



Hyundai
Assurance Car Care



Smart Trunk Class Action Dealer Best Practice

Date: September 19, 2019

Attn: Dealer Principal/General Manager/Service Manager/Parts Manager

Subject: Class Action – Smart Trunk

Description

A nationwide settlement ("Settlement") has been reached in a class action lawsuit against Hyundai Motor America ("HMA"). The lawsuit concerns model year 2015 to 2017 U.S. specification Hyundai Sonata vehicles equipped with the Smart Trunk feature purchased or leased in the fifty United States or the District of Columbia ("Class Vehicles"). The lawsuit alleges that torsion bars on the Smart Trunk in the Class Vehicles are defective because they do not open a sufficient amount. Defendant has denied these allegations.

The Settlement provides an opportunity for Class Members to be reimbursed for certain past expenses and to obtain a free inspection and repair of the affected trunk components:

- Cash Payment or HMA Dealer Credit for Documented Complaints made prior to Class Notice on October 7, 2019: Class members may submit one claim for payment of \$50 cash (via pre-paid debit card) or a \$100 HMA dealer credit, regardless of whether the Class Member had any out-of-pocket loss.
- Free Inspection, and Repair or Replacement of Affected Smart Trunk Torsion Bars: Class Members can bring their Class Vehicles(s) in for an inspection and repair or replacement of affected Smart Trunk torsion bars free of charge.
 - Subsequent to the installation of the replacement torsion bars, the Class Member may also submit one claim for payment of a \$70 Hyundai Dealer credit.
 - Subsequent to the installation of the replacement torsion bars on a second visit, the Class Member may also submit one claim for payment of a \$100 cash payment (via pre-paid debit card) or a \$200 HMA Dealer credit.
- Warranty Extension: After the Effective Date, Class Vehicles under warranty will receive a warranty extension for the Smart Trunk Torsion Bars from five (5) years or 60,000 miles to seventy-eight (78) months or 78,000 miles, whichever is sooner. If the Class Vehicles is outside the warranty after the Effective Date, Class Members will receive a warranty extension specific to the Smart Trunk Torsion Bars for a period of eighteen (18) months or 18,000 miles, whichever is sooner. The warranty extension is subject to the terms and conditions of the original warranty, as are the replacement parts.
- Reimbursement for Past Expenses: If the Class Member previously incurred eligible out-of-pocket expenses at an authorized Hyundai Dealer or third-party repair shop for relocation, repair, or replacement of the Smart Trunk torsion bars due to the trunk not opening to expectation, the Class Member may be entitled to reimbursement.

How do customers receive payment?

To be eligible for reimbursement benefits, Class Members need to complete the Claim Form that accompanies their Notice and mail or email it, with all the required proofs, to the address provided on the Claim Form. Additional copies of Claim Forms are available at www.SonataSmartTrunkSettlement.HyundaiUSA.com. The current deadline for submitting Claim Forms is January 3, 2020.

Affected Vehicles

Settlement includes all model-year 2015 to 2017 U.S. specification Hyundai Sonata vehicles equipped with the Smart Trunk feature and purchased or leased in the fifty United States or the District of Columbia.

Service Action



Reservation – Class Members are able to make an appointment with an authorized Hyundai Dealer for an inspection of their class vehicle. These appointments will be limited to Class Members who believe that the Smart Trunk is not opening 7.5 inches or more.



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Readiness – Refer to the Customer Q&A section of this document and review the information found on <https://www.sonatasmarttrunksettlement.com/>

- Review TSB 19-BD-009H-1 for repair instructions.



Reception –Provide SRC or an alternative vehicle, as needed.



Repair – If a customer is experiencing a concern related to the class action lawsuit, follow the warranty procedures by checking warranty coverage of the part number on the Part Coverage screen in WebDCS, and, as needed, replace the affected part according to the service procedure in the applicable vehicle repair manual.

- Review TSB 19-BD-009H-1 for repair instructions.
- If it is determined that the Smart Trunk on a Class Vehicle opens less than 7.5 inches, replacement of the torsion bars should be performed.
- **This inspection and any necessary repair or replacement will be provided to the Class Member free of charge.**
- **Warranty Extension:** After the Effective Date, Class Vehicles under warranty will receive a warranty extension for the Smart Trunk Torsion Bars from five (5) years or 60,000 miles to seventy-eight (78) months or 78,000 miles, whichever is sooner. If the Class Vehicles is outside the warranty after the effective date, Class Members will receive a warranty extension specific to the Smart Trunk Torsion Bars for a period of eighteen (18) months or 18,000 miles, whichever is sooner. The warranty extension is subject to the terms and conditions of the original warranty, as are the replacement parts.



Return – Review all completed campaign and repairs to answer any customer questions. Also, schedule the customer's next service.



Reconnect – Follow up for customer satisfaction.

- If after the new torsion bars are installed, a Class Member believes that the Smart Trunk still fails to open 7.5 inches or more, the Class Member will be permitted to make a second appointment with an authorized Hyundai Dealer for a further inspection of eligible Class Vehicle(s).
- If it is determined that the smart Trunk on a Class Vehicle opens less than 7.5 inches, replacement of the torsion bars should be performed again free of charge to the Class Member.

Thank you for your prompt attention to this important matter and continued commitment to Hyundai customers.

Hyundai Motor America



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Customer FAQ

Q1: What is the lawsuit about?

A1: This lawsuit is about model-year 2015 to 2017 U.S. specification Hyundai Sonata vehicles equipped with the Smart Trunk feature ("Class Vehicles"). The lawsuit alleges that certain torsion bars installed in the Smart Trunk on the Class Vehicles do not open the trunk a sufficient amount, either because of the quality of the torsion bars or by some other means of wear-and-tear (the alleged "Defect"). HMA, which distributes and warrants Hyundai vehicles in the United States, denies these allegations and stands behind and supports their products.

Q2: What Vehicles are included in the Settlement?

A2: The Settlement includes all model-year 2015 to 2017 U.S. specification Hyundai Sonata vehicles equipped with the Smart Trunk feature and purchased or leased in the fifty United States or the District of Columbia.

Q3: What are the benefits of the Settlement?

A3: The benefits include:

Cash Payment or HMA Dealer Credit for Documented Complaints:

After Judge Jones grants final approval of the Settlement and the Settlement becomes effective (the "Effective Date"), if you have a documented complaint, repair, or warranty claim pertaining to the Smart Trunk not opening to expectation that was made to an authorized Hyundai dealer prior to the Class Notice, you may submit one claim for payment of \$50 cash (via pre-paid debit card) or a \$100 HMA dealer credit, regardless of whether you have any out-of-pocket loss.

In order to obtain the cash payment or Hyundai Dealer credit, you must submit a Claim Form and include all of the following: (a) documentation that identifies the Class Vehicle's Vehicle Identification Number ("VIN"), (b) a dated repair order/invoice that includes a description of the repair, cause of the failure, parts used, labor time and costs, and mileage at the time of repair, and (c) proof of payment for the repair, if applicable.

Free Inspection, and Repair or Replacement of Affected Smart Trunk Torsion Bars:

After the Effective Date, you will be able to make an appointment with an authorized Hyundai Dealer ("Dealer") for an inspection of your Class Vehicle. This appointment will be limited to Class Members who believe that the Smart Trunk is not opening 7.5 inches or more. If an authorized Hyundai Dealer determines that the Smart Trunk on a Class Vehicle opens less than 7.5 inches, subject to any exclusions set forth herein, replacement of the torsion bars will be performed. Any replacement torsion bars installed during the appointment are covered by Hyundai's 78 month/78,000 mile extended warranty or Hyundai's standard 2 year/unlimited mileage replacement parts warranty if the vehicle is outside the extended warranty period. This inspection and any necessary repair or replacement will be provided to the Class Member free of charge. Subsequent to the installation of the replacement torsion bars, the Class Member may also submit one claim for payment of a \$70 Hyundai Dealer credit.

If after the new torsion bars are installed, a Class Member believes that the Smart Trunk still fails to open 7.5 inches or more, the Class Member will be permitted to make a second appointment with an authorized Hyundai Dealer for a further inspection of eligible Class Vehicle(s). If an authorized Hyundai Dealer determines that the Smart Trunk on a Class Vehicle opens less than 7.5 inches, subject to any exclusions set forth herein, the torsion bars will again be replaced. Any replacement torsion bars installed during the appointment are covered by HMA's extended 78 month/78,000 mile warranty or standard 2 year/unlimited mileage replacement parts warranty if the subject vehicle is outside the extended warranty. This inspection and any necessary repair or replacement will be provided to the Class Member free of charge. Subsequent to the installation of the replacement torsion bars, the Class Member may also submit one claim for payment of a \$100 cash payment (via pre-paid debit card) or a \$200 HMA Dealer credit.

Finally, Class Vehicles where the Defect resulted from operator misuse (i.e., (1) failing to comply with any state's applicable traffic laws, ordinances, or regulations; (2) applying any weighty license plate covers; or (3) using the Class Vehicle in any competitive event that may have caused damage to the Vehicle), or by an improper repair, such as after a motor vehicle accident, are excluded from repair relief.

Warranty Extension:

After the Effective Date, Class Vehicles under warranty will receive a warranty extension for the Smart Trunk Torsion Bars from five (5) years or 60,000 miles to seventy-eight (78) months or 78,000 miles, whichever is sooner. If your Class Vehicles is outside the warranty after the Effective Date, you will receive a warranty extension specific to the Smart Trunk Torsion Bars for a period of eighteen (18) months or 18,000 miles, whichever is sooner. The warranty extension is subject to the terms and conditions of the original warranty, as are the replacement parts.



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Q4: What are my legal rights and options in this settlement?

A4:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM AND/OR TAKE YOUR CLASS VEHICLE TO AN AUTHORIZED HMA DEALER	Make a claim for relief so that you may be able to receive the valuable benefits available to you under the Settlement and/or take your vehicle to an authorized HMA Dealer after the Settlement is approved.
EXCLUDE YOURSELF	This is the only option that allows you to be part of any other lawsuit, or your own lawsuit, against the Defendant about the legal claims released in this Settlement.
OBJECT	Write to the Court about why you do not like the Settlement.
GO TO A HEARING	Ask to speak in Court about the Settlement.
DO NOTHING	Give up rights to benefits under the Settlement and to be part of this or any other lawsuit against the Defendants about the legal claims released by the Settlement.

More details are in the Settlement Agreement. You can get copies of the Settlement Agreement and related documents at www.SonataSmartTrunkSettlement.HyundaiUSA.com.



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Key Contact Information		
Customer Support	Contact Information	Description
Smart Trunk Class Action Settlement	1-866-944-7620	Customer questions or concerns related to the Smart Trunk Class Action
Smart Trunk Class Action Settlement Website	https://www.sonatasmarttrunksettlement.com/	Updated information related to the Smart Trunk Class Action
Hyundai Customer Care Center (General Questions)	1-800-633-5151	Customers general questions, <u>non-campaign related</u>
Hyundai Roadside Assistance	1-800-243-7766	Hyundai Roadside Assistance