

Kia Motors America, Inc.

Corporate Headquarters

111 Peters Canyon Road, Irvine, CA 92606-1790 USA

RECENT KIA MEDIA REPORTS

August 28, 2018

Dear Kia Retailer,

You and your customers may have seen recent media reports regarding thermal incidents in Kia vehicles or NHTSA's announcement of the opening of a Defect Petition for fire cases involving the 2011-14 Sorentos and Optimas, and I want to update you on KMA's response to this issue. All automobiles contain combustible materials and a vehicle fire may be a result of any number of complex factors which must be carefully evaluated by trained technicians to, if possible, determine its cause and, ultimately, determine if a defect trend exists. At Kia, customer safety is paramount and although both KMA and NHTSA have independently concluded that no defect trends exist, KMA has significantly increased its committed resources to ensure that all thermal incidents are fully evaluated.

To quickly and effectively address these incidents, KMA is using third party fire-investigation companies to increase our ability to investigate all fire events on a high-priority basis. Additionally, KMA has engaged an independent fire expert to evaluate the results of such fire event investigations and provide guidance to the organization on an ongoing basis. KMA is also consulting with a recent former head of NHTSA's Office of Defects Investigation to evaluate the organization's response to these incidents.

In June of 2017, Kia initiated recall mailings to customers for 614,689 vehicles (NHTSA 17V-224, Kia SC147) to address a manufacturing defect which could lead to engine failure. In some instances, an engine failure can lead to the breaking of a connecting rod. When a connecting rod breaks, it is possible for it to puncture the engine block, allowing oil to escape and, in some cases, for the oil to contact hot engine surfaces and potentially catch fire. At a more immediate customer level, KMA is initiating re-notification efforts to contact customers whose vehicles have not had the recall conducted and to encourage them to have the recall conducted as soon as possible. Please also remind customers that they can go to the Owners section of www.kia.com to check for open safety recalls by clicking on "Recalls" or they can also verify this information at NHTSA's website: www.safercar.gov.

Should a customer make any allegation or bring forth a claim alleging a Kia product is responsible for a situation that has resulted or could result in an accident, injury or fire, you and your staff should immediately report the situation to your District Parts & Service Manager and advise the customer to report it to the Kia Consumer Assistance Center at 800.333.4Kia (4542); do <u>not</u> perform any repairs before receiving authorization from KMA so that we have an opportunity to investigate.

As always, please direct any media inquiries to your field contacts or directly to Kia's Corporate Communications Department (James Bell (<u>jbell@kiausa.com</u>) or James Hope (<u>jhope@kiausa.com</u>).

Again, let me assure you that Kia is committed to the safety of all its customers and their passengers and we are taking appropriate action. Thank you for your support of the Kia brand.

Sincerely,

Greg Silvestri

Vice President, Service & Aftersale Operations