

BMW, Mazda, Subaru and Toyota Announce Settlement of Takata Economic Loss Claims to Improve Recall Remedy Completion Rates

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Miami (May 18, 2017) — BMW, Mazda, Subaru and Toyota (the automakers) today announced agreements to resolve economic loss claims in the Takata multidistrict litigation (MDL) in the United States. The programs offered in these agreements are intended to increase recall remedy completion rates for Takata airbag inflators, among other customer benefits.

The Takata airbag inflator recall is the largest such action in history and affects more than 42 million vehicles in the United States, across 19 automakers. Given the size, scope and severity of the Takata recall, these automakers are the first to agree to a settlement structure to fund consumer outreach, rental car/loaner programs and out-of-pocket cost reimbursement. The automakers have jointly agreed to provide a total of approximately \$553 million for these activities.

If the proposed settlements are approved as final by the U.S. District Court for the Southern District of Florida, the automakers will separately support the following activities, which will be conducted under the supervision of a court-appointed Settlement Special Administrator, subject to the terms and conditions of each agreement:

- *Outreach Program:* The Settlement Special Administrator will oversee and administer outreach programs with the goal of significantly increasing Takata recall remedy completion rates among customers of the four automakers through traditional and non-traditional means. The programs, intended to start before final approval of the agreements, build upon extensive work these automakers have already done to reach the owners of affected vehicles and will be conducted in conjunction with the National Highway Traffic Safety Administration (NHTSA)'s [Coordinated](#) Remedy Program.
- *Rental Car Loaner Program:* Apart from any existing rental car loaner programs, the automakers will make rental or loaner vehicles available upon request to eligible customers, as defined in the respective settlement agreements, and for whom parts are not available within 30 days. This program will begin 30 days after preliminary approval of the agreement.
- *Out-of-Pocket-Claims and Residual Distribution:* Eligible customers may submit requests for reimbursement of reasonable out-of-pocket expenses related to the Takata airbag inflator recalls and/or may register for residual payments. The Settlement Special Administrator will determine the types of reimbursable costs and class members' eligibility to receive payments for these claims.
- *Fees and Administration:* Costs related to class member notification, claims administration, attorneys' fees and expenses, class representative awards, and any other costs are also covered under the proposed settlements.

Further, in addition to performing the recall remedy, the automakers will each offer a Customer Support Program (CSP) for vehicles covered by these proposed settlements. The CSPs will provide prospective coverage for repairs and adjustments (including parts and labor) needed to correct defects in materials or workmanship in the Takata phase stabilized ammonium nitrate ("PSAN") inflators contained in the affected airbag modules or any replacement inflators installed as part of the remedy, subject to the terms and conditions of each agreement.

These agreements cover the four automakers' vehicles already recalled or subject to any future recall for Takata PSAN inflators used in driver or front passenger airbag modules,* as described in NHTSA's 2015 Consent Orders and any amendments. Importantly, these agreements do not contain or constitute any admission of liability or fault by the four automakers.

For more information on the Takata MDL economic loss settlement, consumers are asked to visit <http://www.autoairbagsettlement.com> or call 888-735-5596.

The size, scope and complexity of the Takata airbag recalls, as well as the age of some of the involved vehicles, have impacted recall remedy completion rates. These settlements' focus on outreach is intended to increase completion rates, and the automakers strongly encourage all consumers in the U.S. who own any vehicle – regardless of make, model or age – to log on to NHTSA's recall website at <https://www.nhtsa.gov/recalls>, to ensure that any open recalls are addressed immediately.

*Note – Subaru vehicles are not equipped with driver-side Takata airbags.