

California New Car Dealers Association and TrueCar Settle Lawsuit



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Truecar, Inc. →

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SANTA MONICA, Calif. and SACRAMENTO, Calif., Dec. 14, 2017 /PRNewswire/ -- TrueCar, Inc. (NASDAQ: TRUE), and the California New Car Dealers Association (CNCDA) are pleased to announce that, in resolution of the litigation between the parties, TrueCar has agreed to transition its billing model in the State of California from a pay-per-sale model with a cap to a flat-fee subscription billing model by January 1, 2019, and also to double the indemnity that it provides to California dealers who participate on the TrueCar program. Unlike TrueCar's current subscription billing model in California, the flat-fee subscription billing model will not include a "sales guarantee" as a retroactive adjustment mechanism.



California New Car Dealers Association

"This litigation afforded us the opportunity to thoroughly examine TrueCar's user experience and business practices," said Brian Maas, President of CNCDA. "The agreement reached with TrueCar, together with the other adjustments to its business model made by TrueCar after CNCDA initiated this litigation, satisfactorily resolve our previously expressed concerns regarding the existing TrueCar business model, which is currently a pay-per-sale model with a cap. We also believe that through the doubling of the indemnity TrueCar offers to participating California dealers, we have procured another valuable benefit for our members through this litigation. We are pleased that we are now able to put this matter behind us."

"TrueCar is pleased that the litigation has been resolved to the parties' mutual satisfaction, and we look forward to continuing to serve our dealer customers in the State of California," said Chip Perry, President and Chief Executive Officer of TrueCar.

About CNCDA

The California New Car Dealers Association is the country's largest state association of franchised new car and truck dealers representing nearly 1,200 dealer members.

About TrueCar

TrueCar, Inc. (NASDAQ: TRUE) is a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars and enables consumers to engage with TrueCar Certified Dealers who are committed to providing a superior purchase experience. TrueCar operates its own branded site and its nationwide network of more than 15,000 Certified Dealers also powers car-buying programs for some of the largest U.S. membership and service organizations, including USAA, AARP, American Express, AAA and Sam's Club. Over one half of all new car buyers engage with the TrueCar network during their purchasing process. TrueCar is headquartered in Santa Monica, California, with offices in San Francisco and Austin, Texas. For more information, go to www.truecar.com. Follow us on Facebook or Twitter. TrueCar media line: +1-844-469-8442 (US toll-free) | email: pressinquiries@truecar.com

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