

**2011-2014 My Optima, 2011-2014 MY Sportage, 2012-2014 MY Sorento Theta Engine
Basis of Safety Defect Determination 573.6(c)(6)**

September 2015	Kia learns of Hyundai recall (15V-568) related to engine damage in 2011-2012 MY Sonata vehicles with Theta engines caused by oil blockage from debris left in engines during manufacturing at Alabama plant. Kia checks Theta engine manufacturing process for Optima on separate assembly line and identifies different procedures and no issues. Field review shows warranty and field claims extremely low. Decision: no action required.
January – April, 2016	Engine remanufacturer Translead conducts detailed review of all recent Kia warranty returned engines. Translead identifies oil delivery issue with Theta GDI engines (Optima, Sportage & Sorento). Low claims rate with no accidents/injuries. Decision: monitoring.
May 5, 2016	Kia learns of Hyundai Sonata warranty extension program for next two model years after recall (2013MY-2014MY).
May 5-25, 2016	Kia Motors America, Inc. (KMA) analyzes field data for Theta engine vehicles. No accidents or injuries. Claims are low but have increased. Customer satisfaction identified as critical complaint factor due to high engine repair costs for vehicles out of warranty (especially used vehicle owners). Decision: extend warranty AND encourage customer repairs before breakage with one customer notice.
May 25, 2016-June 10, 2016	Kia extends warranty coverage to all 2011-2014 MY Optima owners (original and used) with 2.0L and 2.4L GDI engines to 10 years or 120,000 miles to reduce customer financial burden. Emphasis on customer opportunity to get repair done before engine breakage based on clear knocking noise developing as mutual benefit for both customer and Kia.
August 2016	Review of field data shows lower increase in Theta GDI engine claims for the 2011-2014 Sportage and 2012-2014 MY Sorento vehicles. No accidents or injuries. Kia Motors Corporation (KMC) concurs with KMA recommendation to extend warranty for the Sorento and Sportage in spite of lower claims.
August 24, 2016	KMA notifies owners of 2011-2014MY Sportage vehicles equipped with 2.0L and 2.4L Theta GDI engines of Warranty Extension Program.
August 29, 2016	KMA notifies owners of 2012-2014MY Sorento vehicles equipped with 2.0L and 2.4L Theta GDI engines of Warranty Extension Program.
October 21, 2016	KMA sees continuing cost related VOQs and determines dealers are not approving extended warranty repairs due to customer lack of oil maintenance proof. Decision: KMA advises dealers that coverage under the Extended Warranty Program does not require maintenance records.

<p>November 16 – December 12, 2016</p>	<p>Kia determines that many used vehicle owners have not been notified due to inaccurate mailing information obtained from DMV records. Decision: KMA conducts remedial VIN update search and provides supplemental mailings to cover used vehicle owners.</p>
<p>December 2016</p>	<p>KMA field data monitoring continues. Complete review in early December of universe of high number VOQs with no accidents or injuries confirms that vehicles have sufficient motive power after condition manifests to safely move vehicle to assistance location. VOQs decrease as customers become aware of remedy and free repair.</p>
<p>December 12, 2016 – March 23, 2017</p>	<p>Kia evaluates and drills down into developing field information on a continuing basis with focus on evaluating how extended warranty is processing. Eventual focus in March on anticipatory risk compared to absence of accidents or injuries.</p>
<p>March 28, 2017</p>	<p>Kia makes decision to conduct a voluntary safety recall based on anticipatory risk concerns. No accidents or injuries since first sale in 2010.</p>