



Brown Nu Class Action/Warranty Extension TXXK

Date: June 29, 2022

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

Subject: Brown Nu Class Action and Warranty Extension TXXK

Updates to this Document	Date
<ul style="list-style-type: none"> • <u>Includes:</u> <ul style="list-style-type: none"> ○ TSB 22-EM-007H supersedes 21-EM-001H-1 to revise the parts and warranty information with long block replacement instead of short block replacement ○ TSB 22-EM-009H supersedes 21-EM-002H to revise the Powertrain warranty coverage to cover engine long block. ○ Update of website/contact information, highlighted in blue font below 	06/29/2022

Description

This Dealer Best Practice previously informed dealers of a proposed settlement of a class action lawsuit known as Brown v. Hyundai Motor America et al., No. 2:18-cv-11249 (D.N.J.) (the "Action"). Customers affected by the proposed settlement have been informed of the settlement by mailed notice and email, and they may direct questions to dealers.

Affected Vehicles

In this settlement, Class Vehicle means any of the following vehicles factory equipped with a 1.8L Nu engine:

- Certain 2011-16MY Elantra (MD/UD) vehicles with 1.8L engine
- 2013MY Elantra GT (GD) vehicles with 1.8L engine
- 2013MY Elantra Coupe (JK) vehicles with 1.8L engine

What You Should Know

The Complaint alleges that the Class Vehicles suffer from a defect that can produce an abnormal piston-slapping noise, most often in cold weather conditions, which can cause engine seizure or stalling, that engine seizure or stalling can be dangerous if experienced, and that some owners and lessees have been improperly denied repairs under the vehicle's warranty.

Under the proposed settlement, and subject to proof, HMA will provide financial and other benefits for certain engine related repairs.

- The settlement extends the Powertrain Warranty for the piston-slapping condition and provides cash reimbursements for qualifying past out-of-pocket repair-related expenses, such as rental cars and towing.
- As of June 29, 2021, the claims window for seeking reimbursement of certain qualifying repairs has expired. Therefore, customers may only submit reimbursement claims for qualifying rental or towing expenses.
- **To qualify, the customer must have bought or leased a "Class Vehicle," which include Hyundai Elantra (model years 2011, 2012, 2013, 2014, 2015 and 2016), Hyundai Elantra GT (model year 2013), and Hyundai Elantra Coupe (model year 2013) vehicles factory equipped with a 1.8L Nu engine, purchased or leased in the United States (including the District of Columbia but excluding other territories) or abroad while on active military duty.**

Warranty Extension Eligibility

For vehicles registered (past or current) in a Cold Weather State: As stated in the Class Action Notice, DMV data was used to identify vehicles that are currently registered or were previously registered in a Cold Weather State. These Class Vehicles will automatically received the warranty extension. Customers can confirm eligibility and review the terms in which to be added to the extended warranty by visiting: www.hyundaiusa.com/TXXK

For vehicles registered in a Warm Weather State: If a customer is requesting the warranty extension and they are registered in a Warm Weather State, to qualify for the warranty extension they must contact HCCC and providing **their VIN, customer information, and proof of one (1) of the following:**

- (a) the Class Member registered their vehicle in a Cold Weather State;
- (b) the Class Vehicle was previously registered in a Cold Weather State;
- (c) the Class Member demonstrates substantial prior cold weather usage for at least 90 consecutive days between November and March; or
- (d) the Class Member can demonstrate that their engine problem is directly related to the piston-scuffing-type defect alleged in the Action (actual parts, photographs, or other evidence that substantiates this).

Warranty Information

Repair is for long block engine replacement. **Please see TSB 22-EM-007H (or latest revision).**

Please follow warranty claim submission guidelines, and if additional time is needed, please follow note 5 below.

NOTE 1: Submit Claim on Campaign Claim Entry Screen

NOTE 2: Submit campaign labor operation based on engine replacement part used.

NOTE 3: PA approval required for Op codes with Engine replacement.

NOTE 4: Labor for engine installation with the service kit is included in campaign labor op time.

NOTE 5: For any other parts in need of replacement or if additional labor is required while performing this repair, follow the process below.

- Submit one compiled separate claim using the same Repair Order number **AND**
- Submit with **NTT** using the engine Causal Part number associated with the Engine replacement Op Code used **AND**
- Ensure part replacement and punch times are accurate and that they match the labor performed along with the service manager's signature approving the TT time.
 - For TT time best practices, refer to Hyundaidealer.com > Service Tab > Documents Library > Warranty > ATT-NTT Documentation and Claim Submission Guide
- **If the part replacement does not require additional labor**, follow the above steps and use the system minimum of 0.1 labor time with a quantity of 1.

NOTE 6: Warranty Policy Applies

Service Action



Reservation – Class Members are able to make an appointment with an authorized Hyundai Dealer for an inspection or repair of their class vehicle.

- The customer should bring their car in for diagnosis if there's an abnormal noise or related engine concern.



Readiness – The information in this Dealer Best Practice provides a summary of the settlement. Refer to the information found on www.hyundaiusa.com/TXXK.

- Please refer to **TSB 22-EM-007H** (or latest revision) for inspection and repair procedures



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

- Under the proposed settlement, Hyundai dealerships will provide a Service Rental Car of comparable value if requested, until repairs are completed.
- Confirm the customer is bringing in the vehicle for diagnosis if they have an abnormal noise and use a diagnostic worksheet to help your technician get more information.



• **Repair** – If a customer is experiencing a concern related to the class action lawsuit, follow the warranty procedures and as needed, replace the affected parts according to the service procedure in the applicable vehicle repair manual or TSB(s).

- Please refer to **TSB 22-EM-007H** (or latest revision) for inspection and repair procedures
- **Recommended Technician Training Level: Certified** with completion of the Engine Technology – Classroom (SVCET29_208) instructor led training or equivalent



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.

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

Hyundai Motor America

Customer FAQ

Q1: What is the lawsuit about?

A1: The people who filed the lawsuit are called Plaintiffs, and the companies they sued, HMA and HMC, are called Defendants. The Plaintiffs allege that the Class Vehicles suffer from a defect that can cause engine seizure and stalling. The Plaintiffs also allege that engine seizure or stalling can be dangerous if experienced. The Plaintiffs further allege that some owners and lessees have been improperly denied repairs under the vehicle's warranty. HMA and HMC both deny Plaintiffs' allegations.

Q2: What Vehicles are included in the Settlement?

A2: Hyundai Elantra (model years 2011, 2012, 2013, 2014, 2015 and 2016), Hyundai Elantra GT (model year 2013), and Hyundai Elantra Coupe (model year 2013) vehicles factory equipped with a 1.8L Nu engine.

Q3: If I bought or leased a Class Vehicle that has not had problems, am I included?

A3: Yes. You did NOT have to experience stalling or engine seizure to be included in this Settlement. If you still own or lease a Class Vehicle, you may be eligible to take advantage of the Settlement's warranty extension, as well as certain other benefits of the Settlement.

Q4: What are the current benefits available under the Settlement?

A4: Hyundai has agreed to provide the following benefits under the settlement:

1. Warranty Extension

The settlement extends the Powertrain Warranty to cover the short block assembly, consisting of the engine block, crankshaft, connecting rods and pistons, from damage accompanied by a piston slap noise in the upper end of the engine, ordinarily most present in cold weather, as distinguished from other engine noises such as noises related to engine and accessory bearings, timing chain, valve train and/or squealing belts. The length of the warranty extension is 10 years/120,000 miles (whichever occurs first) for Original Retail Purchasers, Original Retail Lessees, or Hyundai Certified Pre-Owned Vehicles in Cold Weather States. For all other purchasers and lessees in Cold Weather States, the warranty extension is for 8 years/80,000 miles (whichever occurs first).

Those who have not registered their Class Vehicle in a Cold Weather State can submit a claim for one of the warranty extensions described immediately above if they:

- (a) register the Class Vehicle in a Cold Weather State;
- (b) the Class Vehicle was previously registered in a Cold Weather State;
- (c) the Class Member demonstrates substantial prior cold weather usage for at least 90 consecutive days between November and March; or
- (d) the Class Member can demonstrate that their engine problem is directly related to the piston-scuffing-type defect alleged in the Class Action.

2. Reimbursement for Past Repairs

As of June 29, 2021, the claims window for seeking reimbursement of certain qualifying repairs has expired.

3. Reimbursement for Rental Cars, Towing, etc.

Money you spent on rental cars, towing services, and other out-of-pocket expenses reasonably related to obtaining a Qualifying Repair visit <https://owners.hyundaiusa.com/content/myhyundai/us/en/contact-us/campaign.html> and submit claim under TXXX.



Key Contact Information		
<i>Customer Support</i>	<i>Contact Information</i>	<i>Description</i>
Warranty Extension confirmation	www.hyundaiusa.com/TXXK	Customers can confirm eligibility
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



Appendix

Updates to this Document	Date
<ul style="list-style-type: none"><li data-bbox="175 327 662 359">Launch of Warranty Extension TXXK TSB	01/29/2021