FOURTH NOTICE
Theta II Engine Safety Recall, SC147

June 21, 2017

Attention: All Kia Parts & Service Managers

The purpose of this communication is to keep you informed of Kia’s recall implementation activities.

Kia Motors America, Inc., pursuant to the National Traffic and Motor Vehicle Safety Act, is conducting a Safety Recall Campaign to inspect, and if necessary, replace the engine long block assembly on the following vehicles:

- All 2011-2013 MY Optima vehicles equipped with the 2.4L Gasoline Direct Injection (GDI) and 2.0L Turbocharged GDI (T-GDI) engines produced from August 12, 2010 through September 27, 2013;
- All 2014 MY Optima vehicles equipped with the 2.4L Gasoline Direct Injection (GDI) and 2.0L Turbocharged GDI (T-GDI) engines produced at KMMG from August 28, 2013 through May 15, 2014, with engines supplied by Hyundai Motor Manufacturing Alabama;
- All 2012-2014 MY Sorento vehicles equipped with the 2.4L Gasoline Direct Injection (GDI) engines produced from April 19, 2011 through February 10, 2014; and
- All 2011-2013 MY Sportage vehicles equipped with the 2.0L Turbo Gasoline Direct Injection (T-GDI) engines produced from December 30, 2010 through August 30, 2013.

The first Interim Notice was sent to all Kia Parts & Service Managers on 5/22/17, a Second Notice was sent on 5/26/17 and a Third Interim Notice sent on 6/6/17. The remedy is now available so this Fourth Notice is being published to provide further updates regarding Safety Recall SC147.

1. Recall Activation: The interim customer notification of this safety recall began on 5/25/17. Although the recall repair procedure had not yet been launched, in order to provide dealership service staff with visibility to affected VINs in WebDCS>Warranty Coverage Inquiry to respond to customer inquiries, KMA activated the recall in WebDCS at the VIN level on Friday, 5/26. KMA published TSB SC147 on Tuesday, 6/6/17, so that dealers could begin inspecting affected vehicles, although remedy parts were not available and engine replacement procedures not yet published.

UPDATE: KMA published revised TSB SC147 to include engine replacement procedures on Friday, 6/16/17 – see update below.

Customer notifications will begin in waves the week of 6/19 and continue until all customers have been notified of the availability of the remedy.

2. Technical Service Bulletin (TSB): UPDATE: TSB SC147 was published on Tuesday, 6/6/17, and initially included only the inspection procedure but was updated to include the engine replacement procedure on 6/16/17.

The recall can be closed if the inspection procedure yields a PASS result and there are no other engine concerns and a warranty claim is submitted. Each vehicle that receives a PASS result will require an oil change and possible dipstick replacement.

There are no technical training requirements applicable to the inspection procedure outlined in TSB SC147. Normal technical training requirements apply for any required engine replacement procedures (Kia University has added additional related instructor-led training classes to support additional dealer training needs). The updated TSB provides warranty claim information and Warranty Bulletin 2017-09 provides additional claims administration information.
3. **Parts Information**: During the week of 5/22, all dealers received an initial supply of dipsticks (oil level rods) which are necessary for certain vehicles once they pass the TSB SC147 inspection. The updated TSB provides required part information. Parts Bulletin 20-201 0002 has been published providing ordering information, the core deposit and collection process, and engine core destruction information.

**NOTE:** For engine-related repairs necessary due to engine failures that occurred BEFORE the launch of this Safety Recall (repair orders dated prior to the launch of this Safety Recall on 5/26/17), please ensure the appropriate parts orders have been placed (regular service parts) to try to minimize vehicle downtime. Dealers may also try to purchase service parts from other dealers who may be seeking to reduce any remaining related engine inventory levels. Normal warranty, technical training and prior authorization requirements will apply.

4. **Special Service Tools (SSTs)**: The KDS tablets have been prepared for SC147 inspections via an internet update. An engine noise tester SST (engine noise adapter) was shipped to every dealer via Federal Express overnight delivery for arrival on 6/1, attention Service Manager. Additional engine noise adapters have been shipped to dealers based upon anticipated campaign volume per dealer (arrival window between 6/19 and 6/23). If additional engine noise adapters are needed, dealers may contact Snap-On Business Solutions at 888.542.1011 directly to request additional shipments (shipping charges will apply).

Prior to performing any SC147 inspections, ensure the KDS is fully charged and is connected to the internet every day.

**NOTE:** TSB SC147 includes a procedure to test the engine noise adapter to ensure it is working correctly.

5. **Any issues associated with the execution of this noise test should be reported by dealers via Techline Warranty Authorization case:**

- Noise test cannot be completed because engine seized; or
- Noise test completed and PASSED but other engine problems are evident (smoking, engine knocking, etc.)

Any authorized engine replacements to be performed while the SC147 recall is open should be submitted and claimed under the SC147 recall:
6. **Used, CPO or KSRP Vehicles:** Any used, Certified Pre-Owned or Kia Service Rental Program Vehicles in dealership inventory and included in SC147 should be inspected per TSB SC147 as soon as possible to determine whether engine replacement is necessary as **any affected vehicle with an open SC147 recall will be blocked from certification until the recall claim has been submitted and approved.** JM&A will be notifying dealers that they will be systematically de-certifying affected existing CPO vehicles in dealer inventory for which the SC147 recall is still open.

7. **Warranty Claim Submission:** Claims of all types (inspection only or engine replacement) can now be submitted. Warranty Bulletin 2017-09 provides additional claims administration information including how to claim for additional engine-related components, additional diagnostic or repair time, or other SC147 recall repair related expenses.

   **Techline PWA or involvement is NOT required for replacement of engines for which the inspection generates a NO PASS test record and the results are sent to KMA.**

   TSB SC147 provides instruction for the submission of test results – they are automatically transmitted if the KDS is connected to the internet and the “Special Inspection” KDS application is open when the test is finished. If the KDS is not connected, test results will stay in “Pending” status until the KDS is connected to the internet.

   When transmitted, the “Sent” status will change from “Pending” to “Sent”. Dealers can view all SC147 inspection test results on KDS to confirm the status of “Sent” and can also “Review Result” for any previous test results to generate a PDF of the test result for print or email.

   **NOTE:** SC147 test results are only available on the KDS tablet used to conduct the test. This is different than the e-Report process in which all e-Reports are available on any KDS tablet.
Please make certain the appropriate personnel in your dealership are familiar with the details of this recall to ensure proper responses to customer inquiries and requests to have the recall performed on their vehicles. This Safety Recall represents an opportunity for your service department to deliver an exceptional service experience (e.g. flexible service appointment process, car wash and vacuum and timely service).

**NHTSA ADVISORY:** It is a violation of Federal law for a dealer to deliver a new motor vehicle covered by this notification under a sale or lease until the defect is remedied.

**LEGAL PRIVACY LIABILITY NOTICE:** Pursuant to the terms of the Dealer Sales and Service Agreement and the Gramm-Leach-Bliley federal consumer privacy act, you are required to keep confidential any and all information and documents provided to you by Kia Motors America, Inc. or generated by you in the conduct of carrying out work under that Agreement regarding Kia vehicle purchasers and owners, including but not limited to warranty claim information. Kia dealers may use such owner information for the sole purpose of conducting and performing this safety recall campaign, and for no other purpose.

If you have any questions, please contact your Kia District Parts and Service Manager. We will continue to publish updates as new information regarding this safety recall becomes available. Thank you.

Sincerely,

Neem Van der Reest
Quality Analysis Manager