

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

*In re ZF-TRW Airbag Control Units
Products Liability Litigation*

Case No. 2:19-ml-02905-JAK-MRW

ALL ACTIONS AGAINST THE
TOYOTA DEFENDANTS

SETTLEMENT AGREEMENT

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WHEREAS, Settlement Class Counsel (all terms defined below) and other counsel who have appeared in these Actions, have conducted substantial discovery, have investigated the facts and underlying events relating to the subject matter of the claims, have carefully analyzed the applicable legal principles, and have concluded, based upon their investigation, and taking into account the risks, uncertainties, burdens and costs of further prosecution of their claims, and taking into account the substantial benefits to be received pursuant to this Agreement as set forth below, that a resolution and compromise on the terms set forth herein is fair, reasonable, adequate, and in the best interests of the Plaintiffs and the Class;

WHEREAS, as a result of extensive arm's-length negotiations, including numerous mediation sessions amongst Co-Lead Counsel and Toyota's Counsel before the court-appointed Settlement Special Master, Plaintiffs, Co-Lead Counsel on behalf of Settlement Class Counsel, and Toyota have entered into this Agreement, which will resolve all economic loss claims and any and all economic loss controversies against Toyota that were or could have been alleged in the Actions;

WHEREAS, Toyota, for the purpose of avoiding the burden, expense, risk, and uncertainty of continuing to litigate the claims, and for the purpose of resolving all economic loss claims and controversies that were or could have been asserted by Plaintiffs and the Class, for good and valuable consideration, and without any admission of liability or wrongdoing, desires to enter into this Agreement;

WHEREAS, Co-Lead Counsel represent and warrant that they are fully authorized to enter into this Agreement on behalf of Plaintiffs, the Class, and Settlement Class Counsel, and that Plaintiffs support and have no objection to this Agreement; and

WHEREAS, it is agreed that this Agreement shall not be deemed or construed to be an admission, concession, or evidence of any violation of any federal, state, or local statute, regulation, rule, or other law, or principle of common law or equity, or of any liability or wrongdoing whatsoever, by Toyota or any of the Released Parties, or of the truth or legal or factual validity or viability of any of the claims Plaintiffs have or could have asserted, which claims and all liability therefore are expressly denied;

NOW, THEREFORE, without any admission or concession by Plaintiffs or Settlement Class Counsel of any lack of merit to their allegations and claims, and without any admission or concession by Toyota of any liability or wrongdoing or lack of merit in its defenses, in consideration of the mutual covenants and terms contained herein, and subject to the final approval of the Court, Plaintiffs, Co-Lead Counsel on behalf of Settlement Class Counsel, and Toyota agree as follows:

I. PROCEDURAL HISTORY

A. This litigation is part of a multi-district litigation established and transferred to this Court on August 8, 2019. The MDL concerns airbag control units and component parts that are allegedly defective because they are vulnerable to an electrical overstress condition which can result in the malfunction of the passenger safety system, including failure of airbags in a vehicle to deploy during a collision.

B. On May 26, 2020, Plaintiffs filed a Consolidated Class Action Complaint. This complaint named 66 plaintiffs from 29 different states. The Toyota Plaintiffs bought their vehicles in six states: California, Florida, Nevada, Texas, South Carolina, and Washington. The plaintiffs asserted various RICO, fraud, breach-of-warranty, and statutory consumer-protection claims against the Toyota Defendants.

C. On July 15, 2020, the Toyota Defendants filed a Motion to Stay Based on Primary Jurisdiction and to Sever Pursuant to Fed. R. Civ. P. 21 requesting an order: (1) granting a six month stay of the Toyota Plaintiffs' claims to allow NHTSA to continue its investigation and evaluation of Toyota's recall; and (2) severing claims against Toyota (and any supplier defendant as they relate to Toyota vehicles) from the other Vehicle Manufacturer Defendants ("Toyota's Motion to Stay/Sever"). (Dkt. 191). On August 20, 2021, the Court held that the Motion to Stay/Sever was moot to the extent it sought a stay of discovery and denied the Motion to Stay/Sever to the extent it sought to sever Plaintiffs' claims against Toyota.

D. On July 27, 2020, TMS, TEMA, TMNA, and TMC filed a Motion to Dismiss (the "Toyota Motion"). (Dkt. 214).¹ Plaintiffs opposed the Toyota Motion on September 25, 2020 (Dkt. 289) and Toyota replied on November 9, 2020 (Dkt. 297).

E. In addition to Toyota's Motion, the Toyota Defendants joined in the Joint Motion to Dismiss (the "Joint Motion") filed on behalf of all Defendants on July 27, 2020. (Dkt. 208). Plaintiffs opposed the Joint Motion on September 25, 2020 (Dkt. 281) and Defendants replied on November 9, 2020 (Dkt. 299). Finally, on August 3, 2021, the Toyota Defendants filed a Notice of Supplemental Authority. (Dkt. 362).

F. The Toyota Motion, Joint Motion, and motions to dismiss filed by other OEMs were heard on January 25, 2021. The Court granted in part and denied in part Toyota's Motion, the Joint Motion, and the other OEMs motion to dismiss on February 9, 2022 (Dkt. 396).

¹ Toyota Motor Corporation provisionally joined the Toyota Motion pending resolution of its Rule 12(b)(2) challenge. *See* Dkt. 214 (Toyota Motor Corporation's Motion to Dismiss for Lack of Personal Jurisdiction Pursuant to Rule 12(b)(2) and Toyota's Motion to Dismiss Pursuant to 12(b)(6)).

G. On May 26, 2022, Plaintiffs filed an Amended Consolidated Class Action Complaint (“ACCAC”), which is the operative pleading for Plaintiffs’ claims. (Dkt. 477). The ACCAC complaint named 53 plaintiffs from 23 different states. The Toyota Plaintiffs bought their vehicles in six states: California, Florida, Nevada, Texas, South Carolina, and Washington. These plaintiffs assert various RICO, fraud, breach-of-warranty, unjust enrichment, and statutory consumer-protection claims against TMS, TMNA and TEMA.

H. On May 26, 2022, Plaintiffs, TMNA, TMS, and TMNA filed a Joint Motion for an Order Appointing Patrick A. Juneau as Settlement Special Master in the consolidated action pursuant to Rule 53 of the Federal Rules of Civil Procedure. (Dkt. 473). The Court granted the appointment on June 7, 2022. (Dkt. 473).

I. In the Joint Status Report for the June 21, 2022, Status Conference (Dkt. 494), the parties advised the Court of Co-Lead Counsel’s discussions with Toyota and the Hyundai-Kia defendants and these parties’ agreement to engage in negotiations. The parties advised the Court that because such discussions could lead to settlements that eliminated the need for Toyota and Hyundai-Kia (and any other defendants who participated in such discussions) to file any motions to dismiss, Plaintiffs, Toyota, and Hyundai-Kia proposed an extended briefing schedule for Toyota and other defendants participating in settlement discussions.

J. Further to the mediation process outlined above, Co-Lead Counsel and Toyota negotiated with the assistance of the Settlement Special Master; these settlement discussions have culminated in this Settlement Agreement.

K. Settlement Class Counsel has conducted an extensive investigation regarding the facts and the law relevant to the claims and defenses against Toyota in this case. Discovery in this litigation has included multiple sets of document demands and requests for production,

interrogatories, and requests for admissions, as well as confirmatory discovery. In total, Toyota produced approximately 145,000 pages of documents, as well as approximately 4,500 native files including excel spreadsheets, video/audio files, etc. Settlement Class Counsel have reviewed and analyzed documents produced by Toyota, as well as material they obtained through their own investigative efforts.

II. DEFINITIONS

A. As used in this Agreement and the attached exhibits (which are an integral part of this Agreement and are incorporated in their entirety by reference), the following terms have the following meanings, unless this Agreement specifically provides otherwise:

1. “Action” or “Actions” means all actions asserting fraud, economic loss, warranty claims, and other violations of state and federal law, that are consolidated for pretrial proceedings in the United States District Court for the Central District of California in *In re ZF-TRW Airbag Control Units Products Liability Litigation*, Case No. 2:19-ml-02905-JAK-MRW (“MDL”), which are listed in Exhibit 1 hereto, or that may be consolidated into the MDL prior to the entry of the Final Approval Order.

2. “Agreement” or “Settlement Agreement” means this Settlement Agreement and the exhibits attached hereto or incorporated herein, including any subsequent amendments and any exhibits to such amendments, which are the settlement (the “Settlement”).

3. “Attorneys’ Fees and Expenses” means such funds as may be awarded by the Court to compensate Settlement Class Counsel and other attorneys representing plaintiffs in this Action who have, at the direction of Co-Lead Counsel, assisted in conferring the benefits upon the Class under this Settlement for their fees and expenses in connection with the Settlement, as described in Section VIII of this Agreement.

4. “Claims Period” means the time period in which Class Members may submit a Registration/Claim Form to the Settlement Special Administrator for review. The Claims Period shall run as follows: Class Members shall have three years from the Effective Date to submit a Registration/Claim Form.

5. “Claims Process” means the process for submitting, reviewing, and paying claims as described in this Agreement, and as further determined by the Settlement Special Administrator.

6. “Claims Review Protocol” means the protocol developed by the Settlement Special Administrator, with the Parties’ joint input, that is consistent with this Agreement and that will be used to reimburse eligible Class Members for reasonable out-of-pocket expenses (as defined in Section III.B.3) and/or reasonable rental car expenses (as defined in Section III.H.1) directly related to the Recall through a claim submission process.

7. “Class” means, for settlement purposes only: all persons or entities who or which, on the date of the issuance of the Preliminary Approval Order, own/lease or previously owned/leased Subject Vehicles distributed for sale or lease in the United States or any of its territories or possessions. Excluded from this Class are: (a) Toyota, its officers, directors, employees and outside counsel; its affiliates and affiliates’ officers, directors and employees; its distributors and distributors’ officers and directors; and Toyota’s Dealers and their officers and directors; (b) Settlement Class Counsel, Plaintiffs’ counsel, and their employees; (c) judicial officers and their immediate family members and associated court staff assigned to this case; and (d) persons or entities who or which timely and properly exclude themselves from the Class.

8. “Class Member” means a member of the Class.

9. “Class Notice Program” means the program and components to disseminate notice to the Class as described in Section IV.

10. “Co-Lead Counsel” means Roland Tellis of Baron & Budd, P.C. and David Stellings of Lief Cabraser Heimann & Bernstein, LLP.

11. “Court” means Judge John A Kronstadt of the United States District Court for the Central District of California.

12. “Direct Mailed Notice” means the individual notice sent to Class Members by the Notice Administrator.

13. “Effective Date” means the latest date on which the Final Approval Order and/or Final Judgment approving this Agreement becomes final. For purposes of this Agreement:

(a) if no appeal has been taken from the Final Approval Order and/or Final Judgment, “Effective Date” means the date on which the time to appeal therefrom has expired; or

(b) if any appeal has been taken from the Final Approval Order and/or Final Judgment, “Effective Date” means the date on which all appeals therefrom, including petitions for rehearing or reargument, petitions for rehearing en banc and petitions for a writ of certiorari to the Supreme Court of the United States or any other form of review, have been finally disposed of in a manner that affirms the Final Approval Order or Final Judgment; or

(c) if Co-Lead Counsel and Toyota agree in writing, the “Effective Date” can occur on any other agreed date.

14. “Effective Residual Distribution Date” means the date agreed upon by the Parties and in consultation with the Settlement Special Master, upon which the final distribution from the Settlement Fund can begin to be made.

15. “Escrow Agent” means the entity that is mutually agreed on by the Parties and that will address and hold for distribution the funds identified in this Agreement pursuant to the terms of an Escrow Agreement.

16. “Escrow Account” means the custodial or investment account administered by the Escrow Agent and the Settlement Special Administrator in which the funds to be deposited will be held, invested, administered, and disbursed pursuant to this Agreement and an Escrow Agreement.

17. “Escrow Agreement” means the agreement by and among Co-Lead Counsel, Toyota, and the Escrow Agent with respect to the escrow of the funds to be deposited into the Escrow Account pursuant to this Agreement, which agreement, among other things, shall specify the manner in which the Settlement Special Administrator shall direct and control, in consultation with Toyota and Co-Lead Counsel, the disbursement of funds in the Qualified Settlement Fund.

18. “Excluded Parties” means: other than the Released Parties, all defendants named in the Actions and each of their past, present, and future parents, predecessors, successors, spin-offs, assigns, distributors, holding companies, joint-ventures and joint-venturers, partnerships and partners, members, divisions, stockholders, bondholders, subsidiaries, affiliates, officers, directors, employees, associates, dealers, agents and related companies.

19. “Extended New Parts Warranty” means the extended new parts warranty discussed in Section III.F.

20. “Fairness Hearing” means the hearing at which the Court will determine whether to finally approve this Agreement as fair, reasonable, and adequate.

21. “Final Judgment” means the Court’s final judgment as described in Section IX of this Agreement.

22. “Final Approval Order” means the Court’s order approving the Settlement and this Agreement, as described in Section IX of this Agreement.

23. “Future Rental Car Reimbursement, Loaner Vehicle and Outreach Program” means the program set forth in Section III.H of this Agreement.

24. “Long Form Notice” means the detailed written notice describing the Settlement that will be made available to Class Members through the Class Notice Program.

25. “Motion for Preliminary Approval” means the motion filed pursuant to Rule 23(e)(1) of the Federal Rules of Civil Procedure.

26. “Out-of-Pocket Claims Process” means the process discussed in Section III.B of this Agreement.

27. “Outreach Program” means the program discussed in Section III.G. of this Agreement.

28. “Parties” means Plaintiffs and Toyota.

29. “Plaintiffs” means Mark Altier, Alejandra Renteria, Samuel Choc, Tatiana Gales, Gary Samouris, Michael Hines, Brent DeRouen, Danny Hunt, Evan Green, Joy Davis, and Dee Roberts.

30. “Preliminary Approval Order” means the order, which, if approved, will be entered by the Court preliminarily approving the Settlement as outlined in Section IX of this Agreement.

31. “Recall” means Toyota’s recall of the ZF-TRW ACUs in Recalled Vehicles dated January 17, 2020.

32. “Recalled Vehicles” means all Subject Vehicles that are subject to a Recall as listed in Exhibit 2.

33. “Registration/Claim Form” means the form for Class Members to submit claims for compensation and/or register for a potential Residual Distribution.

34. “Release” means the release and waiver set forth in Section VII of this Agreement and in the Final Approval Order and Final Judgment.

35. “Released Parties” or “Released Party” means Toyota, and each of its past, present and future parents, predecessors, successors, spin-offs, assigns, holding companies, joint-ventures and joint-venturers, partnerships and partners, members, divisions, stockholders, bondholders, subsidiaries, related companies, affiliates, officers, directors, employees, associates, dealers, including the Toyota Dealers, representatives, suppliers, vendors, advertisers, marketers, service providers, distributors and subdistributors, repairers, agents, attorneys, insurers, administrators and advisors. The Parties expressly acknowledge that each of the foregoing is included as a Released Party even though not identified by name herein. Notwithstanding the foregoing, “Released Parties” does not include the Excluded Parties.

36. “Remedy” or “Recall Remedy” means the repair and/or countermeasures performed to address the Recall on the Recalled Vehicles.

37. “Residual Distribution” means the distribution process for remaining funds, as discussed in Section III.C of this Agreement.

38. “Settlement Amount” means the total sum of \$78,500,000 less the \$10,000,000.00 credit set forth in Section III.H.3.

39. “Settlement Class Counsel” means, collectively, Baron & Budd, P.C. and Lief Cabraser Heimann & Bernstein, LLP (collectively, Co-Lead Counsel, as defined above);

Ahdoot & Wolfson, PC, Beasley, Allen, Crow, Methvin, Portis & Miles, P.C., Bleichmar Fonti & Auld LLP, Boies, Schiller & Flexner L.L.P., Casey Gerry Schenk Francavilla Blatt & Penfield, LLP, DiCello Levitt Gutzler LLC, Gibbs Law Group LLP, Keller Rohrback L.L.P., Kessler Topaz Meltzer and Check LLP, Podhurst Orseck, P.A., Pritzker Levine LLP, Robbins Geller Rudman & Dowd LLP, and Robins Kaplan LLP (collectively, Court-ordered Plaintiffs' Steering Committee and Liaison Counsel) on behalf of the Plaintiffs in the MDL.

40. "Settlement Fund" means the payments made by Toyota, in accordance with the schedule set forth in Section III.A below, which are to be used pursuant to the terms of this Agreement.

41. "Settlement Inspection Program" means the program set forth in Section III.E of this Agreement.

42. "Settlement Notice Administrator" means the Court-appointed third-party agent or administrator agreed to by the Parties and appointed by the Court to implement and consult on the Class Notice Program. The Parties agree that Kroll Notice Media shall serve as Settlement Notice Administrator, subject to approval by the Court.

43. "Settlement Special Administrator" means the Court-appointed third-party administrator agreed to by the Parties and appointed by the Court to oversee and administer the Settlement Fund, subject to the limits provided in this Agreement. The Parties agree that Patrick A. Juneau and Patrick J. Hron of Juneau David APLC shall serve as Settlement Special Administrator, subject to approval by the Court.

44. "Settlement Special Master" means Patrick A. Juneau, who was appointed by the Court to serve in this role on June 7, 2022.

45. “Subject Vehicles” means those Toyota vehicles listed on Exhibit 2 that contain or contained ZF-TRW ACUs and were distributed for sale or lease in the United States or any of its territories or possessions.

46. “Tax Administrator” means the Court-appointed third-party entity agreed to by the Parties and appointed by the Court to oversee and administer the tax preparation, filing, and related requirements of the Settlement Fund, subject to the limits provided in this Agreement. The Parties agree that Nicky Lipset of Miller Kaplan Arase LLP shall serve as Tax Administrator, subject to approval by the Court.

47. “TEMA” means Toyota Motor Engineering & Manufacturing North America, Inc.

48. “TMC” means Toyota Motor Corporation.

49. “TMNA” means Toyota Motor North America, Inc.

50. “TMS” means Toyota Motor Sales, U.S.A., Inc.

51. “Toyota” means TMC, TMS, TMNA, TEMA, and any and all other Toyota affiliates.

52. “Toyota Dealers” means authorized Toyota, and/or Lexus dealers in the United States and all of its territories and possessions.

53. “Toyota’s Counsel” means John P. Hooper of King & Spalding LLP.

54. “Unrecalled Vehicles” means all Subject Vehicles that are not subject to the Recall but that contain a ZF-TRW ACU, as listed in Exhibit 2.

55. “Vehicle Manufacturer Defendants” means the companies that make and sell completed vehicles and their affiliates, which include (a) TMS, TEMA, TMNA, and TMC; (b) Honda Motor Co., Ltd.; American Honda Motor Co., Inc.; Honda of America Mfg., Inc.; Honda

R&D Co., Inc.; and Honda R&D Americas; (c) Hyundai Motor America, Inc.; Hyundai Motor Co.; Kia Motors Corporation; and Kia Motors America, Inc.; (d) Mitsubishi Motors Corp. and Mitsubishi Motors North America Inc.; and (e) FCA US LLC and Fiat Chrysler Automobiles N.V.

56. “ZF-TRW” means ZF Active Safety and Electronics US LLC, ZF Passive Safety Systems US Inc, ZF Automotive US Inc., ZF TRW Automotive Holdings Corp., ZF Friedrichshafen AG, and their predecessors, affiliates, and related entities involved in the design, testing, manufacture, sale and distribution of ZF-TRW ACUs.

57. “ZF-TRW ACUs” means all airbag control units manufactured and sold by TRW with a DS84 application-specific integrated circuit (“ASIC”) installed in Subject Vehicles.

B. Other capitalized terms used in this Agreement but not defined in this Section II shall have the meanings ascribed to them elsewhere in this Agreement.

C. The terms “he or she” and “his or her” include “it” or “its” where applicable.

III. SETTLEMENT RELIEF

In consideration for the dismissal of the Actions against Toyota with prejudice, as contemplated in this Agreement, and for the full and complete Release, Final Approval Order and Final Judgment provided below, Toyota agrees to provide the following:

A. Qualified Settlement Fund

1. The Parties, through their respective counsel, shall establish and move the Court to establish and create a Qualified Settlement Fund (“QSF”), pursuant to Internal Revenue Code § 468B and the Regulations issued thereto, with the Settlement Fund to be held by the Escrow Agent. The name of the QSF shall be “Toyota ZF-TRW Class Action Settlement QSF.” All payments to be made by Toyota pursuant to this Agreement shall be made by wire transfer into an Escrow Account, established and controlled consistent with and pursuant to an Escrow Agreement

with the Escrow Agent. Unless directed otherwise from Co-Lead Counsel and Toyota, the Escrow Agent shall invest the payments in a money market mutual fund, money market deposit account, a demand deposit account, and/or a similar account, with a stated preference for investments in conservative financial instruments, including, but not limited to, short-term United States Agency or Treasury Securities. The account shall collect and reinvest any and all interest accrued thereon, if applicable, unless costs and fees and/or interest rates are such that they would effectively preclude investment in interest-bearing instruments as defined herein. All: (a) taxes on the income of the Escrow Account; and (b) expenses and costs incurred with taxes paid from the Escrow Account (including, without limitation, expenses of tax attorneys, accountants, and the Tax Administrator) (collectively, "Taxes") shall be timely paid out of the Escrow Account without prior Order of the Court. The Parties agree that the Tax Administrator, with the assistance of the Escrow Agent, shall be responsible for filing tax returns for the QSF and paying from the Escrow Account any Taxes owed with respect to the QSF. The Parties hereto agree that the Account shall be treated as a QSF from the earliest date possible, and agree to any relation-back election required to treat the Account as a QSF from the earliest date possible. The Escrow Account shall be initially comprised of one fund which shall be a single QSF.

2. Certain notice and settlement administration costs will be accrued prior to final approval of the Settlement. Toyota agrees to pay those costs as they are accrued and invoiced. Toyota also agrees to deposit into the QSF \$65,000,000.00 less those initial notice and settlement administration costs no later than one (1) month prior to the date set by the Court for the Fairness Hearing, to fund the Settlement Fund. If the Court does not grant final approval to the Settlement, all funds remaining in the QSF shall revert to Toyota, and any such funds paid into the QSF and not returned to Toyota will be credited towards any eventual settlement that may be approved.

Toyota shall make the payments detailed below and as further detailed in this Settlement Agreement. The Settlement Fund shall be used for the following purposes, as further described in this Agreement: (a) to pay valid and approved claims submitted by eligible Class Members to the Out-of-Pocket Claims Process; (b) to pay notice and related costs; (c) to pay for settlement and claims administration, including expenses associated with the Settlement Special Administrator and his consultants, taxes, fees, and related costs; (d) to make residual cash payments to Class Members, to the extent that there are residual amounts remaining and pursuant to Section III.C of this Agreement; (e) to pay Settlement Class Counsel's fees and expenses as the Court awards; (f) to make service award payments to individual Plaintiffs; and (g) to pay Taxes. The Settlement Fund may also be utilized for additional outreach and notice costs that the Parties jointly agree, after consulting with the Settlement Special Master, is necessary in furtherance of the terms of this Settlement. In no event shall Toyota be required to pay any amount more than \$65,000,000.00 into the QSF, unless Section III.G.4, below applies. Amounts sufficient to pay for the costs set forth in subparts (a) and (b) and (d) through (g) above shall be paid from the QSF as directed by the Settlement Special Administrator. Amounts sufficient to pay for the costs set forth in subpart (c) above shall be paid from the QSF as directed by Co-Lead Counsel and Toyota. In the event notice costs as set forth in subpart (b) above are required to be paid in advance of the QSF being funded, Toyota shall pay those costs and will reduce its \$65 million payment into the QSF to account for those costs actually incurred and paid before the QSF is funded.

3. It is expressly understood that should other defendants enter into settlement agreements in the Action as part of a broader settlement in connection with this Agreement, then separate settlement funds will be created for such settling defendants and their subject vehicles and customers.

4. After the Court enters the Preliminary Approval Order, Toyota, at its sole discretion, may, after consultation with Co-Lead Counsel, implement the benefits set forth in Sections III.E, F and H, in advance of final approval (with respect to Sections III.E and F) or the occurrence of the Effective Date (with respect to Section III.H).

B. Out-of-Pocket Claims Process

1. The Out-of-Pocket Claims Process shall be used to pay for Class Members' reasonable out-of-pocket expenses related to the Recall. Should Unrecalled Vehicles be subject to a Recall before the Claims Period expires, this Section III.B shall also apply to such Unrecalled Vehicles.

2. The Settlement Special Administrator shall oversee the administration of the Out-of-Pocket Claims Process, including, but not limited to, the eligibility of claims for reimbursement. The types of eligible reimbursable costs shall be included in the Registration/Claim Form.

3. The Parties agree that the following types of reasonable expenses, documented to the extent reasonable and practicable, may be reimbursed: (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. 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-TRW ACU.

4. Pursuant to the Settlement Special Administrator's Claims Review Protocol, Class Members who have submitted timely and fully completed Registration/Claim Forms and: (a) are determined to be eligible to receive reimbursement for reasonable out-of-pocket expenses, shall be reimbursed for these reasonable out-of-pocket expenses; and (b) have been either determined not to be eligible to receive reimbursement for claimed out-of-pocket expenses or only registered for a residual payment, shall be placed into a group of Class Members that may be eligible to receive funds from the Residual Distribution, if any, pursuant to the terms of Section C, below.

5. Reimbursements to eligible Class Members who have completed and filed a Registration/Claim Form for out-of-pocket expenses shall be made on a rolling basis by the Settlement Special Administrator starting no later than 60 days after the Effective Date. Further reimbursements shall be made on a rolling basis as claims are submitted and approved.

6. Class Members may submit one claim for out-of-pocket expenses for each Recall Remedy performed on each Recalled Vehicle they own(ed) or lease(d). For example, a Class Member with two Recalled Vehicles may submit claims for each vehicle, but the claims for the unreimbursed expenses shall not be duplicative. The Settlement Special Administrator's decisions regarding claims for reimbursement of out-of-pocket expenses submitted by Class Members shall be final and not appealable.

C. Residual Distribution

1. Unless it is administratively unfeasible, any funds that remain after all out-of-pocket expense payments and all other payments listed in Section III.A.3 have been made, shall be distributed on a *per capita* basis to all Class Members who submitted out-of-pocket claims and to all Class Members who registered for a residual payment only. Residual Distribution payments shall be 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.

2. If there are any funds remaining in the Settlement Fund after making the payments described in Section III.C.1, and if it is not feasible and/or economically reasonable to distribute the remaining funds to Class Members who submitted claims and/or registered, then the balance shall be distributed *cy pres*, subject to the agreement of the Parties, through their respective counsel, and Court approval.

3. Any Class Member who submits a claim that the Settlement Special Administrator determines is fraudulent shall not receive any payment from the Settlement Fund.

D. Registration/Claim Process

1. Every Class Member shall be eligible to submit a Claim during the Claims Period to the Out-of-Pocket Claims Process or register to receive a payment from the Residual Distribution, if any. The Registration/Claim Form shall allow Class Members to either submit a Claim to the Out-of-Pocket Claims Process or to register for a payment from the Residual Distribution, if any. Except as provided in Section III.C.3., Class Members who submit a Claim to the Out-of-Pocket Claims Process shall be eligible to receive funds from the Residual Distribution, if any, regardless of whether they have been determined eligible or ineligible to receive reimbursement for claimed out-of-pocket expenses. Residual Distribution amounts paid to Class

Members whose Out-of-Pocket Claims were approved shall be paid in addition to – and not instead of – the approved Out-of-Pocket Claims amounts.

2. Registration/Claim Forms shall be made available to Class Members through various means, including U.S. Mail, e-mail, internet, social media, and other similar agreed-upon manners of dissemination. Registration/Claim Forms may be completed and submitted online through a link on the Settlement website or in hardcopy. Registration/Claim Forms can be requested from the Settlement Special Administrator or from the Settlement Notice Administrator.

E. Inspection Program

1. If the Court issues an order finally approving the Settlement, Toyota shall institute the Settlement Inspection Program protocol that is attached as Exhibit 3.

F. Extended New Parts Warranty

1. If the Court grants final approval of the Settlement, Toyota shall extend the time period for the service part warranty coverage, which covers any new parts installed pursuant to the Recall. This Extended New Parts Warranty will last for 12 years, measured from the date that the Preliminary Approval Order is entered.

2. The Extended New Parts Warranty will cover repairs, or replacement (including parts and labor) that become necessary due to a defect in a part installed pursuant to the Recall. For example, if a problem with a part installed pursuant to the Recall causes the airbag warning light to illuminate, the Extended New Parts Warranty shall cover the repair or replacement of that part.

3. A Class Member's rights under this Section III.F and the Extended New Parts Warranty are transferred with the Subject Vehicle.

4. Inoperable vehicles and vehicles with a salvaged, rebuilt or flood-damaged title are not eligible for the Extended New Parts Warranty.

5. In the event the ZF-TRW ACUs in Unrecalled Vehicles are recalled in the future, Toyota shall extend the new parts warranty coverage for the parts replaced during the future ZF-TRW ACU recall remedy, subject to the terms of this Section III.F.

G. Outreach Program

1. Toyota will undertake an outreach program designed to significantly increase Recall Remedy completion rates (the “Outreach Program”).

2. The budget for the Outreach Program is \$3,500,000.00, to be paid by Toyota separate and apart from the funds deposited by Toyota in the QSF.

3. The Outreach Program is intended to be a program that will adjust and change its methods of outreach as is required to achieve its goal of maximizing completion of the Recall Remedy. It is not intended to be a static program with components that are fixed for the entire period.

4. To maximize, to the extent practicable, completion of the Recall Remedy for Recalled Vehicles, Toyota will manage the Outreach Program and continue ongoing recall efforts related to Recalled Vehicles. Thirty (30) days prior to the Effective Residual Distribution Date, Toyota will provide the Settlement Special Administrator with a reasonably detailed accounting that supports its Outreach Program expenditures. Determining the amount of the Outreach Program, based on the information provided by Toyota, is within the discretion of the Settlement Special Administrator. To the extent Toyota’s Outreach Program expenditures are less than \$3,500,000.00, as determined by the Settlement Special Administrator, Toyota shall deposit

the difference into the Settlement Fund for distribution on the Effective Residual Distribution Date and pursuant to Section III.C.

H. Future Rental Car Reimbursement, Loaner Vehicle and Outreach Program

1. If a Class Member who, after the Effective Date, seeks the Recall Remedy from a Toyota Dealer during the Claims Period and is not provided with a loaner vehicle while the Recall Remedy is being performed, then that Class Member is eligible for reimbursement from the Settlement Fund for reasonable rental car costs, if the Class Member completes and submits a Registration/Claim Form. Should Unrecalled Vehicles be subject to a ZF-TRW ACU recall, Class Members of such Unrecalled Vehicles may request a courtesy loaner vehicle, or alternatively may submit a claim for reimbursement of reasonable rental car costs from the Settlement Fund during the Claims Period.

2. Toyota shall also provide outreach related to Unrecalled Vehicles should Unrecalled Vehicles be subject to a ZF-TRW ACU recall in the future.

3. Toyota shall receive a credit of \$10,000,000.00 against the Settlement Amount for providing Future Loaner Vehicles and Future Outreach Programs. The Settlement Special Administrator shall have the right to audit and confirm such compliance.

IV. NOTICE TO THE CLASS

A. Components of the Class Notice Program

1. The Parties, in consultation with the Settlement Notice Administrator, shall design a Class Notice Program that satisfies due process and meets the requirements of Federal Rule of Civil Procedure 23(c) and any other applicable statute, law, or rule. Notice of the Settlement will be disseminated to the Class through a combination of direct mailed notices, publication notice, social media and internet banner notifications, a Settlement website, Long Form

Notice, and other applicable notice. The Motion for Preliminary Approval will further detail the contents of the Class Notice Program.

B. Publication Notice

1. The Settlement Notice Administrator shall cause notice to be issued through publication in newspapers, magazines and/or other media outlets as shall be agreed upon by the Parties.

C. Internet Website

1. The Settlement Notice Administrator shall establish a Settlement website that will inform Class Members of the terms of this Agreement, their rights, dates and deadlines and related information. The website shall include, in .pdf format, materials agreed upon by the Parties and/or required by the Court.

D. Direct Mailed Notice

1. The Settlement Notice Administrator shall send the Direct Mailed Notice by e-mail where a valid Class Member e-mail address is available, or U.S. Mail, proper postage prepaid, to Class Members as identified by data provided to the Settlement Notice Administrator by S&P Global Automotive, formerly known as Polk. The Direct Mailed Notice shall inform potential Class Members on how to obtain the Long Form Notice from the Settlement website, through regular mail, or from a toll-free telephone number. In addition, the Settlement Notice Administrator shall: (a) send a Direct Mailed Notice to any Class Member who was initially sent a Direct Mailed Notice by e-mail and was subsequently determined to be undeliverable; (b) re-mail any Direct Mailed Notices returned by the United States Postal Service with a forwarding address no later than the deadline set forth in the Preliminary Approval Order; (c) by itself or using one or more address research firms, as soon as practicable following receipt of any returned notices

that do not include a forwarding address, research such returned mail for better addresses and promptly mail copies of the applicable notice to any better addresses so found. The Direct Mailed Notice shall also be available on the Settlement website.

E. Long Form Notice

The Long Form Notice shall advise Class Members of the following:

1. General Terms: The Long Form Notice shall contain a plain and concise description of the nature of the Actions, the history of the litigation of the claims, the preliminary certification of the Class for settlement purposes, and the proposed Settlement, including information on the identity of Class Members, how the proposed Settlement would provide relief to the Class and Class Members, what claims are released under the proposed Settlement and other relevant terms and conditions.

2. Opt-Out Rights: The Long Form Notice shall inform Class Members that they have the right to opt out of the Settlement, and shall provide the deadlines and procedures for exercising this right.

3. Objection to Settlement: The Long Form Notice shall inform Class Members of their right to object to the proposed Settlement and appear at the Fairness Hearing, and shall provide the deadlines and procedures for exercising these rights.

4. Fees and Expenses: The Long Form Notice shall inform Class Members about the amounts that may be sought by Settlement Class Counsel as Attorneys' Fees and Expenses and individual awards to the Plaintiffs and shall explain that such fees and expenses – as awarded by the Court – will be paid from the Settlement Fund.

F. Toll-Free Telephone Number

1. The Settlement Notice Administrator shall establish a toll-free telephone number that will provide settlement-related information to Class Members using an Interactive Voice Response system, with an option to speak with live operators.

G. Internet Banner Notifications

1. The Settlement Notice Administrator shall, pursuant to the Parties' agreement, establish banner notifications on the internet that will provide settlement-related information to Class Members and shall utilize additional internet-based notice efforts as to be agreed to by the Parties, through their respective counsel.

H. Class Action Fairness Act Notice

1. At the earliest practicable time, and no later than 10 days after the Parties file this Agreement with the Court, Toyota shall send or cause to be sent to each appropriate state and federal official the materials specified in 28 U.S.C. § 1715 and otherwise comply with its terms.

I. Duties of the Settlement Notice Administrator

1. The Settlement Notice Administrator shall be responsible for, without limitation: (a) printing, mailing, e-mailing, or arranging for the mailing or e-mailing of the direct mailed notices; (b) handling returned mail not delivered to Class Members; (c) attempting to obtain updated address information for any direct mailed notices returned without a forwarding address; (d) making any additional mailings required under the terms of this Agreement; (e) responding to requests for direct mailed notice or other documents; (f) receiving and maintaining on behalf of the Court any Class Member correspondence regarding requests for exclusion and/or objections to the Settlement; (g) forwarding written inquiries to Co-Lead Counsel or their designee for a

response, if warranted; (h) establishing a post-office box for the receipt of any correspondence; (i) responding to requests from Co-Lead Counsel and/or Toyota's Counsel; (j) establishing a website and toll-free voice response unit with message capabilities to which Class Members may refer for information about the Actions and the Settlement; (k) coordination with the Settlement Special Administrator regarding the Claims Process and related administrative activities; and (l) otherwise implementing and/or assisting with the dissemination of the notice of the Settlement.

2. The Settlement Notice Administrator shall be responsible for arranging for the notice through publication, including internet banner and social media notifications, and for otherwise implementing the Class Notice Program. The Settlement Notice Administrator shall coordinate its activities to minimize costs in effectuating the terms of this Agreement.

3. The Parties, through their respective counsel, may agree to remove and replace the Settlement Notice Administrator, subject to Court approval. Disputes regarding the retention or dismissal of the Settlement Notice Administrator shall be referred to the Court for resolution.

4. The Settlement Notice Administrator may retain one or more persons to assist in the completion of his or her responsibilities.

5. Not later than 10 days before the date of the Fairness Hearing, the Settlement Notice Administrator shall file with the Court (a) a list of those persons or entities who or which have opted out or excluded themselves from the Settlement; and (b) the details outlining the scope, method and results of the Class Notice Program.

6. The Settlement Notice Administrator and the Parties, through their respective counsel, shall promptly, after receipt, provide copies of any requests for exclusion, objections and/or related correspondence to each other.

J. Duties of the Settlement Special Administrator

1. The Settlement Special Administrator shall carry out the terms and conditions of this Agreement, including, but not limited to the Claims Process, and Residual Distribution, including any cy pres distribution authorized by the Court.

2. The Parties, through their respective counsel, may agree to remove and replace the Settlement Special Administrator, subject to Court approval. Disputes regarding the retention or dismissal of the Settlement Special Administrator shall be referred to the Court for resolution.

3. The Settlement Special Administrator may retain one or more persons to assist in the completion of the Settlement Special Administrator's responsibilities.

4. The Settlement Special Administrator and the Parties, through their respective counsel, shall promptly, after receipt, provide copies of any correspondence to each other that should properly be delivered to the Settlement Special Administrator and/or counsel for the other Party.

K. Self-Identification

1. Persons or entities who or which believe that they are Class Members may contact Settlement Class Counsel or the Settlement Notice Administrator or complete and file a Registration/Claim Form and provide necessary documentation indicating that they wish to be eligible for the relief provided in this Agreement.

2. Toyota's Counsel shall provide to the Settlement Notice Administrator, within 20 days of the entry of the Preliminary Approval Order, a list of all counsel for anyone who has then-pending economic-loss litigation against Toyota relating to ZF-TRW ACU claims

involving the Subject Vehicles and/or otherwise covered by the Release, other than those counsel in the Actions.

V. REQUESTS FOR EXCLUSION

A. Any potential Class Member who wishes to be excluded from the Class must mail a written request for exclusion to the Settlement Notice Administrator at the address provided in the Long Form Notice, postmarked on or before a date ordered by the Court specifying that he or she wants to be excluded and otherwise complying with the terms stated in the Direct Mailed Notice and Preliminary Approval Order. The written request for exclusions must include the Class Member's name, address, telephone number, VIN(s) of the Subject Vehicle(s) forming the basis of the Class Member's inclusion in the Class, the date of purchase or lease of any such Subject Vehicle(s), a statement indicating their request to be excluded from the Class, and a handwritten signature (an electronic signature is insufficient). The Settlement Notice Administrator shall forward copies of any written requests for exclusion to Co-Lead Counsel and Toyota's Counsel. If a potential Class Member files a request for exclusion, he or she may not file an objection under Section VI.

B. Any potential Class Member who does not file a timely written request for exclusion as provided in Section V shall be bound by all subsequent proceedings, orders, and judgments, including, but not limited to, the Release, Final Approval Order and Final Judgment in the Actions, even if he or she has litigation pending or subsequently initiates litigation against Toyota or the Released Parties asserting the claims released in Section VII of the Agreement.

VI. OBJECTIONS TO SETTLEMENT

A. Any Class Member who has not filed a timely written request for exclusion and who wishes to object to the fairness, reasonableness, or adequacy of this Agreement or the

proposed Settlement, or to the award of Attorneys' Fees and Expenses, or the individual awards to the Plaintiffs, must deliver to Co-Lead Counsel and to Toyota's Counsel, and file with the Court, on or before a date ordered by the Court in the Preliminary Approval Order a written statement of his or her objections. The written objection of any Class Member must include: (1) the MDL case name "*In re ZF-TRW Airbag Control Units Products Liability Litigation*"; (2) the Class Members name, address (the objector's actual address must be included), and telephone number; (3) Subject Vehicle(s) VIN(s); (4) the date(s) of purchase or lease of any such Subject Vehicle(s); (5) the specific grounds for the objections and whether it applies only to the objector, to a specific subset of the Class, or to the entire Class; (6) whether the Class Member is represented by Counsel; and (7) the Class Member's personal signature. Any documents supporting the objection must also be attached to the objection. If a Class Member is represented by Counsel, they must also include: the number of times the objector has objected to a class action settlement within the five years preceding the date that the objector files the objection, the caption of each case in which the objector has made such objection, and a statement of the nature of the objection. If represented by counsel, the lawyers asserting objections on behalf of Class Members must: (1) file a notice of appearance with the Court before the deadline to submit objections; (2) file a sworn declaration attesting to his or her representation of each Class Member on whose behalf the objection is being filed, and specify the number of times during the prior five-year period that the lawyer or their law firm has objected to a class action settlement; and (3) comply with the written objection requirements described in this Section.

B. Any Class Member who files and serves a written objection, as described in the preceding Section VI.A, may appear at the Fairness Hearing, either in person or through personal counsel hired at the Class Member's expense, to object to the fairness, reasonableness, or adequacy

of this Agreement or the proposed Settlement, or to the award of Attorneys' Fees and Expenses or awards to the individual Plaintiffs. Class Members or their attorneys who intend to make an appearance at the Fairness Hearing must deliver a notice of intention to appear to Co-Lead Counsel and to Toyota's Counsel, and file said notice with the Court, at least 10 days before the Fairness Hearing.

C. Any Class Member who fails to comply with the provisions of Sections VI.A and VI.B above shall waive and forfeit any and all rights he or she may have to object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments, including, but not limited to, the Release, the Final Approval Order and the Final Judgment in the Actions. The exclusive means for any challenge to this Settlement shall be through the provisions of this Section VI. Without limiting the foregoing, any challenge to the Settlement, Final Approval Order or Final Judgment shall be pursuant to appeal under the Federal Rules of Appellate Procedure and not through a collateral attack.

D. Any Class Member who objects to the Settlement shall be entitled to all of the benefits of the Settlement if this Agreement and the terms contained herein are approved, as long as the objecting Class Member complies with all requirements of this Agreement applicable to Class Members, including the timely submission of Registration/Claim Forms and other requirements herein.

VII. RELEASE AND WAIVER

A. The Parties agree to the following release and waiver, which shall take effect upon entry of the Final Approval Order and Final Judgment.

B. In consideration for the relief provided above, Plaintiffs and each Class Member, on behalf of themselves and any other legal or natural persons and entities who or which may claim

by, through or under them, including their executors, administrators, heirs, assigns, predecessors and successors, agree to fully, finally and forever release, relinquish, acquit, discharge and hold harmless the Released Parties from any and all claims, demands, suits, petitions, liabilities, causes of action, rights, losses and damages and relief of any kind and/or type regarding the subject matter of the Actions, including, but not limited to, injunctive or declaratory relief compensatory, exemplary, statutory, punitive, restitutionary damages, civil penalties, and expert or attorneys' fees and costs, whether past, present, or future, mature, or not yet mature, known or unknown, suspected or unsuspected, contingent or non-contingent, derivative, vicarious or direct, asserted or unasserted, and whether based on federal, state or local law, statute, ordinance, rule, regulation, code, contract, tort, fraud or misrepresentation, common law, violations of any state's or territory's deceptive, unlawful, or unfair business or trade practices, false, misleading or fraudulent advertising, consumer fraud or consumer protection statutes, or other laws, unjust enrichment, any breaches of express, implied or any other warranties, violations of any state's Lemon Laws, the Racketeer Influenced and Corrupt Organizations Act, or the Magnuson-Moss Warranty Act, or any other source, or any claims under the Trade Regulation Rule Concerning the Preservation of Consumers' Claims and Defenses 16. C.F.R. § 433.2, or any claim of any kind, in law or in equity, arising from, related to, connected with, and/or in any way involving the Actions.

C. If a Class Member who does not opt out commences, files, initiates, or institutes any new legal action or other proceeding against a Released Party for any claim released in this Settlement in any federal or state court, arbitral tribunal, or administrative or other forum, such legal action or proceeding shall be dismissed with prejudice at that Class Member's cost.

D. Notwithstanding the Release set forth in Section VII of this Agreement, Plaintiffs and Class Members are not releasing and are expressly reserving all rights relating to claims for

personal injury, wrongful death, or actual physical property damage arising from an incident involving a Subject Vehicle, including the deployment or non-deployment of an airbag.

E. Notwithstanding the Release set forth in Section VII of this Agreement, Plaintiffs and Class Members are not releasing and are expressly reserving all rights relating to claims against Excluded Parties, with the exception of the claims covered by Section VII.C of this Agreement.

F. The Final Approval Order and Final Judgment will reflect these terms.

G. Plaintiffs and Class Members shall not now or hereafter institute, maintain, prosecute, assert, instigate, and/or cooperate in the institution, commencement, filing, or prosecution of any suit, action, claim and/or proceeding, whether legal, administrative or otherwise against the Released Parties, either directly or indirectly, on their own behalf, on behalf of a class or on behalf of any other person or entity with respect to the claims, causes of action and/or any other matters released through this Settlement.

H. In connection with this Agreement, Plaintiffs and Class Members acknowledge that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true concerning the subject matter of the Actions and/or the Release herein. Nevertheless, it is the intention of Co-Lead Counsel on behalf of Settlement Class Counsel and Class Members in executing this Agreement fully, finally and forever to settle, release, discharge, acquit and hold harmless all such matters, and all existing and potential claims against the Released Parties relating thereto which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any action or proceeding) with respect to the Actions, their underlying subject matter, and the Subject Vehicles, except as otherwise stated in this Agreement.

I. Plaintiffs expressly understand and acknowledge, and all Plaintiffs and Class Members will be deemed by the Final Approval Order and Final Judgment to acknowledge and waive Section 1542 of the Civil Code of the State of California, which provides that:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or release party.

Plaintiffs and Class Members expressly waive and relinquish any and all rights and benefits that they may have under, or that may be conferred upon them by, the provisions of Section 1542 of the California Civil Code, or any other law of any state or territory that is similar, comparable or equivalent to Section 1542, to the fullest extent they may lawfully waive such rights.

J. Plaintiffs represent and warrant that they are the sole and exclusive owners of all claims that they personally are releasing under this Agreement. Plaintiffs further acknowledge that they have not assigned, pledged, or in any manner whatsoever sold, transferred, assigned or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to the Actions, including without limitation, any claim for benefits, proceeds or value under the Actions, and that Plaintiffs are not aware of anyone other than themselves claiming any interest, in whole or in part, in the Actions or in any benefits, proceeds or values under the Actions. Class Members submitting a Registration/Claim Form shall represent and warrant therein that they are the sole and exclusive owners of all claims that they personally are releasing under the Settlement and that they have not assigned, pledged, or in any manner whatsoever, sold, transferred, assigned or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to the Actions, including without limitation, any claim for benefits, proceeds or value under the

Actions, and that such Class Member(s) are not aware of anyone other than themselves claiming any interest, in whole or in part, in the Actions or in any benefits, proceeds or values under the Actions.

K. Without in any way limiting its scope, and, except to the extent otherwise specified in the Agreement, this Release covers by example and without limitation, any and all claims for attorneys' fees, costs, expert fees, or consultant fees, interest, or litigation fees, costs or any other fees, costs, and/or disbursements incurred by any attorneys, Settlement Class Counsel, Plaintiffs or Class Members who claim to have assisted in conferring the benefits under this Settlement upon the Class.

L. Settlement Class Counsel and any other attorneys authorized by Co-Lead Counsel who receive attorneys' fees and costs from this Settlement acknowledge that they have conducted sufficient independent investigation and discovery to enter into this Settlement Agreement and, by executing this Settlement Agreement, state that they have not relied upon any statements or representations made by the Released Parties or any person or entity representing the Released Parties, other than as set forth in this Settlement Agreement.

M. Pending final approval of this Settlement via issuance by the Court of the Final Approval Order and Final Judgment, the Parties agree that any and all outstanding pleadings, discovery, deadlines, and other pretrial requirements are hereby stayed and suspended as to Toyota. Upon the occurrence of final approval of this Settlement via issuance by the Court of the Final Approval Order and Final Judgment, the Parties expressly waive any and all such pretrial requirements as to Toyota.

N. Nothing in this Release shall preclude any action to enforce the terms of the Agreement, including participation in any of the processes detailed herein.

O. Plaintiffs and Co-Lead Counsel on behalf of Settlement Class Counsel hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of the Agreement and shall be included in any Final Approval Order and Final Judgment entered by the Court.

VIII. ATTORNEYS' FEES AND EXPENSES AND INDIVIDUAL PLAINTIFF AWARDS

A. Toyota and Co-Lead Counsel represent that they have not discussed the amount of fees and expenses to be paid prior to agreement on the terms of this Agreement. Co-Lead Counsel shall file a motion for Court-approved attorneys' fees and expenses pursuant to the Court's Order Regarding Protocol for Common Benefit Work and Expenses (Docket No. 111). Any fees and expenses approved by the Court will be paid from the Settlement Fund and wired from the Escrow Account to an account specified by Co-Lead Counsel within three business days of the Court's order approving such fees and expenses. Toyota reserves the right to oppose Co-Lead Counsel's motion..

IX. PRELIMINARY APPROVAL ORDER, FINAL APPROVAL ORDER, FINAL JUDGMENT AND RELATED ORDERS

A. The Parties shall file a Motion for Preliminary Approval with the Court within 14 days after the execution of this Agreement. The Motion for Preliminary Approval shall request, among other things:

1. Preliminarily certify a nationwide settlement-only Class, approve plaintiffs as class representatives and appoint Settlement Class Counsel as counsel for the class, pursuant to Fed. R. Civ. P. 23;
2. Preliminarily approve the Settlement;

3. Require the dissemination of the components of the Class Notice Program and the taking of all necessary and appropriate steps to accomplish this task;
4. Determine that the components of the Class Notice Program satisfy due process and complies with all legal requirements, including, Federal Rule of Civil Procedure 23(c);
5. Schedule a date and time for a Fairness Hearing to determine whether the Settlement and any requested attorneys' fees and expenses should be finally approved by the Court;
6. Require Class Members who wish to exclude themselves to submit an appropriate and timely written request for exclusion as directed in this Agreement and Long Form Notice and that a failure to do so shall bind those Class Members who remain in the Class;
7. Require Class Members who wish to object to this Agreement to submit an appropriate and timely written objection as directed in this Agreement and Long Form Notice;
8. Require Class Members who wish to appear to object to this Agreement to submit an appropriate and timely written statement as directed in the Agreement and Long Form Notice;
9. Require attorneys representing Class Members who wish to object to this Agreement to file a notice of appearance as directed in this Agreement and Long Form Notice;
10. Issue a preliminary injunction and stay all other Actions in the MDL as to Toyota pending final approval by the Court;

11. Issue a preliminary injunction enjoining potential Class Members, pursuant to the All Writs Act, 28 U.S.C. § 1651, and the Anti-Injunction Act, 28 U.S.C. § 2283, from instituting or prosecuting any action or proceeding that may be released pursuant to this Settlement, including those Class Members seeking to opt out, pending the Court's determination of whether the Settlement should be given final approval, except for proceedings in this Court to determine whether the Settlement will be given final approval;
12. Approve the establishment of a Qualified Settlement Fund pursuant to Internal Revenue Code § 468B and the Regulations issued thereto;
13. Appoint the Settlement Notice Administrator, the Settlement Special Administrator, the Tax Administrator, and the Escrow Agent; and
14. Issue other related orders to effectuate the preliminary approval of the Agreement.

B. Prior to the Fairness Hearing, Plaintiffs shall file papers that seek a Final Approval Order and Final Judgment that will among other things:

1. Find that the Court has personal jurisdiction over all Plaintiffs and Class Members, that the Court has subject matter jurisdiction over the claims asserted in the ACCAC and the Actions, and that venue is proper;
2. Finally approve the Agreement and Settlement, pursuant to Fed. R. Civ. P. 23;
3. Finally certify the Class for settlement purposes only;

4. Find that the notice and the notice dissemination methodology satisfied due process complied with all legal requirements, including, Federal Rule of Civil Procedure 23(c);
5. Dismiss all claims made by Plaintiffs against Toyota in the Actions with prejudice and without costs and fees (except as provided for herein as to costs and fees);
6. Incorporate the Release set forth in the Agreement and make the Release effective as of the date of the Final Approval Order and Final Judgment;
7. Issue a permanent injunction, pursuant to the All Writs Act, 28 U.S.C. § 1651, and the Anti-Injunction Act, 28 U.S.C. § 2283, against Class Members instituting or prosecuting any claims released pursuant to this Settlement;
8. Authorize the Parties to implement the terms of the Agreement;
9. Retain jurisdiction relating to the administration, consummation, enforcement, and interpretation of the Agreement, the Final Approval Order and Final Judgment, and for any other necessary purpose;
10. Issue related orders to effectuate the final approval of the Agreement and its implementation; and
11. Approve all requested attorneys' fees, expenses and service awards.

X. MODIFICATION OR TERMINATION OF THIS AGREEMENT

A. The terms and provisions of this Agreement may be amended, modified, or expanded by written agreement of the Parties, through their respective counsel, and approval of the Court; provided, however, that after entry of the Final Approval Order and Final Judgment, the

Parties, through their respective counsel, may by written agreement effect such amendments, modifications, or expansions of this Agreement and its implementing documents (including all exhibits hereto) without further notice to the Class or approval by the Court if such changes are consistent with the Court's Final Approval Order and Final Judgment and do not limit the rights of Class Members under this Agreement.

B. This Agreement shall terminate at the discretion of either Toyota or Plaintiffs, through Co-Lead Counsel, if: (1) the Court, or any appellate court(s), rejects, modifies, or denies approval of any portion of this Agreement or the proposed Settlement that results in a substantial modification to a material term of the proposed Settlement, including, without limitation, the amount and terms of relief, the obligations of the Parties, the findings, or conclusions of the Court, the provisions relating to notice, the definition of the Class, and/or the terms of the Release; or (2) the Court, or any appellate court(s), does not enter or completely affirm, or alters, narrows or expands, any portion of the Final Approval Order and Final Judgment, or any of the Court's findings of fact or conclusions of law, that results in a substantial modification to a material term of the proposed Settlement. The terminating Party must exercise the option to withdraw from and terminate this Agreement, as provided in this Section X, by a signed writing served on the other Parties no later than 20 days after receiving notice of the event prompting the termination. The Parties will be returned to their positions *status quo ante*.

C. If an option to withdraw from and terminate this Agreement arises under Section X.B above, neither Toyota nor Plaintiffs are required for any reason or under any circumstance to exercise that option and any exercise of that option shall be in good faith.

D. If, but only if, this Agreement is terminated pursuant to Section X.B, above, then:

1. This Agreement shall be null and void and shall have no force or effect, and no Party to this Agreement shall be bound by any of its terms, except for the terms of Section X.D herein;
2. The Parties will petition the Court to have any stay orders entered pursuant to this Agreement lifted;
3. All of its provisions, and all negotiations, statements, and proceedings relating to it shall be without prejudice to the rights of Toyota, Plaintiffs or any Class Member, all of whom shall be restored to their respective positions existing immediately before the execution of this Agreement, except that the Parties shall cooperate in requesting that the Court set a new scheduling order such that no Party's substantive or procedural rights are prejudiced by the settlement negotiations and proceedings;
4. Plaintiffs and all other Class Members, on behalf of themselves and their heirs, assigns, executors, administrators, predecessors, and successors, expressly and affirmatively reserve and do not waive all motions as to, and arguments in support of, all claims, causes of actions or remedies that have been or might later be asserted in the Actions including, without limitation, any argument concerning class certification, and treble or other damages;
5. Toyota and the other Released Parties expressly and affirmatively reserve and do not waive all motions and positions as to, arguments in support of, and substantive and procedural rights as to all defenses to the causes of action or remedies that have been sought or might be later asserted in the

actions, including without limitation, any argument or position opposing class certification, liability, or damages;

6. Neither this Agreement, the fact of its having been made, nor the negotiations leading to it, nor any discovery or action taken by a Party or Class Member pursuant to this Agreement shall be admissible or entered into evidence for any purpose whatsoever;
7. Any settlement-related order(s) or judgment(s) entered in this Action after the date of execution of this Agreement shall be deemed vacated and shall be without any force or effect;
8. All costs incurred in connection with the Settlement, including, but not limited to, notice, publication, and customer communications, shall be paid from the Settlement Fund and all remaining funds shall revert back to Toyota as soon as practicable. Neither Plaintiffs nor Settlement Class Counsel shall be responsible for any of these costs or other settlement-related costs; and
9. Any Attorneys' Fees and Expenses previously paid to Settlement Class Counsel shall be returned to Toyota within 14 calendar days of termination of the Agreement.

XI. GENERAL MATTERS AND RESERVATIONS

A. Toyota has denied and continues to deny each and all of the claims and contentions alleged in the Actions, and has denied and continues to deny that it has committed any violation of law or engaged in any wrongful act or omission that was alleged, or that could have been alleged, in the Actions. Toyota believes that it has valid and complete defenses to the claims asserted against

it in the Actions and denies that it committed any violations of law, engaged in any unlawful act or conduct, or that there is any basis for liability for any of the claims that have been, are, or might have been alleged in the Actions. Without in any way limiting the scope of this denial, Toyota denies that it committed any wrongdoing with respect to the issues that are the subject of the Recall. Nonetheless, Toyota has concluded that it is desirable and in the interest of its customers that the Actions be fully and finally settled in the matter upon the terms and conditions set forth in this Agreement.

B. The obligation of the Parties to implement the proposed Settlement is and shall be contingent upon each of the following:

1. Entry by the Court of a Final Approval Order and final judgment identical to, or with the same material terms as, the Final Approval Order and Final Judgment approving the Settlement, from which the time to appeal has expired or which has remained unmodified after any appeal(s); and
2. Any other conditions stated in this Agreement.

C. The Parties and their counsel agree to keep the existence and contents of this Agreement confidential until the date on which the Motion for Preliminary Approval is filed; provided, however, that this Section shall not prevent Toyota from disclosing such information, prior to the date on which the Motion for Preliminary Approval is filed, to state and federal agencies, independent accountants, actuaries, advisors, financial analysts, insurers or attorneys, or as otherwise required by law. Nor shall it prevent the Parties and their counsel from disclosing such information to persons or entities (such as experts, courts, co-counsel, and/or administrators) to whom the Parties agree disclosure must be made to effectuate the terms and conditions of this Agreement.

D. Plaintiffs and Co-Lead Counsel on behalf of Settlement Class Counsel agree that the confidential information made available to them solely through the settlement process was made available, as agreed to, on the condition that neither Plaintiffs nor their counsel may disclose it to third parties (other than experts or consultants retained by Plaintiffs in connection with the Actions), nor may they disclose any quotes or excerpts from, or summaries of, such information, whether the source is identified or not; that it not be the subject of public comment; that it not be used by Plaintiffs or Settlement Class Counsel or other counsel representing plaintiffs in the Actions in any way in this litigation or any other litigation or otherwise should the Settlement not be achieved, and that it is to be returned if a Settlement is not concluded; provided, however, that nothing contained herein shall prohibit Plaintiffs from seeking such information through formal discovery if appropriate and not previously requested through formal discovery or from referring to the existence of such information in connection with the Settlement of the Actions.

E. Information provided by Toyota includes trade secrets and highly confidential and proprietary business information and shall be deemed “Highly Confidential” pursuant to the Confidentiality Order entered in the MDL and any other confidentiality or protective orders that have been entered in the Actions or other agreements, and shall be subject to all of the provisions thereof. Any materials inadvertently produced shall, upon Toyota’s request, be promptly returned to Toyota’s Counsel, and there shall be no implied or express waiver of any privileges, rights and defenses.

F. Within 90 days after dismissal of all the Actions (unless the time is extended by agreement of the Parties), all “Confidential” and “Highly Confidential” documents and materials (and all copies of such documents in whatever form made or maintained, including documents referring to such documents) produced during the settlement process by Toyota or Toyota’s

Counsel to Settlement Class Counsel shall be returned to Toyota's Counsel. Alternatively, Settlement Class Counsel shall certify to Toyota's Counsel that all such documents and materials (and all copies of such documents in whatever form made or maintained including documents referring to such documents) produced by Toyota or Toyota's Counsel during the settlement process have been destroyed, provided, however, that this Section XI.F shall not apply to any documents made part of the record in connection with a Claim, nor to any documents made part of a Court filing, nor to Settlement Class Counsel's work product (as to which the confidentiality provisions above shall continue to apply). All "Confidential" and "Highly Confidential" documents and materials produced by Toyota or Toyota's Counsel shall maintain their designation until final dismissal of all Actions. Six months after the distribution of the settlement funds to Class Members who submitted valid Registration/Claim Forms, the Settlement Notice Administrator and Settlement Special Administrator shall either destroy or return all documents and materials to Toyota, Toyota's Counsel or Settlement Class Counsel that produced the documents and materials, except that they shall not destroy any and all Registration/Claim Forms, including any and all information and/or documentation submitted by Class Members. Nothing in this Agreement shall affect or alter the terms of the MDL Confidentiality Order or any other applicable confidentiality agreement, which shall govern the documents produced in the Actions.

G. Toyota's execution of this Agreement shall not be construed to release – and Toyota expressly does not intend to release – any claim Toyota may have or make against any insurer or other party for any cost or expense incurred in connection with this Action and/or Settlement, including, without limitation, for attorneys' fees and costs.

H. Co-Lead Counsel for themselves and on behalf of Settlement Class Counsel represents that: (1) they are authorized by the Plaintiffs to enter into this Agreement with respect to the claims in these Actions; and (2) they are seeking to protect the interests of the Class.

I. Co-Lead Counsel for themselves and on behalf of Settlement Class Counsel further represents that the Plaintiffs: (1) have agreed to serve as representatives of the Class proposed to be certified herein; (2) are willing, able, and ready to perform all of the duties and obligations of representatives of the Class, including, but not limited to, being involved in discovery and fact finding; (3) have read the pleadings in the Actions, including the ACCAC, or have had the contents of such pleadings described to them; (4) are familiar with the results of the fact-finding undertaken by Settlement Class Counsel; (5) have been kept apprised of settlement negotiations among the Parties, and have either read this Agreement, including the exhibits annexed hereto, or have received a detailed description of it from Settlement Class Counsel and they have agreed to its terms; (6) have consulted with Settlement Class Counsel about the Actions and this Agreement and the obligations imposed on representatives of the Class; (7) have a good faith belief that this Settlement and its terms are fair, adequate, reasonable and in the best interests of the Class; (8) have authorized Co-Lead Counsel to execute this Agreement on their behalf; and (9) shall remain and serve as representatives of the Class until the terms of this Agreement are effectuated, this Agreement is terminated in accordance with its terms, or the Court at any time determines that said Plaintiffs cannot represent the Class.

J. The Parties acknowledge and agree that no opinion concerning the tax consequences of the proposed Settlement to Class Members is given or will be given by the Parties, nor are any representations or warranties in this regard made by virtue of this Agreement. Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the

Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

K. Toyota represents and warrants that the individuals executing this Agreement are authorized to enter into this Agreement on the behalf of Toyota.

L. This Agreement, complete with its exhibits, sets forth the sole and entire agreement among the Parties with respect to its subject matter, and it may not be altered, amended, or modified except by written instrument executed by Co-Lead Counsel on behalf of Settlement Class Counsel and Toyota's Counsel on behalf of Toyota. The Parties expressly acknowledge that no other agreements, arrangements, or understandings not expressed or referenced in this Agreement exist among or between them, and that in deciding to enter into this Agreement, they rely solely upon their judgment and knowledge. This Agreement supersedes any prior agreements, understandings, or undertakings (written or oral) by and between the Parties regarding the subject matter of this Agreement. Each Party represents that he or she is not relying on any representation or matter not included in this Agreement.

M. This Agreement and any amendments thereto shall be governed by and interpreted according to the law of the State of California notwithstanding its conflict of laws provisions.

N. Any disagreement and/or action to enforce this Agreement shall be commenced and maintained only in the United States District Court for the Central District of California that oversees the MDL.

O. Whenever this Agreement requires or contemplates that one of the Parties shall or may give notice to the other, notice shall be provided by e-mail and/or next-day (excluding Saturdays, Sundays and Federal Holidays) express delivery service as follows:

1. If to Toyota, then to:

John P. Hooper
King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Tel: (212) 556-2220
E-mail: jhooper@kslaw.com

2. If to Plaintiffs, then to:

David Stelling
LIEFF CABRASER HEIMANN & BERNSTEIN, LLP,
250 Hudson Street, 8th Floor
New York, NY 10013-1413
Tel: (212) 355-9500
Email: dstellings@lchb.com

and

Roland Tellis
BARON & BUDD, P.C.
15910 Ventura Blvd #1600
Encino, CA 91436
Tel: (818) 839-2333
Email: rtellis@baronbudd.com

P. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Agreement or by order of the Court, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a Federal Holiday, or, when the act to be done is the filing of a paper in court, a day on which weather or other conditions have made the office of the clerk of the court inaccessible, in which event the period shall run until the end of the next day that is not one of the aforementioned days. As used in this Section X “Federal Holiday” includes New Year’s Day, Birthday of Martin Luther King, Jr., Presidents’ Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veterans Day, Patriot’s Day, Thanksgiving Day,

Christmas Day, and any other day appointed as a holiday by the President, the Congress of the United States or the Clerk of the United States District Court for the Central District of California.

Q. The Parties reserve the right, subject to the Court's approval, to agree to any reasonable extensions of time that might be necessary to carry out any of the provisions of this Agreement.

R. The Class, Plaintiffs, Settlement Class Counsel, Toyota, or Toyota's Counsel shall not be deemed to be the drafter of this Agreement or of any particular provision, nor shall they argue that any particular provision should be construed against its drafter. All Parties agree that this Agreement was drafted by counsel for the Parties during extensive arm's-length negotiations. No parol or other evidence may be offered to explain, construe, contradict, or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Agreement was made or executed.

S. The Parties expressly acknowledge and agree that this Agreement and its exhibits, along with all related drafts, motions, pleadings, conversations, negotiations, and correspondence, constitute an offer of compromise and a compromise within the meaning of Federal Rule of Evidence 408 and any equivalent rule of evidence in any state. In no event shall this Agreement, any of its provisions or any negotiations, statements or court proceedings relating to its provisions in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Actions, any other action, or in any judicial, administrative, regulatory or other proceeding, except in a proceeding to enforce this Agreement or the rights of the Parties or their counsel. Without limiting the foregoing, neither this Agreement nor any related negotiations, statements, or court proceedings shall be construed as, offered as, received as, used as or deemed to be evidence or an admission or concession of any liability or wrongdoing whatsoever on the part of any person

or entity, including, but not limited to, the Released Parties, Plaintiffs, or the Class or as a waiver by the Released Parties, Plaintiffs or the Class of any applicable privileges, claims or defenses.

T. Plaintiffs expressly affirm that the allegations as to Toyota contained in the ACCAC were made in good faith but consider it desirable for the Actions to be settled and dismissed as to Toyota because of the substantial benefits that the Settlement will provide to Class Members.

U. The Parties, their successors and assigns, and their counsel undertake to implement the terms of this Agreement in good faith, and to use good faith in resolving any disputes that may arise in the implementation of the terms of this Agreement.

V. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any prior or subsequent breach of this Agreement.

W. If one Party to this Agreement considers another Party to be in breach of its obligations under this Agreement, that Party must provide the breaching Party with written notice of the alleged breach and provide a reasonable opportunity to cure the breach before taking any action to enforce any rights under this Agreement.

X. The Parties, their successors and assigns, and their counsel agree to cooperate fully with one another in seeking Court approval of this Agreement and to use their best efforts to effect the prompt consummation of this Agreement and the proposed Settlement.

Y. This Agreement may be signed with an electronic signature and in counterparts, each of which shall constitute a duplicate original, all of which taken together shall constitute one and the same instrument.

Z. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision if Toyota, and Co-Lead Counsel

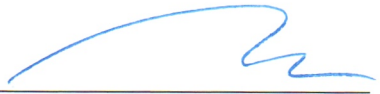
on behalf of Settlement Class Counsel, Plaintiffs, and Class Members, mutually agree in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement. Any such agreement shall be reviewed and approved by the Court before it becomes effective.

AA. This Agreement shall be effective upon its execution by Co-Lead Counsel, Toyota, and Toyota's Counsel, except for those provisions that require Court-approval to be effective, and those provisions shall become effective upon their approval by the Court.

BB. Until the Settlement receives final approval from the Court, Toyota agrees to continue to participate in the confirmatory discovery process consistent with the Parties' May 26, 2022 tolling agreement.

CC. The Court retains ongoing and exclusive jurisdiction over the Parties, the Actions, and this Agreement to resolve any dispute that may arise regarding this Agreement or in relation to the Actions, including any dispute regarding validity, performance, interpretation, administration, enforcement, enforceability, or termination of this Agreement.

On Behalf of Plaintiff Class:

BY: 

Roland Tellis
BARON & BUDD, P.C.
15910 Ventura Blvd #1600
Encino, CA 91436
Tel: (818) 839-2333
Email: rtellis@baronbudd.com

Dated: 7/14/23

BY: _____

David Stelling
LIEFF CABRASER HEIMANN &
BERNSTEIN, LLP,
250 Hudson Street, 8th Floor
New York, NY 10013-1413
Tel: (212) 355-9500
Email: dstellings@lchb.com

Dated: _____


On Behalf of Plaintiff Class:

BY: _____

Roland Tellis
BARON & BUDD, P.C.
15910 Ventura Blvd #1600
Encino, CA 91436
Tel: (818) 839-2333
Email: rtellis@baronbudd.com

Dated: _____

BY: _____


David Stellings
LIEFF CABRASER HEIMANN &
BERNSTEIN, LLP,
250 Hudson Street, 8th Floor
New York, NY 10013-1413
Tel: (212) 355-9500
Email: dstellings@lchb.com

Dated: 7/14/23

On Behalf of Toyota:

BY  _____

DATE: July 7, 2023

ELIZABETH GIBSON
Deputy General Counsel, Vice President,
Product & Legal Risk Support
Toyota Motor North America, Inc.

BY _____

DATE: _____, 2023

JOHN P. HOOPER
KING & SPALDING, LLP
1185 Avenue of the Americas
New York, NY 10036
Tel: (212) 556-2220
Email: jhooper@kslaw.com

On Behalf of Toyota:

BY _____ DATE: _____, 2023
ELIZABETH GIBSON
Deputy General Counsel, Vice President,
Product & Legal Risk Support
Toyota Motor North America, Inc.


BY  _____ DATE: July 7, 2023
JOHN P. HOOPER
KING & SPALDING, LLP
1185 Avenue of the Americas
New York, NY 10036
Tel: (212) 556-2220
Email: jhooper@kslaw.com

EXHIBIT 1

EXHIBIT 1

LIST OF ACTIONS IN THE MDL

<i>Steve Croft et al. v. ZF Friedrichshafen AG et al</i>	2:19-cv-04256-JAK-FFM
<i>Mark Altier et al. V. ZF-TRW Automotive Holdings Corp. et al</i>	8:19-cv-00846-JAK-FFM
<i>William Bell et al v. ZF Friedrichshafen AG et al</i>	8:19-cv-00963-JAK-FFM
<i>Adalgisa Santos et al v. ZF Friedrichshafen AG et al</i>	2:19-cv-06895-JAK-FFM
<i>Gary E. Samouris et al v. ZF-TRW Automotive Holdings Corporation et al</i>	2:19-cv-06896-JAK-FFM
<i>Barry Adams et al v. ZF Active Safety and Electronics US LLC</i>	2:20-cv-09668-JAK-MRW
<i>Thomas Payne et al v. ZF Friedrichshafen AG et al</i>	2:19-cv-06894-JAK-FFM
<i>David Radi et al v. FCA US LLC et al</i>	2:19-cv-06900-JAK-FFM
<i>Sigfredo Rubio et al v. ZF-TRW Automotive Holdings Corp, et al</i>	2:19-cv-06898-JAK-FFM
<i>Michael Van Ness v. FCA US LLC et al</i>	2:19-cv-07153-JAK-FFM
<i>Robert A. Underwood v. Kia Motors America, Inc et al</i>	2:19-cv-07097-JAK-FFM
<i>Ryan Baldwin et al v. Kia Motors America, Inc et al</i>	8:19-cv-01376-JAK-FFM
<i>Kaya Lawrence v. ZFTRW Automotive Holdings Corp et al</i>	2:19-cv-07608-JAK-FFM

EXHIBIT 2

EXHIBIT 2
SUBJECT VEHICLES

Recalled Vehicles

<u>Model Years</u>	<u>Make and Model</u>
2011-2019	Toyota / Corolla
2011-2013	Toyota / Corolla Matrix
2012-2018	Toyota / Avalon
2013-2018	Toyota / Avalon HV

Unrecalled Vehicles

<u>Model Years</u>	<u>Make and Model</u>
2012-2017	Toyota / Sequoia
2012-2019	Toyota / Tacoma
2012-2017	Toyota / Tundra

EXHIBIT 3

EXHIBIT 3

ZF-TRW SETTLEMENT INSPECTION PROGRAM PROTOCOL¹

Toyota will provide a documented inspection for the Subject Vehicles based on the terms of this ZF-TRW Settlement Inspection Program Protocol (“Protocol”). This Settlement Inspection Program will last for 10 years, measured from the date that the Preliminary Approval Order is entered.

The Subject Vehicles are as follows:

<u>Model Years</u>	<u>Make and Model</u>
2011-2019	Toyota / Corolla
2011-2013	Toyota / Corolla Matrix
2012-2018	Toyota / Avalon
2012-2017	Toyota / Sequoia
2012-2019	Toyota / Tacoma
2012-2017	Toyota / Tundra
2013-2018	Toyota / Avalon HV

See Exhibit 2 to the Settlement Agreement.

Under this Protocol, and as detailed in Sections I and II, below, Toyota will offer an inspection for Subject Vehicles that:

- are involved in a frontal crash; and
- when Toyota has been notified of a claim that a ZF-TRW airbag control unit (“ZF-TRW ACU”), seatbelt pretensioner, and/or airbag did not deploy.

¹ All capitalized terms have the same meaning ascribed to them in the Settlement Agreement.

I. SUBJECT VEHICLE INSPECTION

When Toyota receives notice of a claim – including notice from a Toyota Dealer and/or Toyota’s Brand Engagement Center – that meet the criteria above, Toyota will inspect the Subject Vehicle as follows:

1. Toyota will contact the then-current owner/lessee of the Subject Vehicle to request authority to:
 - a. Download the Event Data Recorder data (“EDR”);
 - b. Perform a “Store-All” Healthcheck relating to the vehicle’s electrical systems; and
 - c. Perform a visual inspection and photographically document the Subject Vehicle, including but not limited to the Subject Vehicle’s damage, and, to the extent practicable, the ZF-TRW ACU’s wire harness and sensors.
2. If the inspection steps described in Paragraph I.1.a, above, are not successful and/or if the data download is incomplete or does not provide coherent data, or the results otherwise are consistent with Airbag Control Unit (“ACU”) failure, Toyota will escalate the inspection to recover, with the customer’s consent, the Subject Vehicle’s ACU and attempt a further download.
 - a. If Toyota determines in good faith that the ACU does not communicate with the crash data retrieval tool correctly or that the ACU returned a partial or interrupted crash record or no crash record for the at-issue incident, the ACU will be sent to ZF-TRW with a request for further inspection. The request will specifically ask for ZF-TRW to check for diagnostic trouble codes that indicated a shutdown or reset during the crash and to measure the resistance to ground on the ACU.
 - b. Toyota, at its discretion and as necessary, can perform further downloads of other data from the Subject Vehicles, to complete its analysis.

II. DOCUMENTATION OF INSPECTION

To the extent Toyota has downloaded the Subject Vehicle’s EDR data, the information downloaded from the EDR will be provided to the current owner/lessee of the Subject Vehicle. To the extent there is an electrical overstress condition, Toyota shall provide the Settlement Special Master with the photographs and other information related to the inspection. The Settlement Special Master will be required to provide Toyota’s counsel and Co-Lead Counsel a quarterly report providing the number of electrical overstress events along with the model and model year of each such vehicle.