



Court File No. **VLC-S-S-256869**

NO.
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:



PLAINTIFF

AND:

HYUNDAI AUTO CANADA CORP.,
HYUNDAI MOTOR COMPANY,
HYUNDAI MOTOR AMERICA, INC.,
HYUNDAI MOTOR MANUFACTURING ALABAMA LLC,
KIA CANADA INC.,
KIA MOTORS CORPORATION,
KIA MOTORS AMERICA, INC., and
KIA GEORGIA, INC.

DEFENDANTS

Brought under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff(s) for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

- (a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff

and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

TIME FOR RESPONSE TO CIVIL CLAIM

A response to civil claim must be filed and served on the plaintiff(s),

- (a) if you reside anywhere in Canada, within 21 days after the date on which a copy of the filed notice of civil claim was served on you,
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed notice of civil claim was served on you,
- (c) if you reside elsewhere, within 49 days after the date on which a copy of the filed notice of civil claim was served on you, or
- (d) if the time for response to civil claim has been set by order of the court, within that time.

CLAIM OF THE PLAINTIFF(S)

Part 1: STATEMENT OF FACTS

A. Nature of Claim

1. The within proposed automotive defect multi-jurisdictional class proceeding involves certain model and model year Hyundai-, Genesis- and Kia-brand vehicles, defined below as “**Affected Class Vehicles**”, engineered, designed, developed, manufactured, assembled, tested, marketed, distributed, supplied, leased and/or sold by the Defendants, Hyundai Auto Canada Corp. (“**HACC**”), Hyundai Motor Company (“**HMC**”), Hyundai Motor America, Inc. (“**HMA**”), Hyundai Motor Manufacturing Alabama LLC (“**HMMA**”), Kia Canada Inc. (“**KCI**”), Kia Motors Corporation (“**KMC**”), Kia Motors America, Inc. (“**KMA**”), and Kia Georgia, Inc. (“**KGI**”), in Canada, including the Province of British Columbia, equipped with a defective Internal Charging Control Unit (“**ICCU**”), which charges the vehicle’s battery and powers the low-voltage accessory equipment, that is prone to inevitable failure when subjected to voltage and/or thermal stress (the “**ICCU Defect**”).

2. In particular, the ICCU Defect arises from the use of inadequate internal power transistors, within the ICCU, that fail: (i) upon voltage stress; and/or (ii) from thermal stress due to a faulty cooling system that is prone to rupture and leakage. The failure of the internal power transistors short-circuits the ICCU, resulting in a blown fuse, thereby cutting off electrical power to the vehicle’s essential components, including, *inter alia*, the 12-volt battery and the high-voltage traction battery pack, causing a loss of motive power so as to create a real, substantial, and imminent risk of harm, injury, and/or death to vehicle occupants.

3. “**Affected Class Vehicles**” include, but are not limited to, the following model year Hyundai-, Genesis-, and Kia-brand vehicles designed, manufactured and/or assembled by the Defendants, HMC, HMMA, KMC, and/or KGI, and marketed, advertised, distributed, sold and/or leased by the Defendants, HACC, HMC, HMA, KCI, KMC and/or KMA, in Canada, including the Province of British Columbia, equipped with a defective ICCU:

MODEL	MODEL YEAR
Genesis G80	2023-2024
Genesis GV60	2023-2024
Genesis GV70	2023-2025
Hyundai IONIQ 5	2022-2024
Hyundai IONIQ 6	2023-2025
Kia EV6	2022-2024

The Plaintiff reserves the right to add additional vehicles to the definition of Affected Class Vehicles.

4. Electric vehicles (“EVs”) require numerous components and modules to function cohesively and deliver the electrical power necessary for motive propulsion. The vehicle manufacturer Defendants have consolidated these functions into a single unit, the ICCU, which operates as the brain or gateway that manages how the Affected Class Vehicles are charged from an external power source and distributes that energy to the battery and other essential electrical components and modules within the vehicle. By merging multiple functions that would otherwise require separate power-regulating or charging modules, the ICCU has become a critical component, and any defect within it has the potential to compromise the entire electrical system of the Affected Class Vehicles.

5. Integral components of the ICCU include: (i) on-board charger (**OBC**); (ii) DC/DC (Direct Current/Direct Current) converter; (iii) control integrated circuit (**IC**); (iv) microcontrollers; (v) fuses; and (vi) cooling system.

6. Recently, there has been a rapidly increasing demand for environmentally friendly vehicles, and with the inception of EVs, efficient EV charging systems are increasingly being researched and developed by vehicle manufacturers. The vehicle manufacturer Defendants have undertaken this objective by designing and manufacturing their own unique ICCU.

7. One distinct feature of the ICCU is that it allows for two-directional, or bidirectional, flow of current that is: (i) from the vehicle to the power grid / vehicle to the load (external electrical devices) (V2G / V2L); and (ii) from the power grid to the vehicle / load to the vehicle (G2V / L2V). This design achieves more environmentally friendly charging and more efficient use of electrical power, as the bidirectional flow of current enables EVs to act as mobile batteries that store renewable energy, balance the grid, and displace fossil fuels, thereby making the overall energy system cleaner and more efficient. However, the design is significantly more complex because it requires the integration of additional electrical components.

8. In order to achieve this bidirectional flow of current, power transistors, specifically Metal-Oxide-Semiconductor Field Effect Transistors (**MOSFETs**), are used in the ICCU. MOSFETs are switches that control the supply of current to the different circuits within the ICCU, for example the power factor control unit that powers the OBC, or the DC/DC converter. The ICCU in the Affected Class Vehicles uses at least two MOSFETs that connect its circuits and direct the flow of current therein.

9. If one or more MOSFETs fail, the fuse—serving as a failsafe to protect downstream electrical components from high voltage—blows, isolating the circuits. This isolation eliminates any active pathway for current flow, thereby cutting off electrical power to all vehicle components, resulting in a complete loss of motive power and causing a vehicle to suddenly stop without sufficient warning.

10. The MOSFETs can fail as a result of high-voltage surge and/or thermal stress. The ICCU in the Affected Class Vehicles is designed and/or manufactured with defective MOSFETs

that are incapable of withstanding the typical voltage stress all EVs are exposed to, either from their internal components or from external sources, such as EV charging stations. Moreover, the faulty cooling system can cause leakages or increased thermal stress, which also damages the temperature sensitive MOSFETs.

11. At all relevant times herein to the cause of action, the Defendants knew, or ought to have known, about the ICCU Defect as evidenced by: (i) consumer complaints lodged with American and Canadian government vehicle safety regulators, including the United States National Highway Traffic Safety Administration (“NHTSA”), Transport Canada and elsewhere online; (ii) warranty claims, part sales, and consumer complaints lodged with the Defendants directly; (iii) current and earlier safety recalls issued by the Defendants in an attempt to remedy or fix the ICCU Defect; and (iv) the vehicle manufacturer Defendants own pre-sale durability testing of the Affected Class Vehicles.

12. The Defendants have twice failed to adequately and/or properly remedy or fix the ICCU Defect but instead have only provided inconsequential and unnecessary software updates that do nothing to address the underlying safety hazard. Further, replacing one defective ICCU with another equally defective ICCU perpetuates the same safety risk. The only effective remedy or fix is a complete redesign of the ICCU, which the vehicle manufacturer Defendants have knowingly failed and refused to undertake.

13. The Defendants purported remedies for the ICCU Defect under these vehicle recalls are only a band-aid and fail to adequately cure the ICCU Defect, while also failing to reimburse vehicle owners and/or lessees for out-of-pocket expenses, loss of use, or loss of value. These vehicle recall repairs are also not readily available, so vehicle owners and/or lessees are left without a safe operable vehicle for unknown and often lengthy periods of time.

14. Moreover, the Defendants’ proposed diagnostic procedure is inadequate, as it fails to identify all vehicles affected by the ICCU Defect.

15. The Defendants have exclusive knowledge of, and have been in exclusive possession of, facts and/or information pertaining to the ICCU Defect, which were material to the Plaintiff and putative class members, who could not have reasonably known of the ICCU Defect. Under

the circumstances, the Defendants had an affirmative duty to disclose the ICCU Defect at the point of sale and/or lease of the Affected Class Vehicles to putative class members and consumers.

16. Despite that knowledge and duty, the Defendants have repeatedly failed to disclose and actively concealed the ICCU Defect from putative class members and consumers, and continued to market and represent the Affected Class Vehicles as safe, reliable and durable vehicles which, as a result of the ICCU Defect, they are not.

17. As a direct and proximate result of the Defendants' unfair, misleading, deceptive, and/or fraudulent business practices in failing to disclose the ICCU Defect, the Plaintiff and putative class members: (i) overpaid for the Affected Class Vehicles, either through a higher purchase price and/or lease payments; (ii) overpaid for the Affected Class Vehicles as the ICCU Defect significantly diminishes the value of the Affected Class Vehicles; (iii) have Affected Class Vehicles that are unsafe, unreliable and dangerous in their operation; (iv) have Affected Class Vehicles that have significantly reduced re-sale value; and/or (v) must expend significant money to have their Affected Class Vehicles repaired.

18. The Plaintiff and putative class members have purchased and/or leased Affected Class Vehicles that they would not have otherwise purchased and/or leased, or would have paid less for, had they known of the ICCU Defect at the point of sale and/or lease. The Plaintiff and putative class members have consequently suffered ascertainable losses and actual damages as a result of the Defendants' unlawful conduct.

19. In engineering, designing, developing, manufacturing, assembling, testing, marketing, distributing, supplying, leasing and/or selling the Affected Class Vehicles, the Defendants have engaged in unfair, deceptive, and/or misleading consumer practices, and further have breached their express warranties.

20. No reasonable consumer would have purchased and/or leased an Affected Class Vehicle had the Defendants made full and complete disclosure of the ICCU Defect or would have paid a lesser price.

21. The Plaintiff and putative class members expected that the Defendants would disclose, and not actively conceal, material facts about the existence of any defect that will result in

expensive and non-ordinary repairs. The Defendants failed to do so.

22. The Plaintiff seeks relief for all other owners and/or lessees of the Affected Class Vehicles with the ICCU Defect, including, *inter alia*, recovery of damages, repair and/or buy back under various provincial consumer protection legislation, breach of express warranty, breach of implied warranty of merchantability and reimbursement of all expenses associated with the repair and/or replacement of the Affected Class Vehicles.

B. The Parties

i. Representative Plaintiff

23. The Plaintiff [REDACTED] has an address c/o 210-4603 Kingsway, Burnaby, British Columbia, V5H 4M4, Canada.

24. On November 18, 2022, the Plaintiff purchased a 2023 Hyundai IONIQ 5 (“**Hyundai Ioniq**”) from OpenRoad Hyundai Richmond, an authorized Hyundai dealership located in Richmond, British Columbia, for a purchase price of \$64,811.11, inclusive of applicable taxes, administrative fees, and financing costs.

25. In deciding whether to purchase the Hyundai Ioniq, the Plaintiff considered the benefits of an EV, including its quick-charging capabilities and technological advancements. The Plaintiff’s decision was informed by brochures, advertisements, and representations made by the Defendants and their representatives.

26. Since purchasing the Hyundai Ioniq, the Plaintiff has attended the Hyundai dealership on numerous occasions to address issues with the vehicle, the most significant of which have related to the ICCU.

27. On at least four occasions, the Plaintiff has experienced malfunctioning or failure of the ICCU in her Hyundai Ioniq. Despite various purported repairs performed by the Hyundai dealership, the Plaintiff continues to experience the ICCU Defect. In particular:

- (a) On or about September 13, 2023, the Plaintiff experienced sudden warning lights, immediate loss of motive power, and immobilization of her vehicle, and

had it towed to the Hyundai dealership. The dealership performed an ICCU software update and replaced the ICCU and fuse.

- (b) On or about August 3, 2024, the Plaintiff's Hyundai Ioniq, despite being connected to a wall charger overnight, was devoid of all electrical power and completely inaccessible the following morning. The Plaintiff required roadside assistance, after which the dealership replaced the battery without investigating the root cause of the failure.
- (c) On or about June 6, 2024, following the first safety recall issued on or about March 15, 2024, the Hyundai dealership again updated the ICCU software and replaced the ICCU and fuse in the Plaintiff's Hyundai Ioniq.
- (d) On or about January 11, 2025, following the second safety recall issued on or about November 18, 2024, the Hyundai dealership once more updated the ICCU software and replaced the ICCU and fuse in the Plaintiff's vehicle. On this occasion, the Hyundai dealership also implemented "limp home improvement in case of ICCU malfunction".

28. The remedies and/or fixes offered by the Defendants have been temporary and inadequate, leaving the Plaintiff at ongoing, real, substantial, and imminent risk of harm and/or danger while operating her vehicle.

29. The Defendants failed to disclose the ICCU Defect to consumers, including the Plaintiff and the putative class members, and the Plaintiff, therefore, purchased her Hyundai Ioniq on the reasonable, but mistaken, belief that it would be a safe, reliable and durable vehicle. The Plaintiff would not have purchased the Hyundai Ioniq, or would not have paid as much for it, had she known of the ICCU Defect and the propensity of the vehicle to suddenly and without warning lose all motive power, thereby placing her, and vehicle occupants, in a real, substantial, and imminent risk of harm and/or danger.

30. The Plaintiff has consistently maintained and used her Hyundai Ioniq in a manner consistent with reasonable expectations of vehicle ownership.

31. The Plaintiff has suffered a concrete and ascertainable loss as a direct and proximate result of the Defendants' misconduct in that Plaintiff overpaid for her Hyundai Ioniq at the time of purchase, and the value of her Hyundai Ioniq has been diminished as a result of the ICCU Defect.

ii. The Defendants

32. The Defendant, HACC, is a company duly incorporated pursuant to the laws of Canada, registered within British Columbia under number A0069704, and has a registered agent, BHT Management Inc., at #1800 - 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3, Canada.

33. The Defendant, HMC, is a company duly incorporated pursuant to the laws of Korea and has an address for service at 12, Heolleung-ro, Seocho-gu, Seoul, South Korea.

34. The Defendant, HMA, is a company duly incorporated pursuant to the laws of the State of California, one of the United States of America, and has a registered agent, National Registered Agents, Inc., at 10550 Talbert, Avenue, Fountain Valley, California, 92708, United States of America.

35. The Defendant, HMMA, is a company duly incorporated pursuant to the laws of the State of Alabama, one of the United States of America, and has a registered agent, Richard E. Neal, at 700 Hyundai Boulevard, Montgomery, Alabama, 36105, United States of America.

36. The Defendant, KCI, is a company duly incorporated pursuant to the laws of Canada, registered within British Columbia under number A0085732, and has a registered agent, FMD Service (B.C.) Inc., at #2900 - 550 Burrard Street, Vancouver, British Columbia, V6C 0A3, Canada.

37. The Defendant, KMC, is a company duly incorporated pursuant to the laws of South Korea and has an address for service at 12, Heolleung-ro, Seocho-gu, Seoul, South Korea.

38. The Defendant, KMA, is a company duly incorporated pursuant to the laws of the State of California, one of the United States of America, and has a registered agent, C T Corporation System, at 111 Peters Canyon Road, Irvine, California, 92606, United States of America.

39. The Defendant, KGI, is a company duly incorporated pursuant to the laws of the State of Georgia, one of the United States of America, and has a registered agent, C T Corporation System, at 289 S Culver Street, Lawrenceville, Georgia, 30046-4805, United States of America.

40. At all material times to the cause of action herein, the Defendant, HACC, was, and is, a wholly owned North American subsidiary of the Defendant, HMC, which, *inter alia*, markets, advertises, distributes and/or sells Hyundai vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU in Canada, and within the Province of British Columbia.

41. At all material times to the cause of action herein, the Defendant, HMC, designs, manufactures, assembles, markets, advertises, distributes and/or sells Hyundai vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, through its related subsidiaries and/or operating units, including the Defendants, HACC, HMA and/or HMMA, independent retailers and authorized dealerships in the United States of America and Canada. The Defendant, HMC, also provides all the technical information for the purposes of designing, manufacturing, servicing and/or repairing the Affected Class Vehicles to its subsidiaries, including the Defendants, HMA, HACC and HMMA.

42. At all material times to the cause of action herein, the Defendant, HMA, was, and is, a wholly owned North American subsidiary of the Defendant, HMC, which, *inter alia*, markets, advertises, distributes and/or sells Hyundai vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, in the United States of America and/or Canada, including the Province of British Columbia.

43. At all material times to the cause of action herein, the Defendant, HMMA, was, and is, a wholly owned North American subsidiary of the Defendant, HMC, which, *inter alia*, designs, manufactures and/or assembles Hyundai vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, at an automobile plant located in the State of Alabama, United States of America, for distribution and/or sale in the United States of America and/or Canada, including the Province of British Columbia.

44. At all material times to the cause of action herein, the Defendant, HACC, was

responsible for the distribution, service and/or repair of Hyundai vehicles in Canada, including, *inter alia*, the Hyundai Affected Class Vehicles.

45. At all material times to the cause of action herein, the Defendants, HACC, HMC, HMA and/or HMMA, shared the common purpose of, *inter alia*, designing, developing, manufacturing, assembling, marketing, distributing, supplying and/or selling Hyundai vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU in Canada, and within the Province of British Columbia. Further, the business and interests of the Defendants, HACC, HMC, HMA and/or HMMA, are interwoven with that of the other as to the ICCU Defect in certain Affected Class Vehicles, as averred to in paragraph three herein, such that each is the agent of the other.

46. At all material times to the cause of action herein, the Defendant, KCI, was, and is, a wholly owned North American subsidiary of the Defendant, KMC, which, *inter alia*, markets, advertises, distributes and/or sells Kia vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU in Canada, and within the Province of British Columbia.

47. At all material times to the cause of action herein, the Defendant, KMC, designs, manufactures, assembles, markets, advertises, distributes and/or sells Kia vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, through its related subsidiaries and/or operating units, including the Defendants, KCI, KMA and/or KGI, independent retailers and authorized dealerships in the United States of America and Canada. The Defendant, KMC, also provides all the technical information for the purposes of designing, manufacturing, servicing and/or repairing the Affected Class Vehicles to its subsidiaries, including the Defendants, KCI, KMA and KGI.

48. At all material times to the cause of action herein, the Defendant, KMA, was, and is, a wholly owned North American subsidiary of the Defendant, KMC, which, *inter alia*, markets, advertises, distributes and/or sells Kia vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, in the United States of America and/or Canada, including the Province of British Columbia.

49. At all material times to the cause of action herein, the Defendant, KGI, was, and is, a wholly owned North American subsidiary of the Defendant, KGI, which, *inter alia*, designs, manufactures and/or assembles Kia vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU, at an automobile plant located in the State of Georgia, United States of America, for distribution and/or sale in the United States of America and/or Canada, including the Province of British Columbia.

50. At all material times to the cause of action herein, the Defendant, KCI, was responsible for the distribution, service and/or repair, of Kia vehicles in Canada, including, *inter alia*, the Kia Affected Class Vehicles.

51. At all material times to the cause of action herein, the Defendants, KCI, KMC, KMA and/or KGI, shared the common purpose of, *inter alia*, designing, developing, manufacturing, assembling, marketing, distributing, supplying and/or selling Kia vehicles, including certain Affected Class Vehicles, as averred to in paragraph three herein, equipped with the defective ICCU in Canada, and within the Province of British Columbia. Further, the business and interests of the Defendants, KCI, KMC, KMA and/or KGI, are interwoven with that of the other as to the ICCU Defect in certain Affected Class Vehicles, as averred to in paragraph three herein, such that each is the agent of the other.

52. At all material times to the cause of action herein, the Defendant, HMC, together with the Defendants, HACC, HMA, HMMA, KCI, KMC, KMA and KGI, comprise the Hyundai Motor Group, which designs, manufactures, assembles, markets, distributes and/or sells the Affected Class Vehicles.

53. Hereinafter, the Defendants, HACC, HMC, HMA and HMMA, are collectively referred to as the “**Hyundai Defendant**”, the Defendants, KCI, KMC, KMA and KGI, are collectively referred to as the “**Kia Defendant**”, and/or further, collectively as the “**Defendants**”, unless referred to individually or otherwise.

54. At all material times to the cause of action herein, the Defendants shared the common purpose of, *inter alia*, engineering, designing, developing, manufacturing, assembling, marketing, distributing, supplying, leasing and/or selling the Affected Class Vehicles with the ICCU Defect,

averred to herein, in Canada. Further, the business and interests of the Defendants are inextricably interwoven with that of the other such that each is the agent or alter ego of the other.

C. The Class

55. This action is brought on behalf of members of a class consisting of the Plaintiff, and all other persons resident in Canada, who own, owned, lease and/or leased any one or more of the Affected Class Vehicles (“**Class**” or “**Class Members**”), excluding employees, officers, directors, agents of the Defendants and their family members, class counsel, presiding judges and any person who has commenced an individual proceeding against or delivered a release to the Defendants concerning the subject of this proceeding, or such other class definition or class period as the Court may ultimately decide on the application for certification.

D. Factual Allegations

i. The Defendants’ EV technology

56. The Defendants are pioneers in automotive manufacturing and engage in extensive research and development of their manufacturing processes, and the technology and materials used to produce innovative and environmentally friendly vehicles. One such initiative has been the Defendants’ development of their EVs, which began in 1991 with the Hyundai Sonata.

57. In 2016, the Hyundai Defendant introduced the IONIQ, its first dedicated eco-friendly model, offering three types of electric vehicles: hybrid, plug-in hybrid, and battery electric vehicles.

58. In 2018, the Hyundai Defendant introduced the long-range KONA Electric, signifying a step forward. The pivotal moment arrived in 2021 with the launch of the IONIQ brand, dedicated exclusively for electric vehicles, ushering in a new era for the Defendants’ EVs.

59. IONIQ stands as the Hyundai Defendant’s dedicated electric vehicle brand, building upon the legacy of the original IONIQ known for its future-forward and clean mobility technology. The word IONIQ combines ‘Ion,’ signifying energy generated through electricity, and ‘Unique,’ highlighting the Hyundai Defendant’s distinctive approach.

60. With the IONIQ brand, the Defendants have represented that they are committed to enhancing the electric experience, not just by focusing on electric vehicle technology but also by delivering innovative mobility experiences to customers.

61. The IONIQ lineup includes the midsize CUV IONIQ 5, introduced in 2021, followed by the IONIQ 6 in 2022.

62. One of the most revolutionary aspects of the IONIQ lineup is the Defendants' proprietary Electric Global Modular Platform (E-GMP). This platform stands out due to its modular and standardized design, allowing for versatile configurations across different vehicle types. The E-GMP features a smart low-mounted battery placement in the central underbody, ensuring stable driving performance and improved collision safety, regardless of the vehicle model.

63. The E-GMP additionally introduces V2G / V2L technology. This allows the Affected Class Vehicles to supply power to external electronic devices, such as laptops, portable heaters, lights, and other camping equipment. This bidirectional capability also enables more environmentally friendly charging and more efficient use of electrical power, as the vehicles can act as mobile batteries that store renewable energy, balance the electrical grid, and displace fossil fuels, thereby contributing to a cleaner and more efficient energy system.

64. All Affected Class Vehicles are based on the E-GMP platform.

65. Most existing EVs and the fast-charging infrastructure provide 50~150 kilowatts (kW) charging for EVs equipped with a 400-volt system; however, the development of 800-volt infrastructure, with up to 350kW charging, enables fast-charging, which is a sought-after feature in EVs in the current market.

66. The E-GMP offers 800-volt charging capability as standard and enables 40-volt charging without the need for additional components or adapters. The multi-charging system is the world's first patented technology which operates the motor and the inverter to boost 400 volts to 800 volt for stable charging compatibility.

67. An EV based on E-GMP is capable of a maximum range of more than 500 kilometer

(km) (311 miles) with a fully charged battery, according to the Worldwide Harmonized Light-Duty Vehicle Test Procedure, a global driving cycle standard for determining the pollutants, CO₂ emission standards, and fuel consumption of conventional internal combustion engines and EVs. Moreover, through the use of fast-charging stations, the EVs based on E-GMP can charge up to 80% in just 18 minutes and can add up to 100 km of driving range in just five minutes.

68. Unlike earlier battery EV technologies, which only enable one-way charging, the E-GMP's charging system is more flexible. The E-GMP's ICCU represents an upgrade from existing OBCs, which typically only allow electricity to flow in a single direction from an external power source. The ICCU enables a new V2L function, which can additionally discharge energy from the vehicle battery without additional components. This enables a battery EV based on the E-GMP to operate other electrical equipment or devices (110 / 220V) anywhere. The system can even be used to charge another EV.

ii. The ICCU and ICCU Defect

69. The ICCU is a next-generation component used in vehicles based on the E-GMP, specifically the Affected Class Vehicles, that combines multiple charging functions into a single, compact system. In particular, the ICCU typically integrates the following: (i) OBC, which manages AC charging; (ii) DC/DC converter, which steps down high voltage to low voltage; (iii) IC, which contain multiple electronic components like transistors and resistors; (iv) microcontrollers, which are small computers on a single chip that are designed to control electronic devices; (v) fuses, which act as one-time safety devices that sacrifice themselves to protect the circuit; and (vi) cooling systems, which regulate the temperature of the ICCU.

70. By merging these systems, the ICCU streamlines the electrical architecture of the Affected Class Vehicles, reduces weight and wiring complexity, and enables bi-directional charging capabilities, distinguishing them from other EVs on the market

71. In most EVs today, the OBC, DC/DC converter, and charging control logic are housed in separate modules. This means: (i) more space is required in the vehicle; (ii) increased manufacturing complexity; (iii) higher costs for production and maintenance; and (iv) slower response in managing power flow between components.

72. The ICCU replaces this fragmented architecture with an all-in-one solution. It handles both AC and DC charging, converts high-voltage electricity to the low-voltage power needed for auxiliary systems, and manages charging protocols.

73. While an innovative and revolutionary design, the ICCU consists of more complicated components especially considering it is tasked with performing the functions of various modules.

74. One of the critical functions of the ICCU in the Affected Class Vehicles is charging the 12-volt battery, which supports and coordinates all electrical systems of the Affected Class Vehicles and ensures that they have motive power upon demand.

75. The ICCU Defect prevents the 12-volt battery from charging, thereby leading to the loss of integration with all other components once it fully drains. This causes the Affected Class Vehicles to immediately go into “limp-mode”, a vehicle safety feature that activates when a critical system in a vehicle detects a problem.

76. In the case of the Affected Class Vehicles, the limp-mode significantly reduces the motive power, and shortly thereafter leads to complete immobilization of the vehicle.

77. The ICCU Defect arises from the use of inadequate MOSFETs, within the ICCU, that fail: (i) upon voltage stress; and/or (ii) from thermal stress due to a faulty cooling system that is prone to rupture and leakage. The failure of the MOSFETs short-circuits the ICCU, resulting in a blown fuse, thereby cutting off electrical power to the vehicle’s essential components, including, *inter alia*, the 12-volt battery and the high-voltage traction battery pack, causing a loss of motive power so as to create a real, substantial, and imminent risk of harm, injury, and/or death to vehicle occupants.

78. As mentioned above, the MOSFETs are switches that control the flow of the current within the various circuits of the ICCU. They are sensitive and integral components within the ICCU and are especially susceptible to failure from above-normal voltage and thermal stress.

79. In the context of EVs, voltage stress refers to over-voltage or transient voltage spikes that stress electronic components, especially gate drivers (like the MOSFETs) and insulation systems, and can lead to failure, performance degradation, or safety hazards. It is primarily caused

by inductive kickbacks during the de-energization of the motor windings, parasitic inductances in high-speed switching circuits, and external factors like grid fluctuations, or weakening the insulation of high-voltage systems.

80. Typically, EVs are capable of handling such surges; however, in the case of the Affected Class Vehicles, the MOSFETs are inadequate to sustain the voltage stress, whereby they fail at the first instance of voltage spike. When the MOSFETs fail, the fuse within the ICCU blows to prevent the downstream electrical components becoming damaged, thereby isolating the circuit, depriving all electrical systems within the Affected Class Vehicles of electrical power, including the 12-volt battery, and the high-voltage battery packs.

81. This same critical outcome also results if the MOSFETs are subjected to thermal stress. MOSFETs typically have an operating temperature range of -55°C to 175°C . The cooling system within the ICCU is incapable of regulating the temperature adequately thereby subjecting them to temperature beyond the maximum operating threshold. A spike in the temperature, even if for a limited period, damages the MOSFETs, leading to the isolation of the circuit.

82. Further, the cooling system within the ICCU is susceptible to leakage, thereby exposing its sensitive internal components to potential liquid intrusion and damage.

iii. The Defendants' knowledge and concealment of the ICCU Defect

83. At all relevant times to the cause of action herein, the Defendants knew, or ought to have known, about the ICCU Defect as evidenced by: (i) consumer complaints lodged with American and Canadian government vehicle safety regulators, including NHTSA, Transport Canada, and elsewhere online; (ii) warranty claims, part sales, and consumer complaints lodged with the Defendants directly; (iii) current and earlier safety recalls issued by the Defendants in an attempt to remedy or fix the ICCU Defect; and (iv) the vehicle manufacturer Defendants own pre-sale and pre-production durability testing of the Affected Class Vehicles. Despite their knowledge, the Defendants did not disclose the ICCU Defect to, and actively concealed the ICCU Defect from, the Plaintiff and Class Members.

a) The Defendants' pre-production internal testing and compliance standards

Pre-production testing

84. Like all automobile manufacturers, the vehicle manufacturer Defendants employ extensive and robust pre-production testing that revealed, or ought to have revealed, the ICCU Defect to them. In particular, the vehicle manufacturer Defendants have set up numerous "proving grounds" all across the globe, where their vehicles are subjected to extreme real-world testing.

85. For vehicles manufactured in North America, the vehicle manufacturer Defendants utilize the proving grounds located in California City, California, known as the Mojave Proving Ground. Established in 2005, this 4,300-acre facility serves as a crucial test site for next-generation Hyundai-, Genesis- and Kia-brand vehicles, featuring a variety of specialized testing areas to evaluate vehicle performance, durability, and safety under diverse North American road conditions.

86. For vehicles manufactured in South Korea, the Defendants' vehicles are subjected to testing at the Seosan Proving Ground. This facility spans over 250 acres and includes 14 state-of-the-art test tracks. In addition, this facility includes the first 5G-enabled autonomous driving and radar test track in Korea, a long tunnel test track, circular/climbing/low-friction roads, and multiple specialized test buildings for battery, environmental, durability, and performance testing.

87. The vehicle manufacturer Defendants also have three winter testing facilities located in Sweden, China and New Zealand, to test their vehicles in sub-zero weather conditions. All three facilities include icy road anti-lock braking system test tracks, circular and asymmetric configurations, with conditions that drop to -40 °C

88. With the introduction of the E-GMP and given the differences between EVs and those powered by internal combustion engines, the vehicle manufacturer Defendants have incorporated specific methods and tests for EVs. EVs are heavier, and their batteries, drive motors, and related components generate significant heat that must be effectively managed. In addition, the electrical systems within EVs are subject to electrical surges and fluctuations during operation. These factors make it necessary to test EVs more rigorously and comprehensively, particularly given the relative infancy of this technology compared to internal combustion engines.

89. The vehicle manufacturer Defendants actively utilize their Mojave Proving Ground to test thermal management performance of their EVs in extreme conditions. EV thermal management and cooling performance tests are conducted intensively on days with temperatures above 45°C and solar radiation exceeding 1,000W per square meter.

90. Further, in the era of EVs, the vehicle manufacturer Defendants have intensified their thermal management and cooling performance testing in order to improve cooling efficiency and optimize thermal management systems. These measures are intended to prevent excessive heat generation in the motor or battery systems under harsh driving conditions, including trailer towing, uphill driving, high-speed operation, and winding roads.

91. Efforts to improve performance continue outside of the Mojave Proving Ground. The vehicle manufacturer Defendants use the entire continental United States as a testing ground for their vehicles. For example, in 2024, research engineers at Mojave Proving Ground spent nearly 10 weeks optimizing the battery safety and thermal energy management of EVs in a variety of environments in the United States, including Death Valley, Minnesota, and Oregon.

92. The vehicle manufacturer Defendants' performance testing of their EVs also includes testing them on an "oval". This is a 10.3-km-long, oval, three-lane track that simulates a typical North American highway. It is the largest test track at the Mojave Proving Ground and can conduct tests driving at 200 km/h.

93. All new vehicles manufactured by the Defendants in North America undergo a rigorous endurance test on an oval track. Over approximately three months, each vehicle is driven at high speeds to evaluate aging. During this process, drivetrain performance, wind noise, and other systems are also assessed. Each vehicle is tested for 48,000 km and must complete more than 4,000 laps without incident in order to pass.

94. The oval is so demanding that driving just 16,000 km on it is equivalent to driving 160,000 km on regular roads. In particular, the twisting track surface is harsher than what is typically encountered in the real world, placing significant stress on both the battery and overall vehicle durability. The vehicle manufacturer Defendants conduct approximately 500 test drives on this track to ensure extreme durability.

95. Further, the Hyundai Defendant's Safety and Investigation Laboratory (STIL), located in Superior Township, Michigan is a state-of-the-art safety test and inspection lab, developed in partnership with the NHTSA, houses a field crash investigation lab, a high-voltage battery lab, a forensics lab, a 400-meter track, and a vehicle dynamics area for testing various safety and performance aspects of their vehicles. The STIL aims to identify and replicate real-world field issues, conduct extensive safety testing, and improve vehicle and passenger safety.

The Defendants' Compliance Standards for third party suppliers

96. In addition to rigorous pre-production testing at their proving grounds, the vehicle manufacturer Defendants impose strict compliance requirements on their third-party component and parts suppliers, which must be satisfied before the components and parts from these suppliers can be used in the Defendants' vehicles.

97. In particular, like most automobile manufacturers, the vehicle manufacturer Defendants require their electronic parts suppliers to comply with certain setups, limits and acceptance criteria to their vehicle architectures and safety strategies. This is especially important for EVs, which have a plethora of sensitive electrical components that can potentially interfere with the other. Any undesirable interference, such as the voltage stress discussed herein, can cause the various components to malfunction, thereby affecting the overall safety and usability of a vehicle.

98. The vehicle manufacturer Defendants are ultimately responsible for the safety, durability, and compatibility of all electrical components used within their vehicles and, to that end, maintain their own automotive component electromagnetic compatibility (EMC) and electrical testing standard, referred to as ES 96200-00.

99. ES 96200-00 is a key standard establishing strict requirements for automotive electronics to ensure reliable electrical testing and system performance. It governs both emission and immunity testing, defining essential criteria for component and system-level validation across all vehicles manufactured by the Defendants.

100. The vehicle manufacturer Defendants EMC and electrical testing is crucial to ensure vehicle electronics operate safely and reliably amid electromagnetic disturbances. As vehicle

technology advances, strict EMC and electrical testing requirements and test procedures prevent malfunctions, safety risks, and regulatory issues. The vehicle manufacturer Defendants have established the ES 96200-00 emission and immunity tests to help identify vulnerabilities early, reducing recalls and field failures.

101. ES 96200-00 is a vital standard governing automotive component EMC and electrical validation, as well as supplier compliance with the vehicle manufacturer Defendants specifications. It extends to EV EMC and electrical testing, automotive electronics reliability assessments, OEM EMC requirements, system integration, and laboratory certification services.

102. Given these extensive testing standards, and in particular the vehicle manufacturer Defendants' own compliance requirements under ES 96200-00, the Defendants knew or ought to have known of the ICCU Defect, in particular that the MOSFETs were susceptible to failure, and nevertheless actively concealed it.

b) Safety Recalls

NHTSA Investigations and Recalls

103. The Defendants have issued two recalls that fail to adequately address, remedy and/or fix the ICCU Defect. The first recall was issued by NHTSA (Hyundai Recall 257) in March 2024, followed by a substantially similar recall in November 2024 (Hyundai Recall 272). Transport Canada issued parallel recalls substantially around the same time.

104. The following is a chronology of events leading up to the decision issuing Hyundai Recall 272.

- Beginning in October 2022, the Defendant, HMC, began examining ICCU warranty returns from various markets and noted heat damage on MOSFETs of the ICCU assemblies equipped in certain Hyundai and Genesis EVs.
- In January 2023, the Defendant, HMC, began evaluating potential overcurrent modes in the ICCU in an attempt to replicate the MOSFET failures observed in examined warranty part returns.

- On April 24, 2023, NHTSA's Office of Defects Investigation ("ODI") notified the Defendant, HMC, North America Safety Officer ("NASO") of certain Vehicle Owner Questionnaire ("VOQs") received alleging a loss of motive power in a Hyundai IONIQ 5 vehicle located in the United States. NASO held multiple discussions from April to May informing ODI of its analysis of field information and the findings of the Defendant's, HMC's, investigation and ongoing replication testing.
- On May 17, 2023, the Defendant, HMC, conducted vehicle driving tests to study the potential loss of power following failure of the ICCU, specifically regarding the effects of low-voltage convertor fault(s) on vehicle mobility, warning signs that precede an ICCU fault, and driving time and range following an ICCU fault. These tests were performed with the Korea Automobile Testing and Research Institute ("KATRI"). The testing results indicated that the vehicle remains operational following a low-voltage convertor fault, resulting in multiple audible and visual warnings to the driver. The results confirmed that if the vehicle continues to be driven while ignoring the warning symptoms, the vehicle will eventually lose all motive power. The test results also confirmed that the onset of the fail-safe mode includes full motive power during the initial 22 minutes after ICCU fault detection, followed by five stages of progressive warnings and gradual motive power limitations, providing a total cumulative drive time of up to 45 minutes in fail-safe mode. Further examination of the test results confirmed that total drive time with access to motive power is dependent on several factors such as powered vehicle accessories, ambient conditions such as temperature and humidity, and road driving conditions such as curvatures and inclines.
- On May 24, 2023, NASO held a video conference meeting with NHTSA to discuss updates to its investigation, including the results of the Defendant's, HMC's, joint testing with KATRI.
- On June 23, 2023, NHTSA issued an opening resume letter stating that formal investigation PE23-011 had been opened to investigate ICCU failures in certain

model year 2022-2023 Hyundai IONIQ 5 vehicles manufactured by the Defendant, HMC, for sale in the United States.

- On July 17, 2023, the Hyundai Defendant launched service campaign SC997 to address the subject condition in affected Hyundai EVs in the United States market.
- On July 28, 2024, the Defendant, HMC, performed a second test at the Hyundai-Kia Namyang Centre High-Speed Proving Ground using a Hyundai production test vehicle with multiple accessories activated. The results indicated 11 minutes of full motive power and 33 minutes of total vehicle operation following a low-voltage convertor fault, with multiple visual warnings and an audible chime, leading up to a complete vehicle stall condition.
- On August 10, 2023, NASO submitted its first response to PE23-011 to the agency.
- On September 21, 2023, Genesis launched service campaign SC907G to address the subject condition in affected Genesis EVs in the United States market.
- On September 26, 2023, NASO held a joint vehicle demonstration with the Defendant, HMC, and members from NHTSA's Vehicle Research and Testing Center ("VRTC") at STIL. The results confirmed ten minutes of full motive power and approximately 21 to 26 minutes of total vehicle operation leading up to a complete vehicle stall. The test was performed with conditions representative of a "harsh" or "worst-case" scenario, including multiple vehicle accessories powered on and use of a test-track containing turns and inclines requiring driving maneuvers typically demanding increased 12-volt auxiliary power draw. NASO and HMC also noted that test trials performed in advance of the joint session yielded results consistent with prior findings.
- On September 27, 2023, NASO submitted its final response to PE23-011 to the agency, including its final assessment of the subject condition.
- On January 31, 2024, the Defendant, HMC, informed NASO of its updated findings in its investigation. NASO's Data Analysis ("DA") team created a new case for

reconsideration of the current service campaign and immediately escalated it to the Data Review Committee (“**DRC**”) on January 31, 2024.

- On February 7, 2024, the DRC escalated the case to the Technical Review Committee (“**TRC**”) based on its preliminary analysis of field information. NASO’s TRC began analyzing and confirming field information, including an examination of the ongoing service campaign, related claim data, and accumulated results of prior testing performed by the Defendant, HMC.
- On March 8, 2024, the Defendant’s, HMA’s, NASO convened its North America Safety Decision Authority (“**NASDA**”) for review of the TRC’s findings and recommendation.
- In its review of the subject condition, the NASDA acknowledged that multiple, extensive operator warning(s) occur over an extended period of drive time, during which the vehicle initially retains full motive power before entering several stages of gradually reduced motive power, culminating in a loss of all motive power after a time period of 22-45 minutes. Although the NASDA concluded that the length of available drive time with sufficient mobility during fail-safe driving is reasonably sufficient for detection by vehicle occupants, and NASO’s investigation did not identify related any crashes or injuries, the NASDA decided to conduct a safety recall of affected Hyundai and Genesis vehicles in the United States and Canada out of an abundance of caution.
- On April 29, 2024, the Defendant, HMA’s, Warranty Department notified NASO of final confirmation of affected vehicles in the United States market. The final vehicle population includes 14 vehicles under evaluation by Motional, an American autonomous vehicle company, as fully operable “robotaxis” retrofitted with proprietary ADS technology. Based on this information, NASO amended the affected population in the original 573 report on May 2, 2024.
- From June through July 2024, NASO continued to monitor internal field information, including new VOQ’s, after deployment of recall 257/021G to the

field. Upon confirmation of new reports alleging ICCU failure on vehicles that were remedied under the previous recall, NASO launched an investigation and began requesting warranty part returns from incidents occurring in the field. Eight total ICCU returns were recovered in July and sent to both the Defendant, HMC, and NASO's STIL in Michigan for analysis.

- On September 9, 2024, NASO was notified of a corporate fleet vehicle exhibiting symptoms of an ICCU failure. On September 12, 2024, NASO inspected the vehicle and confirmed an ICCU fuse open-circuit condition resulting in limited drivability under the vehicle's "fail-safe" drive mode. NASO noted that replacement of the ICCU and the associated fuse corrected the condition. The original ICCU parts were sent to the STIL for further analysis.
- On October 1, 2024, NASO met with the Defendant, HMC, to provide an update on its internal investigation. NASO informed the Defendant, HMC, that all part returns sent to the STIL were undergoing full CT scan to identify any irregularities and potential causes of failure. The Defendant, HMC, shared updated information regarding affected vehicle populations in the United States and Canadian markets.
- On October 28, 2024, NASO received an update from the STIL regarding its part inspection results. Preliminary findings indicated damage to the ICCU's internal MOSFET. NASO informed the Defendant, HMC, of the STIL's findings on October 31, 2024.
- On November 4, 2024, the Defendant, HMC, provided NASO with an update to its investigation into global market impact and potential field correction. The Defendant, HMC, informed NASO that the Korean market safety decision authority would convene soon to review KASO/NASO findings and decide on potential field action.
- Based on this information, NASO convened its NASDA on November 13, 2024, and decided to conduct a new safety recall of all vehicles affected by the subject condition, including all vehicles involved in prior recalls 257 and 021G.

105. On March 15, 2024, NHTSA issued a Part 573 Safety Recall Report (24V-204) for 98,878 model year 2022-2024 Hyundai IONIQ 5, 2023-2025 Hyundai IONIQ 6 and 2023-2025 Genesis GV60 and GV70, and 2023-2024 G80 EV vehicles with the ICCU Defect, which stated in part the following:

Description of the Defect:

The subject vehicles are equipped with an Integrated Charging Control Unit (“ICCU”) which charges the vehicle’s 12-volt auxiliary battery and powers low voltage vehicle accessory equipment. The ICCU may be subject to certain electrical load conditions that can damage internal components and open the ICCU fuse. An open ICCU fuse results in an inability to charge the 12-volt auxiliary battery. Upon fault detection, and accompanied by a series of driver warnings, the vehicle will enter a design-intended “fail-safe” driving mode that allows immediate full propulsion while gradually reducing motive power over an extended time period. Vehicle systems such as air bags, braking, and powered steering remain operational.

Description of the Safety Risk:

If the vehicle continues to be driven an extended distance in “fail-safe” mode with the MIL illuminated and warning message(s) in the instrument cluster, the vehicle could eventually lose all motive power, potentially increasing the risk of a crash.

Description of the Cause:

The ICCU internal componentry can become damaged due to various conditions such as overcurrent, overvoltage induced at the end of high-voltage battery charging, and certain thermal loading during operation or driving.

Description of Remedy Program

All owners of the subject vehicles will be notified by first class mail with instructions to bring their vehicles to a Hyundai dealer or Genesis retailer to have the ICCU software updated. Additionally, the ICCU and associated fuse will be inspected and replaced, if necessary. The remedy will be offered at no cost to owners for all affected vehicles, regardless of whether the affected vehicles are still covered under Hyundai’s or Genesis’ New Vehicle Limited Warranty. Additionally, Hyundai/Genesis will provide owners of affected vehicles reimbursement for out-of-pocket expenses incurred to obtain a remedy for the recall condition in accordance

with the reimbursement plan submitted to NHTSA on February 22, 2024.

How Remedy Component Differs from Recalled Component

The remedy ICCU software prevents overcurrent and implements voltage peak reduction at the end of EV battery charging. The remedy software also revises the electric water pump operational threshold to reduce thermal loading during charging and driving.

106. On November 18, 2024, NHTSA issued a subsequent Part 573 Safety Recall Report (24V-868) for 145,235 model year 2022-2024 Hyundai IONIQ 5, 2023-2025 Hyundai IONIQ 6 and 2023-2025 Genesis GV60 and GV70, and 2023-2024 G80 EV vehicles with the ICCU Defect, which stated in part the following:

Description of the Defect:

The subject vehicles are equipped with an Integrated Charging Control Unit (“ICCU”) which charges the vehicle’s 12-volt auxiliary battery and powers lowvoltage vehicle accessory equipment. The ICCU may be subject to certain electrical load conditions that can cause the internal metal-oxide semiconductor field-effect transistor (“MOSFET”) to fail, potentially resulting in an open ICCU fuse. An open ICCU fuse results in an inability to charge the 12volt battery. Upon fault detection, and accompanied by a series of driver warnings, the vehicle will enter a design-intended “fail-safe” driving mode that allows immediate full propulsion while gradually reducing motive power over time as the vehicle’s battery is discharged. Vehicle systems such as air bags, braking, and powered steering remain operational.

Description of the Safety Risk:

If the vehicle is driven until the 12-volt battery state-of-charge is fully depleted the vehicle will lose all motive power, potentially increasing the risk of a crash.

Description of the Cause:

The vehicle’s “fail-safe” mode will trigger upon detection of a fault associated with: A. Overvoltage induced at the start and end of the vehicle’s battery charging cycle. B. Thermal loading during charging/driving.

Description of Remedy Program:

All owners of the subject vehicles will be notified by first class mail with instructions to bring their vehicles to a Hyundai dealer or Genesis retailer to have the ICCU software updated, and the ICCU assembly and its associated fuse replaced, if necessary. This remedy will be offered at no cost to owners for all affected vehicles, regardless of whether the affected vehicles are still covered under Hyundai's or Genesis' New Vehicle Limited Warranty. Additionally, Hyundai/Genesis will provide owners of affected vehicles reimbursement for out-of-pocket expenses incurred to obtain a remedy for the recall condition in accordance with the reimbursement plan submitted to NHTSA on February 22, 2024.

How Remedy Component Differs from Recalled Component:

The remedy ICCU software applies an LDC output voltage "soft start" that prevents overvoltage at the start and end of the vehicle's battery charging cycle. Additionally, improvements to radiator fan and water pump operation improves thermal loading conditions during operation.

107. On March 14, 2024, NHTSA issued a Part 573 Safety Recall Report (24V-200) for 48,232 model year 2022-2024 Kia EV6 vehicles with the ICCU Defect, which stated in part the following:

Description of the Defect:

The Integrated Charging Control Unit (ICCU) may become damaged over time from transient high voltage and thermal cycling. A damaged ICCU may not be able to charge the 12-volt battery which can discharge gradually while driving with progressive reductions of motive power. If the driver ignores the warnings associated with the discharging battery condition and continues to operate the vehicle in a reduced power mode, the vehicle may eventually experience a complete loss of motive power.

Description of the Safety Risk:

A loss of motive power increases the risk of a crash.

Description of the Cause:

Thermal loading and transient high voltage can damage the ICCU.

Description of Remedy Program:

All owners of the subject vehicles will be notified by first class mail with instructions to bring their vehicles to a Kia dealer. Kia dealers

will inspect the ICCU and if necessary, replace the ICCU and ICCU fuse. Dealers will also install updated software to address the recall condition. Kia will reimburse owners for repair expenses already incurred pursuant to Kia's General Reimbursement Plan filed May 10, 2022.

How Remedy Component Differs from Recalled Component:

The improved ICCU software decreases thermal loading and lowers peak voltage during operation to mitigate damage to the ICCU.

108. On November 18, 2024, NHTSA issued a Part 573 Safety Recall Report (24V-867) for 62,872 model year 2022-2024 Kia EV6 vehicles with the ICCU Defect, which stated in part the following:

Description Information:

All 2022-2023 model year and certain 2024 model year EV6 vehicles manufactured from November 17, 2021 through July 22, 2024. This recall will supersede recall 24V200 and will include certain 2024MY EV6 vehicles produced with the same software as the 24V200 remedy. The recall population was determined by a review of vehicle production records. The vehicles subject to this recall were not produced in VIN order. Customers seeking information about their specific vehicle will be referred to Kia's Customer Care Center or their Kia dealer.

Description of the Defect:

The Integrated Charging Control Unit (ICCU) may become damaged over time from transient high voltage and thermal cycling. A damaged ICCU may not be able to charge the 12-volt battery which can discharge gradually while driving with progressive reductions of motive power. If the driver ignores the warnings associated with the discharging battery condition and continues to operate the vehicle in a reduced power mode, the vehicle may eventually experience a complete loss of motive power.

Description of the Safety Risk:

A loss of motive power increases the risk of a crash.

Description of the Cause:

Thermal loading and transient high voltage can damage the ICCU.

Description of Remedy Program:

All owners of the subject vehicles will be notified by first class mail with instructions to bring their vehicles to a Kia dealer. Kia dealers will inspect the ICCU and if necessary, replace the ICCU and ICCU fuse. Dealers will also update the software with an improved version which further optimizes thermal management and peak voltage during operation. Kia will reimburse owners for repair expenses already incurred pursuant to Kia's General Reimbursement Plan filed May 1, 2024.

How Remedy Component Differs from Recalled Component:

The ICCU software is an improved version which further optimizes thermal management and peak voltage during operation.

Transport Canada Recalls

109. In lockstep with the recalls issued in the United States, shortly thereafter, substantially similar recalls were issued by the Defendants in Canada.

110. On or around March 15, 2024, the Hyundai Defendant and Kia Defendant issued recalls of Hyundai and Genesis-brand (Recall No. 2024-174) and Kia-brand (Recall No. 2024-173) respectively of the Affected Class Vehicles. Each of these Transport Canada recalls described the following:

Issue: Over time, the integrated charging control unit (ICCU) could become damaged. As a result, the 12 V battery will not charge and could cause the vehicle to enter a reduced power mode. If this happens, and you continue to drive the vehicle, there could be a loss of power to the wheels.

Note: This problem will cause a warning light to turn on and warning messages to display before any loss of power.

Safety Risk: A loss of power to the wheels could increase the risk of a crash. Corrective Actions: Hyundai will notify owners by mail and advise you to take your vehicle to a dealership to update the vehicle software. The dealer will also inspect and, if necessary, replace the ICCU and ICCU fuse.

111. Despite taking the remedial actions proposed as part of the above-noted recalls, the Defendants were forced to re-recall the Affected Class Vehicles that were purportedly remedied under the initial recalls.

112. On or around November 18, 2024, the above-noted recalls were replaced with Recall No. 2024-700 (applying to 11,445 model year 2022-2024 Kia-brand Affected Class Vehicles), and Recall No. 2024-701 (applying to 34,529 model year 2022-2025 Hyundai and Genesis-brand Affected Class Vehicles). Each of these Transport Canada re-recalls described the remedial steps in substantially similar manner, specifically highlighting that they apply to the Affected Class Vehicles initially recalled, as follows (emphasis added):

Transport Canada Recall no. 2024-700

Issue: Over time, the integrated charging control unit (ICCU) could become damaged. As a result, the 12 V battery will not charge and could cause the vehicle to enter a reduced power mode. If this happens, and you continue to drive the vehicle, there could be a loss of power to the wheels.

Note: This problem will cause a warning light to turn on and warning messages to display before any loss of power. This recall replaces Transport Canada recall no. 2024-173. Vehicles that were repaired under that recall also require this repair.

Safety Risk: A loss of power to the wheels could increase the risk of a crash. Corrective Actions: Kia will notify owners by mail and advise you to take your vehicle to a dealership to update the vehicle software. The dealer will also inspect and, if necessary, replace the ICCU and ICCU fuse.

Transport Canada Recall no. 2024-701

Issue: Over time, the integrated charging control unit (ICCU) could become damaged. As a result, the 12 V battery will not charge and could cause the vehicle to enter a reduced power mode. If this happens, and you continue to drive the vehicle, there could be a loss of power to the wheels.

Note: This recall replaces Transport Canada recall no. 2024-174. Vehicles that were repaired under that recall also require this repair. This problem will cause a warning light to turn on and warning messages to display before any loss of power. For the Genesis GV70 and G80 models, only the electric versions (EV) are affected. Safety

Risk: A loss of power to the wheels could increase the risk of a crash. Corrective Actions: Hyundai will notify owners by mail and advise you to take your vehicle to a dealership to update the vehicle software. The dealer will also inspect and, if necessary, replace the

ICCU and ICCU fuse.

c) Customer complaints as to the ICCU Defect

113. The Defendants also knew, or ought to have known, about the ICCU Defect as numerous consumer complaints regarding the ICCU Defect were made directly to the Defendants, or on online sources monitored by the Defendants. The large number of complaints, and the consistency of their descriptions of the ICCU Defect alerted, or ought to have alerted, the Defendants of the ICCU Defect. Significantly, many such complaints were recorded as early as 2023, shortly after the Affected Class Vehicles were first made available for sale and/or lease.

iv. The Defendants' numerous recalls and proposed remedies for the ICCU Defect are inadequate

114. The Defendants' proposed remedies consist of four measures: (i) a software update; (ii) replacement of the blown fuse; (iii) replacement of the ICCU; and, following the second recall, (iv) a diagnostic check. Each of these measures, whether considered individually or collectively, is inadequate and insufficient to remedy or fix the ICCU Defect.

115. Firstly, as averred herein, voltage surges may originate either internally or externally. Software modifications can only regulate voltage surges arising from within the internal electrical systems of the Affected Class Vehicles. They are incapable of containing or controlling voltage surges from external sources such as grid fluctuations, thereby continuing to expose the MOSFETs to sudden voltage surges and resulting failure.

116. Secondly, replacing the fuse merely resets the electrical circuits to allow the ICCU to resume functioning. It does not remedy damage already sustained by other internal ICCU components as a result of the ICCU Defect, nor does it prevent future fuse failures in the event of subsequent voltage surges.

117. Thirdly, the replacement ICCU units are riddled with the ICCU Defect, as such, the replacement essentially is moot. Further, there are delays in providing the replacement units.

118. Lastly, the diagnostic process employed by the Defendants requires technicians to apply the already inadequate remedies described above only if certain error codes are detected. However, such error codes do not appear until after the ICCU has already failed. As a result, the

diagnostic process does not preemptively address or remedy the ICCU Defect but instead allows Class Members to continue operating vehicles that remain defective and unsafe.

v. The Defendants' representations regarding the safety, reliability and durability of the Affected Class Vehicles

119. As noted above, all Affected Class Vehicles share the Defendants' proprietary E-GMP platform, whose innovative features and design the Defendants have openly and publicly promoted in press kits issued for each vehicle. The Defendants have further emphasized the safety, reliability and durability of this platform.

120. On its website the Defendant, HACC, specifically represents the following regarding its Hyundai EV brand line up:

Why buy an Electric Hyundai Vehicle?

Hyundai is leading the charge in electric vehicles (EVs) with a range of innovative and award-winning models, including the KONA Electric, IONIQ 5, and IONIQ 6. These industry leaders have garnered global recognition, with the IONIQ 5 and IONIQ 6 taking home World Car of the Year and World Car Design of the Year, respectively.

The capabilities of an infrastructure that supports Hyundai fully electrified vehicles mean they aren't just for early adopters any more. With range life at an all-time high, and charging times shorter than ever, Hyundai EVs are designed to fit your driving needs. With an all-electric range of over 400+ kilometres, you can enjoy longer trips without worrying about running out of power. Choose from flexible battery size and drivetrain options (FWD/RWD/AWD), allowing you to customize your vehicle to fit your needs.

The IONIQ 5 and IONIQ 6 also feature V2L two-way-on-board charger capability, allowing you to use your car as a power source for appliances and devices. Plus, our EV dedicated e-GMP platform ensures the most efficient packaging of the electric motor, battery, and power electric system within the chassis, giving you a smooth and efficient ride. Experience the future of driving with Hyundai's electric vehicles.

121. The Defendants make similar representations regarding the Genesis- and Kia-brand Affected Class Vehicles.

vi. The ICCU Defect poses a real, substantial and imminent risk of harm or injury to vehicle occupant safety and renders the Affected Class Vehicles *per se* defective

122. In Canada, motor vehicle safety standards are governed by the *Motor Vehicle Safety Act*, S.C. 1993, c.16 (“*MVSA*”) and the *Motor Vehicle Safety Regulations*, C.R.C., c. 1038 (“*Regulations*”). The Minister of Transport has the power and authority to verify that companies and persons comply with the *MVSA*, *Regulations* and vehicle safety standards. Transport Canada is delegated the authority to oversee the *MVSA* and *Regulations*. In the United States, the NHTSA oversees, *inter alia*, vehicle safety standards, such as the *Federal Motor Vehicle Safety Standard* (“*FMVSS*”). Increasingly, the general approach to setting vehicle safety standards in Canada is to harmonize or analogize them with the *FMVSS* in the United States as much as possible. As such, vehicles designed or manufactured in the United States that comply with *FMVSS* may be imported and sold in Canada pursuant to the requirements of the *MVSA* and *Regulations*.

123. Vehicle manufacturers are required to file a report with Transport Canada and NHTSA within five days of identifying any safety related defects in their vehicles pursuant to the *MVSA* and *FMVSS*. The initial report is required to identify all vehicles potentially containing the defect and include a description of the manufacturer’s basis for its determination of the recall population and a description of how the vehicles or items of equipment to be recalled differ from similar vehicles or items of equipment that the manufacturer has not included in the recall. Additionally, the report must contain a “description of the defect” and identify and describe the risk to motor vehicle safety reasonably related to the defect.

124. The purpose of these government regulations is to facilitate the notification of owners of defective and noncomplying motor vehicles, and the remedy of such defects and noncompliance, by equitably apportioning the responsibility for safety-related defects and noncompliance with *MVSA* and *FMVSS* among vehicle manufacturers.

125. The Defendants have failed and/or neglected to comply with their mandatory obligations under the *MVSA* and *Regulations* to provide the Class Members with an adequate remedy or fix for the ICCU Defect in the Affected Class Vehicles. As such, Class Members are left to drive vehicles that pose a real, substantial and imminent risk of harm, injury and/or death.

vii. The warranties provided by the Defendants

126. The Defendants provide warranties directly to the Plaintiff and Class Members for the Affected Class Vehicles.

127. The Hyundai Defendant provides warranties for the Hyundai-brand Affected Class Vehicles that cover repairs including parts and labor, to correct any defect in materials or workmanship.

128. The Hyundai Defendant provides “New Vehicle” Limited Warranty coverage for 60 months or 100,000 kms, whichever occurs first, for the Affected Class Vehicles. The scope of this coverage is specifically provided for by the Hyundai Defendant, as follows:

WHAT IS COVERED

Any original component that is found to be defective in material or workmanship under normal use and maintenance, except components specifically covered under any other section of the HYUNDAI AUTO CANADA Corp. Warranty.

129. The Hyundai Defendant also provides the “EV System” warranty coverage for its EVs for 96 months or 160,000 kms, whichever occurs first. The scope of this coverage is specifically provided for by the Hyundai Defendant, as follows:

WHAT IS COVERED

The following original EV system components which are found to be defective in material and/or workmanship under normal use and maintenance will be covered during the "Warranty Period" described above:

Motor, Inverter unit, VCM, Reduction gear, DC/DC converter, Onboard charger, Onboard charger connector, Trickle charge cable, In Cable Control Box, High Voltage Battery.

130. The Hyundai Defendant and Kia Defendant provide warranty coverage on identical or substantially similar terms for the Genesis- and Kia-brand Affected Class Vehicles.

131. The warranty terms became part of the basis of the bargain when the Plaintiff and Class Members purchased and/or leased their Affected Class Vehicles.

viii. Agency relationship between Defendants and their authorized dealerships as to the Affected Class Vehicles

132. The Defendants have expressly or impliedly acknowledged that Hyundai-, Genesis- and Kia-authorized dealerships (collectively, the “**Dealerships**”) are their sales agents. The Dealerships have accepted that undertaking, and the Defendants exercise the ability to control the Dealerships, thereby establishing a principal–agent relationship, as further detailed below:

- (a) The Defendants can terminate the relationship with the Dealerships at will;
- (b) The relationships are indefinite;
- (c) The Defendants are in the business of selling vehicles as are the Dealerships;
- (d) The Defendants provide tools and resources for the Dealerships to sell vehicles;
- (e) The Defendants supervise the Dealerships regularly;
- (f) Without the Defendants the Dealerships would not exist;
- (g) The Defendants as the principal require the following of the Dealerships:
 - (i) reporting of sales;
 - (ii) computer network connection with the Defendants;
 - (iii) training of their sales and technical personnel;
 - (iv) use of the Defendants-supplied computer software;
 - (v) participation in the Defendants’ training programs;
 - (vi) establishment and maintenance of service departments in the Dealerships;
 - (vii) certification of the Defendants’ pre-owned vehicles;
 - (viii) reporting to the Defendants with respect to vehicle delivery and sales, including, but not limited to: the names, addresses, preferred titles, telephone numbers (primary and business), and e-mail addresses of owners and/or lessees; vehicle identification numbers; delivery dates;

type of sale; lease or finance terms; applicable factory incentive coding; odometer readings at delivery; extended service contract sale designations, if any; and the names of the dealership employees involved in the delivery; and

- (ix) displaying the Defendants' logos on signs, literature, products, and brochures within the vehicle showroom.
- (h) Dealerships bind the Defendants with respect to:
 - (i) warranty repairs on the vehicles the dealers sell; and
 - (ii) issuing service contracts administered by the Defendants.
- (i) The Defendants further exercise control over the Dealerships with respect to:
 - (i) financial incentives given to their employees;
 - (ii) locations of the Dealerships;
 - (iii) testing and certification of their personnel and technicians to ensure compliance with the Defendants' policies and procedures; and
 - (iv) customer satisfaction surveys, pursuant to which the Defendants allocate the number of their cars to the Dealerships, thereby directly controlling their profits.
- (j) The Dealerships sell the Defendants' vehicles on the Defendants behalf, pursuant to a "floor plan," and the Defendants do not receive payment for their cars until the Dealerships sell them.
- (k) Dealerships bear the Defendant brand names, use their logos in advertising and on warranty repair orders, post Hyundai/Genesis and Kia brand signs for the public to see, and enjoy a franchise to sell the Defendants products, including the Affected Class Vehicles.
- (l) The Defendants require the Dealerships to follow the rules and policies of the Defendants in conducting all aspects of dealer business, including the delivery

of the Defendants' warranties, and the servicing of defective vehicles such as the Affected Class Vehicles.

- (m) The Defendants require the Dealerships to post the Defendants' brand names, logos, and signs at dealer locations, including dealer service departments, and to identify themselves and to the public as authorized Hyundai/Genesis and Kia dealers and servicing outlets for the Defendants' vehicles.
- (n) The Defendants require their dealers to use service and repair forms containing its brand names and logos.
- (o) The Defendants require the Dealerships to perform the Defendants' warranty diagnoses and repairs, and to do the diagnoses and repairs according to the procedures and policies set forth in writing by the Defendants.
- (p) The Defendants require the Dealerships to use parts and tools either provided by the Defendants or approved by Defendants and to inform the Defendants when dealers discover that unauthorized parts have been installed on one of the Defendants' vehicles.
- (q) The Defendants require the Dealerships' service and repair employees to be trained by the Defendants in the methods of repair of the Defendants' vehicles.
- (r) The Defendants audit the Dealerships' sales and service departments and directly contact customers of the Dealerships to assess their level of satisfaction with sales and repair services. Based on these assessments, the Defendants provide financial incentives or impose reprimands on the Dealerships.
- (s) The Defendants require the Dealerships to provide them with monthly statements and records pertaining, in part, the sales and servicing of the Defendants' vehicles.
- (t) The Defendants provides technical service bulletins and messages to the Dealerships detailing chronic defects present in product lines, and repair procedures to be followed for chronic defects.

- (u) The Defendants provide the Dealerships with specially trained service and repair consultants with whom the Dealerships' personnel are required to consult when they are unable to correct a vehicle defect on their own.
- (v) The Defendants require Hyundai-, Genesis- and Kia-brand vehicle owners to go to the Dealerships to obtain servicing under the Defendants' warranties.
- (w) The Dealerships are required to notify the Defendants whenever a car is sold or put into warranty service.

Part 2: RELIEF SOUGHT

1. The Plaintiff, on her own behalf and on behalf of Class Members, claims against the Defendants, jointly and severally, as follows:

- (a) an Order certifying this action as a class proceeding and appointing the Plaintiff as the named representative;
- (b) a declaration that the Defendants were negligent in the manufacture and/or design of the Affected Class Vehicles equipped with the defective ICCU causing the Plaintiff and Class Members to suffer damages;
- (c) a declaration that the Defendants:
 - (i) breached their duty of care to the Plaintiff and Class Members, and are consequently liable to the Plaintiff and Class Members for damages;
 - (ii) breached implied warranties or conditions of merchantability as to the Affected Class Vehicles and are consequently liable to the Plaintiff and Class Members for damages pursuant to sections 18(a), (b) and 56 of the *Sale of Goods Act*, R.S.B.C. 1996, c. 410 (“*SGA*”); sections 16(2), (4) and 52 of the *Sale of Goods Act*, R.S.A. 2000, c. S-2; sections 16(1), (2) and 52 of the *Sale of Goods Act*, R.S.S. 1978, c. S-1; sections 16(a), (b) and 54 of *The Sale of Goods Act*, C.C.S.M. 2000, c. S10; sections 15(1), (2) and 51 of the *Sale of Goods Act*, R.S.O. 1990, c. S.1; sections 16(a),(c)

and 54 of the *Sale of Goods Act*, R.S.N.L. 1990, c. S-6 ; sections 17(a), (b) and 54 of the *Sale of Goods Act*, R.S.N.S. 1989, c. 408; sections 20(a), (b) and 67 of the *Sale of Goods Act*, R.S.N.B. 2016, c. 110; sections 16(a), (b) and 53 of the *Sale of Goods Act*, R.S.P.E.I. 1988, c. S-1; sections 15(a), (b) and 50 of the *Sale of Goods Act*, R.S.Y. 2002, c. 198; sections 18(a),(b) and 60 of the *Sale of Goods Act*, R.S.N.W.T. 1988, c. S-2; and sections 18(a), (b) and 60 of the *Sale of Goods Act*, R.S.N.W.T. (Nu) 1988, c. S-2; and articles 1726 to 1730 of the *Civil Code of Québec*, C.Q.L.R., c. C.C.Q.-1991 (collectively, the “**Provincial Sale of Goods Acts**,” unless otherwise referred to individually);

- (iii) breached articles 37, 38, 40, 41, 53, 54 of the *Consumer Protection Act*, C.Q.L.R. c P-40.1;
- (iv) breached the duty to act in good faith and with honesty in representations and in the performance of obligations, pursuant to articles 6, 7, and 1375 of the *Civil Code of Québec*, C.Q.L.R., c C.C.Q.-1991; and
- (v) engaged in unfair practices contrary to sections 4 and 5 of the *Business Practices and Consumer Protection Act*, S.B.C. 2004 (“**BPCPA**”); sections 5 and 6 of the *Consumer Protection Act*, R.S.A. 2000, c. C-26.3; sections 6 and 7 of *The Consumer Protection and Business Practices Act*, S.S., 2013, c C-30.2; sections 2 and 3 of *The Business Practices Act*, C.C.S.M. c B120; sections 14(1) and (2) of the *Consumer Protection Act*, 2002, S.O. 2002, c 30, Sch A; section 10 of the *Consumer Protection Act*, S.N.B. 2024, c 1; section 2 of *Business Practices Act*, R.S.P.E.I. 1988, c B-7; section 7 of *Consumer Protection and Business Practices Act*, S.N.L. 2009, c C-31.1; articles 215, 219, and 228 of the *Consumer Protection Act*, C.Q.L.R. c. P-40.1, (collectively, the “**Parallel Consumer Protection Legislation**,” unless otherwise referred to individually), and are consequently liable to the Plaintiff and Class Members for damages;

- (d) a declaration that it is not in the interests of justice to require that notice be given, where applicable, under the *BPCPA*, and the *Parallel Consumer Protection Legislation*, and waiving any such applicable notice provisions;
- (e) an Order for the statutory remedies available under the *BPCPA*, and the *Parallel Consumer Protection Legislation*, including damages, cancellation and/or rescission of the purchase of the Affected Class Vehicles;
- (f) an Order directing the Defendants to advertise any adverse findings against it pursuant to section 172(3)(c) of the *BPCPA*; section 19 of the *Consumer Protection Act*, R.S.A. 2000, c. C-26.3; section 93(1)(f) of *The Consumer Protection and Business Practices Act*, S.S., 2013, c C-30.2; section 23(2)(f) of *The Business Practices Act*, C.C.S.M. c B120; section 18(11) of the *Consumer Protection Act*, 2002, S.O. 2002, c 30, Sch A; section 15 of the *Consumer Product Warranty and Liability Act*, S.N.B. 1978, c C-18.1; *Consumer Protection Act*, SNB 2024, c 1; *Business Practices Act*, R.S.P.E.I. 1988, c B-7; section 7 of *Consumer Protection and Business Practices Act*, S.N.L. 2009, c C-31.1; and *Consumer Protection Act*, C.Q.L.R. c. P-40.1;
- (g) a declaration that the Defendants breached sections 36 and/or 52 of the *Competition Act*, R.S.C 1985, c. C-34 (“*Competition Act*”) and are consequently liable to the Plaintiff and Class Members for damages;
- (h) an Order enjoining the Defendants from continuing their unlawful and unfair business practices as alleged herein;
- (i) a declaration that the Defendants fraudulently concealed the ICCU Defect in the Affected Class Vehicles from the Plaintiff and Class Members;
- (j) injunctive and/or declaratory relief requiring the Defendants to recall, repair and/or replace the defective ICCU equipped in the Affected Class Vehicles and/or buy back all Affected Class Vehicles and to fully reimburse and make whole all Class Members for all costs and economic losses associated therewith;

- (k) an order pursuant to section 29 of the *Class Proceeding Act*, R.S.B.C. 1996, c. 50 (“*CPA*”) directing an aggregate assessment of damages;
- (l) costs of notice and administering the plan of distribution of the recovery in this action plus applicable taxes pursuant to section 24 of the *CPA*;
- (m) damages, including actual, compensatory, incidental, statutory and consequential damages;
- (n) special damages;
- (o) punitive damages;
- (p) costs of investigation pursuant to section 36 of the *Competition Act*;
- (q) pre-judgment and post-judgment interest pursuant to the *Court Order Interest Act*, R.S.B.C. 1996, c. 79; and
- (r) such further and other relief as this Honorable Court may seem just.

Part 3: LEGAL BASIS

A. Jurisdiction

1. There is a real and substantial connection between British Columbia and the facts alleged in this proceeding. The Plaintiff and Class Members plead and rely upon the *Court Jurisdiction and Proceedings Transfer Act*, R.S.B.C. 2003, c.28 (“*CJPTA*”) in respect of the Defendants. Without limiting the foregoing, a real and substantial connection between British Columbia and the facts alleged in this proceeding exists pursuant to sections 10 (e)(i), (e)(iii)(A)(B), (f), (g), (h) and (i) of the *CJPTA* because this proceeding:

- (e)(i) concerns contractual obligations to a substantial extent, were to be performed in British Columbia;
- (e)(iii)(A)(B) the contract is for the purchase of property, services or both, for use other than in the course of the purchaser’s trade or profession, and resulted from a solicitation of business in British Columbia by or on behalf of the seller;

- (f) concerns restitutionary obligations that, to a substantial extent, arose in British Columbia;
- (g) concerns a tort committed in British Columbia;
- (h) concerns a business carried on in British Columbia; and
- (i) is a claim for an injunction ordering a party to do or refrain from doing anything in British Columbia.

B. Causes of Action

i. Negligence

1. The Plaintiff and Class Members hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

2. At all material times, the Defendants owed a duty of care to the Plaintiff and Class Members to design, manufacture, and supply vehicles free from defects. The Affected Class Vehicles, equipped with the defective ICCU, pose a real and substantial danger to Class Members and vehicle occupants due to the sudden and unexpected loss of motive power resulting from the ICCU Defect.

3. The Defendants as the designers, engineers, manufacturers, promoters, marketers and/or distributors of the Affected Class Vehicles and their counterparts, intended for use by ordinary consumers, owed a duty of care to the Plaintiff and Class Members to ensure that the Affected Class Vehicles were reasonably safe in their operation.

4. At all material times, the Defendants owed a duty of care to the Plaintiff and Class Members and breached that standard of care expected in the circumstances. The Defendants knew, or ought to have known, that the defective ICCU Defect resulted in the sudden and unexpected loss of motive power, which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants. Despite such knowledge, the Defendants continued to distribute, sell and/or lease Affected Class Vehicles equipped with the defective ICCU.

5. The Defendants owed the Plaintiff and Class Members a duty to carefully monitor the

safety and post-market performance of the Affected Class Vehicles. The Defendants had a duty to warn, or promptly warn, the Plaintiff and Class Members that the ICCU Defect results in sudden and unexpected loss of motive power, which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants, and which it failed to do so.

6. The circumstances of the Defendants being in the business of designing, manufacturing, distributing, selling, leasing and/or placing the Affected Class Vehicles and their component parts, including the Affected Class Vehicles' ICCU, into the Canadian stream of commerce are such that the Defendants are in a position of legal proximity to the Plaintiff and Class Members, and therefore are under an obligation to be fully aware of safety when designing, manufacturing, assembling, distributing and/or selling a product such as the Affected Class Vehicles.

7. It was reasonably foreseeable that the Defendants' failure to design, manufacture, and/or install an ICCU capable of adequately charging the Affected Class Vehicles' battery and powering the low-voltage accessory equipment, and the Defendants' subsequent failure to monitor the performance of the Affected Class Vehicles following market introduction and to take corrective measures when required, would result in the Affected Class Vehicles losing motive power, thereby causing harm to the Plaintiff and Class Members and damage to the Affected Class Vehicles.

8. The Defendants, through their employees, officers, directors, and agents, failed to meet the reasonable standard of care or conduct expected of a vehicle supplier, distributor and/or manufacturer in the circumstances in that:

- (a) they knew, or ought to have known, about the ICCU Defect in the Affected Class Vehicles and should have timely warned the Plaintiff and Class Members;
- (b) they designed, developed, manufactured, tested, assembled, marketed, advertised, distributed, supplied, leased and/or sold vehicles equipped with a defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive

power, poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants;

- (c) they failed to timely warn the Plaintiff, Class Members and/or consumers about the ICCU Defect in the Affected Class Vehicles;
- (d) they failed to change the design, manufacture, material and/or assembly of the ICCU equipped in the Affected Class Vehicles in a reasonable and timely manner, or at all;
- (e) they failed to properly inspect and test the defective ICCU in the Affected Class Vehicles;
- (f) they knew, or ought to have known, about the ICCU Defect in the Affected Class Vehicles but failed to disclose it;
- (g) they failed to timely issue and implement safety, repair and/or replacement recalls of the Affected Class Vehicles;
- (h) notwithstanding that they foresaw personal injury and the loss of life and property of the drivers and passengers in the Affected Class Vehicles, they failed to, or failed to promptly and/or properly, eliminate or correct the ICCU Defect; and
- (i) they failed to exercise reasonable care and judgment in matters of design, manufacture, materials, workmanship, and/or quality of product which would reasonably be expected of them as an automobile supplier, distributor and/or manufacturer.

9. As a result of the ICCU Defect in the Affected Class Vehicles, by reason of the Defendants negligence and their failure to disclose and/or adequately warn of the ICCU Defect, the Plaintiff and Class Members have suffered damages and will continue to suffer damages. The value of each of the Affected Class Vehicles is reduced or diminished. Each Class Member must expend the time to have his or her vehicle repaired and be without their vehicle for an indeterminate amount of time. The Defendants should compensate the Plaintiff and each Class Member for their incurred out-of-pocket expenses for, *inter alia*, repair, towing, alternative transportation and

vehicle payments as a result of the ICCU Defect.

ii. Breach of Express Warranty

10. The Plaintiff and Class Members hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

11. As an express warrantors, manufacturers, distributors, suppliers and/or merchants, the Defendants had certain obligations to conform the Affected Class Vehicles with the defective ICCU to their express warranties.

12. The Defendants marketed, distributed and/or sold the Affected Class Vehicles in Canada, including the Province of British Columbia, as safe and reliable vehicles through authorized dealerships and/or independent retail dealers. Such representations formed the basis of the bargain in the Plaintiff's and Class Members' decisions to purchase and/or lease the Affected Class Vehicles.

13. The Defendants offers an "EV System" warranty coverage for their EVs for 96 months or 160,000 kms, whichever occurs first. This warranty coverage includes the original EV system components, including the ICCU.

14. The warranty terms became part of the basis of the bargain when the Plaintiff and Class Members purchased and/or leased their Affected Class Vehicles.

15. Under express warranties provided to Class Members, the Defendants promised to repair or replace covered defective EV system components arising out of defects in materials and/or workmanship, including the ICCU, at no cost to owners and/or lessees of the Affected Class Vehicles.

16. The Defendants also marketed the Affected Class Vehicles as safe, reliable and durable vehicles and that the Defendants would stand behind the quality of their products and promptly repair any defects. These statements helped conceal the existence of the ICCU Defect and its corresponding safety risks from the Plaintiff and Class Members in order to shift the expense of repair or replacement of the Affected Class Vehicles' EV system components, including the ICCU, to the Plaintiff and Class Members.

17. Under the express warranties provided to the Plaintiff and Class Members, the Defendants promised to repair or replace covered EV system components arising out of defects in materials and/or workmanship, including the ICCU, at no cost to owners and/or lessees of Affected Class Vehicles and within a reasonable time. As alleged herein, the Defendants breached their express warranties by concealing the ICCU Defect.

18. Class Members experienced the existence of the ICCU Defect within the warranty periods but had no knowledge of the existence of the ICCU Defect and associated safety risks, which were known and concealed by the Defendants. Despite the existence of the express warranties, the Defendants failed to adequately inform the Plaintiff and Class Members that Affected Class Vehicles were equipped with defective EV system components, including the ICCU, and failed to provide a suitable repair or replacement of the ICCU free of charge and/or within a reasonable time.

19. The failure to provide a suitable repair or replacement of the defective ICCU constitutes futility of the warranty.

20. In addition, the defective ICCU is substantially certain to prematurely fail or malfunction.

21. The Defendants breached their express warranty promising to repair and correct a manufacturing defect or defect in materials or workmanship of any parts it supplied.

22. The Defendants have not suitably repaired or replaced the defective ICCU for the Plaintiff and Class Members despite the existence of the ICCU Defect in Affected Class Vehicles at the time of sale and/or lease.

23. The Defendants further breached their express warranties by selling and/or leasing Affected Class Vehicles that were defective with respect to the EV system components, including the ICCU, in their workmanship, and manufacture.

24. Affected Class Vehicles were not of merchantable quality and were unfit for the ordinary purposes for which passenger vehicles are used because their EV system components, including the ICCU, did not perform as warranted.

25. The Plaintiff and Class Members had sufficient direct dealings with the Defendants and their agents and/or their authorized dealerships, to establish privity of contract between the Defendants on the one hand, and the Plaintiff and Class Members, on the other hand. Nonetheless, privity is not required here because the Plaintiff and each Class Member are intended third-party beneficiaries of contracts between the Defendants and their dealers, and specifically, of their warranties. The authorized dealers were not intended to be the ultimate users of the Affected Class Vehicles and have no rights under the warranty agreements provided with the Affected Class Vehicles; the warranty agreements were designed for and intended to benefit purchasers of the Affected Class Vehicles only.

26. The Defendants were provided notice of the ICCU Defect by numerous consumer complaints made to their authorized dealers and through their own testing, affording the Defendants a reasonable opportunity to cure their breach of written warranties would be unnecessary and futile here because the Defendants have known of and concealed the ICCU Defect and has failed to provide a suitable repair or replacement of the defective ICCU free of charge within a reasonable time.

27. Any attempt by the Defendants to disclaim or limit recovery to the terms of the express warranties is unconscionable and unenforceable here. Specifically, the Defendants' warranty limitation is unenforceable because they knowingly sold a defective product without informing consumers of the ICCU Defect. The time limits incorporated in the Defendants' warranty periods were also unconscionable and inadequate to protect the Plaintiff and Class Members. The Plaintiff and Class Members did not determine these time limitations, the terms of which unreasonably favored the Defendants. A gross disparity in bargaining power existed between the Defendants and Class Members, and the Defendants knew or ought to have known that Affected Class Vehicles were defective at the time of sale and/or lease and that the ICCU Defect posed a safety risk.

28. The limited warranty promising to repair and/or correct a manufacturing defect fails in its essential purpose because the contractual remedy is insufficient to make the Plaintiff and Class Members whole because the Defendants failed and/or has refused to adequately provide a remedy and/or fix within a reasonable time.

29. The Defendants knew that Affected Class Vehicles were inherently defective and did

not conform to their warranties and the Plaintiff and Class Members were induced to purchase and/or lease Affected Class Vehicles under false and/or fraudulent pretenses.

30. Class Members experienced the existence of the ICCU Defect within the warranty periods but had no knowledge of the existence of the ICCU Defect, which was known and concealed by the Defendants. Despite the existence of express warranties, the Defendants failed to inform the Plaintiff and Class Members during the warranty periods that Affected Class Vehicles were equipped with a defective ICCU, and/or wrongfully transferred the costs of repair or replacement of the ICCU to the Plaintiff and Class Members.

31. As a result of the ICCU Defect, the Affected Class Vehicles are not reliable, and owners and/or lessees of these vehicles have lost confidence in the ability of Affected Class Vehicles to perform the function of safe, reliable and durable transportation.

32. The Plaintiff and Class Members could not have reasonably discovered the ICCU Defect.

33. As a direct and proximate result of the Defendants' breach of express warranties, the Plaintiff and Class Members have suffered damages.

34. Finally, as a result of the Defendants' breach of express warranty as set forth herein, the Plaintiff and Class Members assert, as additional and/or alternative remedies, the revocation of acceptance of goods and the return to the Plaintiff and Class Members the purchase price and/or lease payments of all Affected Class Vehicles currently owned and/or leased, and for such other incidental and consequential damages as allowed.

iii. Breach of the Implied Warranties or Condition of Merchantability pursuant to SGA and Parallel Provincial Sale of Goods Legislation

35. The Plaintiff and Class Members hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

36. The Defendants are a "seller" with respect to the Affected Class Vehicles within the meaning of the *SGA*, and the *Provincial Sale of Goods Acts*, pursuant to its role in manufacturing, marketing, distributing, supplying, and/or selling the Affected Class Vehicles directly or through

its authorized Canadian dealers, distributors, resellers, retailers, and/or intermediaries.

37. The Defendants are and were at all relevant times a seller with respect to the Affected Class Vehicles equipped with the defective ICCU. The Defendants directly sold and marketed vehicles equipped with the defective ICCU to customers through authorized dealers, like those from whom Class Members bought and/or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. The Defendants knew that the Affected Class Vehicles equipped with the defective ICCU would and did pass unchanged from the authorized dealers to Class Members, without modification.

38. The ICCU equipped in the Affected Class Vehicles is inherently defective as it results in the loss of motive power, which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants.

39. A warranty that the Affected Class Vehicles were in merchantable condition was implied by law pursuant to sections 18(a) and/or (b) of the *SGA*, sections 16(2) and/or (4) of the *Sale of Goods Act*, R.S.A. 2000, c. S-2; sections 16(1) and (2) of the *Sale of Goods Act*, R.S.S. 1978, c. S-1; sections 16(a) and/or (b) of *The Sale of Goods Act*, C.C.S.M. 2000, c. S10; sections 15(1) and/or (2) of the *Sale of Goods Act*, RSO 1990, c. S.1; sections 16(a) and/or (c) of the *Sale of Goods Act*, R.S.N.L. 1990, c. S-6 ; sections 17(a) and/or (b) of the *Sale of Goods Act*, R.S.N.S. 1989, c. 408; sections 20(a) and/or (b) of the *Sale of Goods Act*, R.S.N.B. 2016, c. 110; sections 16(a) and/or (b) of the *Sale of Goods Act*, R.S.P.E.I. 1988, c. S-1; sections 15(a) and/or (b) of the *Sale of Goods Act*, R.S.Y. 2002, c. 198; sections 18(a) and/or (b) of the *Sale of Goods Act*, R.S.N.W.T. 1988, c. S-2; sections 18(a) and (b) of the *Sale of Goods Act*, R.S.N.W.T. (Nu) 1988, c. S-2; and articles 1726 and 1728 of the *Civil Code of Québec*, C.Q.L.R. c. C.C.Q.-1991.

40. The Defendants marketed, distributed, and/or sold the Affected Class Vehicles in Canada, including the Province of British Columbia, as safe, reliable and durable vehicles through authorized dealerships and/or independent retail dealers. Such representations formed the basis of the bargain in Class Members' decisions to purchase the Affected Class Vehicles.

41. Affected Class Vehicles were defective at the time they left the possession of the Defendants. The Defendants knew or ought to have known of the ICCU Defect at the time these

transactions occurred. Thus, the Affected Class Vehicles, when sold, marketed and/or distributed, and at all material times thereafter, were not of merchantable condition or quality and were not fit for their ordinary intended purpose.

42. The Plaintiff and Class Members purchased and/or leased the Affected Class Vehicles from the Defendants through its subsidiaries, authorized agents for retail sales, through private sellers or were otherwise expected to be the eventual purchasers and/or lessees of the Affected Class Vehicles when bought and/or leased from a third party. At all relevant times, the Defendants were the manufacturers, distributors, warrantors and/or sellers of the Affected Class Vehicles. As such, there existed privity and/or vertical privity of contract between the Plaintiff and Class Members and the Defendants as to its Affected Class Vehicles. Alternatively, privity of contract need not be established nor is it required because the Plaintiff and Class Members are intended third-party beneficiaries of contracts between the Defendants and their resellers, authorized dealers and/or distributors and, specifically, of the Defendants' implied warranties.

43. The Defendants' resellers, authorized dealers and/or distributors are intermediaries between the Defendants and consumers. These intermediaries sell the Affected Class Vehicles to consumers and are not, themselves, consumers of the Affected Class Vehicles and, therefore, have no rights against the Defendants with respect to the Plaintiff's and Class Members' acquisition of the Affected Class Vehicles. The Defendants' warranties were designed to influence consumers who purchased and/or leased the Affected Class Vehicles.

44. The Defendants knew or had reason to know of the specific use for which the Affected Class Vehicles were purchased and/or leased.

45. As a result of the ICCU Defect, the Affected Class Vehicles were not in merchantable condition when sold and/or leased and are not fit for the ordinary purpose of providing safe and reliable transportation.

46. The Defendants knew about the ICCU Defect in the Affected Class Vehicles, allowing them to cure their breach of warranty if they chose to do so.

47. At all times that the Defendants warranted, leased and/or sold its Affected Class Vehicles, it knew or should have known that its warranties were false and yet it did not disclose

the truth or stop manufacturing or selling its Affected Class Vehicles and, instead, continued to issue false warranties and continued to insist the products were safe. The Affected Class Vehicles were defective when the Defendants delivered them to its resellers, authorized dealers and/or distributors which leased and/or sold the Affected Class Vehicles and the Affected Class Vehicles were, therefore, still defective when they reached Plaintiff and Class Members.

48. The Defendants' attempt to disclaim or limit the implied warranty of merchantability *vis-à-vis* the Plaintiff, Class Members and/or consumers is unconscionable and unenforceable. Specifically, the Defendants' warranty limitation is unenforceable because they knowingly sold and/or leased a defective product without informing the Plaintiff, Class Members and/or consumers about the ICCU Defect. The time limits contained in the Defendants' warranty periods were also unconscionable and inadequate to protect the Plaintiff and Class Members. Among other things, the Plaintiff and Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored the Defendants. A gross disparity in bargaining power existed between the Defendants, and the Plaintiff and Class Members, and the Defendants knew that the Affected Class Vehicles were equipped with a defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive power, all of which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants.

49. The Plaintiff and Class Members have complied with all obligations under the warranty or otherwise have been excused from performance of said obligations as a result of the Defendants' conduct alleged herein. Affording the Defendants a reasonable opportunity to cure their breach of written warranties, therefore, would be unnecessary and futile.

50. As a direct and proximate result of the Defendants' breach of implied warranties or conditions of merchantability, the Plaintiff and Class Members have suffered loss, diminution and/or damage as a result of the ICCU Defect, pursuant to sections 56 of the *SGA*, section 52 of the *Sale of Goods Act*, R.S.A. 2000, c. S-2; section 52 of the *Sale of Goods Act*, R.S.S. 1978, c. S-1; section 54 of *The Sale of Goods Act*, C.C.S.M. 2000, c. S10; section 51 of the *Sale of Goods Act*, R.S.O. 1990, c. S.1; section 54 of the *Sale of Goods Act*, R.S.N.L. 1990, c. S-6 ; section 54 of the *Sale of Goods Act*, R.S.N.S. 1989, c. 408; section 67 of the *Sale of Goods Act*, R.S.N.B. 2016, c. 110; section 53 of the *Sale of Goods Act*, R.S.P.E.I. 1988, c. S-1; section 60 of the *Sale of*

Goods Act, R.S.Y. 2002, c. 198; section 60 of the *Sale of Goods Act*, R.S.N.W.T. 1988, c. S-2; section 60 of the *Sale of Goods Act*, R.S.N.W.T. (Nu) 1988, c. S-2; and articles 1726, 1727, and 1739 of the *Civil Code of Québec*, C.Q.L.R. c. C.C.Q.-1991.

iv. Violation of *BPCPA* and Parallel Provincial Consumer Protection Legislation

51. The Plaintiff and Class Members in British Columbia hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

52. The Defendants is in British Columbia for the purposes of the *BPCPA*, and in provinces with the *Parallel Consumer Protection Legislation*.

53. The Affected Class Vehicles are consumer “goods” within the meaning of section 1(1) of the *BPCPA*, and in provinces with the *Parallel Consumer Protection Legislation*.

54. The Plaintiff Class Members in British Columbia who purchased and/or leased the Affected Class Vehicles primarily for personal, family or household purposes, and not for resale or for the purposes of carrying on business, are “consumers” within the meaning of section 1(1) of the *BPCPA*, and in provinces with the *Parallel Consumer Protection Legislation*.

55. The purchase and/or lease of the Affected Class Vehicles by the Plaintiff and Class Members in British Columbia for personal, family or household purposes, and not for resale or for carrying on business constitutes a “consumer transaction” within the meaning of section 1(1) of the *BPCPA*, and in provinces with the *Parallel Consumer Protection Legislation*.

56. The Defendants are a “supplier” within the meaning of section 1(1) of the *BPCPA*, and in provinces with the *Parallel Consumer Protection Legislation*, as it carried on business in British Columbia and who in the course of business participated in a consumer transaction by: (1) supplying goods to a consumer, or (2) soliciting, offering, advertising or promoting with respect to a consumer transaction, whether or not privity of contract exists between that person and the consumer, and includes an assignee of, any rights or obligations of the supplier under the *BPCPA*, and the *Parallel Consumer Protection Legislation*.

57. The Defendants are the supplier and/or manufacturer of the Affected Class Vehicles and distributes, markets and/or supplies such vehicles to consumers including Class Members in

British Columbia. At all relevant times, the Defendants were a supplier and/or seller of the Affected Class Vehicles as its resellers, authorized dealers and/or distributors were acting as the agents of the Defendants.

58. By failing to disclose and actively concealing the Defect, the Defendants engaged in unfair and deceptive trade practices prohibited by sections 4 and 5 of the *BPCPA*, and the relevant provisions of the *Parallel Consumer Protection Legislation*. The Defendants knew, or ought to have known, that the Affected Class Vehicles equipped with the defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive power, all of which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants. The Defendants made misleading statements or omissions concerning the ICCU Defect, but yet failed to adequately warn consumers.

59. As alleged herein, the Defendants made misleading representations and omissions concerning the safety, reliability and durability of the Affected Class Vehicles.

60. In purchasing the Affected Class Vehicles, the Plaintiff and Class Members were deceived by the Defendants' failure to disclose their knowledge of the ICCU Defect and associated safety risks.

61. In particular, the Defendants engaged in a pattern of unfair or deceptive acts or practices in failing to disclose to the Plaintiff and Class Members that the Affected Class Vehicles were equipped with a defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive power, all of which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants. In particular, the Defendants engaged in unfair or deceptive acts or practices pursuant to the *BPCPA*, and the *Parallel Consumer Protection Legislation*, by:

- (a) failing to disclose that the Affected Class Vehicles equipped with the defective ICCU were not of a particular standard, quality, or grade;
- (b) failing to disclose before, during and/or after the time of purchase any and all known material defects or material nonconformity of the Affected Class Vehicles, including the ICCU Defect;

- (c) failing to disclose at the time of purchase that the Affected Class Vehicles, including the ICCU, were not in good working order, defective, not fit for their intended, and ordinary purpose, and created a real, substantial and imminent risk of harm, injury and/or death to users of the Affected Class Vehicles;
- (d) failing to give adequate warnings and/or notices regarding the use, defects, and problems with the Affected Class Vehicles to the Plaintiff and Class Members, even though the Defendants possessed exclusive knowledge of the ICCU Defect before and at the time of sale;
- (e) failing to disclose, or adequately disclose, either through warnings and/or recall notices, and/or actively concealing, the fact that the ICCU was defective, even though the Defendants knew about the ICCU Defect; and
- (f) representing that the ICCU Defect in the Affected Class Vehicles would be covered under its warranty program.

62. In purchasing the Affected Class Vehicles, the Plaintiff and Class Members in British Columbia were deceived by the Defendants' failure to disclose its exclusive knowledge that the defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive power, all of which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants.

63. By failing to disclose and actively concealing the ICCU Defect, the Defendants engaged in unfair or deceptive acts or practices prohibited by sections 4 and 5 of the *BPCPA*, and the relevant provisions of the *Parallel Consumer Protection Legislation*.

64. Further, as alleged herein, the Defendants made misleading representations and/or omissions concerning the safety, reliability and durability of the Affected Class Vehicles by:

- (a) publishing Owners' Manuals that made materially misleading omissions as to claims of safety, reliability and durability but which uniformly omitted any warning to consumers that the Affected Class Vehicles were equipped with a defective ICCU, the internal components of which are susceptible to failure,

thereby causing the isolation of its circuits leading to a complete loss of motive power, all of which poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants;

- (b) advertisements which uniformly omitted any information about the Defect, and which misled consumers into believing that the Affected Class Vehicles' ICCU, and other related component parts would function properly; and
- (c) emphasizing and extolling in brochures and advertisements that the Affected Class Vehicles were safe, reliable and durable.

65. The Defendants' conduct as alleged herein was, and is, in violation of sections 4 and 5 of the *BPCPA*, and the relevant provisions of the *Parallel Consumer Protection Legislation*, by:

- (a) representing that the Affected Class Vehicles were defect-free and did not pose a safety hazard, when in fact they were not and did;
- (b) representing that the Affected Class Vehicles were of a particular standard, quality or grade, when in fact they were not;
- (c) advertising the Affected Class Vehicles with the intent not to sell them as advertised; and
- (d) representing that the Affected Class Vehicles have been supplied in accordance with a previous representation as to safety, reliability and durability, when in fact they had not.

66. In purchasing the Affected Class Vehicles, Class Members in British Columbia were deceived by the Defendants' failure to disclose its exclusive knowledge of the ICCU Defect and/or its representations made as to the safety, reliability and durability of the Affected Class Vehicles in their sales brochure materials, manuals, press releases and/or websites.

67. The Defendants intentionally and knowingly misrepresented and omitted material facts regarding the Affected Class Vehicles, specifically regarding the ICCU Defect, with an intent to mislead Class Members.

68. In purchasing the Affected Class Vehicles, Class Members were deceived by the Defendants' failure to disclose its knowledge of the ICCU Defect and associated safety risks.

69. Class Members had no way of knowing that the Defendants' representations were false, misleading and incomplete or knowing the true nature of the ICCU Defect. As alleged herein, the Defendants engaged in a pattern of deception in the face of a known defect in the Affected Class Vehicles. Class Members did not, and could not, unravel the Defendants' deception on their own.

70. The Defendants knew, or ought to have known, that its conduct violated sections 4 and 5 of the *BPCPA*, and the relevant provisions of the *Parallel Consumer Protection Legislation*.

71. The Defendants owed Class Members a duty to disclose the truth about the Defect as it created serious safety risks and the Defendants;

- (a) possessed exclusive knowledge of the ICCU Defect;
- (b) intentionally concealed the foregoing from Class Members; and/or
- (c) failed to warn consumers or to publicly admit that the Affected Class Vehicles were equipped with a defective ICCU.

72. The Defendants had a duty to disclose that the ICCU equipped in the Affected Class Vehicles was fundamentally flawed as described herein because it created a serious safety risk, and Class Members relied on the Defendants' material misrepresentations and omissions regarding the Affected Class Vehicles.

73. The Defendants' conduct proximately caused injuries to Class Members that purchased the Affected Class Vehicles and suffered harm as alleged herein.

74. Class Members were injured and suffered ascertainable loss, injury-in-fact, and/or actual damage as a proximate result of the Defendants' conduct. In particular, Class Members incurred costs and expenses related to the ICCU Defect, including, *inter alia*, repair, service, and/or replacement costs, rental car costs, and overpaid for their Affected Class Vehicles, which have suffered a diminution in value due to the existence and risk of the ICCU Defect.

75. The Defendants' violations cause continuing injuries to Class Members. As such, the

Defendants' unlawful acts and practices complained of herein affect the public interest.

76. The Defendants knew, or ought to have known, that the ICCU Defect materially compromised the safety, reliability and durability of the Affected Class Vehicles.

77. The facts concealed and omitted by the Defendants from Class Members are material in that a reasonable consumer would have considered them to be important in deciding whether to purchase an Affected Class Vehicle or pay a lower price. Had Class Members known about the ICCU Defect, they would not have purchased the Affected Class Vehicles or would not have paid the prices they paid.

78. Class Members' injuries were directly or proximately caused by the Defendants' unlawful and deceptive business practices.

79. As a result of the Defendants' conduct as alleged herein, Class Members in British Columbia are entitled to: (i) a declaration under section 172(1)(a) of the *BPCPA* that the Defendants' acts or practices in respect of the purchase of the Affected Class Vehicles contravened the *BPCPA*; (ii) an injunction under section 172(1)(b) of the *BPCPA* restraining such conduct; and/or (iii) damages under section 171 of the *BPCPA*. Class Members in other provinces are likewise entitled to comparable remedies available under the *Parallel Consumer Protection Legislation*.

80. Class Members in British Columbia are entitled, to the extent necessary, a waiver of any notice requirements under section 173(1) of the *BPCPA*, and Class Members in other provinces are entitled to similar relief under the applicable provisions of the *Parallel Consumer Protection Legislation*, as a result of the Defendants' failure to disclose, and active concealment of, the ICCU Defect, as well as their misrepresentations concerning the safety, reliability and durability of the Affected Class Vehicles.

v. Breach of the *Competition Act*

81. The Plaintiff and Class Members hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

82. By making representations to the public as to the safety, reliability and durability of the

Affected Class Vehicles, the Defendants breached sections 36 and/or 52 of the *Competition Act*, in that its representations:

- (a) were made to the public in the form of advertising brochures, manuals, statements and/or other standardized statements as to the safety, reliability and durability of the Affected Class Vehicles;
- (b) were made to promote the supply or use of a product or for the purpose of promoting its business interests; and
- (c) were false and misleading in a material respect.

83. At all relevant times, the Defendants were the manufacturer, seller and/or supplier of the Affected Class Vehicles. As such, there existed contractual privity and/or vertical privity of contract between the Plaintiff and Class Members and the Defendants as to the Affected Class Vehicles as its resellers, authorized dealers and/or distributors at all material times were acting as the agents of the Defendants.

84. The Defendants engaged in unfair competition and unfair or unlawful business practices through the conduct, statements and omissions described herein and by knowingly and intentionally concealing the ICCU Defect from the Plaintiff and Class Members, along with concealing the safety risks, costs, and monetary damage resulting from the ICCU Defect. The Defendants should have disclosed this information because it was in a superior position to know the true facts related to the ICCU Defect and the Plaintiff and Class Members could not reasonably be expected to learn or discover the true facts related to the ICCU Defect.

85. The ICCU Defect constitutes a serious safety issue. The Defendants knew that the Affected Class Vehicles equipped with the defective ICCU, the internal components of which are susceptible to failure, thereby causing the isolation of its circuits leading to a complete loss of motive power, poses a real, substantial and imminent risk of harm, injury and/or death to vehicle occupants, which triggered the Defendants' duty to disclose the safety issue to consumers.

86. These acts and practices have deceived the Plaintiff and Class Members. In failing to disclose the ICCU Defect and suppressing other material facts from the Plaintiff and Class

Members, the Defendants breached their duty to disclose these facts, violated the *Competition Act* and caused damage to the Plaintiff and Class Members. The Defendants' omissions and concealment pertained to information that was material to the Plaintiff and Class Members, as it would have been to all reasonable consumers.

87. Further, the Plaintiff and Class Members relied upon the Defendants' misrepresentations as to safety, reliability and durability of the Affected Class Vehicles to their detriment in purchasing the Affected Class Vehicles so as to cause loss and/or damage to the Plaintiff and Class Members.

88. The Plaintiff and Class Members have, therefore, suffered damages and are entitled to recover damages pursuant to section 36(1) and/or 52 of the *Competition Act*.

vi. Fraudulent Concealment

89. The Plaintiff and Class Members hereby incorporate by reference the allegations contained in the preceding paragraphs of this Notice of Civil Claim.

90. The Defendants intentionally and knowingly concealed, suppressed, and/or omitted material facts including the standard, quality, or grade of the Affected Class Vehicles and the fact that they contain a defect and corresponding safety risks, with the intent that the Plaintiff and Class Members rely on these omissions. As a direct result of this fraudulent conduct, the Plaintiff Class Members have suffered actual damages.

91. The Defendants knew (at the time of sale and thereafter) as a result of pre-production testing that Affected Class Vehicles incorporated the ICCU Defect, concealed the ICCU Defect and never intended to adequately repair or replace the defective ICCU, and other related EV component parts of the Affected Class Vehicles during the warranty periods. To date, the Defendants have not provided Class Members with an adequate remedy or fix for the Defect.

92. The Defendants owed a duty to disclose the ICCU Defect and its corresponding safety risks to the Plaintiff and Class Members because the Defendants possessed superior and exclusive knowledge concerning the ICCU Defect. The Defendants had a duty to disclose any information relating to the safety, reliability and durability of the Affected Class Vehicles, because they

consistently marketed Affected Class Vehicles as safe.

93. As the Defendants made representations to the public concerning the safety, reliability and durability of the Affected Class Vehicles, they were under a duty to disclose the omitted facts as to the ICCU Defect. Rather than disclose the ICCU Defect, the Defendants intentionally and knowingly concealed, suppressed, and/or omitted material facts including the standard, quality, or grade of the Affected Class Vehicles and the existence of the Defect and corresponding safety risks, to sell additional Affected Class Vehicles and avoid the cost of replacement of the Affected Class Vehicles.

94. No reasonable consumer expects a vehicle to contain a concealed defect in manufacture, materials, or workmanship, such as the ICCU Defect.

95. The Defendants intended to conceal the material facts concerning the ICCU Defect with the intent to deceive. This intent was manifested by Defendants concealing the ICCU Defect from prospective purchasers, owners and/or lessees during the warranty period by delaying the issuance of a recall and/or instituting a recall which is inadequate to provide a remedy and/or fix for the ICCU Defect. The Defendants benefitted by concealing the ICCU Defect in that they could charge a higher price premium by concealing the information and were therefore motivated to do so.

96. The Plaintiff and Class Members would not have purchased the Affected Class Vehicles but for the Defendants' omissions and concealment of material facts concerning the nature and quality of Affected Class Vehicles and existence of the ICCU Defect and corresponding safety risks or would have paid less for the Affected Class Vehicles. The Defendants knew their concealment and suppression of material facts was false and misleading and knew the effect of concealing those material facts. The Defendants knew their concealment and suppression of the Defect would sell more Affected Class Vehicles and would discourage the Plaintiff and Class Members from seeking replacement of the Affected Class Vehicles, during the applicable warranty periods. The Defendants intended to induce the Plaintiff and Class Members into purchasing the Affected Class Vehicles and to discourage them from seeking replacement of the Affected Class Vehicles in order to decrease costs and increase profits.

97. The Defendants acted with malice, oppression, and fraud.

98. The Plaintiff and Class Members reasonably relied upon the Defendants' knowing concealment and omissions. As a direct and proximate result of the Defendants' omissions and active concealment of material facts concerning the defective ICCU, and other related EV component parts of the Affected Class Vehicles.

99. As a result of the ICCU Defect and associated safety risks, the Plaintiff and Class Members suffered actual damages in an amount to be determined at trial.

vii. Tolling of the *Limitation Act*, S.B.C. 2012, c. 13 ("*Limitation Act*") and Parallel Provincial Limitation Period Legislation

100. The Plaintiff and Class Members had no way of knowing about the ICCU Defect. The Defendants concealed their knowledge of the ICCU Defect while continuing to market, sell and/or lease the Affected Class Vehicles.

101. Within the time limits prescribed in the *Limitation Act*, and the *Limitations Act*, R.S.A. 2000, c. L-12; *The Limitation of Actions Act*, C.C.S.M. c. L150; *Limitation of Actions Act*, S.N.B. 2009, c. L-8.5; *Limitations Act*, S.N.L. 1995, c. L-16.1; *Limitation of Actions Act*, R.S.N.W.T. 1988, c. L-8; *Limitation of Actions Act*, S.N.S. 2014, c. 35; *Limitation of Actions Act*, R.S.N.W.T. (Nu) 1988, c. L-8; *Limitations Act*, 2002, S.O. 2002, c. 24, Sch. B; *Statute of Limitations*, R.S.P.E.I. 1988, c. S-7; *Civil Code of Québec*, C.Q.L.R., c. C-1991, arts. 2925-2930; *The Limitations Act*, S.S. 2004, c. L-16.1; and *Limitation of Actions Act*, R.S.Y. 2002, c. 139 (collectively, the "***Provincial Limitation Period Legislation***"), the Plaintiff and Class Members could not have discovered through the exercise of reasonable diligence that the Defendants were concealing the conduct complained of herein and misrepresenting the true qualities of the Affected Class Vehicles, in particular the ICCU Defect.

102. The Plaintiff and Class Members did not know facts that would have caused a reasonable person to suspect or appreciate that there was a defect in the ICCU equipped in the Affected Class Vehicles.

103. For these reasons, the *Limitation Act* and the *Provincial Limitation Period Legislation*

have been tolled by operation of the discovery rule with respect to the claims in this proposed class proceeding.

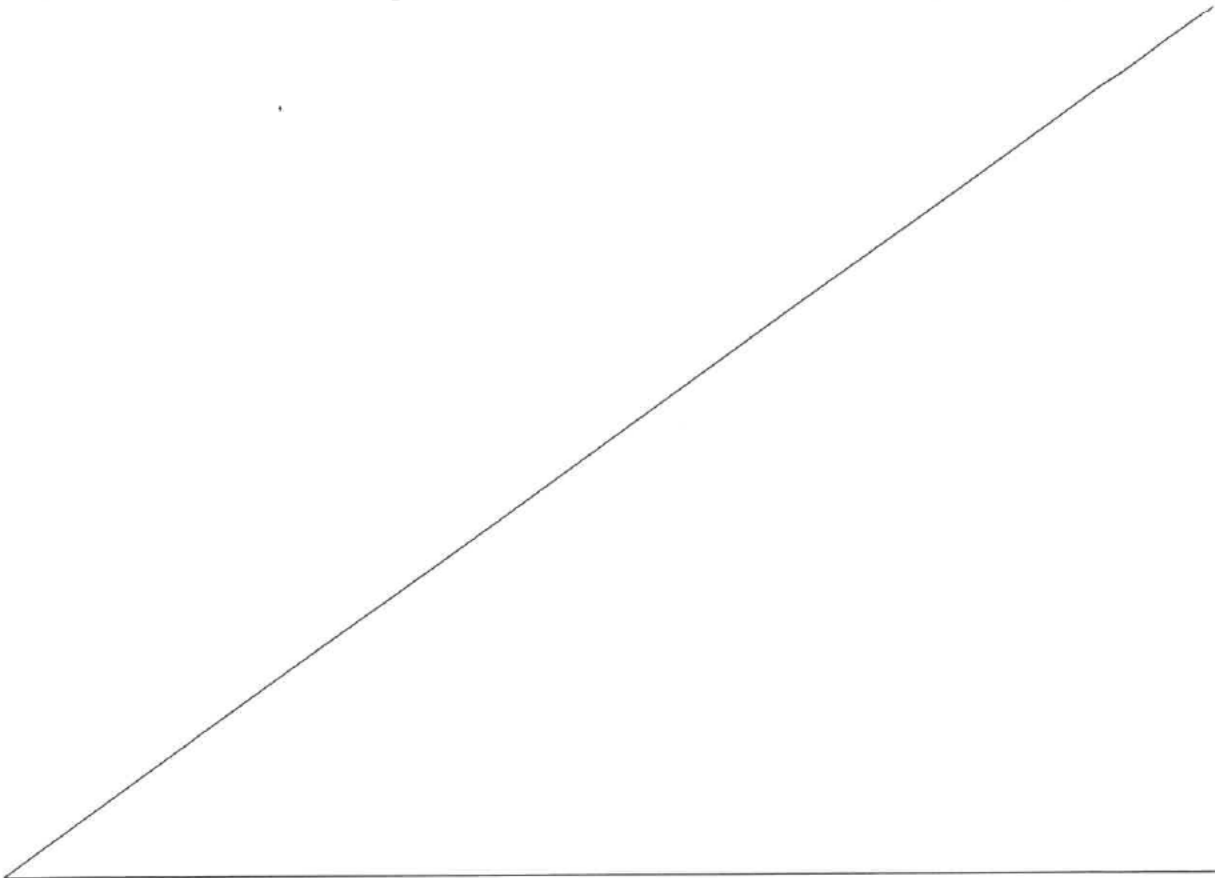
104. Further, due to Defendants' knowledge and active concealment of the ICCU Defect throughout the time period relevant to this proposed class proceeding, the *Limitation Act* and the *Provincial Limitation Period Legislation* have been tolled.

105. Instead of publicly disclosing the ICCU Defect, the Defendants kept the Plaintiff and Class Members in the dark as to the Defect and the serious safety risks it presented.

106. The Defendants were under a continuous duty to disclose to the Plaintiff and Class Members the existence of the ICCU Defect.

107. The Defendants knowingly, affirmatively and actively concealed or recklessly disregarded the safety, reliability and durability of the Affected Class Vehicles.

108. As such, the Defendants are estopped from relying on the *Limitation Act* and the *Provincial Limitation Period Legislation* in defense of this proposed class proceeding.



Plaintiff's address for service:

Dusevic & Garcha
Barristers & Solicitors
210 - 4603 Kingsway
Burnaby, BC V5H 4M4
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Fax number address for service (if any):

604-436-3302

E-mail address for service (if any):

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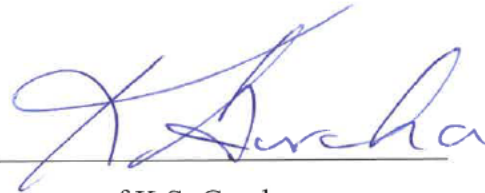
Place of trial:

Vancouver, BC, Canada

The address of the registry is:

800 Smithe Street
Vancouver, BC V6Z 2E1
Canada

Dated: September 12, 2025



Signature of K.S. Garcha
lawyer for plaintiff

**ENDORSEMENT ON ORIGINATING PLEADING OR PETITION FOR SERVICE
OUTSIDE BRITISH COLUMBIA**

There is a real and substantial connection between British Columbia and the facts alleged in this proceeding. The Plaintiff and the Class Members plead and rely upon the *Court Jurisdiction and Proceedings Transfer Act* R.S.B.C. 2003 c.28 (the "*CJPTA*") in respect of these Defendants. Without limiting the foregoing, a real and substantial connection between British Columbia and the facts alleged in this proceeding exists pursuant to sections 10(e)(i), (iii)(a) & (b), (f), (g), (h) and (I) of the *CJPTA* because this proceeding:

- (e)(i) concerns contractual obligations to a substantial extent, were to be performed in British Columbia;

- (e) (iii)(a) & (b) the contract is for the purchase of property, services or both, for use other than in the course of the purchaser's trade or profession, and resulted from a solicitation of business in British Columbia by or on behalf of the seller;

- (f) concerns restitutionary obligations that, to a substantial extent, arose in British Columbia;

- (g) concerns a tort committed in British Columbia;

- (h) concerns a business carried on in British Columbia;

- (i) is a claim for an injunction ordering a party to do or refrain from doing anything in British Columbia.

Appendix

[The following information is provided for data collection purposes only and is of no legal effect.]

Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:

The within proposed automotive defect multi-jurisdictional class proceeding involves certain model and model year Hyundai-, Genesis- and Kia-brand vehicles engineered, designed, developed, manufactured, assembled, tested, marketed, distributed, supplied, leased and/or sold by the Defendants, Hyundai Auto Canada Corp., Hyundai Motor Company, Hyundai Motor America, Inc., Hyundai Motor Manufacturing Alabama LLC, Kia Canada Inc., Kia Motors Corporation, Kia Motors America, Inc., and Kia Georgia, Inc., in Canada, including the Province of British Columbia, equipped with a defective Internal Charging Control Unit, which charges the vehicle's battery and powers the low-voltage accessory equipment, that is prone to inevitable failure when subjected to voltage and/or thermal stress, thereby leading to a sudden loss of propulsion, creating a real, substantial and imminent risk of harm, injury or death to vehicle occupants.

Part 2: THIS CLAIM ARISES FROM THE FOLLOWING:

A personal injury arising out of:

- motor vehicle accident
- medical malpractice
- another cause

A dispute concerning:

- contaminated sites
- construction defects
- real property (real estate)
- personal property
- the provision of goods or services or other general commercial matters
- investment losses
- the lending of money
- an employment relationship
- a will or other issues concerning the probate of an estate
- a matter not listed here

Part 3: THIS CLAIM INVOLVES:

- a class action
- maritime law
- aboriginal law
- constitutional law
- conflict of laws
- none of the above
- do not know

Part 4:

1. *Class Proceedings Act*, R.S.B.C. 1996, c. 50

2. *Court Jurisdiction and Proceedings Transfer Act*, R.S.B.C. 2003 c. 28

3. *Business Practices and Consumer Protection Act*, S.B.C. 2004; *Consumer Protection Act*, R.S.A. 2000, c. C-26.3; *The Consumer Protection and Business Practices Act*, S.S., 2014, c C-30.2; *The Business Practices Act*, C.C.S.M. c B120; *Consumer Protection Act*, 2002, S.O. 2002, c 30, Sch A; *Consumer Product Warranty and Liability Act*, and SNB 1978, c C-18.1; *Consumer Protection Act*, S.N.B. 2024 c 1; *Business Practices Act*, R.S.P.E.I. 1988, c B-7; and *Consumer Protection and Business Practices Act*, S.N.L. 2009, c C-31

4. *Sale of Goods Act*, R.S.B.C 1996, c. 410; *Sale of Goods Act*, RSA 2000, c. S-2; *Sale of Goods Act*, RSS 1978, c. S-1; *The Sale of Goods Act*, CCSM 2000, c. S10; *Sale of Goods Act*, RSO 1990, c. S.1; *Sale of Goods Act*, RSNL 1990, c. S-6 ;*Sale of Goods Act*, RSNS 1989, c. 408; *Sale of Goods Act*, RSNB 2016, c. 110; *Sale of Goods Act*, RSPEI 1988, c. S-1; *Sale of Goods Act*, RSY 2002, c. 198; *Sale of Goods Act*, RSNWT 1988, c. S-2; and *Sale of Goods Act*, RSNWT (Nu) 1988, c. S-2; and *Consumer Protection Act*, CQLR c. P-40.1

5. *Motor Vehicle Safety Act*, R.S.C. 1993, c.16

6. *Court Order Interest Act*, R.S.B.C., c. 79

7. *Competition Act*, R.S.C 1985, c. C-34

8. *Limitation Act*, S.B.C. 2012, c.13; *Limitations Act*, R.S.A. 2000, c. L-12; *The Limitations Act*, S.S. 2004, c. L-16.1; *The Limitations Act*, S.S. 2004, c. L-16.1; *The Limitation of Actions Act*, C.C.S.M. c. L150; *Limitations Act*, 2002, S.O. 2002, c. 24, Sch. B; *Limitations Act*, S.N.L. 1995, c. L-16.1; *Limitation of Actions Act*, S.N.S. 2014, c. 35; *Limitation of Actions Act*, S.N.B. 2009, c. L-8.5; *Statute of Limitations*, R.S.P.E.I. 1988, c. S-7; *Limitation of Actions Act*, R.S.Y. 2002, c. 139; *Limitation of Actions Act*, R.S.N.W.T. 1988, c. L-8; and *Limitation of Actions Act*, R.S.N.W.T. (Nu) 1988, c. L-8