UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No.	2:19-ml-2905-JAK (JPRx)	Date	11/20/2025
Title	In Re: ZF-TRW Airbag Control Units Products Liability Litigation		

Present: The Honorable	JOHN A. KRONSTADT, UNITED STATES DISTRICT JUDGE

M. Lindaya	Not Reported
Deputy Clerk	Court Reporter / Recorder
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:
Not Present	Not Present

Proceedings: **(IN CHAMBERS) ORDER RE JOINT MOTION FOR FINAL APPROVAL OF SETTLEMENT AGREEMENT WITH OBJECTORS TO THE TOYOTA SETTLEMENT (DKT. 1073)**

I. Introduction

On November 28, 2023, an Order issued granting the Toyota Plaintiffs' Motion for Final Approval of Class Action Settlement and Award of Attorneys' Fees, Expenses and Service Awards. Dkt. 843 ("Toyota Final Approval Order"). There, a class settlement ("Toyota Settlement") was approved with respect to a class ("Toyota Settlement Class") represented by 11 named plaintiffs ("Toyota Plaintiffs")[1] and four of the defendants ("Toyota Defendants").[2] Dkt. 843 at 2. A Final Judgment also issued on November 28, 2023. Dkt. 844.

On December 28, 2023, Diane Haase and John Kress, who were Toyota Settlement Class Members who had objected to the settlement (collectively, "Objectors") filed an appeal as to the Toyota Final Approval Order and Final Judgment ("Appeal"). Dkt. 851.

While the Appeal was pending, and with the assistance of the Ninth Circuit mediator, Toyota Plaintiffs, Objectors and Toyota Defendants (collectively, "Parties") resolved their dispute ("Agreement"). Dkt. 1044-1 ¶ 4. Thereafter, on June 17, 2025, the Parties filed a joint motion with this Court for the issuance of an indicative ruling under Fed. R. Civ. P. 23 and 62.1. Dkt. 1044 ("Indicative Ruling Motion"). Through the Indicative Ruling Motion, the Parties sought an Order indicating that this Court would approve of the Agreement if the Ninth Circuit were to remand this case for a decision on that issue. *Id.* at 3. On August 29, 2025, an Order issued granting the Indicative Ruling Motion. Dkt. 1060 ("Indicative Ruling Order"). The Indicative Ruling Order concluded that "Approval of the Agreement would be in the best interests of the class," and that "if the matter were remanded [from the Ninth Circuit] for the Court to consider the Agreement, the Agreement would be approved." Dkt. 1060 at 3–4.

[1] The 11 Plaintiffs are: Mark Altier, Alejandra Renteria, Samuel Choc, Tatiana Gales, Gary Samouris, Michael Hines, Brent DeRouen, Danny Hunt, Even Green, Joy Davis, and Dee Roberts. Dkt. 747-1 § II.A.29.
[2] The 4 Defendants are: Toyota Motor Sales U.S.A., Inc., Toyota Motor Engineering & Manufacturing North America, Inc., Toyota Motor North America, Inc., and Toyota Motor Corporation.

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On September 12, 2025, the Ninth Circuit granted Objectors' unopposed motion for a limited remand for the purpose of presenting the Agreement to his Court. Dkt. 1067. The Parties' Joint Motion for Approval of Settlement Agreement with Objectors to the Toyota Settlement Pursuant to Fed. R. Civ. P. 23(e)(5)(B) ("Motion") followed on September 26, 2025. Dkt. 1073.

A hearing on the Motion was held on November 3, 2025, and it was taken under submission. Dkt. 1087. For the reasons stated in this Order, the Motion is **GRANTED**.

II. Legal Standards

"Good-faith objections [to a class action settlement] can assist the court in evaluating a proposal under Rule 23(e)(2). It is legitimate for an objector to seek payment for providing such assistance under Rule 23(h)." Fed. R. Civ. P. 23(e)(5)(B) advisory committee's note to 2018 amendment.

Court approval is required before any payment is made to an objector to withdraw an objection or appeal. Fed. R. Civ. P. 23(e)(5)(B) ("[N]o payment or other consideration may be provided in connection with . . . (i) forgoing or withdrawing an objection, or (ii) forgoing, dismissing, or abandoning an appeal from a judgment approving [a class action settlement]."). Only "[u]nder certain circumstances" are "attorneys for objectors . . . entitled to attorneys' fees . . . ." *Rodriguez v. Disner*, 688 F.3d 645, 658 (9th Cir. 2012). To justify receiving an award of attorney's fees as part of a resolution, objectors must show that they increased the fund or "substantially enhanced the benefits to the class" under the settlement. *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1052 (9th Cir. 2002); *Rodriguez*, 688 F.3d at 658. Objectors who "do not add any new legal argument or expertise, and do not participate constructively in the litigation or confer a benefit on the class" are not entitled to an award of attorney's fees. *Rodriguez*, 688 F.3d at 659.

III. Analysis

As noted, the Agreement will resolve Objectors' pending appeal of the Toyota Final Approval Order. Dkt. 1073-2 § 3. As consideration for Objectors' agreement to dismiss the Appeal with prejudice, Plaintiffs' Co-Lead Counsel and Toyota Defendants will collectively pay Objectors' counsel $150,000, which is a "portion of the lodestar amount" incurred by Objectors' counsel. *Id.* § 2; Dkt. 1073-1 ¶ 5. The Agreement provides that any payment to Objectors' counsel will be made equally by Plaintiffs' Co-Lead Counsel (from their award of attorney's fees under the Final Approval Order) and the Toyota Defendants. Dkt. 1073-2 § 2. No portion of the Settlement Fund allocated for payments to Toyota Settlement Class members will be used to pay the $150,000. *Id.*; Dkt. 1073-1 ¶ 7. Upon receipt of payment, Objectors' counsel agrees that the Appeal will be dismissed with prejudice. Dkt. 1073-2 § 3.

The Parties argue that the Agreement is reasonable and should be approved because it advances the "best interests of the Toyota Settlement Class." Dkt. 1073 at 4. As to the benefits to the Toyota Settlement Class, the Parties advance several arguments. *First*, the Agreement provides "additional benefits" to the Toyota Settlement Class because Objectors "meaningfully assisted the Court in its independent examination of the Toyota Settlement," thereby "serving an important purpose under Rule 23." *Id. Second*, as a result of the Appeal, the claims period for the Toyota Settlement Class was

extended for nearly two years,[3] which "ensures that all Toyota Settlement Class Members have ample additional time to file Claims for Settlement benefits." *Id.* at 4–5; Dkt. 1086. According to data submitted by Plaintiffs' Co-Lead Counsel, the Claims Administrator received 535,690 unaudited claims during the pendency of the Appeal. Dkt. 1086 at 2. *Third*, resolving the Appeal through the Agreement expedites providing benefits to the Class provided in the Toyota Settlement "that would otherwise not be available until the appeal is fully resolved, which could take many months." Dkt. 1073 at 6.

As to the lack of adverse effect on the Toyota Settlement Class, the Parties also advance several arguments. *First*, payment to Objectors' counsel for a "portion of" Objectors' counsel's lodestar under the Agreement will be made directly by Plaintiffs' Co-Lead Counsel and the Toyota Defendants; no portion of the Settlement Fund will be used. *Id.* at 5. *Second*, further notice to the Class regarding the terms of the Agreement is not required because the Agreement does not affect the benefits the Class will receive under the Toyota Settlement, the Agreement will not be subject to modification and the Agreement will not require the reopening of time for Class Members to object, opt out or file a claim under the Toyota Settlement. *Id.* at 5–6.

The Parties' arguments are persuasive. Although Objectors' arguments against the fairness and adequacy of the Toyota Settlement were ultimately rejected, Dkt. 843 at 15–16, these objections "meaningfully assisted" the analysis of the pertinent issues. *In re Nat'l Collegiate Athletic Ass'n Student-Athlete Concussion Inj. Litig.*, 332 F.R.D. 202, 229 (N.D. Ill. 2019); *see also In re Domestic Air Transp. Antitrust Litig.*, 148 F.R.D. 297, 358 (N.D. Ga. 1993) ("If objectors' appearance sharpens the issues and debate on the fairness of the settlement, their performance of the role of devil's advocate warrants a fee award.").

Further, the Agreement will resolve Objectors' appeal without altering the benefits due to Toyota Settlement Class Members under the Toyota Settlement. *See Hashemi v. Bosley, Inc.*, No. 21-cv-946, 2022 WL 18278431, at *8 (C.D. Cal. Nov. 21, 2022) (approving award of attorney's fees to objectors from fees allocated to class counsel). Because the Agreement provides for payment from Plaintiffs' Co-Lead Counsel and the Toyota Defendants, the Agreement does not reduce the benefits available to Toyota Settlement Class Members.[4] Further, the Agreement has benefited the Class by extending the claims period, which has facilitated the filing of many additional ones. *See In re Anthem, Inc. Data Breach Litig.*, 327 F.R.D. 299, 330 (N.D. Cal. 2018) ("[W]hen the modification makes the settlement more valuable to the class, courts have routinely concluded that notice is unnecessary."). Finally, approval of the Agreement will expedite the provision of benefits to Toyota Settlement Class Members.

[3] Because the "Effective Date" of the Toyota Settlement, *i.e.*, the date that triggers payments to members of the Toyota Settlement Class, does not occur until all appeals have been resolved, Dkt. 738-1 § II(13), the claims period has been extended during the pendency of the Appeal. If the Toyota Final Approval Order had not been appealed, the Effective Date would have been December 29, 2023. Dkt. 1073 at 5 n.1.

[4] At the hearing, an issue was raised as to whether, even where objectors are paid by class counsel rather than from the funds available for distribution to the Class, the payments could have *ex ante* effects on the ultimate amount of the fees sought by class counsel in this action. That could reduce the total remaining amount of funds available for distribution to the Class. Thus, class counsel may seek a higher fee award to make up for the possible losses due to the payment to Objectors. However, as Plaintiffs' counsel argued, this is not a concern because the Court has an independent obligation to scrutinize any requested award of attorney's fees by class counsel and to order payment of less than the amount requested if appropriate.

These determinations are made notwithstanding the claim made at the hearing on the Motion for Final Approval, which was also recognized in the Toyota Final Approval Order, that counsel for Objectors are "serial objectors who are specifically 'well-known and recognized by Courts for routinely filing meritless objections to class action settlements.' " Dkt. 843 at 15 (quoting *Roberts v. Electrolux Home Prods., Inc.*, No. 12-cv-1644, 2014 WL 4568632, at *15 (C.D. Cal. Sept. 11, 2014)).

At the hearing on the Motion, the Court raised concerns that approving the Agreement could "serve only to encourage objectors or their attorneys to extract this type of payment, and 'make a living [as serial objectors] simply by filing frivolous appeals and thereby slowing down the execution of settlements.' " *In re Foreign Exch. Benchmark Rates Antitrust Litig.*, 334 F.R.D. 62, 64 (S.D.N.Y. 2019) (quoting *In re Polyurethane Foam Antitrust Litig.*, 178 F. Supp. 3d 635, 639 (N.D. Ohio 2016)). These concerns are substantial and not without some merit. However, when considered in the context of all of the current issues, they do not warrant a denial of the Agreement.[5]

Objectors and their counsel have not filed serial objections in any of the other settlements reached in this MDL. With respect to the Toyota Final Approval Order, Objectors' arguments were ultimately rejected, but were not deemed frivolous. Moreover, the Agreement was negotiated at arms-length and under the direction of a Ninth Circuit mediator, which supports the determination that it was not the result of any collusion. *See In re Anthem*, 327 F.R.D. at 327 (recognizing that settlement negotiated at arms' length under supervision of mediator tends to show that the settlement is non-collusive and appropriate). Finally, for all the reasons stated in this Order, approval of the Agreement is in the best interests of the Class.

Therefore, the Motion is **GRANTED** and the Agreement is **APPROVED**.

IV. Conclusion

For the reasons set forth in this Order, the Motion is **GRANTED**.

IT IS SO ORDERED.

_____ : _____

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[5] Objectors or their counsel may file objections to future settlement agreements reached in this MDL. If they do so, any agreement to settle such objections in exchange for compensation will be scrutinized under Fed. R. Civ. P. 23(e)(5)(B) and in light of the issues discussed in this Order.