

Hyundai Motor America and Kia America Resolve Consumer Litigation in Response to Vehicle Thefts

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- **Automakers to Provide Compensation for Customers who Incurred Theft-related Vehicle Losses or Damage Not Covered By Insurance, Increased Insurance Premiums and Other Insurance Costs**
- **Agreement Includes Reimbursement for Anti-Theft Devices, Including Steering Wheel Locks and Alarm Kits**

FOUNTAIN VALLEY and IRVINE, Calif., May 18, 2023 – Hyundai Motor America and Kia America, Inc. today announced they have entered into an agreement to resolve class action litigation with owners of certain Hyundai and Kia vehicles without push-button ignitions and immobilizing anti-theft devices. The agreement, which could be valued at approximately \$200 million depending on how many customers elect to participate, will provide cash compensation for customers who incurred theft-related vehicle losses or damage not covered by insurance, in addition to reimbursement for insurance deductibles, increased insurance premiums, and other theft-related losses.

“We appreciate the opportunity to provide additional support for our owners who have been impacted by increasing and persistent criminal activity targeting our vehicles,” said Jason Erb, chief legal officer, Hyundai Motor North America. “Customer security remains a top priority, and we’re committed to continuing software upgrade installations and steering wheel lock distribution to help prevent thefts and offering insurance options through AAA for those who have had difficulty securing and sustaining coverage.”

“Kia is very pleased that today’s announcement will allow customers who have been impacted by vehicle thefts to receive additional benefits,” said John Yoon, chief legal officer, Kia America, Inc. “This agreement is the latest step in a series of important actions, in addition to providing a free security software upgrade and distributing over 65,000 steering wheel locks, that Kia has taken to help customers whose vehicles have been targeted by criminals using methods of theft popularized on social media. Kia remains committed to assisting our customers and upholding vehicle security.”

As part of this settlement, the software upgrade will be automatically installed in conjunction with any service or maintenance appointment that brings the owner of an eligible vehicle into the dealership.

For the subset of customers whose vehicles cannot accommodate the software upgrade, the agreement will provide reimbursement up to \$300 for the purchase of various anti-theft devices. Hyundai and Kia have also provided consumers with tens of thousands of free steering wheel locks, either through local law enforcement or through direct shipment to impacted owners.

The settlement includes approximately 9 million Hyundai and Kia vehicles.

Hyundai	Kia
2011-2022 Accent	2011-2021 Forte
2011-2022 Elantra	2021-2022 K5
2013-2017 Elantra GT	2011-2020 Optima
2013-2014 Elantra Coupe	2011-2021 Rio
2011-2012 Elantra Touring	2011-2021 Sedona
2011-2014 Genesis Coupe	2021-2022 Seltos
2018-2022 Kona	2010-2022 Soul
2020-2021 Palisade	2011-2022 Sorento
2011-2012, 2019-2022 Santa Fe	2011-2022 Sportage
2013-2018, 2019 Santa Fe; Santa Fe XL	
2013-2018 Santa Fe Sport	
2011-2019 Sonata	
2011-2022 Tucson	
2012-2017, 2019-2021 Veloster	
2020-2021 Venue	
2011-2012 Veracruz	

The Court is expected to review the proposed settlement of the matter (*In re: Kia Hyundai Vehicle Theft Marketing, Sales Practices, and Products Liab. Litig.*, Case No. 8:22-ML-3052 JVS(KESx) (C.D. Cal.) for preliminary approval in July. Notices will be sent to individual class members following final approval and pursuant to the terms of the settlement.

Background

Following historically low rates of theft among Hyundai and Kia vehicles, thefts spiked in the summer of 2022 in response to videos posted by car thieves on TikTok and other social media channels in what became known as the "Kia Challenge." In these videos, thieves documented and promoted a specific method by which to bypass the vehicles' security features, dismantle their steering columns and create direct access to their ignitions and challenged others

to copycat their crimes. Hyundai and Kia have urged TikTok and others to have the illicit content removed in accordance with the platforms' terms of service and community standards.

Approximately 9 million 2011-2022 model year Hyundai and Kia vehicles on the road in the U.S. today – primarily “base trim” or entry-level models, which are not equipped with push-button ignitions and immobilizing anti-theft devices – are or were susceptible to these social media-promoted thefts. While Hyundai and Kia believe these vehicles are fully compliant with federal anti-theft requirements, Hyundai and Kia have taken action to support the security of customers, and this agreement represents the latest step.

Earlier this year, Hyundai and Kia introduced a free anti-theft software upgrade for affected customers. To date, Kia has notified over three million owners and lessees of these vehicle models—covering over 96% of eligible vehicles—that they are eligible to receive the software upgrade and expects to notify all upgrade-eligible customers by the end of this month. Kia owners can find more information at <https://ksupport.kiausa.com/ConsumerAffairs/SWLD> (link also available at Contact Us section of the Kia Owner's Portal on www.kia.com). All affected Hyundai vehicles are eligible for the upgrade as of last month. Hyundai has notified the majority of these customers, with the remainder to be completed by month-end and is leveraging targeted paid digital media to drive affected customers to HyundaiAntiTheft.com for scheduling and more information.

The free anti-theft software upgrade modifies certain vehicle control modules on Hyundai and Kia vehicles equipped with standard “turn-key-to-start” ignition systems to include an “ignition kill” feature so the vehicles cannot be started when subjected to the method of theft popularized on TikTok and other social media channels. All Hyundai and Kia vehicles produced since November 2021 are equipped with an engine immobilizer as standard equipment.

Hyundai Motor America

Hyundai Motor America focuses on ‘Progress for Humanity’ and smart mobility solutions. Hyundai offers U.S. consumers a technology-rich lineup of cars, SUVs, and electrified vehicles. Our 830 dealers sold more than 724,000 vehicles in the U.S. in 2022, and nearly half were built at Hyundai Motor Manufacturing Alabama. For more information, visit www.HyundaiNews.com.

Kia America – about us

Headquartered in Irvine, California, Kia America continues to top automotive quality surveys and is recognized as one of the 100 Best Global Brands. Kia serves as the "Official Automotive Partner" of the NBA and offers a range of gasoline, hybrid, plug-in hybrid and electrified vehicles sold through a network of over 750 dealers in the U.S., including several cars and SUVs proudly assembled in America.*

For media information, including photography, visit www.kiamedia.com. To receive custom email notifications for press releases the moment they are published, subscribe at www.kiamedia.com/us/en/newsalert.

** The K5, Sportage, Sorento, and Telluride (excludes HEV and PHEV models) are assembled in the United States from U.S. and globally sourced parts.*

Plaintiffs:

Plaintiffs are represented by the law firms of Hagens Berman Sobol Shapiro LLP, Baron & Budd P.C., Fegan Scott LLC and Humphrey, Farrington & McClain P.C.

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