

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

**Attention current and former owners and lessees of Hyundai
2015-2017 Sonata Eco, 2016-2017 Tucson, and 2016-2017
Veloster vehicles equipped with dual-clutch transmissions
("Class Vehicles")**

A federal court authorized this notice. This is not a solicitation from a lawyer.

You have received this notice because Hyundai's records indicate that you are a current or former owner/lessee of a **Class Vehicle** (a "**Class Member**"), and may be eligible to receive the benefits described below (subject to the terms and conditions provided by the Settlement Agreement). A complete copy of the Settlement Agreement is available for review at DCTSettlement.HyundaiUSA.com). Those potential benefits are summarized as follows:

- Reimbursement for Diagnostic Visits and Repairs. **Class Members** who incurred out-of-pocket costs for any repair, replacement, diagnosis, or inspection relating to the dual-clutch transmission ("DCT") on a **Class Vehicle** ("**Qualifying Repair**"), may claim full reimbursement for reasonable costs incurred for that Qualifying Repair, including the payment of insurance copays and deductibles.
- Compensation to Troubleshoot, Diagnose, or Repair DCT-Related Symptoms. **Class Members** who made multiple visits to an authorized Hyundai dealership to troubleshoot, diagnose, repair, or complain about a DCT-Related Symptoms (defined herein), will have the option to claim compensation in the form of cash payments up to \$675, or vehicle rebate certificates up to \$1,350.
- Compensation for Lost Value on Trade-In or Sale. **Class Members** who have traded-in or sold (or will trade-in or sell) their **Class Vehicles**, may claim compensation after trading-in or selling their cars because of DCT-related complaints. This benefit for partial compensation is intended to offset the **Class Vehicle's** potential loss in value resulting from an alleged DCT defect.
- Notice of DCT Software Upgrades. An Informational Brochure about the operation and function of the DCT, as well as notice regarding the most recent DCT software upgrades, will be distributed to **Class Members** if and when the Court enters a judgment approving the settlement.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT CLAIM FORMS	The <u>only</u> way to get compensation from the settlement.

QUESTIONS? VISIT DCTSettlement.HyundaiUSA.com
PARA UNA NOTIFICACIÓN EN ESPAÑOL, VISITAR NUESTRO WEBSITE

EXCLUDE YOURSELF	Get no compensation or other benefits provided by the settlement. This is the only option that allows you to ever be part of any other lawsuit against Hyundai about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights (except for the Informational Brochure).

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still must decide whether to approve the settlement. Payments will be made if you meet all the requirements to receive such payments and the Court approves the settlement, and after appeals are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package?

According to Hyundai's records, you bought or leased a **Class Vehicle** (see list of vehicles below in Section 6) in the United States, excluding the territories, or abroad while on active military duty.

The Court has ordered this notice be sent to you because you have a right to know about a proposed settlement of a class action lawsuit and your options, before the Court decides whether to approve the settlement. If the Court approves the settlement and you meet the requirements to obtain payments and other benefits, and after objections and appeals are resolved, Hyundai will provide payments and other benefits that the settlement provides to **Class Members**. You can be informed of the progress of the settlement by calling the toll-free number or visiting the website listed at the bottom of this page.

This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Central District of California, and the case is known as *Wylie v. Hyundai Motor America*, No. 8:16-cv-02102-DOC-JCG. The vehicle owners who sued are called the Plaintiffs, and the companies they sued, Hyundai Motor America and Hyundai Motor Company (together "Hyundai"), are called the Defendants.

2. What is this lawsuit about?

Plaintiffs' Perspective: The lawsuit alleged that Hyundai made and sold vehicles with a defective DCT that can cause, among other issues, shuddering, stalling, delayed acceleration, and power loss ("DCT-Related Symptoms") in a Class Vehicle.

Hyundai's Perspective: Hyundai contends that it already initiated a recall campaign for delayed acceleration issues with the dual clutch transmission in certain 2016 Tucson vehicles. With updated engine control software, that Tucson issue has been resolved. With software updates also available for other Class Vehicles, the few, slight, and largely subjective complaints regarding the operative driving smoothness of the other Class Vehicles' transmissions have similarly been addressed. Hyundai has an interest in its customers' satisfaction, believes that greater awareness of its software updates will increase customer satisfaction, and has therefore agreed to the settlement benefits listed in the notice.

3. Why is this a class action?

In a class action lawsuit, one or more persons, called Class Representatives (in this case Nicholas Wylie, Shawna Wylie, Timothy Ryan, and Gregory Perger), sue on behalf of people who have similar claims. All these people are a Class or **Class Members**. One court resolves the issues for all **Class Members**, except those who exclude themselves from the Class. U.S. District Judge David O. Carter is in charge of this class action.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, the parties avoid the cost of a trial, and the people affected will get compensation. The Class Representatives and their attorneys think the settlement is best for everyone who bought or leased a **Class Vehicle**.

To see if you will get money or other benefits from this settlement, you first have to decide if you are a Class Member.

WHO IS IN THE SETTLEMENT?

5. How do I know if I am part of the settlement?

Judge Carter decided that everyone who fits this description is a **Class Member**: *All persons and entities who bought or leased a **Class Vehicle** in the United States, excluding its territories, as of August 26, 2019, and all persons who bought or leased a **Class Vehicle** while on active military duty in the Armed Forces of the United States.*

6. Which Hyundai vehicles are included?

In this settlement, **Class Vehicle** means any of the following vehicles that came factory-equipped with a DCT: 2015 to 2017 model year Sonata Eco vehicles, 2016-2017 model year Tucson vehicles, and 2016-2017 model year Veloster vehicles.

7. Am I a Class Member?

The Class includes all persons who bought or leased a **Class Vehicle**. The Class includes all those who have experienced DCT-Related Symptoms. The Class also includes those who have not experienced DCT-Related Symptoms.

8. I am still not sure if I'm included.

If you are still not sure whether you are included, you can ask for free help. You can visit the settlement website at DCTSettlement.HyundaiUSA.com or you can call 1-866-944-7620 and ask whether you are included in the settlement.

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at DCTSettlement.HyundaiUSA.com, by contacting Plaintiffs' attorneys at info@HyundaiDCTLawsuit.com, or by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

SETTLEMENT BENEFITS – WHAT YOU GET

9. What can I get from the settlement?

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

A. Reimbursement for Diagnostic Visits and Repairs

Class Members who, prior to receiving notice of this settlement, paid for any type of repair, replacement, diagnosis, or inspection of a **Class Vehicle** concerning the DCT ("**Qualifying Repair**") will be entitled to make a claim for full reimbursement by Hyundai of reasonable expenses incurred for the **Qualifying Repair** (including the payment of insurance copays and deductibles) provided that:

- (i) The **Class Member** completes a **Claim Form** on or before **February 22, 2020** (*see Section 10 below for how to submit a Claim; see Settlement Agreement for complete terms and conditions*);
- (ii) Attaches proof of the repair expense incurred by the **Class Member**.

****If you want to be reimbursed, complete and return the Claim Form by February 22, 2020.**

B. Compensation to Troubleshoot, Diagnose, or Repair DCT-Related Symptoms

Class Members who made (or will make) multiple visits to an authorized Hyundai dealership within 7 years/100,000 miles of delivery of the **Class Vehicle** to the first retail customer (whichever occurs first) to troubleshoot, diagnose, repair, or complain about a DCT-Related Symptom are eligible to submit claims for either monetary compensation payable via debit card, or vehicle rebate certificates (cards redeemable solely for Hyundai-related goods and services at authorized Hyundai dealerships only), for Service Visits.

Class Members must choose either monetary compensation or vehicle rebate certificates for Service Visits; i.e., a **Class Member** cannot submit one claim for monetary compensation and a second claim for a vehicle rebate certificate.

Class Members who submit Service Visit Claim Forms for monetary compensation are eligible to receive up to \$225 per **Class Vehicle** for each Service Visit starting with the second visit and \$225 for

each Service Visit thereafter. Payments are capped at \$675 per **Class Vehicle**. **Class Members** may submit up to three Service Visit Claim Forms for monetary compensation. For example, if a **Class Member** submits a Service Visit Claim Form for two Service Visits, and then following that submission, makes one or two additional Service Visits, that person may submit a second Service Visit Claim Form for \$225 for the third Service Visit and a third Service Visit Claim Form for \$225 for the fourth Service Visit, for a total of \$675.

Class Members who submit Service Visit Claim Forms for vehicle rebate certificates for Service Visits are eligible to receive up to \$450 per **Class Vehicle** for each Service Visit starting with the second visit and \$450 for each Service Visit thereafter. Vehicle rebate certificates for Service Visits are capped at \$1,350 per **Class Member**. **Class Members** may submit up to three Service Visit Claim Forms for vehicle rebate certificates for Service Visits. For example, if a **Class Member** submits a Service Visit Claim Form for two Service Visits, and then following that submission, makes one or two additional Service Visits, the Class Member may submit a second Service Visit Claim Form for \$450 for the third Service Visit and a third Service Visit Claim Form for \$450 for the fourth Service Visit, for a total of \$1,350 per **Class Member**. All vehicle rebate certificates for Service Visits can be traded in for the equivalent form of monetary compensation per Service Visit. Vehicle rebate certificates for Service Visits will expire within 12 months after issuance.

****If you want to be compensated for having to troubleshoot, diagnose, or repair DCT-Related Symptoms, complete and return the Claim Form** (see Section 10 below for how to submit a Claim).

C. Compensation for Lost Value on Trade-In or Sale

Class Members who have traded-in or sold their **Class Vehicles**, or will trade-in or sell their **Class Vehicles**, because of DCT-related complaints may claim compensation.

In order to make a claim, **Class Members** must provide, together with a completed **Claim Form**, either:

- (i) Proof that they have made a DCT-related complaint at least once within the first 20,000 miles of ownership of their vehicle; or
- (ii) A written statement signed under penalty of perjury that the **Class Member** experienced DCT Related symptoms within the first 20,000 miles of ownership; and
- (iii) Proof of at least two Service Visits.

The amount of compensation will be based on the difference (the “Purchase/Sale Price Difference”) between the purchase price for the **Class Vehicle** (the “Purchase Price”) and the trade-in value or sale price of the **Class Vehicle** (the “Sale Price”), adjusted for mileage and other factors as set forth below (see Settlement Agreement for complete terms and conditions):

The Purchase/Sale Price Difference will be adjusted by the amount of mileage at the time of sale or trade-in according to the following table:

Mileage	Compensation
0 to 20,000 miles	70% of Purchase/Sale Price Difference
20,001 to 30,000 miles	60% of Purchase/Sale Price Difference
30,001 to 45,000 miles	50% of Purchase/Sale Price Difference
45,001 to 60,000 miles	40% of Purchase/Sale Price Difference
60,001 to 70,000 miles	30% of Purchase/Sale Price Difference

70,001 to 80,000 miles	20% of Purchase/Sale Price Difference
80,001 to 100,000 miles	10% of Purchase/Sale Price Difference

- The Mileage Adjustment will be increased by 5 percentage points if the **Class Member** made 3 or more DCT-related Service Visits within the first 20,000 miles of Ownership.
- The Mileage Adjustment will be decreased by 2.5 percentage points for each year of Ownership (ordinary rounding rules apply).
- The Mileage Adjustment will be increased by 5 percentage points if the **Class Member** owned the vehicle for at least three (3) years from the date of original retail delivery and made at least four (4) DCT-related Service Visits to an authorized Hyundai dealership (documentary proof of the Service Visit and the Purchase Agreement to be provided with Customer Satisfaction Claim Form), both as of the Effective Date (as that term is defined by the Settlement Agreement).
- The Mileage Adjustment will be increased by 10 percentage points for **Class Members** that also provide documentation demonstrating that their **Class Vehicle(s)** were traded-in in connection with the new retail purchase of another Hyundai vehicle from an authorized Hyundai dealership.

For any qualifying compensation under the Customer Satisfaction Program, the **Class Vehicle** must be traded in or sold as part of a bona fide, arm's length transaction within 4 years from original delivery to the first retail customer for that vehicle, or **within 120 days after the Effective Date, whichever is later.**

D. Informational Brochure

Hyundai will distribute an informational brochure to all owners and lessees of **Class Vehicles** that will describe generally the operation and limitations of DCT vehicles and describe the availability of software upgrades for the **Class Vehicles**. The brochure will be a separate, color-printed document that can be kept with your owner's manual.

HOW YOU GET A PAYMENT—SUBMITTING CLAIMS

10. How can I get a payment?

To be eligible for the compensation provided by the settlement, you must complete and submit the claim forms on the settlement website or via U.S. mail by the applicable deadline(s) listed in Section 9. You can get forms at DCTSettlement.HyundaiUSA.com, or by calling 1-866-944-7620. Follow all of the instructions on the settlement website and the claim form.

You can submit your claim electronically at DCTSettlement.HyundaiUSA.com or by mail to the address listed on the form. Please keep a copy of your completed form and all documentation you submit for your own records.

The (electronic or hard copy) paperwork that you need to provide with your claim form varies depending on what payments you are claiming:

11. When would I get my payment?

The Hon. David O. Carter, U.S. District Judge, will hold a Fairness Hearing on **March 2, 2020** at **8:30 a.m.** in Courtroom 9D at the U.S. District Court for the Central District of California, 411 West

Fourth Street, Santa Ana, CA 92701, to decide whether to approve the settlement. The hearing may be rescheduled without further notice. To obtain updated scheduling information, see at DCTSettlement.HyundaiUSA.com. If the Court approves the settlement, there may be appeals afterwards. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Please be patient.

Compensation for trade-ins and sales may be made before the settlement is granted final approval as discussed in Section 9 above.

12. What am I giving up to be eligible for the settlement benefits?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against Hyundai or related entities or individuals (listed in the Settlement Agreement, which you can view at at DCTSettlement.HyundaiUSA.com) about the legal issues in *this* case. It also means that all of the Court's orders will apply to you and legally bind you.

Nothing in this settlement will prohibit you from pursuing claims for personal injury, wrongful death, or property damage stemming from an automobile accident.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want keep the right to sue or continue to sue Hyundai, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself—or is sometimes referred to as opting out of the settlement Class.

13. How do I get out of the Settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *Wylie v. Hyundai Motor America*, No. 8:16-cv-02102-DOC-JCG. Be sure to include your name, address, telephone number, **Vehicle Identification Number ("VIN")** of your **Class Vehicle** (which is located on a placard on the top of the dashboard visible through the driver's side corner of the windshield), and signature. You must mail your exclusion request postmarked no later than **December 26, 2019** to:

Class Counsel	Class Counsel	Defense Counsel
Mark A. Ozzello Tarek H. Zohdy Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067	Troy L. Isaacson Norberto J. Cisneros Maddox Isaacson Cisneros LLP 11920 Southern Highlands Pkwy, Ste 100 Las Vegas, Nevada 89141	Ekwon E. Rhow David I. Hurwitz Bird, Marella, Boxer, Wolpert, Nessim, Drooks, Lincenberg & Rhow, P.C. 1875 Century Park East, 23rd Fl. Los Angeles, California 90067

You can't exclude yourself on the phone or by e-mail. If you ask to be excluded, you will not get any settlement payment and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Hyundai in the future.

14. If I don't exclude myself, can I sue Hyundai for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Hyundai for the claims that this

settlement resolves. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is **December 26, 2019**.

15. If I exclude myself, can I get money or other benefits from this settlement?

No. If you exclude yourself, you cannot send in a claim form to ask for any reimbursement. But, you may sue, continue to sue, or be part of a different lawsuit against Hyundai.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court asked Mark A. Ozzello and Tarek H. Zohdy of the law firm Capstone Law APC and Troy L. Isaacson and Norberto J. Cisneros of the law firm Maddox | Isaacson | Cisneros LLP to represent you and other Class members. Together, the lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees and expenses up to \$2,000,000, and a payment of \$5,000 each for the four named Class Representatives, Nicholas Wylie, Shawna Wylie, Timothy Ryan, and Gregory Perger. The Court may award less than these amounts. Hyundai will separately pay the fees and expenses that the Court awards. These amounts will not come out of the funds for payments to **Class Members**. Hyundai will also separately pay the costs to administer the settlement.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.

18. How do I tell the Court that I like or dislike the settlement?

If you are a **Class Member**, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views.

To object, you must submit a letter saying that you object, at the address contained in this Notice, saying that you are objecting to the settlement in *Wylie v. Hyundai Motor America*, No. 8:16-cv-02102-DOC-JCG. You must include: (i) your full name, current address, and current telephone number; (ii) the model year and **VIN** of your **Class Vehicle(s)**; (iii) a statement of your objection, including all supporting factual and legal grounds; (iv) a statement of whether your objection applies only to you, to a specific subset of the Class, or to the entire Class, (iv) copies of any documents you wish to submit in support; and (v) your signature and the date of the objection.

If you intend to appear, in person or by counsel, at the Final Approval Hearing, you must say so in your objection. Any failure to do so, or otherwise comply with the requirements listed, may be treated as a waiver of your objections to the settlement and can lead to you being barred from speaking or otherwise presenting any views at the final approval hearing.

Lawyers asserting objections on behalf of **Class Members** must: (a) file a notice of appearance with the Court by **December 26, 2019**; (b) file a sworn declaration attesting to his or her representation of each **Class Member** on whose behalf the objection is being filed or file (in camera) a copy of the contract between that lawyer and each such **Class Member**; and (c) comply with the procedures described in this notice.

Mail the objection postmarked no later than **December 26, 2019** to:

Class Counsel	Class Counsel	Defense Counsel
Mark A. Ozzello Tarek H. Zohdy Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067	Troy L. Isaacson Norberto J. Cisneros Maddox Isaacson Cisneros LLP 11920 Southern Highlands Pkwy, Ste 100 Las Vegas, Nevada 89141	Ekwan E. Rhow David I. Hurwitz Bird, Marella, Boxer, Wolpert, Nessim, Drooks, Lincenberg & Rhow, P.C. 1875 Century Park East, 23rd Fl. Los Angeles, California 90067

19. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class and the settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, subject to the requirements above, but you don't have to.

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at **8:30 a.m. on March 2, 2020** in Courtroom 9D at the U.S. District Court for the Central District of California, Southern Division, 411 West Fourth Street, Santa Ana, CA 92701. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Carter will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

The hearing may be rescheduled without further notice to you. Updated scheduling information will be available at DCTSettlement.HyundaiUSA.com.

21. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Carter may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As

long as you mailed your written objection on time and complied with the above specifications, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

22. May I speak at the hearing?

You may ask the Court's permission to speak at the Fairness Hearing, as discussed above. To do so, you must follow the specifications above, including by stating in your objection that you intend to appear, either in person or by counsel. You cannot speak at the hearing if you excluded yourself.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will receive the Informational Brochure, but you'll get no money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Hyundai about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement, which you can view at DCTSettlement.HyundaiUSA.com.

25. How do I get more information?

You can call 1-866-944-7620 toll free or visit DCTSettlement.HyundaiUSA.com, where you will find answers to common questions about the settlement, the claim forms, plus other information to help you determine whether you are a **Class Member** and whether you are eligible for a payment and extended warranty.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.