CANADA

PROVINCE OF QUEBEC DISTRICT OF MONTREAL

NO: 500-06-001266-234

SUPERIOR COURT (Class Actions)



Applicant

٧.

KIA CANADA INC., legal person having its principal establishment at 3240 Guénette Street, City and District of Montreal, Province of Quebec, H4S 2C7

and

HYUNDAI AUTO CANADA CORP., legal person having its principal establishment at 202-9150 Leduc Boulevard, Brossard, District of Longueuil, Province of Quebec, J4Y 0E3

Defendants

APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION (ARTICLES 571 AND FOLLOWING C.C.P.)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN AND FOR THE DISTRICT OF MONTREAL, YOUR APPLICANT STATES:

1. The Applicant seeks to institute a class action on behalf of the following class of which she is a member, namely:

Class:

All persons who purchased and/or leased one or more of the of the following Hyundai or Kia vehicles recalled respectively under Transport Canada Recall # 2023-527 or # 2023-529 because of a defect in the brakes that could cause a short

circuit, manufactured, distributed, supplied, wholesaled and/or imported by Hyundai or Kia:

- Hyundai Accent (model years 2012 to 2015)
- Hyundai Elantra (model years 2011 to 2015)
- Hyundai Equus (model years 2014 to 2015)
- Hyundai Genesis Coupe (model years 2011 to 2015)
- Hyundai Santa Fe (model years 2013 to 2015)
- Hyundai Santa Fe Sport (model year 2013)
- Hyundai Tucson (model years 2010 to 2013)
- Hyundai Veracruz (model years 2010 to 2012)
- Kia Borrego (model years 2010 to 2011)
- Kia Cadenza (model years 2014 to 2016)
- Kia Forte (model years 2010 to 2013)
- Kia Forte Koup (model years 2010 to 2013)
- Kia K900 (model year 2015)
- Kia Optima (model years 2010 to 2015)
- Kia Rio (model years 2012 to 2017)
- Kia Rondo (model years 2010 to 2017)
- Kia Sorento (model years 2011 to 2014)
- Kia Soul (model years 2011 to 2013)
- Kia Sportage (model year 2010)

(hereinafter the "**Defective Vehicles**")

or any other Class to be determined by the Court.

I. <u>CONDITIONS REQUIRED TO AUTHORIZE THIS CLASS ACTION AND TO APPOINT THE STATUS OF REPRESENTATIVE PLAINTIFF</u>

A) THE FACTS ALLEGED APPEAR TO JUSTIFY THE CONCLUSIONS SOUGHT:

- 2. The Applicant is a consumer within the meaning of Quebec's Consumer Protection Act ("CPA");
- 3. On March 28, 2011, the Applicant purchased a brand-new Kia Sorento 2011 from Kia St-Constant for \$26,631.11. Since she intended to keep the vehicle for a long period of time, at the time of sale Applicant also purchased the "anti-rouille" option for \$549.00 plus taxes, "assurance remplacement" option for \$1799.00 plus taxes, and other option for \$530.00 plus taxes, bringing her total purchase price to \$29,766.40;
- 4. The Applicant is currently the registered owner of the vehicle, as it appears from the SAAQ registration certificate disclosed as **Exhibit P-1**;

- 5. The Applicant decided to purchase this Kia Sorento because she was looking for a crossover vehicle that was safe, made by a reputable manufacturer and within her budget;
- 6. Indeed, in both Canada and the United States, Kia advertised the 2011 Kia Sorento (and the other Defective Vehicles) as a "Top Safety Pick" in its oral and written representations, Applicant disclosing the 2011 Kia Sorento brochure as **Exhibit P-2** (see pages 3, 4, 13, 14 of the PDF);
- 7. At the time of her purchase, the Applicant was under the impression that she was purchasing a vehicle that was free of any production/safety issues, as well as any design and/or manufacturing defects and because she thought that she was buying a safe crossover vehicle;
- 8. Unbeknownst to her, she overpaid, as her Kia Sorento is in fact suffering from a serious safety defect as described in the following paragraphs;
- 9. As of September 27, 2023, multiple Canadian and American media outlets began reporting on a massive recall of Kia and Hyundai vehicles, Applicant disclosing these news articles *en liasse* as **Exhibit P-3**, including the Reuters article titled "Kia, Hyundai recall 3.37 million US vehicles over fire risks", which mentions:

The automakers say internal brake fluid leaks can cause an electrical short that could lead to a fire. The National Highway Traffic Safety Administration (NHTSA) said owners should follow the advice of automakers and park vehicles outside until repairs are made.

Hyundai said it has reports of 21 fires and 21 other thermal incidents since 2017 related to the recall, while Kia has reports of at least 10 confirmed fires and melting incidents. Neither automaker has reports of any crashes, injuries or fatalities or crashes tied to the recalls, NHTSA said.

. . .

The Hydraulic Electronic Control Unit (HECU) in the vehicles may experience an electrical short as a result of brake fluid leaks, which can result in an engine compartment fire while parked or driving, the automaker said.

The Anti-Lock Brake System (ABS) module may leak brake fluid internally and cause an electrical short, which can result in an engine compartment fire while parked or driving, the carmaker said in the filing.

Hyundai plans to notify owners to bring vehicles to a dealer to replace the ABS module fuse. Kia is still working on a

remedy, NHTSA said. The automakers plan to notify owners of the recall in November.

- 10. Applicant discloses Transport Canada Recall #2023-527 (concerning 326,942 Hyundai Defective Vehicles) as **Exhibit P-4** and Transport Canada Recall #2023-529 (concerning 276,225 Defective Kia Vehicles) as **Exhibit P-5**;
- 11. The Kia recall (Exhibit P-5) states:

Issue:

On certain vehicles, the brake hydraulic electronic control unit (HECU) could short circuit.

Safety Risk:

A short circuit could create a fire risk, even while the vehicle is parked and turned off.

Corrective Actions:

Kia will notify owners by mail and advise you to take your vehicle to a dealership to replace the fuse(s) for the HECU. Kia recommends that you should park your vehicle outdoors and away from other vehicles or structures until the recall repairs have been completed.

12. The Hyundai recall (Exhibit P-4) states:

Issue:

On certain vehicles, brake fluid could leak into the control module for the antilock brake system (ABS) and cause it to short circuit.

Safety Risk:

A short circuit could create a fire risk, even while the vehicle is parked and turned off.

Corrective Actions:

Hyundai will notify owners by mail and advise you to take your vehicle to a dealership to replace the fuse for the ABS module. Hyundai recommends that you should park your vehicle outdoors and away from other vehicles or structures until the recall repairs have been completed.

- 13. It is clear from the preceding four paragraphs and the exhibits in support thereof that the Defective Hyundai and Kia Vehicles have a defect with their brakes, which make them at risk of catching on fire at any time, even when parked and turned off ("short circuit");
- 14. Moreover, Kia and Hyundai have not: (i) advised owners of the Defective

Vehicles of the situation and will apparently only do so in November; and (ii) repaired the Defective Vehicles and will not be in a position to do so until after November, 2023, which is an unreasonable delay within the meaning of article 39 CPA (as interpreted and applied by the jurisprudence) which stipulates:

39. Where goods being the object of a contract are of a nature that requires maintenance, replacement parts and repair service must be available for a reasonable time after the making of the contract.

The merchant or the manufacturer may release himself from this obligation by warning the consumer in writing, before the contract is entered into, that he does not supply replacement parts or repair service. 39. Si un bien qui fait l'objet d'un contrat est de nature à nécessiter un travail d'entretien, les pièces de rechange et les services de réparation doivent être disponibles pendant une durée raisonnable après la formation du contrat.

Le commerçant ou le fabricant peut se dégager de cette obligation en avertissant le consommateur par écrit, avant la formation du contrat, qu'il ne fournit pas de pièce de rechange ou de service de réparation.

- 15. In the present case, there are a total of 603,167 Kia and Hyundai Vehicles recalled in Canada, which is a significant number of vehicles on the road for which the Defendants should have replacement parts especially related to brakes and short circuits available within a few weeks, not a few months;
- 16. The defect and the unreasonable delay in repairing the defect cause a real prejudice to the Applicant and the Class Members. Indeed, the inconveniences emanating from the defect cannot be resolved until the defect is repaired. For instance, both recalls specifically mention that the manufacturer "recommends that you should park your vehicle outdoors and away from other vehicles or structures until the recall repairs have been completed";
- 17. This causes a real inconvenience and a compensable harm to the Applicant and Class Members who can no longer park their Kia and Hyundai vehicles in indoor garages at home or at work, near other vehicles or even near other "structures";
- 18. A structure is defined as "something (such as a building) that is constructed", which means that Applicant and Class Members cannot even park in front of their house or workplace, which is clearly a compensable prejudice and even more so as we approach the harsh Winter season in Quebec;
- 19. It is absurd for Hyundai and Kia to make such an inconvenient and prejudicial request to their customers without offering them any alternatives (such as loaner vehicles) or monetary compensation to cover the costs of alternative transportation (such as taxis, Uber's, public transportation, etc.);
- 20. The Applicant would have never purchased her Kia vehicle had she known that –

- for several months as a result of a hidden defect she would have to park her vehicle outdoors and away from other vehicles or structures;
- 21. Defendants knew about the hidden defect since at least 2017 when reports of fires in parked Hyundai and Kia vehicles began surfacing more frequently (and under Quebec law are presumed to know about the defect since the date that the Defective Vehicles were sold to Class Members). Defendants continued to conceal the defect from the Applicant and Class Members because they could not and still cannot perform the recall repairs;
- 22. As a result, the Applicant and Class Members are not receiving full enjoyment or use of the vehicle they paid full price for;
- 23. Applicant was entitled to expect, and rightly expected, that Defendants guarantee the quality of the vehicles they design, market and sell (especially when Defendants boast about their safety in their marketing materials, Exhibit P-2);
- 24. It is clear to the Applicant that the Defendants are not taking the situation seriously and she is therefore bringing this action in order to hold Kia and Hyundai accountable and to obtain compensation for herself and all Class Members similarly situated;
- 25. The Applicant has suffered ascertainable loss as a result of Kia's failure to respect section 39 CPA, as well as its omissions and misrepresentations associated with the safety recall issue, including, but not limited to: (i) overpayment for the vehicle; (ii) moral damages; and (iii) trouble and inconvenience;
- 26. Had the Applicant been aware of the safety defect, she would have never purchased the 2011 Kia Sorento, regardless of the price;
- 27. The Applicant's damages are a direct and proximate result of the Defendants' misconduct and their violations of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), and 228 CPA, thus rendering section 272 applicable, section 6 of Quebec' *Charter*, as well articles 1728-1730 C.C.Q.;
- 28. Quebec consumer law is a matter of protective public order;
- 29. As a professional seller, Kia and Hyundai have **presumed** and **actual knowledge** of the safety defect. Kia also admits that the Applicant's 2011 Kia Sorento is defective in Exhibit P-5;
- 30. In consequence of the foregoing, the Applicant is justified in claiming the following damages pursuant to section 272 CPA, the Quebec *Charter* and the Civil Code:
 - a) Reduction of her obligations in an amount to be determined as of the date that Kia repairs the safety issue and defect (s. 272(c));

b) Punitive damages of \$5,000.00;

Kia and Hyundai are solidarily liable

31. Applicant requests that the Defendants be held solidarily liable given their close corporate ties and their close manufacturing ties. Applicant communicates Kia Corp.'s company background page for its Nikkei listing (stock market in Asia) as **Exhibit P-6**, which mentions:

Kia Motors is a South Korean automaker that began as an autoparts manufacturer in 1944. The company once had a capital tie-up with Japanese automaker Mazda Motor for the production of Mazda vehicles. However, that alliance was dissolved. Kia filed for bankruptcy during the 1997 Asian financial crisis and became a subsidiary of fellow South Korean automaker Hyundai Motor in 1998.

Kia has close production ties with its parent, Hyundai Motor; they share chassis, and Kia produces Hyundai cars at its plants. However, Kia maintains independence in product development. Its models include the Optima midsize sedan and the Soul compact.

32. It is evident that the defects in the Hyundai and Kia brakes are related to an identical or similar production issue (either at the Kia or Hyundai plants) which causes an identical problem (short circuit, i.e. vehicle catches on fire even when off or parked);

Punitive Damages (s. 272 CPA and the Quebec Charter)

- 33. Punitive damages are appropriate in this situation in order to send a strong message to vehicle manufacturers that vehicle owners should never have to wait for several months for safety repairs and that manufacturers should not conceal safety issues from their customers and the public at the time of sale;
- 34. Vehicle manufacturers should also be more proactive in providing solutions to purchasers of their vehicles (such as offering a loaner vehicles or paying for transport) instead of brusquely telling them to park outdoors and away from other cars and structures;
- 35. The punitive damages provided for in section 272 CPA have a preventive objective, that is, to discourage the repetition of such undesirable conduct;
- 36. Moreover, section 6 of Quebec's *Charter of Human Rights and Freedoms* guarantees that every person has a right to the peaceful enjoyment his/her property and section 49 stipulates that moral and punitive damages can be

- awarded in the case of an unlawful and intentional interference of this right;
- 37. Indeed, the Defendants' conduct can only be qualified as "intentional", as it has been aware of the safety issue for several years, and has concealed it from its customers in order to continue profiting from the sales of its Defective Vehicles;
- 38. For instance, Exhibit P-3 includes reports that "Hyundai said it has reports of 21 fires and 21 other thermal incidents **since 2017 related to the recall**, while Kia has reports of at least 10 confirmed fires and melting incidents;
- 39. Applicant communicates herewith the Technical Service Bulletins ("TSB's") en liasse as Exhibit P-7 showing that other vehicles (from other year models) manufactured by the Defendants suffered from a similar defect;
- 40. As it appears from the above, Kia and Hyundai had already opened an investigation about the defects in the brakes causing short circuits as far back as in 2017 (about six (6) years before Transport Canada's recalls) and there is still no fix for the defect as of the filing of this application (i.e. September 28, 2023);
- 41. The reality is that Hyundai and Kia are more concerned about their bottom line, and it was more profitable for them to conceal the safety issues and defects (i.e. the defects in the breaks that cause short circuits) from the Applicant and Class Members, since no reasonable person would purchase/lease a vehicle that can catch fire at any time and which must be parked outdoors at all times and away from other cars and buildings;
- 42. Kia and Hyundai's violations are intentional, malicious, vexatious, and dangerous. Kia and Hyundai could have offered the Applicant (and Class Members) a replacement vehicle of similar value until the safety repairs are performed, but chose not to (once again, in order to make more money);
- 43. In these circumstances, the Applicant's claim for punitive damages in the amount of \$5,000.00 per Class Member is justified;

B) THE COMMON QUESTIONS

- 44. As manufactures, distributers, suppliers, wholesalers and/or importers of the Defective Vehicles, Hyundai and Kia are bound to warrant Class Members that the vehicles and its accessories are, at the time of the sale, free of latent defects which render them unfit for the use for which it was intended or which so diminish its usefulness that the buyer would not have bought it or paid so high a price if she had been aware of them:
- 45. As professional sellers, Hyundai and Kia are presumed to have known about the safety defect in the Defective Vehicles (as defined above in the proposed class description) since they were manufactured and sold as of 2009;
- 46. Class Members benefit from the legal presumption that the defect existed at the

- time of the sale, since the Defective Vehicles sold by Hyundai and Kia to Class Members malfunction prematurely in comparison with identical vehicles or vehicles of the same type;
- 47. Hyundai and Kia cannot rebut this presumption because it has admitted in the Transport Canada Recalls, Exhibits P-4 and P-5, that the defect is due to a production issue and not due to improper use of the vehicle by Class Members;
- 48. The Transport Canada Recalls are an admission by Hyundai and Kia that they sold and leased vehicles to Class Members that suffer from a safety defect;
- 49. Individual questions, if any, pale by comparison to the common questions that are significant to the outcome of the present Application;
- 50. The recourses of the Class members raise identical, similar or related questions of fact and law, namely:
 - a) Did the Defendants fail to satisfy the requirements of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), or 228 CPA, or of articles 1728-1730 CCQ?
 - b) Did the Defendants breach section 6 of the Quebec Charter?
 - c) Did the Defendants commit a fault in relation to their recall program or otherwise fail to satisfy their obligations in that regard?
 - d) Are Class Members entitled to:
 - i. a reduction of their obligations (or of the vehicle purchase price) and in what amount?
 - ii. damages for trouble and inconvenience and in what amount?
 - iii. moral damages and in what amount?
 - iv. punitive damages of \$5000.00 per Class Member?

C) THE COMPOSITION OF THE CLASS

- 51. The composition of the Class makes it difficult or impracticable to apply the rules for mandates to take part in judicial proceedings on behalf of others or for consolidation of proceedings;
- 52. According to Transport Canada, Hyundai and Kia's recalls concern 603,167 vehicles in Canada alone (Exhibits P-4 plus P-5);
- 53. Class members are very numerous and are dispersed across the province and country;

- 54. These facts demonstrate that it would be impractical, if not impossible, to contact each and every Class Member to obtain mandates and to join them in one action;
- 55. In these circumstances, a class action is the only appropriate procedure for all of the members of the Class to effectively pursue their respective rights and have access to justice without overburdening the court system;

D) THE REPRESENTATIVE PLAINTIFF

- 56. The Applicant requests that she be appointed the status of representative plaintiff for the following main reasons:
 - a) She is a member of the Class and has a personal interest in seeking the conclusions that she proposes herein;
 - b) She is competent, in that she has the potential to be the mandatary of the action if it had proceeded under article 91 of the *Code of Civil Procedure*;
 - c) Her interests are not in conflict with those of other Class members;
- 57. As for identifying other Class Members, the Applicant draws certain inferences from the situation, and this based on the information reported in the media (Exhibit P-3) and the information provided by Transport Canada (Exhibits P-4 and P-5), that 603,167 vehicles have been recalled to date. The Applicant realizes that by all accounts, there is an important number of Class Members that find themselves in a similar situation, and that it would not be useful for her to attempt to identify them given their sheer number;

II. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

- 58. The action that the Applicant wishes to institute on behalf of the Class Members is an action in damages;
- 59. The conclusions that the Applicant wishes to introduce by way of an originating application are:
 - ALLOW the class action of the Representative Plaintiff and the Class Members against the Defendants;
 - CONDEMN the Defendants, solidarily, to pay to each Class Member compensatory damages in an amount to be determined, and ORDER collective recovery of these sums;
 - **3. CONDEMN** the Defendants, solidarily, to pay to each Class Member \$5000.00 in punitive damages and **ORDER** collective recovery of these sums;
 - **4. CONDEMN** the Defendants, solidarily, to pay interest and the additional indemnity on the above sums according to law from the date of service of the

Application to authorize a class action;

- **5. ORDER** the Defendants to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
- **6. ORDER** that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
- 7. CONDEMN the Defendants, solidarily, to bear the costs of the present action including the cost of notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;

III. JURISDICTION

60. The Applicant requests that this class action be exercised before the Superior Court of the province of Quebec, in the district of Montreal.

FOR THESE REASONS, MAY IT PLEASE THE COURT:

- 1. AUTHORIZE the bringing of a class action in the form of an originating application in damages;
- **2. APPOINT** the Applicant the status of representative plaintiff of the persons included in the Class herein described as:

Class:

All persons who purchased and/or leased one or more of the of the following Hyundai or Kia vehicles recalled respectively under Transport Canada Recall # 2023-527 or # 2023-529 because of a defect in the brakes that could cause a short circuit, manufactured, distributed, supplied, wholesaled and/or imported by Hyundai or Kia:

- Hyundai Accent (model years 2012 to 2015)
- Hyundai Elantra (model years 2011 to 2015)
- Hyundai Equus (model years 2014 to 2015)
- Hyundai Genesis Coupe (model years 2011 to 2015)
- Hyundai Santa Fe (model years 2013 to 2015)
- Hyundai Santa Fe Sport (model year 2013)
- Hyundai Tucson (model years 2010 to 2013)
- Hyundai Veracruz (model years 2010 to 2012)
- Kia Borrego (model years 2010 to 2011)
- Kia Cadenza (model years 2014 to 2016)

- Kia Forte (model years 2010 to 2013)
- Kia Forte Koup (model years 2010 to 2013)
- Kia K900 (model year 2015)
- Kia Optima (model years 2010 to 2015)
- Kia Rio (model years 2012 to 2017)
- Kia Rondo (model years 2010 to 2017)
- Kia Sorento (model years 2011 to 2014)
- Kia Soul (model years 2011 to 2013)
- Kia Sportage (model year 2010)

(hereinafter the "Defective Vehicles")

or any other Class to be determined by the Court.

- **3. IDENTIFY** the principal questions of fact and law to be treated collectively as the following:
 - a) Did the Defendants fail to satisfy the requirements of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), or 228 CPA, or of articles 1728-1730 CCQ?
 - b) Did the Defendants commit a fault in relation to their recall program or otherwise fail to satisfy their obligations in that regard?
 - c) Did the Defendants breach section 6 of the Quebec Charter?
 - d) Are Class Members entitled to:
 - i. a reduction of their obligations (or of the vehicle purchase price) and in what amount?
 - ii. damages for trouble and inconvenience and in what amount?
 - iii. moral damages and in what amount?
 - iv. punitive damages of \$5000.00 per Class Member?
- **4. IDENTIFY** the conclusions sought by the class action to be instituted as being the following:
 - **1. ALLOW** the class action of the Representative Plaintiff and the Class Members against the Defendants;
 - CONDEMN the Defendants, solidarily, to pay to each Class Member compensatory damages in an amount to be determined, and ORDER collective recovery of these sums;

- CONDEMN the Defendants, solidarily, to pay to each Class Member \$5000.00 in punitive damages and ORDER collective recovery of these sums;
- **4. CONDEMN** the Defendants, solidarily, to pay interest and the additional indemnity on the above sums according to law from the date of service of the Application to authorize a class action;
- 5. ORDER the Defendants to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
- 6. ORDER that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
- 7. CONDEMN the Defendants, solidarily, to bear the costs of the present action including the cost of notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;

ORDER the publication of a notice to the Class Members in accordance with article 579 C.C.P., pursuant to a further order of the Court, and **ORDER** the Defendants to pay for said publication costs;

FIX the delay of exclusion at thirty (30) days from the date of the publication of the notice to the members, date upon which the members of the Class that have not exercised their means of exclusion will be bound by any judgement to be rendered herein;

DECLARE that all Class Members that have not requested their exclusion, be bound by any judgement to be rendered on the class action to be instituted in the manner provided for by law;

THE WHOLE with costs including publication fees.

Montreal, September 28, 2023

Montreal, September 28, 2023

(s) Ticket911.ca Inc.

TICKET911.CA INC.

Mtre Bernard Levy-Soussan Attorney for the Applicant 8300 Décarie boulevard, Suite 600 Montréal, Québec, H4P 2P5 Telephone: (514) 700-0303

Email: bls@ticket911.ca

(s) LPC Avocat Inc.

LPC AVOCAT INC.

Mtre Joey Zukran Attorney for the Applicant 276 Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3 Telephone: (514) 379-1572

Email: <u>izukran@lpclex.com</u>

SUMMONS

(ARTICLES 145 AND FOLLOWING C.C.P)

Filing of a judicial application

Take notice that the Applicant has filed this Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff in the office of the **Superior Court of Quebec** in the judicial district of **Montreal**.

Defendant's answer

You must answer the application in writing, personally or through a lawyer, at the courthouse of **Montreal** situated at **1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6**, within 15 days of service of the Application or, if you have no domicile, residence or establishment in Québec, within 30 days. The answer must be notified to the Applicant's lawyer or, if the Applicant is not represented, to the Applicant.

Failure to answer

If you fail to answer within the time limit of 15 or 30 days, as applicable, a default judgement may be rendered against you without further notice and you may, according to the circumstances, be required to pay the legal costs.

Content of answer

In your answer, you must state your intention to:

- negotiate a settlement;
- propose mediation to resolve the dispute;
- defend the application and, in the cases required by the Code, cooperate with the Applicant in preparing the case protocol that is to govern the conduct of the proceeding. The protocol must be filed with the court office in the district specified above within 45 days after service of the summons or, in family matters or if you have no domicile, residence or establishment in Québec, within 3 months after service:
- propose a settlement conference.

The answer to the summons must include your contact information and, if you are represented by a lawyer, the lawyer's name and contact information.

Change of judicial district

You may ask the court to refer the originating Application to the district of your domicile or residence, or of your elected domicile or the district designated by an agreement with the plaintiff.

If the application pertains to an employment contract, consumer contract or insurance contract, or to the exercise of a hypothecary right on an immovable serving as your main residence, and if you are the employee, consumer, insured person, beneficiary of the insurance contract or hypothecary debtor, you may ask for a referral to the district of your domicile or residence or the district where the immovable is situated or the loss occurred. The request must be filed with the special clerk of the district of territorial jurisdiction after it has been notified to the other parties and to the office of the court already seized of the originating application.

Transfer of application to Small Claims Division

If you qualify to act as a plaintiff under the rules governing the recovery of small claims, you may also contact the clerk of the court to request that the application be processed according to those rules. If you make this request, the plaintiff's legal costs will not exceed those prescribed for the recovery of small claims.

Calling to a case management conference

Within 20 days after the case protocol mentioned above is filed, the court may call you to a case management conference to ensure the orderly progress of the proceeding. Failing this, the protocol is presumed to be accepted.

Exhibits supporting the application

In support of the Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff, the Applicant intends to use the following exhibits:

Exhibit P-1: Copy of the Applicant's SAAQ registration certificate for her 2011

Kia Sorento;

Exhibit P-2: Copy of the 2011 Kia Sorento brochure;

Exhibit P-3: En liasse news articles concerning the Hyundai and Kia recalls;

Exhibit P-4: Recall Details from Transport Canada's website for Recall #2023-

527 (concerning 326,942 Hyundai Defective Vehicles);

Exhibit P-5: Recall Details from Transport Canada's website for Recall #2023-

529 (concerning 276,225 Defective Kia Vehicles);

Exhibit P-6: Copy of Kia Corp.'s company background page for its Nikkei listing;

Exhibit P-7: En liasse, copies of the Technical Service Bulletins sent by Hyundai

and Kia to their dealers concerning the defective brakes and the

short circuit problem they cause.

These exhibits are available on request.

Notice of presentation of an application

If the application is an application in the course of a proceeding or an application under Book III, V, excepting an application in family matters mentioned in article 409, or VI of the Code, the establishment of a case protocol is not required; however, the application must be accompanied by a notice stating the date and time it is to be presented.

Montreal, September 28, 2023

Montreal, September 28, 2023

(s) Ticket911.ca Inc.

TICKET911.CA INC.

Mtre Bernard Levy-Soussan Attorney for the Applicant 8300 Décarie boulevard, Suite 600 Montréal, Québec, H4P 2P5 Telephone: (514) 700-0303

Telecopier: (514) 700-0309 Email: bls@ticket911.ca

(s) LPC Avocat Inc.

LPC AVOCATINC.

Mtre Joey Zukran Attorney for the Applicant 276 Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3

Telephone: (514) 379-1572 Telecopier: (514) 221-4441 Email: <u>jzukran@lpclex.com</u>

NOTICE OF PRESENTATION

(articles 146 and 574 al. 2 C.C.P.)

TO: KIA CANADA INC.

3240 Guénette Street Montreal, Quebec, H4S 2C7

HYUNDAI AUTO CANADA CORP.

202-9150 Leduc Boulevard Brossard, Quebec, J4Y 0E3

Defendants

TAKE NOTICE that the Applicant's *Application to Authorize the Bringing of a Class Action* will be presented before the Superior Court at **1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6**, on the date set by the coordinator of the Class Action Division.

GOVERN YOURSELVES ACCORDINGLY.

Montreal, September 28, 2023

Montreal, September 28, 2023

(s) Ticket911.ca Inc.

TICKET911.CA INC.

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