses for which reimbursement is sought, the claimant will need to re-file a new Registration/Claim Form at that time.**

Agreement's provisions setting forth the reasonable categories of Out-of-Pocket expenses for which reimbursement may be sought.<sup>7</sup>

The Settlement Special Administrator will seek to verify that the Recall Remedy has been performed for the claimed Subject Vehicle for each Out-of-Pocket Claim by assessing any repair orders or invoices submitted by the claimant in support, or by way of any confirmatory data that may be available to the Settlement Special Administrator.

If the Settlement Special Administrator confirms that the Recall Remedy has been completed by the claimant on the claimed Subject Vehicle, then the claim will proceed to the next steps in the Out-of-Pocket Claims Process.<sup>8</sup>

#### 7. Enumerated Expense Categories and Reasonable and Practicable Documentation

Pursuant to the Settlement Agreement, the Parties have agreed that the types of Out-of-Pocket expenses listed within Footnote 7 of this Claims Review Protocol, documented to the extent reasonable and practicable, may be reimbursed. In contrast, no other expense types shall be deemed reasonable expenses, no matter the extent to which they are documented.<sup>9</sup> With respect to Out-of-Pocket expense types and amounts sought by each claimant, the Settlement Special Administrator will have sole and complete discretion in determining what documentation shall be required as "reasonable and practicable" on a claim-by-claim basis, taking into account the unique characteristics of each claim.

If the Settlement Special Administrator determines, after assessing the Registration/Claim Form as well as any supporting documentation, that an Out-of-Pocket Claim has met all of the eligibility requirements of the Settlement Agreement, and that the reimbursement type(s) and amount(s) sought are reasonable and sufficiently supported by way of

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<sup>7</sup> See Section III.B.3: "... (a) reasonable unreimbursed rental car expenses (including the rental car reimbursement set forth in Section III.H.1) and transportation expenses, **after requesting and while awaiting the Recall Remedy from a Toyota Dealer**; (b) reasonable towing charges to a Toyota Dealer **for completion of the Recall Remedy**; (c) reasonable childcare expenses incurred **during the time in which the Recall Remedy is being performed** on the Subject Vehicle by the Toyota Dealer; (d) reasonable unreimbursed out-of-pocket costs **associated with repairing ZF-TRW ACUs**; and (e) reasonable lost wages resulting from lost time from work directly associated with the drop off and/or pickup of a Class Member's Recalled Vehicle to/from a Toyota Dealer **for performance of the Recall Remedy**." (emphasis added).

<sup>8</sup> Even if these claims are ineligible for Out-of-Pocket expense reimbursement, these claimants will be eligible for a Residual Distribution payment (if any are eventually issued) under Section III.C so long as the Settlement Special Administrator is able to confirm that the claimant is a Class Member, *i.e.*, that 1) the claimant owned/leased the claimed vehicle during the Class period and 2) the claimed vehicle is a Subject Vehicle. Such Class Members will be eligible for a Residual Distribution payment without the need to re-file a separate Registration/Claim Form, even if the Out-of-Pocket Claim is closed. **If, however, the Recall Remedy is subsequently completed by the claimant on the claimed Subject Vehicle, and the claimant at that time incurs reasonable Out-of-Pocket expenses for which reimbursement is sought, the claimant will need to re-file a new Registration/Claim Form at that time.**

<sup>9</sup> By way of example, Out-of-Pocket Claims for the purchase or lease of a new vehicle, allegedly due to the Recall or Recall Remedy, will not be eligible under any circumstances. Similarly, the Settlement Special Administrator may not use any funds from the Out-of-Pocket Claims Process for payments to Class Members due to vehicle damage, property damage, or personal injury allegedly from the deployment or non-deployment of an airbag in connection with a ZF-TRWACU.

documentation, then the Settlement Special Administrator will determine the claim to be payable and instruct the Settlement Notice Administrator to place the claim in line for payment in full.<sup>10</sup>

If the Settlement Special Administrator determines, after assessing the Registration/Claim Form as well as any supporting documentation, that an Out-of-Pocket Claim has met all of the eligibility requirements of the Settlement Agreement, but that **only some** of the reimbursement type(s) and amount(s) sought are reasonable and sufficiently supported by way of documentation, then the Settlement Special Administrator, through the Settlement Notice Administrator, will issue a partial approval notice notifying the claimant of the portions of the claim that were approved and providing a 45-day deadline for the claimant to remedy the deficient portions of the claim by submitting supporting documentation. If the claimant fails to sufficiently respond on or before the provided deadline, then the partial approval of the Out-of-Pocket Claim will be final, and the Settlement Special Administrator will instruct the Settlement Notice Administrator to place the claim in line for payment for the partially approved amount.<sup>11</sup>

If the Settlement Special Administrator determines, after assessing the Registration/Claim Form as well as any supporting documentation, that an Out-of-Pocket Claim has otherwise met all of the eligibility requirements of the Settlement Agreement, but that **none** of the reimbursement type(s) and amount(s) sought are reasonable or sufficiently supported by way of documentation, then the Settlement Special Administrator, through the Settlement Notice Administrator, will issue a deficiency notice notifying the claimant of the same and providing a 45-day deadline for the claimant to remedy the deficient portions of the claim by submitting supporting documentation. If the Claimant fails to sufficiently respond on or before the provided deadline, then the Out-of-Pocket Claim will be closed.<sup>12</sup>

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<sup>10</sup> Class Members with fully approved Out-of-Pocket Claims will be eligible for a Residual Distribution payment (if any are eventually issued) under Section III.C, even though such claimants are also eligible for Out-of-Pocket expense reimbursement. For the sake of clarity, a Residual Distribution payment to a Class Member whose Out-of-Pocket Claim was approved shall be paid in addition to – and not instead of – the approved Out-of-Pocket Claim payment, in an amount up to \$250.00 per Class Member unless the Parties agree to a higher cap and jointly recommend the higher amount to the Settlement Special Administrator for approval.

<sup>11</sup> Class Members with partially approved Out-of-Pocket Claims will be eligible for a Residual Distribution payment (if any are eventually issued) under Section III.C, even though such claimants are also eligible for partial Out-of-Pocket expense reimbursement. For the sake of clarity, a Residual Distribution payment to a Class Member whose Out-of-Pocket Claim was partially approved shall be paid in addition to – and not instead of – the partially approved Out-of-Pocket Claim payment, in an amount up to \$250.00 per Class Member unless the Parties agree to a higher cap and jointly recommend the higher amount to the Settlement Special Administrator for approval.

<sup>12</sup> Even though these claims are ineligible for Out-of-Pocket expense reimbursement, these claimants will be eligible for a Residual Distribution payment (if any are eventually issued) under Section III.C so long as the Settlement Special Administrator is able to confirm that the claimant is a Class Member, *i.e.*, that 1) the claimant owned/leased the claimed vehicle during the Class period and 2) the claimed vehicle is a Subject Vehicle. Such Class Members will be eligible for a Residual Distribution payment without the need to re-file a separate Registration/Claim Form, even if the Out-of-Pocket Claim is closed.

### **Denial Noticing Procedures**

If a claim does not meet each of the requirements set forth above in the “Eligibility Requirements” section of this Protocol, then the Settlement Special Administrator, through the Settlement Notice Administrator, will issue a deficiency notice to the claimant explaining the denial, including the reason(s) for denial, and providing a 45-day deadline for the claimant to remedy the deficiency or deficiencies through submission of additional supporting documentation. If the claimant fails to sufficiently respond on or before the provided deadline to ALL of the enumerated reasons for denial, then the claim will be closed.

### **Fraud**

Fraud screening will occur for all claims, and the Settlement Special Administrator shall exercise, in its discretion, all usual, customary, and reasonable steps to prevent fraud and abuse in the Out-of-Pocket Claims Process and Residual Distribution. The Settlement Special Administrator may, in its discretion, deny in whole or in part any claim to prevent actual or possible fraud and abuse and may report any such fraud or abuse to Settlement Class Counsel, Toyota’s Counsel, Toyota, the Court and/or to law enforcement authorities. As per the Settlement Agreement, any Class Member who submits a claim that the Settlement Special Administrator determines in its discretion is fraudulent shall not receive any payment whatsoever.

### **Final and Not Appealable**<sup>13</sup>

The Settlement Special Administrator’s determinations regarding Out-of-Pocket Claims and Residual Distribution claims shall be final and binding and not appealable or otherwise susceptible to challenge, with the Court or otherwise.

### **Amendment of Claims Review Protocol**

This Claims Review Protocol may be amended by the Settlement Special Administrator upon joint input and written agreement of the Parties.

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<sup>13</sup> Neither Toyota, Toyota’s Counsel, Settlement Class Counsel, the Settlement Special Administrator, nor the Settlement Notice Administrator are responsible for any misdelivered, lost, illegible, damaged, destroyed, or otherwise not received mail or e-mail.