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## SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Agreement”) is made and entered into by and between: (1) Named Plaintiffs Nicholas Wylie, Shawna Wylie, Timothy Ryan, and Gregory Perger (“Named Plaintiffs” or “Class Representatives”), individually and as representatives of a Class defined below; and (2) Hyundai Motor America (“HMA” or “Hyundai”) (collectively, the “Parties”).

WHEREAS, on November 22, 2016, Plaintiffs Nicholas Wylie and Shawna Wylie, individually and on behalf of a putative class of “all individuals in the United States who purchased or leased any Hyundai vehicle equipped with a 7-speed automatic transmission (“DCT”),” filed a complaint against HMA in the United States District Court for the Central District of California (the “Action”), alleging that HMA failed to disclose a design defect in the DCT installed in Class Vehicles that causes, among other problems, jerking, shuttering, shaking, failure to shift, stalling, delayed acceleration, or loss of power (the “Alleged Defect” or “DCT-Related Symptoms”), all of which HMA denies;

WHEREAS, on September 12, 2017, Named Plaintiffs filed a First Amended Complaint (the “Complaint”);

WHEREAS, on January 26, 2018, HMA filed its Answer to the Complaint and Affirmative Defense;

WHEREAS, the Complaint asserts claims under various laws and alleged that, as a result of the purported failure to disclose the Alleged Defect, plaintiffs purchased vehicles they would not have otherwise purchased, or paid more for the vehicles than they would have otherwise paid;

WHEREAS, the parties engaged in extensive discovery, with HMA having produced more than 200,000 pages of documents and Class Counsel having taken the depositions of three HMA representatives designates on various topics pursuant to Federal Rule of Civil Procedure 30(b)(6);

WHEREAS, the parties engaged in several mediation sessions to assist in the

1 negotiation of this settlement, two sessions with the Hon. Russell Bostrom (Ret.) of  
2 Judicate West and a third session with the Hon. Howard B. Weiner (Ret.);

3 WHEREAS, Class Counsel and the Class Representatives have conducted an  
4 investigation into the facts and the law regarding the Action, and have concluded  
5 that a settlement with HMA according to the terms set forth below is in the best  
6 interests of the Settlement Class;

7 WHEREAS, despite its denial of any liability or culpability and its belief that  
8 it has meritorious defenses to the claims alleged, HMA nevertheless decided to enter  
9 into the settlement described herein as a benefit to its customers and to avoid further  
10 litigation without admission of liability;

11 NOW, THEREFORE, in consideration of the covenants, agreements, and  
12 releases set forth herein and for other good and valuable consideration, and  
13 intending to be legally bound, it is agreed by and among the undersigned that the  
14 Action be settled, compromised, and judgment entered on the terms and conditions  
15 set forth below.

16 **1. Definitions**

17 1.1 “Action” refers to the litigation entitled *Wylie, et al. v. Hyundai*  
18 *Motor Am.*, No. 8:15-cv-02102 DOC (C.D. Cal.).

19 1.2 “Agreement” means this Settlement Agreement, including all  
20 exhibits hereto.

21 1.3 “Claim” means a request for reimbursement under this  
22 settlement.

23 1.4 “Class” means all Class Members collectively.

24 1.5 “Class Counsel” means Capstone Law APC and Maddox,  
25 Isaacson, Cisneros LLP.

26 1.6 “Class Member” or “Settlement Class” means all persons and  
27 entities who bought or leased a Class Vehicle in the United States, excluding its  
28 territories, as of the date of Preliminary Approval, and all persons who bought or

1 leased a Class Vehicle while on active military duty in the Armed Forces of the  
2 United States as of the date of Preliminary Approval. Excluded from this definition  
3 are HMA’s affiliates, parent, or subsidiary of HMA or HMC; any entity in which  
4 HMA or HMC has a controlling interest; any employee, officer, or director of HMA  
5 or HMC; any successor or assign of HMA or HMC; attorneys, agents, insurers,  
6 third-party providers of extended warranty/service contracts, dealers, the attorneys  
7 representing HMA in this case, the Judges and Mediators to whom this case is or  
8 was assigned and their immediate family members, all persons who request  
9 exclusion from (opting-out of) the Settlement, vehicles deemed a total loss, anyone  
10 claiming personal injury, and all persons who previously released any claims  
11 encompassed in this Settlement. Except as to the named plaintiffs in this  
12 Agreement, the class definition expressly excludes all owners or lessees of Class  
13 Vehicles who have filed and served litigation against HMA alleging problems with  
14 the DCT in Class Vehicles that were pending as of the Notice Date and who do not  
15 dismiss their actions before final judgment. Owners or lessees of Class Vehicles  
16 who timely dismiss such litigation shall be members of the Class for all purposes.

17           1.7    “Class Notice” means the Court-approved form of notice to  
18 Class members, including the Claim Form, in substantially the same forms as that  
19 attached hereto as Exhibits A through D.

20           1.8    “Class Vehicles” means 2015 to 2017 model year Sonata Eco  
21 vehicles, 2016-2017 model year Tucson vehicles, and 2016-2017 model year  
22 Veloster vehicles equipped with a DCT.

23           1.9    “Court” or “District Court” means the United States District  
24 Court for the Central District of California.

25           1.10 “Current Lessee” means a Person (i) who leased, on or before the  
26 date of Preliminary Approval, a Class Vehicle and (ii) who remains the lessee of  
27 such Class Vehicle on as of the date of Preliminary Approval.

28           1.11 “Current Owner” means a Person who purchased a Class Vehicle

1 and who remains the owner of such Class Vehicle as of the date of Preliminary  
2 Approval.

3 1.12 “Effective Date” means the first date after the Court enters an  
4 order granting final approval of this settlement and entering judgment, and all  
5 appellate rights with respect to said order, other than those related to any award of  
6 attorneys’ fees, costs, or incentive payments, have expired or been exhausted in such  
7 a manner as to affirm the order.

8 1.13 “Former Lessee” means a Person (i) who leased a Class Vehicle  
9 and (ii) who does not lease or own such Class Vehicle as of the date of Preliminary  
10 Approval.

11 1.14 “Former Owner” means a Person (i) who purchased a Class  
12 Vehicle; and (ii) who does not own such Class Vehicle as of the date of Preliminary  
13 Approval.

14 1.15 “Informational Brochure” refers to the separate, color-printed  
15 document that will be provided after the Effective Date. The Informational  
16 Brochure shall be designed to be kept with the owner’s manual for Class Vehicles.  
17 The Informational Brochure shall describe generally the operation and limitations of  
18 DCT vehicles and describe the availability of software upgrades for the Class  
19 Vehicles.

20 1.16 “Long Form Notice” refers to the notice to be posted on the  
21 settlement website as detailed below, substantially in the same form as Exhibit A.

22 1.17 “Notice Date” refers to the date 60 days after the Court enters an  
23 order preliminarily approving this settlement, which will be the deadline for HMA  
24 to cause notice of the settlement to be disseminated to the Class consistent with the  
25 notice plan set forth in this settlement and the order granting Preliminary Approval.

26 1.18 “Out-Of-Pocket Expenses” means documented costs/expenses  
27 that Class Members incurred on or before the 120th day following the Effective  
28 Date for service, repairs, diagnostics of Class Vehicles relating to the Alleged

1 Defect.

2           1.19 “Party” means a Class Representative or HMA, and “Parties”  
3 means the Class Representatives and HMA.

4           1.20 “Person” means any individual or entity.

5           1.21 “Postcard Notice” refers to the notice to be mailed and emailed  
6 to Class Members as detailed below, substantially in the same form as Exhibit B.

7           1.22 “Preliminary Approval” refers to the Court’s entry of an order  
8 materially similar to that attached hereto as Exhibit D, in which the Court certifies  
9 the Class for settlement purposes, preliminarily approves the settlement, appoints  
10 Class Counsel, and directs notice to be disseminated to the Class as set forth below.

11           1.23 “Proof of Repair Expense” shall be comprised of the original or a  
12 copy of any document(s) generated at or around the time expense was incurred for a  
13 Qualifying Repair that identifies the Qualifying Repair’s nature, date performed, and  
14 cost incurred for the Qualifying Repair.

15           1.24 “Proof of Repair-Related Expense” shall be comprised of the  
16 original or a copy of any document(s) generated at or around the time that expense  
17 was incurred for a rental car, towing service, or other out-of-pocket expense in  
18 direct conjunction with obtaining a Qualifying Repair, and which identifies (i) the  
19 expense incurred for a rental car, towing service, or other out-of- pocket expense,  
20 (ii) the date the expense was incurred, and (iii) the dollar amount.

21           1.25 “Qualifying Repair” refers to any type of repair, replacement,  
22 diagnosis, or inspection of a Class Vehicle concerning the DCT. For purposes of  
23 reimbursement or other compensation under this Agreement, only the expenses  
24 related to the DCT shall be compensable.

25           1.26 “Releasees” shall refer jointly and severally, individually and  
26 collectively to entities that marketed the Class Vehicles, entities that designed,  
27 developed, and/or disseminated advertisements for the Class Vehicles, HMA,  
28 Hyundai Motor Company, Hyundai America Technical Center, Inc. (also doing

1 business as Hyundai-Kia America Technical Center), Hyundai Motor  
2 Manufacturing Alabama, all affiliates of the Hyundai Motor Group, and each of  
3 their respective future, present, and former direct and indirect parents, subsidiaries,  
4 affiliates, divisions, predecessors, successors, assigns, dealers, distributors, agents,  
5 principals, suppliers, vendors, issuers, licensees, and joint ventures, and their  
6 respective future, present, and former officers, directors, employees, partners,  
7 general partners, limited partners, members, managers, agents, shareholders (in their  
8 capacity as shareholders), and legal representatives, and the predecessors,  
9 successors, heirs, executors, administrators, and assigns of each of the foregoing.  
10 As used in this paragraph, “affiliates” means entities controlling, controlled by or  
11 under common control with a Releasee.

12           1.27 “Releasors” shall refer jointly and severally, individually and  
13 collectively to the Class Representatives, the Settlement Class Members, and their  
14 future, present, and former direct and indirect parents, subsidiaries, affiliates,  
15 divisions, predecessors, successors, and assigns, and their respective future, present,  
16 and former officers, directors, employees, partners, general partners, limited  
17 partners, members, managers, agents, shareholders (in their capacity as  
18 shareholders) and legal representatives, and the predecessors, successors, heirs,  
19 executors, administrators, and assigns of each of the foregoing. As used in this  
20 paragraph, “affiliates” means entities controlling, controlled by or under common  
21 control with a Releasor.

22           1.28 “Service Visit” means a documented visit by a Class Member to  
23 an authorized Hyundai dealership in the United States within 7 years/100,000 miles  
24 of delivery of the Class Vehicle to the first retail customer, whichever occurs first,  
25 during which a complaint was made concerning a DCT-Related Symptom. To be  
26 compensable under this Agreement, a Service Visit must involve a bona fide  
27 motivation by the Class Member for repair or diagnosis of a DCT-Related Symptom  
28 and not a mere intention for compensation under this Agreement.

1                   1.29 “Settlement Class” means all “Settlement Class Members”  
2 collectively.

3                   1.30 “Settlement Class Member” means any Class Member who has  
4 not timely elected to “opt out” of the settlement described in this Settlement  
5 Agreement or otherwise excluded.

6                   **2. Consideration for Settlement**

7                   As consideration for the settlement set forth herein, HMA will provide the  
8 following benefits to Class Members:

9                   2.1 Informational Brochure. Via the Informational Brochure, HMA  
10 will inform Class Members on the operation and functionality of the DCT and  
11 provide them with notice of the most recent DCT software upgrades. HMA will  
12 distribute the Informational Brochure within 30 calendar days after the Effective  
13 Date.

14                   2.2 Reimbursement for Diagnostic Visits and Repairs.

15                   a. To the extent any Class Member, before receiving notice  
16 of this settlement, has obtained and paid for a Qualifying Repair for a Class Vehicle,  
17 the Class Member will be entitled to full reimbursement by HMA of all reasonable  
18 expenses incurred for the Qualifying Repair (including the payment of insurance  
19 copays and deductibles) provided that:

20                                   (i) The Claim is submitted no later than 120 days after  
21 the Notice Date;

22                                   (ii) The Claim contains a substantially completed Claim  
23 Form in the form attached as Exhibit C; and

24                                   (iii) The Claim contains a Proof of Repair Expense  
25 incurred by the Class Member.

26                   b. Class Members who paid for the Qualifying Repair with a  
27 credit card shall substantiate the cost for the Qualifying Repair that they paid with a  
28 repair receipt from the dealership showing their payment, a credit card receipt from

1 the dealership, or a credit card statement showing a payment to the dealership.

2 c. Class Members who paid for the Qualifying Repair with a  
3 debit card or check shall substantiate the cost for the Qualifying Repair that they  
4 paid with a repair receipt from the dealership showing their payment, debit card  
5 receipt from the dealership, cleared check showing their payment to the dealership,  
6 or a bank statement showing a payment to the dealership.

7 d. Class Members who paid for the Qualifying Repair with  
8 cash shall substantiate the cost for the Qualifying Repair that they paid with a repair  
9 receipt from the dealership showing their payment or if they do not have such a  
10 repair receipt the Class Member shall attest under penalty of perjury that they do not  
11 have a repair receipt from the dealership showing their payment and as to the  
12 specific dollar amount they paid in cash to the dealership. The attestation shall be  
13 cross- referenced against the dealership's records.

14 e. In instances in which HMA is not able to obtain  
15 information reasonably necessary to approve the Claim, such as date, nature, and  
16 cost charged for the Qualifying Repair, it shall provide the Class Member the  
17 opportunity to cure the Claim as set forth in Section 3.5 below. HMA will  
18 encourage all dealers to provide copies of all receipts and invoices for Qualifying  
19 Repairs upon request by each Class Member.

20 f. As part of HMA's review of claims under this Section,  
21 HMA may assess whether any expenses incurred by or on behalf of Class Members  
22 appear unreasonable. In the event that HMA concludes that a portion of the  
23 incurred expenses were unreasonable, any such determination will be subject to all  
24 remaining provisions of Section 3, including the requirement that HMA provide  
25 written notice of the determination to the Class Members and the Class Members'  
26 right to attempt to cure.

27 g. Consistent with the above provisions, reimbursements  
28 shall be provided irrespective of whether Qualifying Repairs occurred at an



1 authorized Hyundai dealership or elsewhere.

2 h. Reimbursements shall be provided to Class Members even  
3 if warranty coverage was previously denied for the Qualifying Repair.

4 i. Class Members previously reimbursed in full or in part for  
5 the expense incurred in connection with a Qualifying Repair (e.g., through an HMA  
6 or dealership good will payment) shall not be entitled to a reimbursement under this  
7 settlement for that portion of the expense for which they have already been  
8 reimbursed (though, excepting instances referenced in Section 2.2(j) below, they  
9 remain entitled to receive reimbursements for all portions of the expense for which  
10 they have not already been reimbursed).

11 j. Notwithstanding any terms of this settlement, Class  
12 members who previously signed a release in connection with a Qualifying Repair  
13 (e.g., in exchange for not being charged for some or all of a repair) shall not be  
14 entitled to any reimbursement or other recovery under this settlement.

15 k. To the extent any Class member incurs expense, such as  
16 for a rental car or towing service, or other out-of-pocket expense reasonably related  
17 to obtaining a Qualifying Repair for a Class Vehicle, the Class Member shall be  
18 entitled to full reimbursement of any and all such reasonable expenses by HMA  
19 provided that they are made part of a valid and timely Claim and:

20 (i) The Claim contains a Proof of Repair-Related  
21 Expense; and

22 (ii) The Claim contains a Proof of Repair-Related  
23 Expense that reflects the rental car, towing, or other out-of-pocket expense was  
24 incurred within 30 days of (1) the date of completion of the Qualifying Repair,  
25 and/or (2) the date on which the Class Vehicle was first presented for the Qualifying  
26 Repair.

27 l. With respect to the reimbursements available pursuant to  
28 the above paragraph, Class Members shall not be entitled to receive compensation

1 apart from their out-of-pocket costs incurred. For example, the above paragraph  
2 shall not entitle Class Members to lost wages allegedly incurred due to an inability  
3 to get to or from a place of employment or to recover other forms of consequential  
4 damages.

5 m. Class Members previously reimbursed in full or part for  
6 rental car or towing expense shall not be entitled to a reimbursement under this  
7 subsection for that portion of the expense for which they have already been  
8 reimbursed.

9 n. Class Members shall not be entitled to recover any  
10 consequential damages under the terms of this settlement, including, for example,  
11 lost wages, lost economic opportunities, increases in insurance premiums or the like  
12 related to or occasioned by the repair of a Class Vehicle.

13 2.3 Compensation to Troubleshoot, Diagnose, or Repair DCT-  
14 Related Symptoms. Subject to the following terms and conditions, Class Members  
15 who made or make multiple Service Visits to troubleshoot, diagnose, repair, or  
16 complain about a DCT-Related Symptom are eligible to submit claims in the Claim  
17 Form attached as Exhibit C for either monetary compensation payable via debit  
18 card, or vehicle rebate certificates (in the form of non-transferrable debit cards  
19 redeemable solely for Hyundai-related goods and services at authorized Hyundai  
20 dealerships only that will expire within 12 months of issuance), for Service Visits.  
21 Class Members must choose either monetary compensation or vehicle rebate  
22 certificates for Service Visits; i.e., a Class Member cannot submit one claim for  
23 monetary compensation and a second claim for a vehicle rebate certificate. Class  
24 Members who submit multiple Claim Forms are not required to provide proof of  
25 previous Service Visits already documented in previously submitted Claim Forms.  
26 All Class Members who receive monetary compensation or vehicle rebate  
27 certificates for Service Visits will be eligible to participate in HMA's Customer  
28 Satisfaction Program described below, but any award from the Customer

1 Satisfaction Program will be offset by \$225.

2           a.     Monetary Compensation to Troubleshoot, Diagnose, or  
3 Repair DCT-Related Symptoms. Class Members who submit Claim Forms for  
4 monetary compensation are eligible to receive up to \$225 per Class Vehicle for each  
5 Service Visit starting with the second visit and \$225 for each Service Visit  
6 thereafter. Payments are capped at \$675 per Class Vehicle. Class Members may  
7 submit up to three Claim Forms for monetary compensation. For example, if a Class  
8 Member submits a SV Claim for two Service Visits, and then following that  
9 submission, makes one or two additional Service Visits, may submit a second Claim  
10 Form for \$225 for the third Service Visit and a third Claim Form for \$225 for the  
11 fourth Service Visit, for a total of \$675.

12           b.     Vehicle Rebate Certificates to Troubleshoot, Diagnose, or  
13 Repair DCT-Related Symptoms. Class Members who submit Claim Forms for  
14 vehicle rebate certificates for Service Visits are eligible to receive up to \$450 per  
15 Class Vehicle for each Service Visit starting with the second visit and \$450 for each  
16 Service Visit thereafter. Vehicle rebate certificates for Service Visits are capped at  
17 \$1,350 per Class Member. Class Members may submit up to three Claim Forms for  
18 vehicle rebate certificates for Service Visits. For example, if a Class Member  
19 submits a Claim Form for two Service Visits, and then following that submission,  
20 makes one or two additional Service Visits, the Class Member may submit a second  
21 Claim Form for \$450 for the third Service Visit and a third Claim Form for \$450 for  
22 the fourth Service Visit, for a total of \$1,350 per Class Member. All non-expired  
23 vehicle rebate certificates that have not been redeemed either in whole or in part for  
24 Service Visits can be traded in for the equivalent form of monetary compensation  
25 per Service Visit, as provided in 2.3(a).

26           c.     Claim Forms for monetary compensation that occurred any time before  
27 the Effective Date must be submitted within 120 days after the Effective Date.

28           d.     Claim Forms for monetary compensation that occur any time after the

1 Effective Date must be submitted within 120 days of the corresponding Service  
2 Visit.

3           2.4 Customer Satisfaction Program. Class Members who have  
4 traded-in or sold their Class Vehicles may claim compensation in the form of money  
5 for partial reimbursement after trading-in or selling their cars because of  
6 transmission-related complaints.

7           a. In order to make a claim under the Customer Satisfaction  
8 Program, Class Members must provide, together with a completed Claim Form in  
9 the form of Exhibit C, either: (i) documentary proof that they have made a DCT-  
10 related complaint at least once within the first 20,000 miles of ownership of their  
11 vehicle; or (ii) a declaration signed under penalty of perjury that the Class Member  
12 experienced DCT Related symptoms within the first 20,000 miles of ownership; and  
13 (iii) documentary proof of at least two Service Visits.

14           b. The amount of compensation under the Customer  
15 Satisfaction Program will be based on the difference (the “Purchase/Sale Price  
16 Difference”) between the purchase price for the Class Vehicle (the “Purchase  
17 Price”) and the trade-in value or sale price of the Class Vehicle (the “Sale Price”) ,  
18 adjusted for mileage and other factors as set forth in subparagraphs (i-v) below:

19           (i) Mileage Adjustment. The Purchase/Sale Price  
20 Difference will be adjusted by the amount of mileage at the time of sale or trade-in  
21 according to the following table:  
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<b>Mileage</b>	<b>Compensation</b>
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

(ii) 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.

(iii) The Mileage Adjustment will be decreased by 2.5 percentage points for each year of Ownership (ordinary rounding rules apply).

(iv) 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 Claim Form), both as of the Effective Date.

(v) The Mileage Adjustment will be increased by 10 percentage points 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.

c. 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. Vehicles may be traded to any dealership licensed for

1 resale in the state in which the owner resides, or vehicles may be sold privately.

2 e. To address any concerns of fraud or damage beyond  
3 ordinary wear and tear, in the event the Class Member sells or trades-in his/her  
4 vehicle, other than to an authorized Hyundai dealership, for less than the market  
5 value, HMA will have the option to use the Blackbook “Good” value for the vehicle  
6 on the date of sale and in the same geographic zip code as the “Sale Price” as  
7 defined in Section 2.5(b).

8 f. Former Owners who already traded in or sold their Class  
9 Vehicles, must submit claims (with documentation) within 120 days following the  
10 Effective Date.

11 g. Salvage/branded vehicles are not eligible and excluded  
12 from any compensation under this Customer Satisfaction Program.

13 h. Claims must include supporting documentation for the  
14 Purchase Price, Sale Price, and mileage at the time of sale or trade-in, as well as  
15 repair orders, receipts, or other records from the dealership, as well as identifying  
16 information such as VIN, dealer information, and description of services rendered  
17 and parts provided. Supporting documentation must include proof of class  
18 membership and attestation/declaration of authenticity of documents.

### 19 2.5 Costs of Administration and Notice

20 a. HMA shall be responsible for all costs of Class notice and  
21 settlement administration. In no event shall Class Counsel or the Class be  
22 responsible for any costs associated with Class notice or settlement administration.  
23 Class Counsel retains the right to audit and review the administration of Claims, at  
24 Class counsel’s own expense, and subject to Class Counsel establishing a good faith  
25 basis warranting the audit and review.

## 26 3. Claims Administration

27 3.1 Claims submitted pursuant to this settlement may be submitted,  
28 at the election of the Class Member, by U.S. mail, or through the dedicated

1 settlement website discussed below. The mailing address to which Class Members  
2 may submit Claims, as well as Class Members' right to submit their Claims through  
3 the settlement website, shall be posted prominently in each of the following  
4 locations: the Postcard Notice, Long Form Notice, the Claim Form, and the  
5 dedicated settlement website.

6           3.2 The Claim Form shall provide an option for Class members to  
7 indicate a preference for communication via regular U.S. Mail. If HMA has an  
8 email address for a Class Member and the Class Member did not indicate on the  
9 Claim Form that he or she prefers to communicate via regular U.S. Mail, HMA shall  
10 respond by email. In instances in which U.S. Mail is used, HMA shall respond  
11 using the address provided on the corresponding Claim Form.

12           3.3 Upon receipt of a Claim, HMA shall review the Claim to  
13 determine whether the Claim meets all qualifications for payment set forth in this  
14 agreement and, if so, the amount owed.

15           3.4 Within 60 days of receiving a Claim, HMA shall provide written  
16 notice to the Class Member who submitted it, notifying the Class Member of:

- 17           a. the amount, if any, that HMA proposes to pay the Class  
18 member under this settlement;
- 19           b. the basis for HMA's decision to pay less than all amounts  
20 claimed (if applicable); and
- 21           c. the Class Member's right to attempt to cure any  
22 deficiency that led to the proposal to award less than full reimbursement.

23           3.5 In response to receiving the written notice, Class Members may:

- 24           a. Accept the compensation offered by HMA, which  
25 acceptance will be presumed if no cure attempt is received by HMA within 45 days  
26 of receipt of the written notice, or
- 27           b. Attempt to cure any deficiency stated as justification for  
28 not awarding all amounts claimed, by submitting the information and/or

1 not awarding all amounts claimed, by submitting the information and/or  
2 documentation identified by HMA as lacking in the Claim, within 30 days of receipt  
3 of the written notice. Within 30 days of receiving such a cure attempt, HMA shall  
4 provide written notice to the Class Member stating the final determination as to the  
5 total amount to be paid to the Class Member and the reasons for the amount if less  
6 than requested. Class Members may then appeal that decision via a Better Business  
7 Bureau (“BBB”) administered alternative dispute resolution process. Class Counsel  
8 shall have the right to participate in any such process. The BBB administered  
9 alternative dispute resolution fees and expenses shall be borne by HMA, except for  
10 attorneys’ fees of Class Counsel or other counsel selected by the Class Member (if  
11 any).

12           3.6    On a monthly basis beginning 30 days after the Notice Date,  
13 HMA shall provide Class Counsel with a copy of each final determination notice  
14 sent by HMA along with the Claim Form and all other documentation associated  
15 with the Claim.

16           3.7    For each Claim qualifying for a payment under this Agreement,  
17 HMA shall mail to the Class Member, at the address on the Claim Form, no later  
18 than 30 days after the Effective Date, a check or reimbursement debit card. The  
19 debit cards provided under this settlement shall be redeemable for at least 120 days,  
20 without any fees charged by HMA or the debit card issuer, at ATMs and merchants  
21 that accept Visa cards. The debit cards shall indicate their “use by” dates on their  
22 face.

23           3.8    To avoid any confusion regarding potential escheat of unused  
24 portions of the debit cards, the value of any debit card shall remain the property of  
25 HMA unless and until it is expended by the Class Member.

26           3.9    The Parties acknowledge and agree that any and all provisions,  
27 rights, or benefits conferred by any law of any state or territory of the U.S., or any  
28 principle of common law, that provides for how residual amounts in a settlement



1 fund should be distributed, including, but not limited to, California Code of Civil  
2 Procedure section 384(b), are not applicable to this Settlement Agreement.  
3 Although the Parties expressly agree that this settlement is not governed by  
4 California Code of Civil Procedure section 384(b) or other similar laws and does not  
5 create a settlement fund nor any “unpaid residue,” the Class Representatives on  
6 behalf of themselves and the Class members nonetheless expressly acknowledge and  
7 agree that, to the extent permitted by law, they are waiving any protections of  
8 California Code of Civil Procedure section 384(b) and of any comparable statutory  
9 or common law provision of any other jurisdiction.

10           3.10 The Parties acknowledge and agree that the forms of  
11 compensation set forth in this Agreement do not constitute gift cards, gift  
12 certificates, or member rewards cards under any federal or state laws.

13           3.11 Nothing in this agreement shall be read to prevent HMA from  
14 electing, at their sole discretion and on a case-by-case basis, to implement or to  
15 continue to implement any customer satisfaction or goodwill policy, program, or  
16 procedure at their discretion, that provides consideration to Class Members over and  
17 above that required by this settlement, without regard to the Class Members’  
18 entitlement to relief under the settlement. No such election by HMA, however, shall  
19 act to deprive a Class Member of the benefits available under the settlement.

#### 20           **4. Notice to the Class**

21           4.1 CAFA Notice. In compliance with the attorney general  
22 notification provision of the Class Action Fairness Act, 28 U.S.C. § 1715, HMA  
23 shall provide notice of this settlement to the Attorney General of the United States,  
24 and the attorneys general of each state or territory in which a Class Member resides.

25           4.2 Notice Deadline. No later than the Notice Date, HMA shall  
26 cause notice to the Class to be disseminated by U.S. Mail, email, the dedicated  
27 settlement website (with a link to the dedicated settlement website from  
28 [www.hyundaiusa.com/myhyundai](http://www.hyundaiusa.com/myhyundai)), each as detailed below. The form and substance

1 of all notices provided by HMA to Class Members shall be subject to prior input and  
2 approval from Class Counsel.

3 4.3 Individual Class Notice Methods.

4 a. HMA shall provide by direct U.S. mail, to all reasonably  
5 identifiable Class Members, the Postcard Notice following Preliminary Approval.  
6 For purposes of identifying the requisite names and addresses, HMA agrees to  
7 provide, to the extent it has not already done so, all names and addresses of Class  
8 Vehicle owners, along with Class Vehicle VINs, to R.L. Polk & Company, or a  
9 similar third-party entity, who shall be authorized to use that information to obtain  
10 the names and most current addresses of Class Vehicle owners through state  
11 agencies. Prior to mailing individual notice, HMA shall conduct an address search  
12 through the United States Postal Service's National Change of Address database to  
13 update the address information for Class Vehicle owners. For each individual notice  
14 that is returned as undeliverable, HMA shall use its best efforts to conduct an  
15 advanced address search using HMA's customer database information regarding the  
16 Class Vehicle owner or lessee to obtain a deliverable address.

17 b. HMA shall provide by email, to all Class Members for  
18 which HMA maintains email addresses, an electronic version of the Postcard Notice  
19 following Preliminary Approval, which email shall include a hyperlink to the  
20 dedicated settlement website discussed below.

21 c. HMA shall maintain a dedicated settlement website-  
22 subject to Class Counsel approval-which will contain: (i) instructions on how to  
23 submit Claims; (ii) a mechanism by which Class Members can submit Claims;  
24 (iii) instructions on how to contact HMA for assistance with their Claims; (iv) the  
25 Long Form Notice; (v) the Informational Brochure (once prepared); (vi) the Claim  
26 Form; (vii) this agreement; (viii) any orders issued in this Action approving or  
27 disapproving of the proposed settlement; (ix) the motion for Preliminary Approval,  
28 the motion seeking Final Approval, and the motion for attorney's fees and litigation

1 expenses; and (x) any other documents or information the Parties determine is  
2 relevant to the settlement. HMA shall make the same information available to Class  
3 Members through [www.hyundaiusa.com/myhyundai](http://www.hyundaiusa.com/myhyundai) via links to the dedicated  
4 settlement website (apart from the mechanism for submitting Claims).

5 d. HMA shall be prepared, through its customer service  
6 department and/or its supporting vendors, to respond to questions regarding the  
7 status of submitted Claims, how to submit a Claim, and other aspects of this  
8 settlement. HMA shall maintain a dedicated toll-free telephone number for Class  
9 Members to call. The telephone number shall be listed on the Postcard Notice, Long  
10 Form Notice, Informational Brochure, Claim Form, and the dedicated settlement  
11 website.

12 e. Within 90 days of the Notice Date, HMA shall provide  
13 Class Counsel with the total number of notices sent to Class Members by U.S. mail  
14 and email, along with the numbers of notices returned as undeliverable.

15 f. Within 30 days after Effective Date, HMA shall provide  
16 by direct U.S. mail, to all reasonably identifiable Class Members, the Informational  
17 Brochure. HMA shall use the name and address information compiled through the  
18 steps described in section 4.3(a) and the Claims process pursuant to this Agreement.  
19 At the same time, HMA shall provide by email, to all Class Members for which  
20 HMA maintains email addresses, an email containing a hyperlink to the  
21 Informational Brochure.

22 g. Excepting Exhibits A through D, neither the Parties nor  
23 their counsel shall issue (or cause any other Person to issue) any press release  
24 concerning this Agreement or the settlement set forth herein, unless otherwise  
25 agreed to in writing and neither the Parties nor their counsel shall make (or cause  
26 any other Person to make) any statements of any kind to the press concerning this  
27 Agreement or the settlement set forth herein, except that a Party or a Party's counsel  
28 may respond to an inquiry from a member of the press by (a) directing the member

1 of the press to a public resource to review or obtain a copy of this Agreement or the  
2 Class Notice or (b) by supplying additional information to the member of the press,  
3 provided that the responding Party will provide such additional information to the  
4 other Parties as promptly as practicable. A Party or a Party's counsel shall provide  
5 notice to the other Parties before responding to a press inquiry whenever reasonably  
6 possible. If such notice cannot reasonably be provided before responding to a press  
7 inquiry, the responding Party or Party's Counsel shall notify the other Parties  
8 promptly after responding to the press inquiry.

9 **5. Incentive Awards and Attorneys' Fees and Expenses.**

10 5.1 As part of the settlement set forth herein, and subject to Court  
11 approval, HMA hereby agrees to pay reasonable attorneys' fees and expenses to  
12 Class Counsel, as well as reasonable incentive awards for the Class Representatives.  
13 Plaintiffs will each seek awards of \$5,000 for each vehicle, and Class Counsel will  
14 seek attorneys' fees and costs/expenses of up to \$2,000,000. HMA agrees not to  
15 oppose or respond to Plaintiffs' and Class Counsel's request for incentive awards  
16 and attorneys' fees and costs/expenses, provide Plaintiffs and Class Counsel's seek  
17 no more than the amounts provided in this paragraph.

18 5.2 HMA shall pay Class Counsel the fees, expenses, and service  
19 payments awarded by the Court within the later of thirty (30) days following (i) the  
20 Effective Date or (ii) the first date after the Court enters an order awarding fees,  
21 expenses, and service payments, and all appellate rights with respect to said order  
22 have expired or been exhausted in such a manner as to affirm the order. In the event  
23 that the award of fees, expenses, and service payments is modified by an appellate  
24 court, HMA shall pay Class Counsel only that modified award. Within ten (10)  
25 days following (i) the Effective Date or (ii) the first date after the Court enters an  
26 order awarding fees, expenses, and service payments, and all appellate rights with  
27 respect to said order have expired or been exhausted in such a manner as to affirm  
28 the order, Class Counsel shall provide HMA, for each payee, a W-9 and wire

1 instructions on their firm letterhead for the payment to Class Counsel of fees,  
2 expenses, and service payments awarded by the Court.

3           5.3    The payment by HMA of the attorneys' fees and expenses is  
4 separate from and in addition to the other relief afforded the Settlement Class  
5 Members in this Agreement. Thus, the Parties shall request that the Court consider  
6 the procedure for and the grant or denial or allowance or disallowance by the Court  
7 of the award of attorneys' fees and expenses separately from the Court's  
8 consideration of the fairness, reasonableness, and adequacy of the settlement set  
9 forth herein, although any such separate consideration may be part of the settlement  
10 approval hearing; and any order or proceedings relating to the award of attorneys'  
11 fees and expenses, or any appeal from any order related thereto or reversal or  
12 modification thereof, shall not operate to terminate this Agreement or affect or delay  
13 the finality of any judgment approving the settlement set forth herein.

14           5.4    A decision by the Court to award less than the total amount of  
15 fees, expenses, and incentive awards requested by Class Counsel, or a subsequent  
16 decision by an appellate court to reduce the award of fees and expenses due to Class  
17 Counsel or incentive awards to the Named Plaintiffs, shall not be grounds for the  
18 Named Plaintiffs, Class Counsel, or the Class to withdraw from this settlement.

19           **6.    Mutual Release**

20           6.1    Upon the Effective Date, Releasors irrevocably release, waive,  
21 and discharge any and all past, present, and future liabilities, claims, causes of  
22 action, legal claims, damages, costs, attorneys' fees, losses, or demands that have  
23 been brought or could have been brought, whether known or unknown, existing or  
24 potential, or suspected or unsuspected, asserted or unasserted, under or pursuant to  
25 any statute, regulation, common law, or equitable principle, including express and  
26 implied warranty, consumer protection, unjust enrichment, and lemon law claims,  
27 based on (a) the facts alleged in any complaint filed in the Action and all legal  
28 claims of whatever type or description arising out of, that may have arisen as a result

1 of, or which could have been brought based on, any of the facts, acts, events,  
2 transactions, occurrences, courses of conduct, representations, omissions,  
3 circumstances or other matters pleaded in complaints filed in the Action, (b) relate  
4 to (i) the DCT or TCM installed on Class Vehicles; (ii) the marketing or advertising  
5 of the DCT or TCM installed on Class Vehicles and any related disclosures or  
6 alleged nondisclosures; or (iii) the disclosures, regulatory filings, transactions,  
7 actions, conduct, or events that are the subject of the Action regarding the Class  
8 Vehicles (“Released Claims”). Claims for personal injury, wrongful death, or  
9 property damage stemming from an automobile accident, are specifically excluded  
10 from the Released Claims.

11       The release effected by this Settlement Agreement is intended to be a specific  
12 release and not a general release. Class Representatives and the Class Members  
13 recognize that, even if they later discover facts in addition to or different from those  
14 which they now know or believe to be true, they nevertheless agree that, upon entry  
15 of the final approval order and judgment, Releasers fully, finally, and forever settle  
16 and release any and all legal claims against Releasees. The Parties acknowledge  
17 that this waiver and release were bargained for and are material elements of the  
18 settlement. This settlement and the release do not affect the rights of Class Members  
19 who timely and properly request exclusion from the Class, or anyone encompassed  
20 within the Class definitions set forth in the complaints in this Action who are not a  
21 member of the Class defined in this agreement. The Parties do not intend this  
22 agreement and release to affect any legal claims that arise out of a consumer’s  
23 purchase or use of any vehicle other than a Class Vehicle.

24             6.2     The administration and consummation of the settlement shall be  
25 under the authority of the Court. The Court shall retain jurisdiction to protect,  
26 preserve, and implement the settlement. The Court retains jurisdiction to enter such  
27 further orders as may be necessary or appropriate in administering and  
28 implementing the terms and provisions of the settlement, including, but not limited

1 to, an order awarding attorney's fees and costs and orders enjoining Class Members  
2 from prosecuting claims that are released pursuant to the settlement.

3           6.3     The parties stipulate that following final approval, an injunction  
4 shall issue from the Court to enjoin Class Members who do not exclude themselves  
5 in the prescribed manner from prosecuting the Released Claims.

6           6.4     Upon issuance of the final approval order and judgment: (i) the  
7 settlement shall be the exclusive remedy for Class Members; (ii) Releasees shall not  
8 be subject to liability or expense of any kind to any Class Member(s) for the  
9 Released Claims; and (iii) Class Members shall be permanently barred from  
10 initiating, asserting, or prosecuting any and all Released Claims against the  
11 Releasees.

## 12           7.     **Settlement Approval Process**

13           7.1     The Parties acknowledge that prompt approval, consummation,  
14 and implementation of this settlement are essential. The Parties shall cooperate with  
15 each other in good faith to carry out the purposes of and effectuate this settlement,  
16 shall promptly perform their respective obligations hereunder, and shall promptly  
17 take any and all actions and execute and deliver any and all additional documents  
18 and all other materials and information reasonably necessary or appropriate to carry  
19 out the terms of this settlement and the transactions contemplated hereby.

### 20           7.2     Preliminary Approval

21           a.     Promptly after execution of this settlement by the Parties,  
22 counsel for the Parties shall present this settlement to the Court for review and  
23 jointly seek entry of an order materially like that attached hereto as Exhibit D, which  
24 certifies the Class as a settlement class, preliminarily approves this settlement,  
25 appoints Class Counsel, and directs HMA to provide notice of the settlement in the  
26 manners listed herein.

27           b.     No later than ten (10) days before the Court hearing on  
28 final approval of the settlement, HMA shall provide an affidavit for the Court, with

1 a copy to Class Counsel, attesting that notice was disseminated in a manner  
2 consistent with the terms of this agreement, or as otherwise required by the Court.

3 **7.3 Final Court Approval**

4 a. Once the Court enters Preliminary Approval order,  
5 counsel for the Parties shall use their best efforts to promptly obtain entry of a final  
6 approval order that:

7 b. Confirms the certification of the Class for settlement  
8 purposes;

9 c. Finds the settlement to be fair, reasonable, and adequate;

10 d. Finds that the Class notice given constituted the best  
11 notice practicable;

12 e. Approves the releases specified in Section 6 as binding  
13 and effective as to all Class Members who have not properly excluded themselves  
14 from the Class and as to HMA; and

15 f. Provides that the Court will retain jurisdiction over the  
16 Parties and Class Members to enforce the terms of the final order and judgment.

17 **7.4** Upon entry of the final approval order, this Action shall be  
18 dismissed, on its merits and with prejudice, with respect to all Named Plaintiffs and  
19 all Class Members who have not properly excluded themselves from the Class, and  
20 without prejudice as to anyone else, subject to the continuing jurisdiction of the  
21 Court to enforce the terms of the agreement and to enter any further orders it deems  
22 necessary, including with respect to attorney's fees and litigation expenses.

23 **8. Requests for Exclusion**

24 8.1 The provisions of this Section shall apply to any request by a  
25 Class Member for exclusion from the Class.

26 8.2 Any Class Member may make a request for exclusion by  
27 submitting such request in writing as set forth in the Class notice.

28 8.3 Any request for exclusion must be submitted not later than the



1 date specified in the Court’s Preliminary Approval order.

2           8.4 Any request for exclusion shall (i) state the Class Member’s full  
3 name and current address, (ii) provide the model year and Vehicle Identification  
4 Number (“VIN”) of his/her/its Class Vehicle(s) and the approximate date(s) of  
5 purchase or lease, and (iii) specifically and clearly state his/her/its desire to be  
6 excluded from the settlement and from the Class.

7           8.5 Failure to comply with these requirements and to timely submit  
8 the request for exclusion will result in the Class Member being bound by the terms  
9 of the Settlement Agreement.

10           8.6 Any Class Member who submits a timely request for exclusion  
11 may not file an objection to the settlement and shall be deemed to have waived any  
12 rights or benefits under this agreement.

13           8.7 HMA shall report the names of all Class Members who have  
14 submitted a request for exclusion to Class Counsel on a weekly basis, beginning 30  
15 days after the Notice Date.

16           8.8 Class Counsel represents and warrants that they have no other  
17 agreements with other counsel respecting Class Members, including any agreements  
18 with respect to referring, soliciting, or encouraging any Class Members to request to  
19 be excluded (or “opt out”) from this agreement.

20           8.9 Upon the certification of the Class in connection with the  
21 Preliminary Approval of this agreement, Class Counsel agree to seek in the  
22 Preliminary Approval Order from the Court a provision encouraging all written  
23 communications to multiple Class Members with respect to this Agreement to be  
24 reviewed and approved by Class Counsel and the Court, and Class Counsel agree to  
25 abide by that provision as may be required by the Court.

26           **9. Objections**

27           9.1 The Parties will request that the Court enter an order requiring  
28 any Class Member who wishes that his, her, or its objection be considered, to submit

1 a written notice of objection by the deadline set in the Court's Preliminary  
2 Approval. Objections shall be submitted to the same address to which claims are  
3 submitted. HMA shall promptly share any objections received with Class Counsel.

4           9.2 To state a valid objection to the settlement, an objecting Class  
5 Member must provide the following information in his, her, or its written objection:

6 (i) his/her/its full name, current address, and current telephone number; (ii) the  
7 model year and VIN of his/her/its Class Vehicle(s); (iii) a statement of the  
8 objection(s), including all factual and legal grounds for the position; (iv) whether it  
9 applies only to the objector, to a specific subset of the Class, or to the entire Class;  
10 (v) copies of any documents the objector wishes to submit in support; and (vi) sign  
11 and date the objection. If the Class Member or his or her counsel has not made any  
12 such prior objection, the Class Member shall affirmatively so state in the written  
13 materials provided with the objection.

14           9.3 Lawyers asserting objections on behalf of Class Members must:

15 (a) file a notice of appearance with the Court by the date set forth in the Preliminary  
16 Approval order, or as the Court otherwise may direct; (b) file a sworn declaration  
17 attesting to his or her representation of each Class Member on whose behalf the  
18 objection is being filed or file (in camera) a copy of the contract between that lawyer  
19 and each such Class Member; and (c) comply with the procedures described in this  
20 Section.

21           9.4 If the objecting Class Member intends to appear, in person or by  
22 counsel, at the final approval hearing, the objecting Class Member must so state in  
23 the objection. Any Class Member who does not state his or her intention to appear  
24 in accordance with the applicable deadlines and other specifications, or who has not  
25 filed an objection in accordance with the applicable deadlines and other  
26 specifications, will be deemed to have waived any objections to the settlement and  
27 can be barred from speaking or otherwise presenting any views at the final approval  
28 hearing.

1           9.5 Failure by an objector to make himself/herself/itself available for  
2 a deposition or comply with expedited discovery requests may result in the Court  
3 striking the objection and otherwise denying that person the opportunity to be heard.

4           9.6 These procedures and requirements for objecting are intended to  
5 ensure the efficient administration of justice and the orderly presentation of any  
6 Class Member's objection to the settlement, in accordance with the due process  
7 rights of all Class Members.

#### 8           **10. Exclusion Threshold**

9           10.1 Notwithstanding any other provision of this agreement, if more  
10 than 3% of Class Members opt out of this settlement, HMA, in its sole discretion,  
11 may rescind and revoke the entire settlement and this agreement, thereby rendering  
12 the settlement null and void in its entirety, by sending written notice that HMA  
13 revokes the settlement pursuant to this paragraph to Class Counsel within ten (10)  
14 business days following the date HMA learns of the number of Class Members who  
15 have requested to opt out of the settlement pursuant to the provisions above. If  
16 HMA rescinds the settlement pursuant to this paragraph, this agreement and all  
17 negotiations, proceedings, documents prepared, and statements made in connection  
18 with it shall be without prejudice to the parties, and shall not be deemed or  
19 construed to be an admission or confession by any party of any fact, matter, or  
20 proposition of law, and shall not be used in any manner for any purpose, and all  
21 parties to the action shall stand in the same position as if this agreement had not  
22 been negotiated, made, or filed with the Court.

#### 23           **11. Withdrawal from Settlement**

24           11.1 If any of the conditions set forth below occurs and either (a) all  
25 Class Representatives or (b) HMA gives notice that such Party or Parties wish to  
26 withdraw from this Agreement, then this Agreement shall terminate and be null and  
27 void;

28           11.2 Any objections to the proposed settlement are sustained, which

1 results in changes to the settlement described in this Agreement that the  
2 withdrawing Party deems in good faith to be material (e.g., because it increases the  
3 cost of settlement or deprives the withdrawing Party of a benefit of the settlement);

4           11.3 Any attorney general or other Person is allowed to intervene in  
5 the Action and such intervention results in changes to the settlement described in  
6 this Agreement that the withdrawing Party deems in good faith to be material (*e.g.*,  
7 because it increases the cost of settlement or deprives the withdrawing Party of a  
8 benefit of the settlement);

9           11.4 The final approval of the settlement described in this Agreement  
10 results in changes that the withdrawing Party did not agree to and that the  
11 withdrawing Party deems in good faith to be material (e.g., because it increases the  
12 cost of settlement or deprives the withdrawing Party of a benefit of the settlement);

13           11.5 The final approval of the settlement described in this Agreement  
14 is (i) substantially modified by an appellate court and the withdrawing Party deems  
15 any such modification in good faith to be material (e.g., because it increases the cost  
16 of settlement or deprives the withdrawing Party of a benefit of the settlement) or  
17 (ii) reversed by an appellate court.

## 18           **12. Miscellaneous Provisions**

19           12.1 Choice of Law. This agreement shall be governed by and  
20 construed in accordance with the substantive laws of the State of California without  
21 giving effect to any choice or conflict of law provision, or rule that would cause the  
22 application of the laws of any other jurisdiction.

### 23           12.2 Not Evidence.

24           a. The Parties understand and acknowledge that this  
25 agreement constitutes a compromise and settlement of disputed claims. No action  
26 taken by the Parties, either previously or in connection with the negotiations or  
27 proceedings connected with this agreement, shall be deemed or construed to be an  
28 admission of the truth or falsity of any claims or defenses heretofore made or an

1 acknowledgment or admission by any party of any fault, liability or wrongdoing of  
2 any kind whatsoever to any other party.

3           b.       Neither this agreement nor any act performed or document  
4 executed pursuant to or in furtherance of it: (a) is, or may be deemed to be, or may  
5 be used as, an admission of, or evidence of, the validity of any legal claim made by  
6 Named Plaintiffs or Class Members, or of any wrongdoing or liability of HMA,  
7 (b) is, or may be deemed to be, or may be used as, an admission of, or evidence of,  
8 any fault or omission of Releasees in any proceeding in any court, administrative  
9 agency, or other tribunal, or (c) may be deemed to be an admission by HMA that  
10 class certification is appropriate in this action.

11           c.       This provision shall survive the expiration or voiding of  
12 the agreement.

13           12.3 Headings. The headings of the sections and paragraphs of this  
14 agreement are included for convenience only and shall not be deemed to constitute  
15 part of this agreement or to affect its construction.

16           12.4 Effect of Exhibits. The exhibits to this agreement are an integral  
17 part of the settlement and are expressly incorporated and made a part of this  
18 Settlement Agreement.

19           12.5 Entire Agreement. This agreement represents the entire  
20 agreement and understanding among the Parties and supersedes all prior proposals,  
21 negotiations, agreements, and understandings relating to the subject matter of this  
22 agreement. The Parties acknowledge, stipulate, and agree that no covenant,  
23 obligation, condition, representation, warranty, inducement, negotiation, or  
24 understanding concerning any part or all of the subject matter of this agreement has  
25 been made or relied on except as expressly set forth in this agreement. No  
26 modification or waiver of any provisions of this agreement shall in any event be  
27 effective unless the same shall be in writing and signed by the person or Party  
28 against whom enforcement of the agreement is sought, and approved by the Court.

1           12.6 Counterparts. This Settlement Agreement may be executed in  
2 one or more counterparts, each of which shall be deemed an original as against any  
3 Party who has signed it, and all of which shall be deemed a single agreement.

4           12.7 Arm's-Length Negotiations.

5           a.       The Parties have negotiated all of the terms and conditions  
6 of this settlement at arm's length. The provision for service awards set forth herein  
7 was negotiated separately from and after agreement on the provisions for relief to  
8 the Class.

9           b.       All terms, conditions, and exhibits in their exact form are  
10 material and necessary to this agreement and have been relied upon by the Parties in  
11 entering into this agreement.

12           c.       The determination of the terms of, and the drafting of, this  
13 agreement has been by mutual agreement after negotiation, with consideration by  
14 and participation of all Parties and their counsel. Since this agreement was drafted  
15 with the participation of all Parties and their counsel, the presumption that  
16 ambiguities shall be construed against the drafter does not apply. The Parties were  
17 represented by competent and effective counsel throughout the course of settlement  
18 negotiations and in the drafting and execution of this agreement, and there was no  
19 disparity in bargaining power among the Parties to this agreement.

20           12.8 Public Statements. The Parties and their Counsel agree to keep  
21 the substance of this agreement confidential until the date on which the agreement is  
22 filed with the Court, provided that this Section shall not prevent HMA from  
23 disclosing such information, prior to the date on which the agreement is filed, to  
24 state and federal agencies, independent accountants, actuaries, advisors, financial  
25 analysts, insurers or attorneys, nor shall it prevent the Parties and their Counsel from  
26 disclosing such information to persons or entities (such as experts, courts, co-  
27 counsel, and/or administrators) to whom the Parties agree disclosure must be made  
28 in order to effectuate the terms and conditions of the agreement; provided further

1 that HMA may disclose publicly the terms of the agreement that it deems necessary  
2 to meet its regulatory obligations or fiduciary duties; and provided further that  
3 Plaintiffs may disclose the terms to their expert(s). Neither the Parties nor their  
4 Counsel shall issue (or cause any other Person to issue) any press release concerning  
5 the existence or substance of this agreement.

6           12.9 Good Faith. The Parties acknowledge that prompt approval,  
7 consummation, and implementation of this settlement is essential. The Parties shall  
8 cooperate with each other in good faith to carry out the purposes of and effectuate  
9 this settlement, shall promptly perform their respective obligations hereunder, and  
10 shall attempt to resolve any dispute that may arise under this settlement in a good  
11 faith and expeditious manner.

12           12.10 Extensions of Time. The Parties may agree upon a reasonable  
13 extension of time for deadlines and dates reflected in this Settlement Agreement  
14 without further notice (subject to Court approval as to court dates).

15           12.11 Service of Notice. Whenever, under the terms of this agreement,  
16 written notice is required to HMA or Class Counsel, such service or notice shall be  
17 directed to the individuals and addresses specified below, unless those individuals or  
18 their successors give notice to the other parties in writing:

19           As to Named Plaintiffs:

20           Mark A. Ozzello  
21           Tarek H. Zohdy  
22           Capstone Law APC  
23           1875 Century Park East, Suite 1000  
24           Los Angeles, California 90067-2561

25           and

26           Troy L. Isaacson  
27           Norberto J. Cisneros  
28           Maddox, Isaacson & Cisneros LLP  
29           11920 Southern Highlands Parkway, Suite 100  
30           Las Vegas, Nevada 89141

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As to HMA:

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 90067-2561

**READ CAREFULLY BEFORE SIGNING**

**PLAINTIFF**

Dated: 7/18/2019

DocuSigned by:  
*Nicholas Wylie*  
\_\_\_\_\_  
Nicholas Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Shawna Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Timothy Ryan

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Gregory Perger



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As to HMA:

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 90067-2561

**READ CAREFULLY BEFORE SIGNING**

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Nicholas Wylie

**PLAINTIFF**

Dated: 7/18/2019

DocuSigned by:  
*Shawna Wylie*  
\_\_\_\_\_  
Shawna Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

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Timothy Ryan

**PLAINTIFF**

Dated: \_\_\_\_\_

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Gregory Perger

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Los Angeles, California 90067-2561

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**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Nicholas Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Shawna Wylie

**PLAINTIFF**

Dated: 7/17/2019

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*Timothy Ryan*  
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Timothy Ryan

**PLAINTIFF**

Dated: \_\_\_\_\_

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Gregory Perger

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Los Angeles, California 90067-2561

**READ CAREFULLY BEFORE SIGNING**

**PLAINTIFF**

Dated: \_\_\_\_\_

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Nicholas Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Shawna Wylie

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Timothy Ryan

**PLAINTIFF**

Dated: 7/18/2019 \_\_\_\_\_

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*Gregory Perger*  
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Gregory Perger  
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**DEFENDANT HYUNDAI MOTOR AMERICA**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Print Name of Authorized Signatory

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

Dated: 7-19-2019

By: 

Mark Ozzello  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger

**MADDOX, ISAACSON, CISNEROS LLP**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Troy L. Isaacson  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger

**BIRD, MARELLA, BOXER, WOLPERT,  
NESSIM, DROOKS, LINCENBERG &  
RHOW, P.C.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

David I. Hurwitz  
Attorneys for Defendant Hyundai Motor  
America

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**DEFENDANT HYUNDAI MOTOR AMERICA**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Print Name of Authorized Signatory

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**


Dated: \_\_\_\_\_

By: \_\_\_\_\_

Mark Ozzello  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger

**MADDOX, ISAACSON, CISNEROS LLP**

Dated: July 18, 2019

By:  \_\_\_\_\_

Troy L. Isaacson  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger

**BIRD, MARELLA, BOXER, WOLPERT,  
NESSIM, DROOKS, LINCENBERG &  
RHOW, P.C.**

Dated: \_\_\_\_\_


By: \_\_\_\_\_

David I. Hurwitz  
Attorneys for Defendant Hyundai Motor  
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**DEFENDANT HYUNDAI MOTOR AMERICA**

Dated: 7/18/19.

  
W. Gerald Flannery, Jr.  
Executive Vice President, Chief Legal Officer  
Hyundai Motor America

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Mark Ozzello  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger


**MADDOX, ISAACSON, CISNEROS LLP**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Troy L. Isaacson  
Attorneys for Plaintiffs Nicholas Wylie,  
Shawna Wylie, Timothy Ryan, and Gregory  
Perger

**BIRD, MARELLA, BOXER, WOLPERT,  
NESSIM, DROOKS, LINCENBERG &  
RHOW, P.C.**

Dated: 7/18/19

By:   
David I. Hurwitz  
Attorneys for Defendant Hyundai Motor  
America

# Exhibit A

**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 [www.\\_\\_\\_\\_\\_.com](http://www._____.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.

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

**QUESTIONS? VISIT [www.\\_\\_\\_\\_\\_.com](http://www._____.com)  
PARA UNA NOTIFICACIÓN EN ESPAÑOL, VISITAR NUESTRO WEBSITE**



<b>OBJECT</b>	Write to the Court about why you don't like the settlement.
<b>GO TO A HEARING</b>	Ask to speak in Court about the fairness of the settlement.
<b>DO NOTHING</b>	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.

## SETTLEMENT AGREEMENT - EXHIBIT A

### 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 [the date of Preliminary Approval], 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.

# SETTLEMENT AGREEMENT - EXHIBIT A

## 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 [www. .com](http://www. .com) or you can call 1-800-000-0000 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 [www. .com](http://www. .com), by contacting Plaintiffs' attorneys at [www. .com](http://www. .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 [120 days after the Notice Date] (*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 [Date].**

### 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. ints.

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

- 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 [www.\\_\\_\\_\\_\\_.com](http://www._____.com), or by calling 1-800-000-0000. Follow all of the instructions on the settlement website and the claim form.

You can submit your claim electronically [here](#) 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 **[MONTH 00, 0000]** at **[time]** 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 the [settlement website]. 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 [settlement website]) 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 [the date specified in the Court's preliminary approval order] 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

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 [the date specified in the Court's preliminary approval order].

**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 the [date set forth in the Preliminary Approval order]; (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 [date set by preliminary approval order] 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 [at \_\_\_\_ am/pm] on [date] 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 [settlement website].

**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 [www.\_\_\_\_\_.com].

**25. How do I get more information?**

You can call [1-800-000-0000] toll free or visit [www.\_\_\_\_\_.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.**

# Exhibit B

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

***Did you buy or lease a Hyundai 2015-2017 Sonata Eco, 2016-2017 Tucson, or 2016-2017 Veloster vehicle equipped with a dual-clutch transmission (“Class Vehicles”)?*** A proposed class action settlement may affect your rights.

**FOR COMPLETE INFORMATION, PLEASE VISIT [Settlement Website]**

If you do not have internet access, request more information by calling 800-xxx-xxxx.

**Submit a Claim Form to Receive the Following Benefits:**

- (1) Reimbursement for Diagnostic Visits and Repairs. Class members may claim full reimbursement of reasonable costs incurred for any type of repair, replacement, diagnosis, or inspection related to the Dual Clutch Transmission (“DCT”) on a Class Vehicle.
- (2) Compensation to Troubleshoot, Diagnose, or Repair DCT-Related Symptoms. Class members may claim compensation for having to make multiple visits to an authorized Hyundai dealership to troubleshoot issues with a DCT-equipped Class Vehicle.
- (3) Compensation for Trade-Ins or Sales. Individuals who have traded-in or sold (or will trade-in or sell) their Class Vehicle because of DCT-related complaints may claim compensation.

**To Opt-Out:** If you wish to forego these benefits and not participate in the settlement, you may exclude yourself. Please visit [Settlement Website/opt-out] for more information.

**To Object:** If you wish to object to the proposed settlement, you may do so. Please visit [Settlement Website/object] for more information.

***Wylie v. Hyundai Motor America, No. 8:16-cv-02102-DOC-JCG***  
**[return address]**

**Class Member Name**  
**Class Member Address**  
**City/State/Zip**

# Exhibit C

# SETTLEMENT AGREEMENT - EXHIBIT C

## CLAIM FORM –Six Steps to Make a Claim

*Wylie v. Hyundai Motor America*, Case No. 8:16-CV-02102(C.D. Cal.)

**[1] Verify the below information is correct. If it is incorrect or missing, provide it below:**

[Auto Fill Name]  
 [Auto Fill Address 1]  
 [Auto Fill Address 2]  
 [Auto Fill City], [Auto Fill State] [Auto Fill Zip Code]

First Name:																	
Last Name:																	
Address 1:																	
Address 2:																	
City:																	
Zip Code:																	

**[2] (Optional) - Provide your email address:**

Email: 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

If you choose to provide your email address, Hyundai will contact you about the settlement by email. If not, Hyundai will contact you about the settlement at the postal address above.

**[3] Provide your Vehicle Identification Number (“VIN”).** The VIN is located on a small placard atop the dashboard, visible through the driver’s side windshield corner. The VIN also appears on your registration card and probably on your insurance card. Your VIN should have 17 characters, a combination of both letters and numbers.

VIN: 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**[4] Check Each Applicable Box Below According to the Payment(s) You Are Seeking** (you can check all boxes that apply) **and Enter the Amount You Are Claiming and Enclose the Required Documents (if Applicable)**

Compensation for Service Visits		
Number of Visits	Monetary Compensation	Vehicle Rebate Certificate
Two Visits	\$225	\$450
Three Visits	\$450	\$900
Four or More Visits	\$675	\$1,350
<b>MAXIMUM</b>	<b>\$675</b>	<b>\$1,350</b>

I Claim Reimbursement for Repairs

Please provide the amount of the repairs for which you are requesting reimbursement: \$ 

--	--	--	--	--	--	--	--

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# SETTLEMENT AGREEMENT - EXHIBIT C

## Required Documentation:

Enclose a repair invoice or document showing: (i) the repair type, (ii) date, (iii) mileage, and (iv) amount paid (e.g., credit card receipt, credit card statement, or bank statement).

NOTE: If you paid cash and have no receipt, your signature on the reverse side of this form constitutes your attestation, under penalty of perjury, that you (or a friend or family member) paid cash for the amount you listed and that you lack documentation.

I Claim Reimbursement for Rental Car / Towing / Other Costs Related to My Repairs

Please provide the amount of rental car, towing, and other costs for which you are requesting reimbursement: \$

--	--	--	--	--	--	--	--	--	--

**Required Documentation:** Enclose a receipt or other document(s) showing all of the below:

- What was purchased (e.g., a rental car or towing service)
- Date of purchase
- Amount paid (e.g., on a receipt, credit card statement, or bank statement)
- The date and nature of the corresponding repair

I Claim Compensation for Making Multiple Service Visits to Troubleshoot, Diagnose, or Repair DCT-Related Symptoms.

Please checkmark if you would prefer:

Monetary compensation (payable via debit card), or

Vehicle rebate certificate (cards redeemable for Hyundai-related goods and services at authorized Hyundai dealerships). Certificate amounts will be twice as much as monetary compensation.

Please provide the amount you are requesting compensation for: \$

--	--	--	--	--	--	--	--	--	--

**Required Documentation:** Enclose a repair invoice or document showing: (i) the repair type, (ii) date, and (iii) mileage.

# SETTLEMENT AGREEMENT - EXHIBIT C


I Claim for Trading in or Selling My Vehicle Within 120 Days of Receiving Notice of the Settlement

Please provide the mileage of the vehicle when it was sold

Please provide sale price

**Required Documentation:** Enclose a receipt or other document(s) showing all of the below:

- Documentary proof that a DCT related complaint was made at least once within 20,000 miles of ownership of the vehicle or a declaration signed under penalty of perjury that the Class Member experienced DCT Related symptoms within the first 20,000 miles of ownership
- Documentary proof of at least 2 Service Visits
  - Enclose a repair invoice or document showing: (i) the repair type, (ii) date, (iii) mileage, and (iv) amount paid (e.g., credit card receipt, credit card statement, or bank statement).
  - Bill of Sale

**Mileage adjustment:** the purchase / sale will be adjusted by the amount of mileage at the time of sale or trade-in:

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

**Mileage adjustment will be:**

- Increased by 5% points if the class member made 3 or more DCT related service visits within the first 20,000 miles of ownership
- Decrease by 2.5 percentage points of each year of ownership
- 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

More information can be found at [www.TBD.hyundaiusa.com](http://www.TBD.hyundaiusa.com)



## SETTLEMENT AGREEMENT - EXHIBIT C

Service Visits to an authorized Hyundai dealership (documentary proof of the Service Visit and Purchase Agreement to be provided with Customer Satisfaction Claim Form), both as of the Effective Date.

- Increased by 10 percentage points Class Member 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.

Signature:

Date:

### [5] Sign & Date

The information on this form is true and correct to the best of my knowledge. I agree to participate in the settlement. I authorize any dealership that serviced my vehicle to release records to Hyundai to help pay my claim.

Signature:

Date:

**[6] Submit:** Send this completed form and your documents to [www.TBD.hyundaiusa.com](http://www.TBD.hyundaiusa.com) or mail it to P.O. Box 20840 Fountain Valley, CA 92728.

# Exhibit D

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9

10 UNITED STATES DISTRICT COURT  
11 CENTRAL DISTRICT OF CALIFORNIA  
12

13 NICHOLAS WYLIE and SHAWNA  
WYLIE (fka BROWN), individually,  
14 and on behalf of a class of similarly  
situated individuals,  
15

16 Plaintiffs,

17 v.

18 HYUNDAI MOTOR AMERICA, a  
California corporation,  
19

20 Defendant.  
21  
22  
23  
24  
25  
26  
27  
28

Case No.: 8:16-cv-02102-DOC-JCG

Hon. David O. Carter

**[PROPOSED] ORDER GRANTING  
MOTION FOR PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

Date: August 19, 2019  
Time: 8:30 a.m.  
Place: Courtroom 9D

1           The parties to this litigation have entered into a Settlement Agreement, which if  
2 approved, would resolve this putative class action. Plaintiffs Nicholas Wylie, Shawna  
3 Wylie (fka Brown), Timothy Ryan, and Gregory Perger have filed a motion to direct  
4 notice of the proposed class action settlement, which Defendant Hyundai Motor  
5 America (“Hyundai” or “HMA”) supports. The Court has read and considered the  
6 Settlement Agreement and all exhibits thereto, including the proposed claim form,  
7 notices, and informational brochure, and concludes that it is appropriate to direct notice  
8 in a reasonable manner to all Class members who would be bound by the proposal, since  
9 the parties’ showing establishes that the Court will likely be able to (i) approve the  
10 proposal under Rule 23(e)(2), and (ii) certify the class for purposes of judgment on the  
11 proposal. *See* Fed. R. Civ. P. 23(e)(1)(B).

12           The Court now **GRANTS** the pending motion and makes the following findings  
13 and orders:

14           1.       Capitalized terms not otherwise defined herein shall have the same  
15 meaning as set forth in the Settlement Agreement.

16           2.       The Court has reviewed the terms of the Settlement Agreement, the  
17 exhibits thereto, Plaintiffs’ motion papers, the declarations of counsel, the declaration of  
18 Plaintiffs’ valuation expert, and all argument made.

19           3.       The Settlement Agreement is the product of several years of litigation,  
20 during which the Parties exchanged sufficient discovery and information to  
21 knowledgeably assess the strengths and weakness of their respective claims and  
22 defenses.

23           4.       Based on its review, the Court finds that the settlement is non-collusive, a  
24 product of arms’-length negotiations between counsel for Plaintiff and Defendant  
25 presided by over by experienced third-party neutrals. The Court finds that the parties’  
26 separate negotiation of attorneys’ fees, coming after the parties agreed on class relief,  
27 also supports a finding of non-collusiveness. In reaching this finding of non-  
28 collusiveness, the Court considered “subtle signs” of collusion identified by *In re*

1 *Bluetooth Headset Prod. Liab. Litig.*, 654 F.3d 935, 947 (9th Cir. 2011). The Court  
2 preliminarily finds that, from a “clear-sailing” provision, which is common in class  
3 action settlements, the settlement benefits are not dwarfed by the attorney’s fees and that  
4 the Settlement funds do not revert, supporting a finding of non-collusiveness.

5         5. Based on its review, the Court finds that the Court will likely be able to  
6 approve the proposed settlement as fair, reasonable, and adequate under Rule 23(e)(2).  
7 *See* Fed. R. Civ. P. 23(e)(1)(B)(i). The Settlement Agreement: (a) results from efforts by  
8 Class Representatives and Class Counsel who adequately represented the class; (b) was  
9 negotiated at arm’s length with the assistance of the Hon. Russell Bostrom (Ret.) and the  
10 Hon. Howard Weiner (Ret.); (c) provides relief for the class that is adequate, taking into  
11 account: (i) the costs, risks, and delay of trial and appeal; (ii) the effective proposed  
12 method of distributing relief to the class, including the method of processing class-  
13 member claims; and (iii) the terms of the proposed award of attorney’s fees, including  
14 timing of payment; and (d) treats Class Members equitably relative to each other.

15         6. The Court further finds, upon enhanced scrutiny, that the Court will likely  
16 be able to certify the Class for purposes of judgment on the proposal. *See* Fed. R. Civ. P.  
17 23(e)(1)(B)(ii). The Court preliminarily certifies the following Class pursuant to Rule  
18 23(b)(3) of the Federal Rules of Civil Procedure:

19         All persons and entities who bought or leased a Class Vehicle<sup>1</sup> in the United  
20 States, excluding its territories, as of the date of Preliminary Approval, and all  
21 persons who bought or leased a Class Vehicle while on active military duty in  
22 the Armed Forces of the United States as of the date of Preliminary Approval.  
23 Excluded from this definition are HMA’s affiliates, parent, or subsidiary of  
24 HMA or HMC; any entity in which HMA or HMC has a controlling interest;  
25 any employee, officer, or director of HMA or HMC; any successor or assign  
26 of HMA or HMC; attorneys, agents, insurers, third-party providers of  
27 extended warranty/service contracts, dealers, the attorneys representing HMA  
28 in this case, the Judges and Mediators to whom this case is or was assigned  
and their immediate family members, all persons who request exclusion from  
(opting-out of) the Settlement, vehicles deemed a total loss, anyone claiming  
personal injury, and all persons who previously released any claims  
encompassed in this Settlement. Except as to the named plaintiffs in this  
Agreement, the class definition expressly excludes all owners or lessees of  
Class Vehicles who have filed and served litigation against HMA alleging  
problems with the DCT in Class Vehicles that were pending as of the Notice

1 Date and who do not dismiss their actions before final judgment. Owners or  
2 lessees of Class Vehicles who timely dismiss such litigation shall be members  
3 of the Class for all purposes.

4 7. The Court finds that this action is likely to be certified as a class action, for  
5 settlement purposes only, pursuant to Fed. R. Civ. P. 23(a) and (b)(3). The Court  
6 preliminarily finds for settlement purposes that: (a) the Class certified herein consists of  
7 over a hundred thousand persons, and joinder of all such persons would be  
8 impracticable, (b) there are questions of law and fact that are common to the Class, and  
9 those questions of law and fact common to the Class predominate over any questions  
10 affecting any individual Class Member; (c) the claims of the Plaintiffs are typical of the  
11 claims of the Class they seek to represent for purposes of settlement; (d) a class action on  
12 behalf of the Class is superior to other available means of adjudicating this dispute; and  
13 (e) Plaintiffs and Class Counsel are adequate representatives of the Class. HMA retains  
14 all rights to assert that the action may not be certified as a class action, other than for  
15 settlement purposes. The Court also concludes that, because the action is being settled  
16 rather than litigated, the Court need not consider manageability issues that might be  
17 presented by the trial of a nationwide class action involving the issues in this case. *See*  
18 *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997).

19 8. The Court appoints Nicholas Wylie, Shawna Wylie, Timothy Ryan, and  
20 Gregory Perger to serve as the representatives for the Class.

21 9. The Court appoints Capstone Law APC and Maddox, Isaacson, Cisneros  
22 LLP to serve as Class Counsel for the Class.

23 10. The Court directs HMA to fulfill its notice duties and responsibilities  
24 specified in this Order and the Settlement Agreement.

25 11. HMA is authorized to obtain vehicle registration information concerning  
26 owners or lessees of class vehicles from the appropriate state agencies for the sole  
27 purpose of mailing the notice, and the relevant state agencies shall make the appropriate  
28 vehicle registrations available to HMA for this purpose only.

1           12. The Court finds that the provisions for Notice to the Class set forth in the  
2 Settlement Agreement satisfy the requirements of due process and Federal Rule of Civil  
3 Procedure 23 and provide the best notice practicable under the circumstances, including  
4 individual notice to all members who can be identified through reasonable effort. The  
5 Notice is reasonably calculated to apprise Class Members of the nature of this litigation;  
6 the scope of the Class, the Class claims, issues, or defenses; the terms of the Settlement  
7 Agreement; the right of Class Members to appear, object to the Settlement Agreement,  
8 and exclude themselves from the Settlement Class and the process for doing so; of the  
9 Final Approval Hearing; and of the binding effect of a class judgment on the Class. The  
10 Court therefore approves the proposed methods of providing Notice, and the Claim  
11 Forms, and directs HMA to proceed with providing Notice to Class Members, at its sole  
12 cost, pursuant to the terms of the Settlement Agreement and this Order.

13           13. No later than [REDACTED] (the “Notice Date”), HMA shall substantially  
14 complete its notice obligations consistent with the specifications of the Settlement  
15 Agreement, including by disseminating notice to all reasonably identifiable Class  
16 members by U.S. Mail, email, and through publication of the dedicated settlement  
17 website (with a link to the dedicated settlement website from  
18 [www.\[REDACTED\].com/myhyundai](http://www.[REDACTED].com/myhyundai)).

19           14. No later than [REDACTED] days before the hearing on final approval of this  
20 settlement, Defendant shall provide an affidavit for the Court, with a copy to Class  
21 Counsel, attesting that notice was disseminated in a manner consistent with the  
22 Settlement Agreement, including its exhibits.

23           15. Class Members who wish to opt-out and exclude themselves from the  
24 Class may do so by submitting such request in writing consistent with the specification  
25 listed in the Class notice no later than [REDACTED].

26           16. To be valid, each request for exclusion must: (a) state the Class member’s  
27 full name and current address; (b) provide the model year and Vehicle Identification  
28 Number (“VIN”) of his/her/its Class Vehicle(s) and the approximate date(s) of purchase

1 or lease; and (c) specifically and clearly state his/her/its desire to be excluded from the  
2 settlement and from the Class.

3 17. Defendant shall report the names of all Class members who have  
4 submitted a request for exclusion to Class Counsel on a weekly basis, beginning [REDACTED]  
5 days after the Notice Date.

6 18. All Class members who do not opt out and exclude themselves shall be  
7 bound by the terms of the Settlement Agreement upon entry of the Final Approval Order  
8 and Judgment.

9 19. Any Class member who wishes to object to the Settlement must, no later  
10 than [REDACTED], submit a written notice of objection to the addresses listed in the  
11 Class Notice.

12 20. The written objection must contain the following: (a) the Class member's  
13 full name, current address, and current telephone number; (b) the model year and VIN of  
14 his/her/its Class Vehicle(s); (c) a statement of the objection(s), including all factual and  
15 legal grounds for the position; (d) whether it applies only to the objector, to a specific  
16 subset of the Class, or to the entire Class; (e) copies of any documents the objector  
17 wishes to submit in support; and (f) a signature and date on the objection.

18 21. Lawyers asserting objections on behalf of Class Members must: (a) file a  
19 notice of appearance with the Court within 120 days of the entry of this Order; (b) file a  
20 sworn declaration attesting to his or her representation of each Class Member on whose  
21 behalf the objection is being filed or file (in camera) a copy of the contract between that  
22 lawyer and each such Class Member; and (c) comply with the procedures described in  
23 the Settlement Agreement.

24 22. If the objecting Class Member intends to appear, in person or by counsel,  
25 at the final approval hearing, the objecting Class Member must so state in the objection.  
26 Any Class Member who does not state his or her intention to appear in accordance with  
27 the applicable deadlines and other specifications, or who has not filed an objection in  
28 accordance with the applicable deadlines and other specifications, will be deemed to



1 have waived any objections to the settlement and will be barred from speaking or  
2 otherwise presenting any views at the final approval hearing.

3 23. The filing of an objection allows Class Counsel or counsel for HMA to  
4 notice such objecting person for and take his, her, or its deposition consistent with the  
5 Federal Rules of Civil Procedure at an agreed-upon location, and to seek any  
6 documentary evidence or other tangible things that are relevant to the objection. Failure  
7 by an objector to make himself/herself/itself available for a deposition or comply with  
8 expedited discovery requests may result in the Court striking the objection and otherwise  
9 denying that person the opportunity to be heard. The Court may tax the costs of any such  
10 discovery to the objector or the objector's counsel should the Court determine that the  
11 objection is frivolous or made for improper purpose.

12 24. These procedures and requirements for objecting are intended to ensure the  
13 efficient administration of justice and the orderly presentation of any Class member's  
14 objection to the settlement, in accordance with the due process rights of all Class  
15 members.

16 25. The Court has the authority and duty under Rule 23 of the Federal Rules of  
17 Civil Procedure to manage this class action litigation, ensure that clear and accurate  
18 notices are provided to the class, and protect the class members from information and  
19 communications about the proposed settlement or litigation that are coercive, deceptive,  
20 false, misleading, confusing, omit material information, or otherwise undermine the class  
21 action process. The Court has approved certain forms of notice that provide class  
22 members with clear, accurate, and objective information about the proposed  
23 settlement. The Court intends to carefully scrutinize any additional communications  
24 with or information directed to class members that are brought to its attention by a  
25 moving party, including communications or information provided by or on behalf of  
26 persons or entities who are not named parties in this litigation. *See* Manual for Complex  
27 Litigation (4th) § 21.33 ("Objectors to a class settlement or their attorneys may not  
28 communicate misleading or inaccurate statements to class members about the terms of a

1 settlement to induce them to file objections or to opt out.”); *In re Gen. Motors Corp.*  
2 *Engine Interchange Litig.*, 594 F.2d 1106, 1140 n.60 (7th Cir. 1979) (“Solicitations to  
3 opt-out tend to reduce the effectiveness of (b)(3) class actions for no legitimate  
4 reason.”).

5         26. With respect to any such communications or information, the Court  
6 intends to make specific findings based on the particular circumstances, and will take  
7 appropriate action in accordance with the standards set forth in *Gulf Oil Co. v. Bernard*,  
8 452 U.S. 89 (1981). In order to reduce the risk of class members receiving misleading or  
9 confusing information outside the context of the forms of notice approved by the Court  
10 and to reduce the need for costly curative notice, the Court encourages any person who  
11 wishes to send or provide a written communication to multiple class members about the  
12 proposed settlement or this litigation to submit the proposed communication to the Court  
13 for review and approval prior to issuing it.

14         27. Since the Court has appointed Class Counsel and preliminarily certified the  
15 class, the Court also finds that the class members are represented by Class Counsel, and  
16 the ethical rule relating to communications with represented persons applies to attorney  
17 communications with the class members. *See, e.g.*, ABA Model Rule of Professional  
18 Conduct 4.2 (and the relevant counterparts in each state or jurisdiction); *see also Jacobs*  
19 *v. CSAA Inter-Ins.*, No. C07-00362MHP, 2009 WL 1201996, at \*3 (N.D. Cal. May 1,  
20 2009). Therefore, the Court reminds any lawyer wishing to communicate with class  
21 members to comply with applicable ethical rules. *See, e.g.*, ABA Model Rule of  
22 Professional Conduct 4.2 (“[i]n representing a client, a lawyer shall not communicate  
23 about the subject of the representation with a person the lawyer knows to be represented  
24 by another lawyer in the matter, unless the lawyer has the consent of the other lawyer or  
25 is authorized to do so by law or a court order.”).

26         28. In most circumstances, communications by lawyers with class members  
27 about this class action litigation or the proposed settlement must go through Class  
28 Counsel, and direct contact is prohibited. However, this Order is not intended to prevent

1 an individual class member from proactively seeking the advice of a third-party attorney  
2 regarding his or her rights in the context of this class action during the opt-out period.

3 29. All Class Members and/or their representatives, who do not timely and  
4 properly exclude themselves from the Class are, pending the Court's ruling on the  
5 motion for final approval of the settlement, preliminarily barred and enjoined from  
6 directly, indirectly, derivatively, in a representative capacity, or in any other capacity,  
7 filing, commencing, prosecuting, maintaining, intervening in, participating in,  
8 conducting, or continuing any action in any forum (state or federal) as individual actions,  
9 class members, putative class members, or otherwise against the Releasees (as that term  
10 is defined in the Settlement Agreement) in any court or tribunal asserting any of the  
11 claims released by Releasers (as that term is defined in the Settlement Agreement) under  
12 the terms of the Settlement Agreement, and/or from receiving benefits from any lawsuit,  
13 administrative or regulatory proceeding, or order in any jurisdiction, based on those  
14 released claims. In addition, all such persons are hereby barred and enjoined from filing,  
15 commencing, or prosecuting a lawsuit against Defendant (or against any of its related  
16 parties, parents, subsidiaries, or affiliates) as a class action, a separate class, or group for  
17 purposes of pursuing a putative class action (including by seeking to amend a pending  
18 complaint to include class allegations or by seeking class certification in a pending action  
19 in any jurisdiction) on behalf of Class Members who do not timely exclude themselves  
20 from the Class, based on the claims released by Releasers under the Settlement  
21 Agreement. Pursuant to 28 U.S.C. §§ 1651(a) and 2283, the Court find that issuance of  
22 this preliminary injunction is necessary and appropriate in aid of the Court's continuing  
23 jurisdiction and authority over the Action.

24 30. The Court will hold a hearing on entry of final approval of the settlement,  
25 an award of fees and expenses to Class Counsel, and service awards to the Class  
26 Representatives at 8:30 a.m. on [REDACTED], in Courtroom 9D of the United States  
27 District Court for the Central District of California, 411 West Fourth Street, Santa Ana,  
28 California 92701-4516. At the final approval hearing, the Court will consider: (a)

1 whether the settlement should be approved as fair, reasonable, and adequate for the  
2 Class, and judgment entered on the terms stated in the settlement; and (b) whether  
3 Plaintiffs’ application for an award of attorney fees and expenses to Class Counsel and  
4 service awards to Class Representatives (“Fee Application”) should be granted.

5 31. Plaintiffs shall move for final settlement approval and approval of  
6 attorney’s fees, litigation expense reimbursements, and class representative service  
7 awards no later than [REDACTED]. To the extent Plaintiffs file an omnibus motion  
8 seeking both final approval and attorney’s fees, they shall have leave to exceed the page  
9 limit set by local rule but their motion shall not exceed 50 pages in length. No later than  
10 [REDACTED], Plaintiffs may file reply papers, if any.

11 32. The Court reserves the right to adjust the date of the final approval hearing  
12 and related deadlines. In that event, the revised hearing date or deadlines shall be posted  
13 on the settlement website referred to in the Class notice, and the parties shall not be  
14 required to re-send or republish notice to the Class.

15  
16 **IT IS SO ORDERED.**

17  
18 Dated: \_\_\_\_\_

\_\_\_\_\_   
Hon. David O. Carter  
United States District Judge