

TXXM / T6G / Engine II Class Action Settlement – Engine Warranty Extension and Engine Inspect and Replace Dealer Best Practice

July 11, 2023

Updates to this Document	Date
<ul style="list-style-type: none"> NEW Class Action Settlement Information on Engine II added (Page 1) 	07/11/23

Description of Engine II Class Action Settlement

A class action lawsuit against Hyundai Motor America (“HMA”) alleges that certain Hyundai vehicles (“Class Vehicles”) were manufactured, marketed, sold, and/or leased with an engine defect that can result in sudden engine seizure, stalling, engine failure, and in some circumstances, engine fire, and that some owners and lessees of Class Vehicles have been improperly denied repairs under warranty. *Neither HMA nor Hyundai Motor Company have been found liable for any of the claims alleged in the lawsuit.* The parties have instead reached a voluntary settlement (the “Settlement”) to avoid lengthy litigation and to provide owners of Class Vehicles certain benefits.

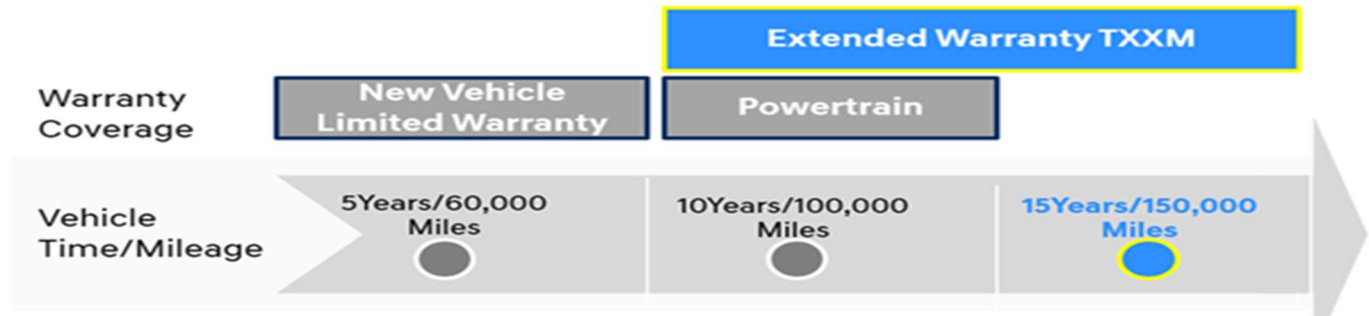
Beginning in May 2023, customers affected by the proposed Settlement will begin receiving notice of the Settlement by mail and email and may start directing questions to dealers. In response to those questions, dealers should direct customers as follows:

- To check eligibility by VIN, a summary of the potential benefits and information on how to file a claim, visit www.HyundaiEngineClassSettlement.com.
- For any questions about the proposed Settlement, call **1-855-215-4931**, Monday thru Friday 8:00AM to 7:00PM EST.
- Completion of Service Campaign 966 (Knock Sensor Detection System or “KSDS”) by November 4, 2023 is required for claims-made benefits. KSDS is also generally required for the extended warranty benefit under the Settlement. See Settlement website above for further details.

TXXM Warranty Extension Benefits

For eligible class vehicles, the warranty coverage for engine repair or replacement regarding engine damage or malfunction from connecting rod bearing wear has been extended to 15 years or 150,000 miles from the date of original retail delivery or date of first use, whichever occurs first, and is valid for original and subsequent owners (TXXM).

NOTE: Commercial entities and individuals engaged in the buying, selling, leasing, or renting of motor vehicles, as well as salvaged vehicles, are ineligible for the extended warranty.



Description of Campaign

Certain vehicles may experience the Check Engine warning lamp illuminated with DTC P1326 and/or the engine may exhibit abnormal noise, or a no crank/no start condition related to connecting rod bearing wear or damage. This Dealer Best Practice outlines the service process to inspect the vehicle and replace the engine or update the engine ECU software based on the inspection results, as well as related warranty coverage for the conditions outlined herein.

Applicable Vehicles

Model Year	Model	Engine
2011–2015	Sonata Hybrid (HEV)	Theta II 2.4-liter MPI Hybrid
2016–2019	Sonata Hybrid/Plug-In Hybrid (HEV / PHEV)	Nu 2.0-liter GDI Hybrid
2010–2012	Santa Fe	Theta II 2.4-liter MPI
2010–2013	Tucson	Theta II 2.4-liter MPI
2014–2021	Tucson	Nu 2.0-liter GDI
2014	Elantra Coupe	Nu 2.0-liter GDI
2014–2016	Elantra	Nu 2.0-liter GDI
2014–2020	Elantra GT	Nu 2.0-liter GDI
2012–2017	Veloster	Gamma 1.6-liter GDI

KSDS Requirements

Customers are strongly encouraged to complete the Knock Sensor Detection System (KSDS) software (Service Campaign 966 or 982), which is being communicated to owners as a requirement for coverage under the extended warranty. With the settlement being at the preliminary approval stage, Prior Approval (PA) will exercise discretion in approving engine repair or replacement even if engine damage or malfunction has occurred before KSDS installation. Previously recalled vehicles under Recall 198 and Recall 209 are exempt from the KSDS requirement.

The settlement is scheduled to receive final approval at the end of 2023. An update is expected to be issued at a later date that will update the KSDS installation policy.

NOTE: Regardless of KSDS completion, dealers should always submit a Warranty Prior Approval request on all applicable vehicles within the extended warranty period.

Notice! A warranty Prior Approval (PA) must be submitted on all applicable vehicles that exhibit the conditions outlined within this best practice document

Before Proceeding with T6G or TXXM

Make sure to confirm diagnosis meets warranty eligibility requirements relating to the conditions outlined within this document. If a vehicle is brought in for an engine condition unrelated to T6G (e.g., oil consumption), please follow the proper engine diagnosis procedures, and refer to standard warranty policies and procedures.

If there is evidence of a fire or other components needing replacement due to fire, please disclose all affected parts to PA as part of the engine PA review process and do not perform any diagnosis or repairs until further directed.

Vehicle Maintenance Review Requirements

When there is a reasonable basis to suspect maintenance neglect based on an inspection of the engine condition:

1. Dealer must inform customer that maintenance neglect is suspected and ask the customer to provide all oil change receipts.
2. Dealer must document how and when this was communicated to the customer in the “Maintenance Review” portion of the PA form.
3. Dealer and HMA will provide the customer up to 10 business days (exact amount of days dependent on the customer’s requested time) to gather records before making a final decision.

NOTE: HMA may make a decision prior to 10 business days if a customer acknowledges any available records have already been provided or if no records are available.

4. HMA will make all final decisions related to engine condition and advise the dealer accordingly.

Alternative Transportation

It is recommended to place the customer in a Service Rental Car (SRC) if the vehicle is brought in for the (T6G) TSB 22-01-023H-2 inspection.

NOTE: All SRC or Rental claims will be reimbursed regardless of PA's decision to cover the engine replacement.

If a SRC is not available, please provide the customer with alternative transportation (3rd Party Rentals and Rideshares).

Customer Talk Tracks

“The Technician will check your vehicle for any Diagnostic Trouble Codes and inspect your vehicle’s engine during the visit to determine if any repairs will be needed. Subject to Knock Sensor Detection System completion, your vehicle’s engine warranty has been extended to 15 years or 150,000 miles, whichever comes first, for engine concerns related to connecting rod bearing wear. If your vehicle has not received Knock Sensor Detection System, Hyundai will still consider eligibility for the warranty extension for the time being. First, we will need to diagnose your vehicle and then we can submit the information to determine if the repairs are covered under the warranty extension.”

“I will follow up with you and provide a status update along with any information about your vehicle I have from the Technician as soon it becomes available. If it is determined that the repairs are not covered by the Warranty Extension, I will call you with a detailed report of the findings and provide you with an estimate for the repairs before continuing any further. In instances of suspected neglect, you may be asked to provide oil change maintenance records. You will have up to 10 business days to provide them. I will keep you updated throughout the process.”

Additional Resources

- Parts: Refer to **TSB 22-01-024H-2** for parts ordering information based on the information collected on the Service Process Results Worksheet during the inspection performed by the Technician.
- Warranty Labor Op Codes: Refer to **TSB 22-01-024H-2**
 - Labor Op Training Video Link:
<https://vimeo.com/678326494/1851c34869>
 - Labor Op Training Video QR Code:



Best Practice Checklist



Reservation: Did you check WebDCS for additional campaigns or recalls?

- Yes
- No** – Please ensure all open campaign(s)/recall(s) are identified and completed by the dealership.



Readiness: Are parts in stock to complete this campaign?

- Yes
- No** – It is highly recommended to have parts on-hand when customer arrives to the dealership, especially if customer has made appointment beforehand and to minimize dealership traffic. Order parts and obtain an estimated time of arrival (ETA) as soon as possible.

Further:

- Technicians completing these campaigns should be minimum Certified level and completed Engine Technology – Classroom (#SVCET28_208) or the Engine Tech vILT Final Exam – Web (#SVCDENGVILTEXITW20_865).
- Your dealership has all necessary Special Service Tools to perform campaign. See TSB # 22-01-023H-2 or latest version.
- Your dealership has properly configured the SST bearing clearance tester and knows how to calibrate the BCT. See TSB # 21-GI-009H. or latest version.



Reception: Did you explain to the customer the expected repair time based on the repair?

- Yes
- No** – Customer should be given an estimated time of when his/her vehicle is completed so the customer can plan the rest of their day away from the dealership.

Further:

- Check WebDCS for applicable open and completed recalls and service campaigns, e.g., KSDS on Campaign 966 or 982.
- If the MIL is illuminated and has triggered DTC P1326 and/or the engine is exhibiting abnormal noise or no crank/no start condition related to connecting rod bearing wear or damage, then follow the procedures outlined in T6G TSB#22-01-0232H-2.
- Print a copy of the Service Process Results Worksheet for the technician to complete and attach to the RO. This will help determine the appropriate parts and labor op codes to use.



Repair: Did you provide the customer with an eMPI?

- Yes
- No**

Further:

- Prep for warranty submission:
 - 2 claims may be submitted for this campaign:
 - 1 for inspection
 - 1 for engine replacement
 - If a part needs replacement as a direct result of failure caused by Campaign T6G related engine failure, or if additional labor is required:
 - Submit a separate claim using the same RO # AND
 - Submit with 21101NTT using the engine Causal Part # associated with T6G Op Code AND
 - Ensure part replacement and punch times match the labor performed along with service manager's signature approving the TT time
 - If a part is found in need of replacement and failure is NOT caused by T6G but is still under warranty, submit a separate claim using the same RO.
- Technicians should follow T6G TSB#22-01-0232H-2 or the latest version.



Return: Did you get the customer’s signature on all warranty lines in addition to the final RO?

- Yes
- No

Further:

- Remind the customer to get their engine oil changed on a regular basis.

Customer FAQ

Q1: What is the issue?

A1: Certain vehicles may experience the Check Engine warning lamp illuminated with DTC P1326 and/or the engine may exhibit abnormal noise, or a no crank/no start condition related to connecting rod bearing wear or damage.

Q2: What are the affected vehicles?

A2: Affected vehicles include:

Model Year	Model	Engine
2011–2015	Sonata Hybrid (HEV)	Theta II 2.4-liter MPI Hybrid
2016–2019	Sonata Hybrid/Plug-In Hybrid (HEV / PHEV)	Nu 2.0-liter GDI Hybrid
2010–2012	Santa Fe	Theta II 2.4-liter MPI
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2014–2021	Tucson	Nu 2.0-liter GDI
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2014–2016	Elantra	Nu 2.0-liter GDI
2014–2020	Elantra GT	Nu 2.0-liter GDI
2012–2017	Veloster	Gamma 1.6-liter GDI

Q3: What is the concern for these vehicles?

A3: Subject vehicles (“Class Vehicles”) are alleged to have been manufactured, marketed, sold, and/or leased with an engine defect that could result in sudden engine seizure, stalling, engine failure, and in some circumstances, engine fire.

Q4: What will be done during the service at the dealer?

A4: The service process calls for the inspection of the vehicle, and if applicable, the replacement of the engine or the updating of the engine ECU software based on the inspection results. Additionally, warranty coverage for affected vehicles will be extended for the conditions outlined herein.

Q5: When will owners be notified?

A5: As of June 7, 2023, customers affected by the proposed Settlement will have been sent notice of the Settlement by mail and email and may start directing questions to dealers. In response to those questions, dealers should direct customers as follows:

- To check eligibility by VIN, a summary of the potential benefits and information on how to file a claim, visit www.HyundaiEngineClassSettlement.com.
- For any questions about the proposed Settlement, call **1-855-215-4931**, Monday thru Friday 8:00AM to 7:00PM EST.
- Encourage any customer with a vehicle eligible for Service Campaign 966 and/or 982 (Knock Sensor Detection System) to have the campaign completed immediately. Remind them that certain Settlement benefits require KSDS installed by November 4, 2023, and the extended warranty generally requires KSDS Completion prior to engine issues arising.

Contact Reference

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

Key Contact Information		
Dealer Support	Contact Information	Description
Parts	HyundaiPartsHotline@MobisUSA.com	Parts ordering hotline
<u>Technline</u>	1-800-325-6604	Vehicle Technical Support for Hyundai Dealer Technicians
Warranty HELPREP Line	1-877-446-2922	Warranty Claim questions for Hyundai Dealers
Warranty Prior Approval (PA)	PA@hmausa.com	Warranty Prior Approval (PA) Center for Hyundai
<u>Xtime</u> Technical Support	Support@xtime.com 1-866-984-6355	Assistance with Car Care Scheduling: <ul style="list-style-type: none"> Appointment / Shop Capacity Management / Campaign Integration / Operation Codes
<u>AutoLoop</u> Technical Support	Support@autoloop.com 1-877-850-2010	Assistance with Car Care Scheduling: <ul style="list-style-type: none"> Appointment / Shop Capacity Management / Campaign Integration / Operation Codes
CDK Technical Support	https://serviceconnect.support.cdk.com/	Assistance with Car Care Scheduling: <ul style="list-style-type: none"> Appointment / Shop Capacity Management / Campaign Integration / Operation Codes
Customer Support	Contact Information	Description
Hyundai Customer Care Center (Recall/Campaign)	1-855-671-3059	Customer questions or concerns related to <u>recall or service campaigns</u>
Hyundai Recall /Campaign Website	www.hyundaiusa.com/recall	Updated information related to the specific recall or service campaign
Hyundai Customer Care Center (General Questions)	1-800-633-5151	Customers general questions, <u>non-campaign</u> related
Hyundai Roadside Assistance	1-800-243-7766	Hyundai Roadside Assistance
Key Reference Information		
Name	Source	
Campaign Central	Consolidated repository of recall and service campaign dealer best practices. Located on the service tab homepage in www.HyundaiDealer.com	
Car Care Scheduling (Xtime) - Tutorials	www.HyundaiDealer.com > Service > Dealer Resources > Documents Library > Car Care Scheduling	
Car Care Scheduling (Xtime) - Recall Appointment Notification	<ol style="list-style-type: none"> 1. Log into Xtime 2. Under the menu at the top left, select 'CONFIGURE' 3. Under the dealership tab, click "EMAIL COMMUNICATION" 4. Slide the toggle to "ADVANCED" 5. Populate as many e-mails as desired in the "PARTS DESK EMAIL FIELD" 	
Parts – Campaign Parts Management (CPM) Procedure	As applicable; www.HyundaiDealer.com > Parts > Documents Library > Campaign Parts Management	
Service Rental Car (SRC) Program	SRC Documentation: www.HyundaiDealer.com > Service tab > Documents Library > Service Rental Car TSD: www.HyundaiDealer.com > Service tab > SRC Fleet Mgmt Software	
Technical Service Bulletin (TSB)	www.HyundaiDealer.com > Service tab > Hyundai Tech Info	
Uncompleted Campaign VIN Listing	A listing of vehicles is located on WEBDCS > SERVICE tab > select UNCOMPLETED CAMPAIGN VIN LISTING – Dealer Stock (New, SRC, CPO, etc.) and <u>Retailed</u> .	
Recall Campaign Website	www.hyundaiusa.com/recall	
NHTSA Website	www.safercar.gov	