

**TRU FINANCIAL ASSISTANCE FUND  
FINAL PROTOCOL  
for  
Participation in the TRU Financial Assistance Fund for Eligible Former Employees of Toys R Us  
December 12, 2018  
(Updated May 17, 2019)**

**Please read this Protocol carefully and in its entirety.  
You may be eligible for a payment from the TRU Financial Assistance Fund.  
This Final Protocol contains important information regarding the above referenced fund.**

**I. PROTOCOL**

This Final Protocol (the “Protocol”) outlines the eligibility criteria and process requirements to determine whether certain individual former employees of Toys R Us (the “Company”) can participate in the TRU Financial Assistance Fund (the “Trust”) designed to allocate funds among these former employees (“Eligible Beneficiaries”). The purpose of this Protocol is to inform all Eligible Beneficiaries that they may be eligible to apply for a payment from the Trust as described below. The purpose of the Trust is to help alleviate some of the financial uncertainty following the liquidation of the Company’s U.S. operations. This Protocol describes the steps individuals must take to receive a payment.

**II. BACKGROUND**

On September 18, 2017, the Company filed for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code. In March 2018 all U.S. operations were liquidated resulting in the loss of most U.S. employees’ jobs.

A \$20 million Trust has been created and funded by Bain Capital Private Equity, LP (“Bain”) and Kohlberg Kravis Roberts & Co. L.P. (“KKR”) for the benefit of Eligible Beneficiaries, as more fully described in this Protocol. The Trust encourages additional contributions from entities and persons other than Bain and KKR.

The distribution of funds from the Trust is subject to certain eligibility requirements in order to maximize the effectiveness and impact of the Trust. Former employees do not have any automatic right to receive payments hereunder. Only certain eligible individuals who previously worked for the Company – as defined in this Protocol – may qualify to receive payments. Payments allocated pursuant to this Protocol do not require that Eligible Beneficiaries sign a waiver or release or surrender any rights they may have in connection with the Company’s bankruptcy.

**A. Administrators**

Independent program administrators Kenneth R. Feinberg and Camille S. Biros (together, the “Independent Program Administrators”) have been engaged to develop, design and administer an allocation methodology and process for the submission and review of applications for payments and the distribution of those payments from the Trust to Eligible Beneficiaries. This Protocol creates a Financial Assistance Fund under which the Independent Program Administrators will process, evaluate and determine amounts to be paid to Eligible Beneficiaries and will distribute funds in accordance with the eligibility requirements of this Protocol. Bain and KKR will not be involved in this process.

B. Approach

- The Program is administered by the Independent Program Administrators, who are responsible for all decisions relating to the administration, processing, and evaluation of Forms (described below) submitted pursuant to the Program.
- The Independent Program Administrators are authorized to process and distribute funds, based upon the formula described below, only to Eligible Beneficiaries as defined in this Protocol. No claims for economic injury or other allegations of damage or hardship are subject to this Protocol. Participation in the Program is completely voluntary and does not affect any independent rights that an individual may possess.

**III. ELIGIBLE BENEFICIARIES and ELIGIBILITY REQUIREMENTS**

Eligible Beneficiaries under this Protocol are limited to former employees of the Company who meet the following criteria (determined using available information):

- 1) Individuals must have been employed by the Company for a minimum of one year on or after September 18, 2017, the date of the Company filed for Bankruptcy under Chapter 11.
- 2) Individuals must have been employees in one of the following departmental categories:
  - a. Global Resource Center Employees
  - b. Stores and Regional Office Employees
  - c. District Center Management and Full-time Hourly Employees

Employees with less than one year of service with the Company and seasonal workers are not eligible for a payment under the terms of this Protocol. Individuals with annual income over \$110,000 or below \$5,000 per year are also not eligible for payment from the Trust. See Attachment A for details and the Eligible Beneficiaries Payment Matrix.

**IV. METHODOLOGIES FOR CALCULATING PAYMENTS**

The Trust funding will be distributed in its entirety to Eligible Beneficiaries pursuant to this Protocol. No portion of the Trust will be used to pay overhead costs or other administrative fees pursuant to this Protocol. To determine the amount to be paid to each Eligible Beneficiary, the Administrators will use the following calculation methodology:

Each Eligible Beneficiary will receive an allocated amount based upon a simple methodology developed using the Company data and information: (See Attachment A to this Protocol.)

- Available Company data including
  - historic income for each individual,
  - regular hours worked,
  - tenure using hire/termination dates
- TRU termination/severance policies
- Input from Beneficiary Representatives

Titles and other individual job characteristics will not be considered in this calculation. If additional amounts are contributed to the Trust pursuant to Section II above, these amounts will be distributed using the same methodology governing this Protocol.

## **V. PROCESS AND PARTICIPATION REQUIREMENTS**

Participation in the Trust is completely voluntary and limited to Eligible Beneficiaries as defined in this Protocol.

Eligible Beneficiaries will receive an Allocation/Acceptance Form (the "Form"). The Form will contain:

- 1) A unique Identifying number assigned to each Eligible Beneficiary,
- 2) The Eligible Beneficiary's Name and Address, and
- 3) The amount of the offered payment based on the formula applied.

Each Eligible Beneficiary must complete the information required on the Form, sign the Form, have their signature notarized and return it to the Independent Program Administrators with the required supporting documentation.

If an Eligible Beneficiary is deceased, incapacitated or otherwise unable to complete the process, the Legal Representative of the Eligible Beneficiary will be responsible for submitting the necessary documentation. A Legal Representative must supply proof of representative capacity – such as a Retainer Agreement signed by the Eligible Beneficiary and the Legal Representative, a power of attorney, guardianship (appointed as guardian or attorney ad litem, custodial parent) or the equivalent – as is required to establish authority to act in a representative capacity under the law of the resident state of the decedent, minor or incompetent or legally incapacitated Eligible Beneficiary.

All determinations of the Independent Program Administrators made in accordance with the provisions of this Protocol are final and not subject to appeal. These decisions have been made based upon data provided to the Administrators by the Company.

Participation in this Program is completely voluntary and does not affect any independent rights that an individual may possess.

## **VI. FILING FOR PAYMENT**

### **A. Process and Procedures**

Each Eligible Beneficiary will receive a "Trust Packet" which will include a copy of this Protocol, the Eligible Beneficiary's Allocation/Acceptance Form and a series of Frequently Asked Questions.

Eligible Beneficiaries must complete the Allocation/Acceptance Form and return it to the Independent Program Administrators in order to participate in this program. Upon receipt and review of the Allocation/Acceptance Form, the Independent Program Administrators will authorize payment of the allocated amount. Forms submitted to the Independent Program Administrators without the Unique

Identifier or with an unmatched Unique Identifier or without the required supporting documentation will not be processed and will be notified that the submission is deficient.

Completed Allocation/Acceptance Forms and supporting documentation may be submitted to the Independent Program Administrators either electronically by registering on the Trust website address at [www.TRUFinancialAssistanceFund.com](http://www.TRUFinancialAssistanceFund.com) or via US mail to the following address:

TRU Financial Assistance Fund  
P.O. Box 65800  
Washington, DC 20035

The signed and completed Allocation/Acceptance Form must be received by the Independent Program Administrators with a postmark on or before **July 17, 2019**. Where possible, a representative of the Independent Program Administrators will work directly with Eligible Beneficiaries to help them properly complete their Allocation/Acceptance Forms and submit the necessary documentation.

B. Incomplete or Deficient Allocation/Acceptance Forms

If an Eligible Beneficiary submits an incomplete or deficient Allocation/Acceptance Form, e.g., the Eligible Beneficiary fails to sign the Allocation/Acceptance Form, a “Deficiency Notice” will be sent to the Eligible Beneficiary by the Independent Program Administrators within 30 days after receipt of the Eligible Beneficiary’s package. A representative of the Independent Program Administrators will informally work with the Eligible Beneficiary in an effort to resolve any such deficiencies. Any Eligible Beneficiary who receives a Deficiency Notice shall have 15 days from the date of the Deficiency Notice to cure any deficiencies.

C. Notification of Program Decision

The Independent Program Administrators will send each Eligible Beneficiary an Allocation/Acceptance Form which will include the following:

- 1) The Eligible Beneficiary’s Approved Payment Amount to be made pursuant to this Protocol

Offers of payments approved pursuant to this Protocol shall be valid for 60 days, after which they are null and void if the Eligible Beneficiary does not satisfy any information or filing requirements necessary to receive the payment. All determinations of the Independent Program Administrators made in accordance with the provisions of this Protocol are final and not subject to appeal.

D. Payment

Payments will be issued following the final processing of an Eligible Beneficiary’s Allocation/Acceptance Form. The Trust will authorize payment by check to each Eligible Beneficiary entitled to payment. The check will be sent to each Eligible Beneficiary by the Independent Program Administrators via regular mail.

## **VII. PRIVACY**

Information submitted by an Eligible Beneficiary to the Trust will be used and disclosed only for the following purposes:

- 1) Processing the Eligible Beneficiary's request for payment.
- 2) Legitimate business use associated with administering the Program, including the prevention of fraud; and/or
- 3) As required by law, regulation or judicial process.

## **VIII. QUALITY CONTROL AND PROCEDURES TO PREVENT AND DETECT FRAUD**

### **A. Verification Procedures**

For the purpose of detecting and preventing the payment on fraudulent submissions, and for the purpose of accurate and appropriate payments to Eligible Beneficiaries, the Trust will implement procedures to:

- 1) Verify and authenticate submissions.
- 2) Analyze Allocation/Acceptance Form submissions to detect inconsistencies, irregularities, and duplication.
- 3) Ensure the quality control of Form review procedures.

### **B. Quality Control**

The Independent Program Administrators shall institute all necessary measures designed to evaluate the accuracy of submissions and the accuracy of payments.

### **C. False or Fraudulent Submissions**

Each Eligible Beneficiary will sign the Allocation/Acceptance Form at the time of submission, stating that he/she certifies that the information provided in the Allocation/Acceptance Form is true and accurate to the best of his/her knowledge, and that he/she understands that false statements made in connection with such submission may result in fines and/or any other remedy available by law. Suspicious Allocation/Acceptance Forms may be forwarded to federal, state and local law enforcement agencies for possible investigation and prosecution. Allocation/Acceptance Forms filed via the Internet will require an electronic signature, which shall be equally as binding upon the Eligible Beneficiary as a physical signature.