UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

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Parkinson v. Hyundai Motor America

Case No. SACV 06-345 AHS (MLGx)

NOTICE OF CLASS ACTION SETTLEMENT

TO: ALL CURRENT OR FORMER OWNERS AND LESSEES OF MANUAL TRANSMISSION, 2.7 LITER ENGINE 2003 HYUNDAI TIBURON VEHICLES PRODUCED ON OR BEFORE APRIL 1, 2003:

If you bought or leased a manual transmission, 2.7-liter engine 2003 Hyundai Tiburon produced on or before April 1, 2003, your rights may be affected by a class action settlement. If you paid to replace your vehicle's clutch or flywheel parts installed in the vehicle, you may be entitled to a cash payment.

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

- Subject to specific terms and conditions, the settlement will pay claims to owners and lessees of manual-transmission 2003 Hyundai Tiburon GT vehicles produced on or before April 1, 2003 ("Class Vehicle"), who paid for a replacement to clutch or flywheel parts, within 10 years or 100,000 miles (5 years or 60,000 miles if purchased used).
- The claims in this lawsuit stem from allegations that the clutch and flywheel parts installed in the 2003 Tiburon GT are defective and that Hyundai knew of these defects, but failed to disclose them to consumers. Hyundai denies these allegations.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT | | | |
|---|---|--|--|
| SUBMIT A CLAIM FORM | The only way to get cash payment. If you submit a valid and timely Claim Form, along with the valid proofs required in the Claim Form, you will receive a cash settlement payment. A properly completed Claim Form must be postmarked no later than October 26, 2010, or 60 days after the denial of a warranty claim, whichever is later. | | |
| ASK TO BE EXCLUDED | Get out of this lawsuit. Get no benefits from it. Keep rights. If you ask to be excluded you will receive no money or benefits in this lawsuit, but you will maintain the right to sue Hyundai separately about the same legal claims in this lawsuit. | | |

| COMMENT OR OBJECT | Write to the Court about why you like or don't like the settlement. You may write the Court indicating why you like or dislike the settlement. You must remain a member of the lawsuit (you cannot ask to be excluded) in order to object to the settlement. |
|-------------------------|---|
| DO NOTHING | Get no payment. Give up rights. By doing nothing, you will not share in the benefits of the class action settlement. And, you will give up any rights to sue Hyundai separately about the same legal claims in this lawsuit. |

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals are resolved. Please be patient.

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BASIC INFORMATION

1. What is the purpose of this notice?

The Court authorized this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the settlement. If the Court approves the settlement, at the conclusion of the case Hyundai will make the payments that the settlement allows. You will be informed of the progress of the settlement.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The Honorable Alicemarie H. Stotler of the United States District Court for the Central District of California is the federal judge overseeing this lawsuit. The lawsuit is known as Michael Parkinson, et al. v. Hyundai Motor America, Inc., Case No. SACV 06-345 AHS (MLGx).

2. What is this class action lawsuit about?

This lawsuit is about whether Hyundai failed to disclose that the clutch and flywheel parts in Class Vehicles were defective when Hyundai sold the vehicles and if such nondisclosure violated the California Consumers Legal Remedies Act, Civil Code § 1750 *et seq.* and the California Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.* You can read Plaintiffs' <u>Class Action Complaint</u> at: www.GirardGibbs.com/hyundai.asp.

3. What is a class action lawsuit and who is involved?

In a class action lawsuit, one or more persons, called "Class Representatives" (in this case, Michael Parkinson, Eric Matuschek, Donn Schroeder, and Michael Sano) sue on behalf of other people who have similar claims. All of these people together are called a "Class" or "Class Members." Class Representatives—and all Class Members like them—are called the Plaintiffs. The company they sued (in this case Hyundai) is called the Defendant. One Court resolves the factual questions and legal issue for everyone in the Class-except for those people who choose to exclude themselves from the Class.

4. Why is this lawsuit a class action?

The Court decided that this lawsuit can proceed as a class action and move towards trial as a class action because it meets certain procedural requirements (set out in Federal Rule of Civil Procedure 23), that govern class actions in federal courts. Specifically, the Court found that:

- There are legal questions and facts that are common to each Class Member;
- Class Representatives' claims are typical of the claims of the rest of the Class;
- Class Representatives and the lawyers representing the Class will represent the Class' interests fairly and adequately;

- The legal questions and facts that are common to the class are more important than the questions that affect only some individuals; and
- This class action will be more effective than having many individual lawsuits.

More information about why the Court is allowing this lawsuit to be a class action is in the <u>Court's Order Certifying the Class</u>, which is available at **www.GirardGibbs.com/hyundai.asp.**

WHO IS IN THE CLASS?

5. Am I part of this Class?

Judge Stotler decided that all current and former owners and lessees of a manualtransmission 2003 Tiburon GT, produced on or before April 1, 2003, who paid for a replacement of clutch or flywheel parts (flywheel assembly, clutch disc assembly, clutch cover assembly, or clutch release bearing) during the applicable warranty period are Class Members.

The settlement reached on behalf of the Class will include members of the Class who submit a valid Claim Form with the required documentation described in the Claim Form. You **must** submit a receipt that shows you paid for a replacement or repair to flywheel or clutch assembly. If this repair or replacement was made at a Hyundai dealership, the receipt may come from you or with your written consent from the Hyundai Dealership or Hyundai authorized service facility that performed the repair. You are also eligible for reimbursement of rental car costs incurred because of the repair. A receipt **must** be submitted for rental car reimbursement.

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

If you are still not sure whether you are included, you can get free help at **www.GirardGibbs.com/hyundai.asp** or by calling or writing the lawyers in this case at the phone number and address listed in question 19, below.

THE SETTLMENT BENEFITS – WHAT YOU GET

7. What do I get?

If you paid for a repair or replacement to the flywheel or clutch assembly, you will be able to choose between a cash and non-cash options. The cash option consists of a debit card for 100% of the qualifying claim, which is redeemable for at least 90 days without any fees charged by HMA or the debit card issuer at ATMs and merchants that accept Visa cards. The non-cash options consist of (1) a non-transferable debit card redeemable (for one year from issuance) for Hyundai goods and services at participating authorized Hyundai dealers in an amount equal to 125% of the cash value of the qualifying claim, or (2) a voucher, non-transferable except among immediate family members, redeemable (for one year from issuance) towards the purchase of a

new Hyundai vehicle in an amount equal to 175% of the cash value of the qualifying claim.

The reimbursed amount will be adjusted based upon the number of miles your vehicle had at the time of the repair, according to the following table:

| Miles | % payment |
|----------------|-----------|
| 0-50,000 | 100% |
| 50,001-75,000 | 75% |
| 75,001-100,000 | 50% |

If your repair involved the replacement of Original Equipment Manufacturer (OEM) parts with non-OEM parts, Hyundai will reimburse you the lesser of the manufacturers suggested retail price of the OEM part as indicated by Hyundai's published price list to dealers at the time of the repair, and the actual cost of the non-OEM component. If your repairs were rendered at a service facility other than a Hyundai dealership or any other Hyundai-authorized service facility, Hyundai will reimburse you for the lesser of the estimated retail price for said repairs as indicated by Hyundai's Labor Times Standard and Hyundai's published price list to dealers at the time of the repair, and the actual cost of the repair, and the actual cost of the repair, and the actual cost of the repair provided. You are also eligible for reimbursement of rental car expenses incurred because of the repair.

You will not be reimbursed for any amount paid for by your HMA warranty. You will not be reimbursed if your Tiburon was materially modified with the intent to increase the vehicle's torque output at any time prior to the repair or if it was used in street or track racing.

8. What if I had multiple clutch or flywheel repairs?

If you had multiple clutch or flywheel repairs you need to submit a claim form for each repair you believe is eligible for reimbursement under this settlement.

9. How can I get payment?

To be paid, you must properly complete and return a Claim Form.

A Claim Form is attached to this notice. Please read the Claim Form carefully. You must fully complete the Claim Form in order to receive payment. A properly completed Claim Form must be postmarked **no later than October 26, 2010, or 60 days after the denial of a warranty claim, whichever is later.** You can also get a Claim Form on the Internet at **www.hyundaiusa.com/tiburonclutch.**

Please also keep in mind the following points:

• You must provide a receipt for your claimed clutch or flywheel repairs. This receipt must (1) contain the amount actually paid by you or on your behalf;

and (2) show that clutch and/or flywheel parts were replaced. For repairs performed at a Hyundai Dealership or Hyundai authorized service facility, proof of repair expense may be provided to you or Hyundai by the dealership or authorized facility directly, following your written consent. You may provide consent using the enclosed Request for Repair Records, which you will need to address and mail to the Hyundai Dealership or Hyundai authorized service facility that repaired your vehicle.

- If you paid for rental car expense that you would like partial reimbursement for, you must provide a receipt with your completed Claim Form.
- If you did not receive this notice by direct mail (for example, if you downloaded it from the Internet), you must provide proof of vehicle ownership with your completed Claim Form.

10. What happens if I do not return a completed Claim Form or documentation by the postmarked date?

If you do not submit a valid Claim Form and/or the requested documents by **October 26, 2010, or 60 days after the denial of a warranty claim, whichever is later**, then your Claim Form will be deemed invalid and you will not receive any payment. If you do nothing at all (you do not submit a Claim Form or documentation and you do not exclude yourself), you will not receive any payment, you will release your legal rights as to the claims raised in this case, and you will not be able to sue Hyundai over these claims.

11. When do I get my payment?

The Court will hold a fairness hearing on **June 28, 2010 at 11:00 a.m.**, to decide whether to find the settlement fair, reasonable and adequate for the Class members. If Judge Stotler approves the settlement, there may be appeals which may delay the conclusion of the case. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Everyone who sends in a Claim Form will be informed of the progress of the settlement. You may periodically check www.hyundaiusa.com/tiburonclutch for the latest status.

12. What am I giving up to get a payment and stay in the Class.

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 about the same legal issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. If you sign the Claim Form, you will release your legal rights as to the claims raised in this case, and you will not be able to sue Hyundai over these claims.

IF YOU WANT TO EXCLUDE YOURSELF FROM THE LAWSUIT

If you do not want a payment from this settlement, but you want to 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 this settlement?

To exclude yourself from the settlement, you must send a letter by U.S. mail (or an express mail carrier) saying that you want to be excluded from *Michael Parkinson, et al. v. Hyundai Motor America, Inc.*, Case No. SACV 06-345 AHS (MLGx). Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than **June 1, 2010**, to:

SETTLEMENT ADMINISTRATOR

Attention: Exclusion Request Hyundai Tiburon Class Action Settlement Center P.O. Box 20850 Fountain Valley, CA 92728-0850

You cannot exclude yourself on the phone or by e-mail. If you submit your request to be excluded by U.S. mail or express mail, 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. Why would I ask to be excluded?

If you already have your own lawsuit against Hyundai for the same claims and want to continue with it, you need to ask to be excluded from the Class. If you exclude yourself from the Class—which also means to remove yourself from the Class, and is sometimes called "opting out" of the Class—you won't get any money or benefits from this lawsuit even if the Plaintiffs obtain them as a result of the trial or from any settlement (that may or may not be reached) between Hyundai and the Plaintiffs. However, you may then be able to sue or continue to sue Hyundai for the same claims. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Hyundai after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. If you choose to exclude yourself so you can start your own lawsuit against Hyundai, you should talk to your own lawyer soon because your claims may be subject to a statute of limitations.

15. If I don't exclude myself, can I sue Hyundai later?

No, not for the same legal claims as here. 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 **June 1, 2010**.

16. If I exclude myself can I get money from this Settlement?

No. If you exclude yourself, you should not submit a Claim Form to ask for money from the class action settlement. You cannot do both. But, you may sue, continue to sue, or be part of a different lawsuit against Hyundai.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court has decided that the law firms Girard Gibbs LLP of San Francisco, California, and Stueve Siegel Hanson LLP of Kansas City, Missouri, are qualified to represent you and all Class Members. Together these law firms are called "Class Counsel." They are experienced in handling similar cases against other automotive manufacturers. More information about these law firms, their practices, and their lawyers' experience is available at www.GirardGibbs.com and <u>www.stuevesiegel.com</u>.

18. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you may have to pay that lawyer. For example, you can ask your own lawyer to appear on your behalf in Court if you want someone other than Class Counsel to speak for you.

19. How will the lawyers be paid?

Class Counsel has prosecuted this case on a contingency basis. They have not received any fees or reimbursement for any of the expenses associated with this case. Class Counsel will request fees and expenses from the Court. Any fees and expenses awarded by the Court will be paid separately by Hyundai. You won't have to pay these fees and expenses and any fees and expenses awarded will not affect your settlement amount.

SUBMITTING A COMMENT IN FAVOR OF, OR IN OPPOSITION TO, THE SETTLEMENT

You can tell the Court that you do or do not agree with the settlement or some part of it.

20. How do I tell the Court that I like or do not like the settlement?

If you are a Class Member, you can tell the Court you like the settlement and it should be approved, or that you object to the settlement if you do not like any part of it. To object, you must send a letter saying that you are commenting on the settlement in Michael Parkinson, et al. v. Hyundai Motor America, Inc., Case No. SACV 06-345 AHS (MLGx), and you must include your name, address, telephone number and signature. The Court will consider all comments from class members. If you intend to appear at the fairness hearing through counsel, your comment must also state the identity of all attorneys representing you who will appear at the fairness hearing. To appeal from any provision of the order approving the Settlement as fair, reasonable and adequate, the award of incentive payments, or to the award of reasonable attorneys fees and expenses paid by Defendant and awarded to Class Counsel, you must appear in person, or through your counsel, or seek leave of Court excusing such appearance prior to the fairness hearing, or as otherwise may be permitted by the Court at the fairness hearing. In addition, you must include your name, address, vehicle make, model, year and VIN number, proof of expense related to a clutch or flywheel repair covered by this settlement (if the repair was not done at a Hyundai dealership), telephone number, your signature, and the reasons you object to the settlement. Be sure to send your objection to these three different places set forth below such that it is *received* no later than **June** 1, 2010:

| No. 1 Court | No. 2 Class Counsel | No. 3 Defense Counsel |
|-------------------------|-----------------------------------|-----------------------|
| Clerk of the Court, | GIRARD GIBBS LLP | BINGHAM |
| United States District | c/o Hyundai Flywheel Objection | McCUTCHEN LLP |
| Court, Central District | 601 California Street, 14th Floor | c/o Todd E. Gordinier |
| of California | San Francisco, CA 94108 | 600 Anton Blvd., 18th |
| 411 West Fourth Street, | OR | Floor |
| Room 1053 | STUEVE SIEGEL HANSON | Costa Mesa, CA 92626 |
| Santa Ana, CA 92701- | LLP | |
| 4516 | c/o Hyundai Flywheel Objection | |
| | 460 Nichols Road, Suite 200 | |
| | Kansas City, MO 64112 | |

If you do not submit a written comment on the proposed settlement or the application of Class Counsel for incentive awards, attorneys' fees and expenses in accordance with the deadline and procedure set forth above, you will waive your right to be heard at the fairness hearing and to appeal from any order or judgment of the Court concerning the matter.

21. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not 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. 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, but you do not have to attend or speak.

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

The Court will hold a Fairness Hearing at **11:00 a.m. on June 28, 2010**, at the United States District Court for the Central District of California, 411 West Fourth Street, Santa Ana, CA, 92701-4516 in Courtroom 10A. 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 Stotler 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.

23. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Stotler 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 sent your written objection such that it is received on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

24. May I speak at the hearing?

If you do not exclude yourself, you may also ask the Court for permission to speak at the hearing concerning the proposed settlement or the application of Plaintiffs' counsel for attorneys' fees and expenses. To do so, you must send in a letter saying that it is your notice of your intention to appear at the fairness hearing in *Michael Parkinson, et al. v. Hyundai Motor America, Inc.*, Case No. SACV 06-345 AHS (MLGx). The letter must state the position you intend to present at the hearing, state the identities of all attorneys who will represent you, and must include your name, address, telephone number, the vehicle's make, model, year and VIN Numbers, proof of expense related to a flywheel repair covered by this settlement (if the repair was not done at a Hyundai dealership), and your signature. You must send your notice to the Clerk of the Court, Class Counsel, and defense counsel at the three addresses listed under question 20 above, such that it is *received* no later than **June 1, 2010**. You may combine this notice and your comment (described under question 20) in a single letter. You cannot speak at the hearing if you exclude yourself.

IF YOU DO NOTHING

25. What happens if I do nothing at all?

If you do nothing, 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

26. Are there more details available?

Visit the website **www.GirardGibbs.com/hyundai.asp**, where you will find the Court's <u>Order Certifying the Class</u>, the <u>Complaint</u> that the Plaintiffs submitted, the Defendant's <u>Answer to the Complaint</u>. <u>Claim Forms</u> and updates regarding the case will be available at **www. hyundaiusa.com/tiburonclutch.**

You may also call and speak to the Settlement Administrator at (800) 633-5151 or write to Class Counsel at:

GIRARD GIBBS LLP c/o Hyundai Flywheel Objection 601 California Street, 14th Floor San Francisco, CA 94108

STUEVE SIEGEL HANSON LLP c/o Hyundai Flywheel Objection 460 Nichols Road, Suite 200 Kansas City, MO 64112