

# Have an exploding airbag? You might get \$500

Millions of car owners whose vehicles were outfitted with faulty Takata airbags could soon receive some type of compensation possibly a check for as much as \$500.

A settlement reached Thursday between four car companies and millions of affected drivers covers an estimated 15.8 million vehicles from Toyota, Subaru, BMW and Mazda. It awaits final approval from the courts sometime this year.

The deal -- which comes more than eight years after initial reports of the recall first emerged -- stipulates that the carmakers will pay \$553 million. How much each car owner is paid will vary, depending upon their circumstances. And some of the settlement will go towards lawyers' fees, but those payments haven't been worked out yet.

And not all of that money will go to affected car owners. Some of those funds will go toward a program aimed at getting more owners to have their recalled cars fixed, the victims' lawyers said Thursday. That effort will contact affected car owners regularly via mail, phone and social media.

The number of drivers that have repaired their airbags remains stubbornly low.

Just over 30% of Toyota (TM) and Subaru vehicles have been fixed, and that number is under 20% for Mazda and BMW, according to the National Highway Traffic Safety Administration.

Part of the issue has been a shortage of replacement supplies. During a press call Thursday, Peter Prieto, a lawyer representing drivers, said his clients "are concerned" about ongoing supply shortages. But he added that "that's why the rental car program is a really important component of this agreement."

"If an inflator replacement is not available within 30 days, those who drive the most at-risk vehicles will get a rental car or a loaner under this settlement agreement," he said.

Other carmakers including Ford (F), GM (GM), Honda (HMC) and Nissan were also affected by the Takata recall, but those cars aren't covered by this settlement.

The airbags at issue can explode and send shrapnel into drivers and passengers. The issue has been linked to at least 11 deaths in the U.S. and 180 injuries.

The recall has sent Takata (TKTDY) to the brink of bankruptcy. Its shares have plunged 84% in the past three years. In January, the company pleaded guilty to corporate criminal charges and agreed to pay a \$1 billion fine. Most of that money went to carmakers who have been handling the airbag repairs.