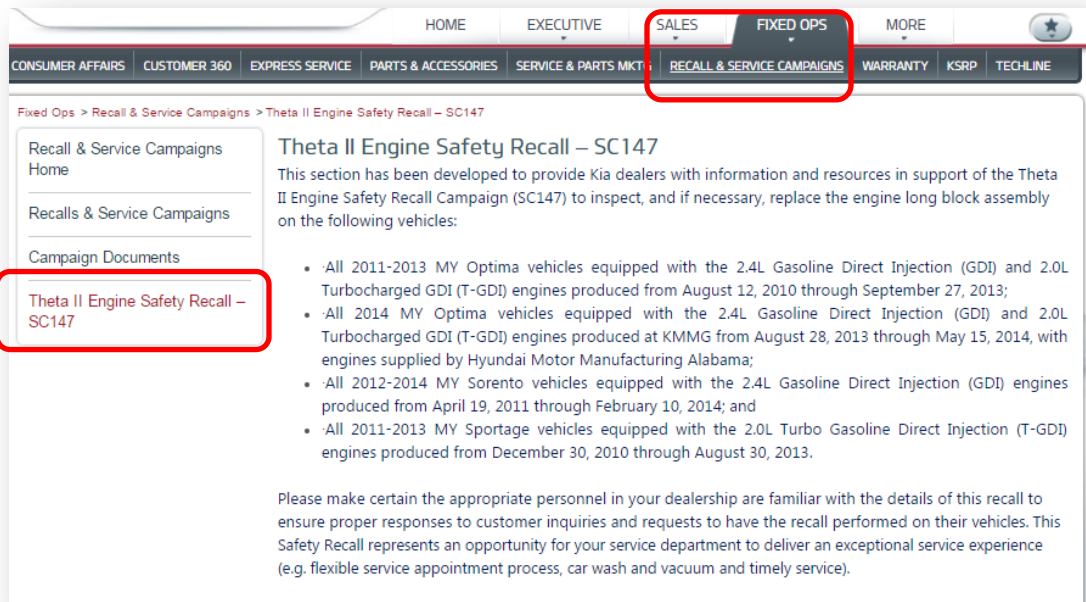
	Warranty Bulletin 2017-09	Issued Date June 22, 2017 (Update September 1, 2017)
	Subject SC147 Claims Processing Procedures	

This Warranty Bulletin accompanies TSB SC147 Theta II Engine Inspection and/or Replacement and is provided to dealers for specific guidance with claim administration and processing of SC147 warranty claims and covers the following repair scenarios:

1. Engine Inspection Result: **NO PASS** (engine replacement needed)
2. Engine Inspection cannot be completed (engine replacement needed)
3. Engine Inspection Result: **PASS** (no engine-related issues identified – no engine replacement needed)
4. Engine Inspection Result: **PASS** (a different engine-related issue is identified – engine replacement needed)

Recall Documentation

Documents pertaining to SC147 can be found on KDealer>Fixed Operations under the Recall & Service Campaigns tab as shown below, other than the Technical Service Bulletin which is available on KGIS:




The screenshot shows the KDealer web application interface. The top navigation bar includes tabs for HOME, EXECUTIVE, SALES, FIXED OPS, and MORE. Below this is a secondary navigation bar with categories: CONSUMER AFFAIRS, CUSTOMER 360, EXPRESS SERVICE, PARTS & ACCESSORIES, SERVICE & PARTS MKT, **RECALL & SERVICE CAMPAIGNS** (highlighted with a red box), WARRANTY, KSRP, and TECHLINE. The main content area displays the breadcrumb path: Fixed Ops > Recall & Service Campaigns > Theta II Engine Safety Recall – SC147. On the left, a sidebar menu lists: Recall & Service Campaigns Home, Recalls & Service Campaigns, Campaign Documents, and **Theta II Engine Safety Recall – SC147** (highlighted with a red box). The main content area is titled "Theta II Engine Safety Recall – SC147" and contains the following text: "This section has been developed to provide Kia dealers with information and resources in support of the Theta II Engine Safety Recall Campaign (SC147) to inspect, and if necessary, replace the engine long block assembly on the following vehicles:" followed by a bulleted list of vehicle specifications. At the bottom, there is a paragraph of instructions for dealers.

Theta II Engine Safety Recall – SC147

This section has been developed to provide Kia dealers with information and resources in support of the Theta II Engine Safety Recall Campaign (SC147) 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.

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).


	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

Authorization of Claims Processing for SC147

Please see the table below for specific handling procedures regarding SC147 claim authorization:

Scenario		Description	Action Required
1	Campaign - TSB # SC147 Case for Warranty Authorization TEST- NO PASS	Engine Test Completed – NO PASS R&R Engine	No TL PWA or involvement needed – claim will be auto-approved if a NO PASS test record is received via KDS “Special Inspection” feature.
2	Campaign - TSB # SC147 Case for Warranty Authorization NO TEST	Engine test cannot be completed due to engine seizure or other engine failure (won’t run long enough to complete the test)	TL PWA required for all dealers – Video of condition required* Video requirement examples below are for illustration purposes, individual requirements will vary based upon the condition reported: <ul style="list-style-type: none"> • Video should be continuous and show the VIN (most convenient VIN plate) and pan to show the engine condition • For engine seizures, attempt to turn over engine with breaker bar in video • For hole in engine block, show hole in video • For engine smoking condition (piston ring sealing), show smoke in video.
3	Campaign - TSB # SC147 Case for Warranty Authorization TEST PASS- OTHER CONDITION	Engine Test Completed – PASS , but other engine condition requires engine replacement	TL PWA required for all dealers– Video of condition required* <ul style="list-style-type: none"> • The requirements for NO TEST to obtain authorization will apply • The claim should be submitted as NO PASS engine replacement
4	Engine Replacement AFTER SC147 Recall is Completed	Engine Replacement Required but SC147 Inspection already completed from prior visit	TL engine PWA process applies to all dealers regardless of DSA status. <ul style="list-style-type: none"> • Repairs will be performed using SC147 Parts (QKQ Engine Part) & Labor Operation code for engine replacement (no test) • Warranty Claim will be submitted under additional campaign SC147A (VIN will be added based upon TL PWA approval)


**KDS Video Capture & Upload Process is available on the KGIS News Center, as well as the SC147 section of KDealer.com.*

	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

SC147 Warranty claim information:

Please note Optima engine part number updates

Model	Claim Type	Causal P/N	Qty.	Test Result	Repair Description	Labor Op Code	Op Time	Replacement P/N	Qty.			
Opt. (QF)	R	23060 2G400	0	PASS	(SC147) Engine Noise Inspection PASS & LOF	171A2911	0.7 M/H	26300 35504	1			
								21513 23001	1			
					(SC147) Engine Noise Inspection PASS , Dipstick Replacement, & LOF	171A2910	0.7 M/H	26611 2G050QQK	1			
								26300 35504	1			
									171A29R0	8.5 M/H	21111 2GK50QQK	1
								21111 2GK70QQK			1	
								(SC147) <u>2.4L GDI</u> Engine Noise Inspection NO PASS , & Engine Replacement			(AT) 23311 25050	1
											(MT) 23231 25200	1
											(11-13MY) 21101 2GK05QQK or 21101 2GK14QQK	1
											(14MY) 21101 2GK06QQK	1
											21111 2GK60QQK	1
											21111 2GK70QQK	1
											(AT) 23311 25050	1
											(MT) 23231 25200	1
											(11-13MY) 21101 2GK07QQK or 21101 2GK15QQK	1
											(14MY) 21101 2GK08QQK	1
											21111 2GK50QQK	1
											21111 2GK70QQK	1
											(AT) 23311 25050	1
											(MT) 23231 25200	1
							(11-13MY) 21101 2GK05QQK or 21101 2GK14QQK	1				
							(14MY) 21101 2GK06QQK	1				
							21111 2GK60QQK	1				
							21111 2GK70QQK	1				
							(AT) 23311 25050	1				
							(MT) 23231 25200	1				
							(11-13MY) 21101 2GK07QQK or 21101 2GK15QQK	1				
							(14MY) 21101 2GK08QQK	1				

	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

Model	Claim Type	Causal P/N	Qty.	Test Result	Repair Description	Labor Op Code	Op Time	Replacement P/N	Qty.
Opt. (TF)	R	23060 2G400	0	PASS	(SC147) Engine Noise Inspection PASS & LOF	17104411	0.7 M/H	26300 35504	1
								21513 23001	1
					(SC147) Engine Noise Inspection PASS , Dipstick Replacement, & LOF	17104410	0.7 M/H	26611 2G050QQK	1
								26300 35504	1
								21513 23001	1
					NO PASS	(SC147) <u>2.4L GDI</u> Engine Noise Inspection NO PASS , & Engine Replacement	171044R0	8.5 M/H	21111 2GK50QQK
						21111 2GK70QQK			1
						(AT) 23311 25050			1
						(MT) 23231 25200			
						21101 2GK05QQK or 21101 2GK14QQK	1		
				(SC147) <u>2.0T-GDI</u> Engine Noise Inspection NO PASS , & Engine Replacement		171044R1	8.8 M/H	21111 2GK60QQK	1
					21111 2GK70QQK			1	
					(AT) 23311 25050			1	
					(MT) 23231 25200				
					21101 2GK07QQK or 21101 2GK15QQK	1			
				NO TEST	(SC147) <u>2.4L GDI</u> Engine Replacement Only	171044R2	8.1 M/H	21111 2GK50QQK	1
								21111 2GK70QQK	1
								(AT) 23311 25050	1
	(MT) 23231 25200								
	21101 2GK05QQK or 21101 2GK14QQK	1							
(SC147) <u>2.0T-GDI</u> Engine Replacement Only	171044R3	8.4 M/H	21111 2GK60QQK		1				
			21111 2GK70QQK	1					
			(AT) 23311 25050	1					
			(MT) 23231 25200						
	21101 2GK07QQK or 21101 2GK15QQK	1							



Warranty Bulletin

2017-09

Subject


SC147 Claims Processing Procedures

Issued Date


June 22, 2017

(Update September 1, 2017)

Model	Claim Type	Causal P/N	Qty.	Test Result	Repair Description	Labor Op Code	Op Time	Replacement P/N	Qty.	
Sor. (XMa)	R	21020 2G010	0	PASS	(SC147) Engine Noise Inspection PASS & LOF	171A3011	0.7 M/H	26300 35504	1	
								21513 23001	1	
					(SC147) Engine Noise Inspection PASS , Dipstick Replacement, & LOF	171A3010	0.7 M/H	26611 2G050QQK	1	
								26300 35504	1	
								21513 23001	1	
					NO PASS	(SC147) <u>2.4L 2WD</u> Engine Noise Inspection NO PASS , & Engine Replacement	171A30R0	8.5 M/H	21111 2GK50QQK	1
						21111 2GK70QQK			1	
						(AT) 23311 25050			1	
						(MT) 23231 25200				
						(12-13MY) 21101 2GK09QQK				
						(14MY ULEV) 21101 2GK10QQK			1	
						(14MY ULEV or SULEV) 21101 2GK11QQK				
				(SC147) <u>2.4L AWD</u> Engine Noise Inspection NO PASS , & Engine Replacement		171A30R1	8.7 M/H	21111 2GK50QQK	1	
									21111 2GK70QQK	1
									(AT) 23311 25050	1
									(MT) 23231 25200	
									(12-13MY) 21101 2GK09QQK	
								(14MY ULEV) 21101 2GK10QQK	1	
					(14MY ULEV or SULEV) 21101 2GK11QQK					
				NO TEST	(SC147) <u>2.4L 2WD</u> Engine Replacement Only	171A30R2	8.1 M/H	21111 2GK50QQK	1	
									21111 2GK70QQK	1
									(AT) 23311 25050	1
									(MT) 23231 25200	
									(12-13MY) 21101 2GK09QQK	
	(14MY ULEV) 21101 2GK10QQK	1								
	(14MY ULEV or SULEV) 21101 2GK11QQK									
(SC147) <u>2.4L AWD</u> Engine Replacement Only	171A30R3	8.3 M/H	21111 2GK50QQK		1					
					21111 2GK70QQK	1				
					(AT) 23311 25050	1				
					(MT) 23231 25200					
					(12-13MY) 21101 2GK09QQK					
				(14MY ULEV) 21101 2GK10QQK	1					
	(14MY ULEV or SULEV) 21101 2GK11QQK									

	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

Model	Claim Type	Causal P/N	Qty.	Test Result	Repair Description	Labor Op Code	Op Time	Replacement P/N	Qty.
Spo. (SL)	R	23060 2G400	0	PASS	(SC147) Engine Noise Inspection PASS & LOF	17104511	0.7 M/H	26300 35504	1
								21513 23001	1
					(SC147) Engine Noise Inspection PASS , Dipstick Replacement, & LOF	17104510	0.7 M/H	26611 2G050QQK	1
								26300 35504	1
				NO PASS	(SC147) <u>2.0T-GDI 2WD</u> Engine Noise Inspection NO PASS , & Engine Replacement	171045R0	7.8 M/H	21111 2GK60QQK	1
								21111 2GK70QQK	1
								(AT) 23311 25050	1
								(MT) 23231 25200	
				(SC147) <u>2.0T-GDI AWD</u> Engine Noise Inspection NO PASS , & Engine Replacement	171045R1	8.2 M/H	21111 2GK60QQK	1	
							21111 2GK70QQK	1	
							(AT) 23311 25050	1	
							(MT) 23231 25200		
				NO TEST	(SC147) <u>2.0T-GDI 2WD</u> Engine Replacement Only	171045R2	7.4 M/H	21111 2GK60QQK	1
								21111 2GK70QQK	
								(AT) 23311 25050	
								(MT) 23231 25200	
(SC147) <u>2.0T-GDI AWD</u> Engine Replacement Only	171045R3	7.8 M/H	21111 2GK60QQK	1					
			21111 2GK70QQK						
			(AT) 23311 25050						
			(MT) 23231 25200						
			21101 2GK13QQK	1					


	Warranty Bulletin 2017-09	Issued Date June 22, 2017 (Update September 1, 2017)
	Subject SC147 Claims Processing Procedures	

Sublet Expenses that are allowed on SC147 Claims for Engine Replacement:

Sublet Type	Sublet Type Description	Sublet Type Policies/Requirements	Sublet Limits
X1	Other	Reimbursement for 5 quarts of oil when completing the "LOF" portion of the inspection process. Please see oil type usage policy information below.	\$16.50
X2	Engine Oil Top Off	Reimbursement for up to 2 quarts of oil to complete initial engine inspection (if necessary). Please see oil type usage policy information below.	\$6.60
X3	Engine Oil Reimbursement	Reimbursement for additional oil necessary when completing "Engine R&R". (May only be claimed with Engine R&R claim). Please see oil type usage policy information below.	\$19.80
X4	Carrying Cost Reimbursement	To Be Determined (this Warranty Bulletin will be updated in the near future)	TBD
T2	Towing	Any towing expense related to a SC147 repair can be submitted as a sublet. A copy of the tow bill must be attached to the repair order hard copy. Tow bill must indicate miles towed, VIN, customer name location of pick-up and total cost.	\$1000
RX	Rental Cars	Safety concern rental type- A WRTY115 Form is NOT needed for SC147 rental claims nor is DPSSM authorization required. However, RO, rental car invoice, copy of Parts Order Invoice Screen and Parts Availability Inquiry Screen will need to be attached to the claim prior to submission.	\$5000

Additional Policy Information for SC147 claims:

- **Additional Engine Related Components:** If replacement of any engine related components is needed to complete the inspection in addition to consequential damage from engine failure (i.e., intake manifold, exhaust manifold, muffler gaskets, turbocharger, turbocharger oil feed lines, gaskets, starter, etc.), these components should be covered (Warranty or Goodwill) using a separate claim under a new line using the same Repair Order.
- **Additional Diagnostic or Repair Time:** Additional time for "extraordinary" circumstances (i.e., seized engine removal, damaged components, etc.) is allowed and should be claimed following normal service policy procedures as described in Section 9.5.4 of the Service Policies & Procedure Manual. A separate claim under a new line on the same Repair Order with the additional time will be needed to process the claim, as well as valid punch times.

	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

- **Engine Core Handling:** As described in TSB SC147 and Parts Bulletin 20-201-002, the engine starter ear, etched with the engine serial number, will need to be returned for core credit. **It is NOT necessary to create a “core pre-claim” in the WebDCS for SC147 engine replacement claims. Additionally, engine cores must be held for a minimum of 5 days after claim paid date as they may be requested for special return by KMA staff who will directly contact your dealer Service and/or Parts Manager. You may discard engine cores 5 days after claim paid date if the engine core is not requested by KMA.**
- **Trained Technician Requirements:** There are no technician training requirements for completing the initial engine inspection using the KDS. However, regular trained technician training requirements will apply for SC147 when engine replacement is necessary.
- **Oil Type Usage:** The SC147 recall repair claim compensates dealers for the use of Kia sourced Mobil or Total conventional engine oil. Customer requests for use of synthetic oil are not covered by this recall and any incremental expense associated with the use of synthetic oil is not reimbursable.
- **Engine Coolant Usage:** The SC147 recall repair claim compensates dealers for use of Kia Long Life Coolant used to top off the engine cooling system when the coolant is not fully recoverable after engine replacement using part number UM040 CH012.
- **Salvage and/or Branded Title Vehicle Coverage:** The SC147 safety recall applies to vehicles with salvage and/or branded titles and inspection procedures in the TSB should be followed if the vehicle is being driven by a retail customer. Please contact your DPSM for any special circumstances or situations.
- **Vehicle Storage Cost Reimbursement:** Vehicle Storage Costs incurred due to vehicle storage due to delays associated with the completion of SC147 may be reimbursable by KMA. Please contact your DPSM to initiate a Storage Cost Reimbursement Request.
- **Carrying Cost Reimbursement:** Used vehicles in dealer stock that are included in the SC147 safety recall and incurred carrying costs from 5/26/17 until either (a) inspection test completion with a PASS result or (b) engine replacement due to a NO PASS result or other engine issue necessitating engine replacement may be eligible for a carrying cost reimbursement. KMA is developing a claim process for this reimbursement and will update this Warranty Bulletin with further details in the near future.



Warranty Bulletin
2017-09
Subject
SC147 Claims Processing Procedures

Issued Date
June 22, 2017
(Update September 1, 2017)

SC147 Claim Submission Requirements

Recall/Campaign Claim Edit

<< Warranty Claim Entry Inquiry

Labor Time Standard (LTS)

Basic Information

R.O #	CA137 / RT002	Claim #	1
DMS R.O #		DMS Claim #	
Claim Type	R:RECALL/CAMPAIGN	Resubmission Code	
R.O. Open Date	Jun 06, 2017	R.O. Close Date	Jun 10, 2017
R.O. Year	17	Core Return Tracking #	63.000
VIN #	KNAGM4A75C5274224 2012 / TF Optima.KR (TF)	Mileage	
Campaign #	SC147	Campaign Description	SC147 2.4L GDI & 2.0L T-GDI THETA ENGINE
Why Start Date	20120520	Status	H: HOLD
Service Adv ID	AFSU	Tech ID	SUK3
PWA Type		PWA #	
Notes		Lang CD	English

Customer Information

Cust First Name	FIRST NAME	Cust Last Name	LAST NAME	Cust Phone	999999999
SRV/Cust First Name		SRV/Cust Last Name		SRV/Cust Phone	0
Customer E-Mail					

Techline Warranty Authorization Case Information

Techline Warranty Authorization Case Number	12374206	Title	ENGINE MECHANICAL # KNOCKING - SC147 - PASSED TEST	Creation Date	06/02/2017
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Parts Information

Parts Number	Description	Parts Qty	Parts Amount
CAUSAL: 23060 20400	BEARING PAIR SET-C/R	0.00	0.00
21101 20K1400K	ENGINE ASSY-SUB	1.00	4,880.40
21111 20K5000K	SERVICE KIT	1.00	36.40
21111 20K7000K	SERVICE KIT	1.00	36.40

N & C Code Information

N Code: N99 OTHERS C Code: C99 OTHERS

Labor OP Code Information

OP Code	Description	Hours	Labor Amount	Add'l Time	Add'l Amount
PRIMARY: 17104480	(TF)2.4 INSPY NO PASS+ENGINE R&R	8.5	826.20		0.00

Sublet Information

Sublet Code	Sublet Description	Sublet Amount	Invoice
X3	OIL (ENGINE R&R)	19.8	123456
T2	TOWING	100	654321

Rental Information

Rental Company		Contract#		Rental VIN#	
Number of Days					
Comment					


Summary

Total Parts Amount	4,953.20	Total Labor Amount	826.20	Total Sublet Amount	119.80	Total Amount	5,899.20
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Previous Engine Warranty Extensions/Increased Engine Warranty Coverage

KMA announced an Engine Warranty Extension on certain vehicles included in Safety Recall SC147 in June (some Optima vehicles) and August 2016 (some Sorento and Sportage vehicles) via Customer Satisfaction Bulletin. The warranty for affected vehicles was increased to 10 years/120,000 miles regardless of ownership.

	Warranty Bulletin 2017-09	Issued Date June 22, 2017
	Subject SC147 Claims Processing Procedures	(Update September 1, 2017)

Vehicles included in SC147 now have an increase in engine warranty coverage to 15 years/unlimited mileage from the original warranty start date regardless of ownership and are identified in WebDCS as follows.

Warranty Coverage			
<< Warranty Coverage Validation			
Battery Prorating Warranty History Print			
Basic Vehicle Information			
VIN #	KJNAGM4A73D5295106	Year / Model	2013 / TF Optima.KR (TF)
Serial	295106	Model Description	OPTIMA LX 4CYL AUTO / 53222
Engine	G4KQCH07 2.4 LITER ENGINE	Color(Ext/Int)	EB-EBONY BLACK / 87-GRAY
First Name		Last Name	
Mileage Entered		Retail Mileage	18
Production Date	May 08, 2012	Sales Type	RSALE NORMAL RETAIL SALE 9/3
Retail Date	Aug 04, 2012	Key Code	E1840
Wholesale Date	Jul 25, 2012	Warranty Start Date	Aug 04, 2012
Selling Dealer	NV008 : Jim Marsh Kia	Branded Title	
Lawsuit	No		
Extended Service Plan	N	Open Campaigns	Yes (See Campaign Info below)
Owner Transfers	N	Repairs in Last 60 Days	N
Sirius Subscription	N/A	Sirius ESN	
Sirius Activation Date		Sirius Expiration Date	
PDI Performed	Y		
Remark	- THETA ENGINE RECALL SC147 APPLIES - SEE WARRANTY BULLETIN 2017-09 FOR APPLICABLE ENGINE COVERAGE - ELIGIBLE FOR 11-14MY OPTIMA MDPS FLEX COUPLING WARRANTY EXTENSION (TSB CHA 072)		

Accordingly, KMA is retiring the previously-issued Customer Satisfaction Bulletins for affected vehicles to reflect this change.

Engine Warranty Claim Processing Prior to and After SC147 Recall Launch

- 1. Engine replacements necessary before the launch of Safety Recall SC147 on 5/26/17-** Please ensure the appropriate regular service parts orders have been placed to try to minimize vehicle downtime. Any RO's opened on or prior to 5/26/17 should be claimed as a "W" type claim under the Engine Warranty Extension program. All standard engine claims processing procedures will apply to these claims inclusive of Techline PWA and core return as stated in the Kia Service Policy and Procedure Manual. After the engine replacement using regular service parts, the dealer should open a new RO to perform the inspection procedures as outlined in SC147 and complete the recall.
- 2. Engine replacements necessary AFTER completion of Safety Recall SC147:**
 - TL engine PWA processes will apply to all dealers (no DSA privileges)
 - Repairs will be performed using SC147 Parts (QQK Engine Part) & Labor Operation code for engine replacement (no test)
 - **Warranty Claim will be submitted under additional campaign SC147A (VIN will be added based upon TL PWA approval)**

For any questions regarding claim submission for engine repairs associated with vehicles included in SC147, please contact the Warranty Help Desk.