

PE04-008

CHAMPION BUS INC.

**4/15/04 ATTACHMENT
TO ODI**



SUNSET BUS

Santa Fe Springs • Las Vegas • San Francisco • Honolulu • Phoenix • Sacramento

Memorandum

To: Don Roberts
From: Ed Cox
Date: 12/16/00
Re: Trust Trust

#123

Following is a letter I just received from their insurance company. Please review and advise.

HAPPY NEW YEAR!

Ed
Ed



GW: NRP
SOL FIRE



December 20, 2000

**JOHN GLENN
ADJUSTERS AND
ADMINISTRATORS, INC.**

Mr. Ed Cox, President
Sunset Business and Commercial, Inc.
12940 Firestone Blvd.
Santa Fe Springs, CA

License No.
2853421

24 Hour
Availability

Re: O/Insured: ██████████
DOL: 8-24-00
O/File: P00-5066

HOME OFFICE

OAKLAND
2281 Broadway
Third Floor
Oakland, CA 94612
Tel 510-434-9328
Fax 510-763-3184
E-mail jgaa@pacbell.net

BRANCH OFFICES

LOS ANGELES
17216 Sateley Street
Suite 372
Van Nuys, CA 91406
Tel 818-779-0116
Fax 800-990-2558

TUSTIN
273 Centennial Way
Suite 211
Tustin, CA 92780
Tel 714-508-0300
Fax 714-508-0393

SAN JOSE
1150 North First Street
Suite 219
San Jose, CA 95112
Tel 408-297-0767
Fax 408-297-1156

SAN RAFAEL
1100 Kerner Boulevard
Suite E
San Rafael, CA 94901
Tel 415-499-9321
Fax 510-763-3184



Dear Mr. Cox:

John Glenn Adjusters and Administrators, Inc. are the third party administrators for ██████████ Council. On August 10, 2000, a 2000 Champion Crusader CalTrans-CZ, Paratransit Bus, VIN #1GBJG31J9████████ in the amount of \$40,713.74 was purchased for Trona Transit. The vehicle was to be utilized in the city of Barstow.

On August 24, 2000, an electrical short occurred somewhere in the dashboard of the vehicle while it was moving which created an electrical fire resulting in the total loss of the vehicle. The vehicle is currently parked at the city of Barstow public works facility where it was previously inspected. We are enclosing photographs of the vehicle for your review.

The cause and origin of the fire was determined to be due to faulty wiring. Therefore, we are requesting your cooperation in forwarding our letter to your insurance carrier so that we may discuss our subrogation demand for the total amount paid to our member. We have recently been informed that the city of Barstow is requesting that the vehicle be moved to a private storage facility until such time that the vehicle can be returned to the manufacturer. If it is at all possible, we will be more than happy to have the vehicle towed back to your facility for safe keeping until this matter can be resolved. Please contact the undersigned at your earliest convenience so that we may resolve this matter amicably. We look forward to speaking with you in the near future.

Very truly yours,

Jack Nicolosi

Jack Nicolosi
Claims Adjuster
JOHN-GLENN ADJUSTERS AND
ADMINISTRATORS, INC.

JN:mld

Cc: Cheryl Harrison

OTO MOUNTING SHEET

INSURED OWNER _____

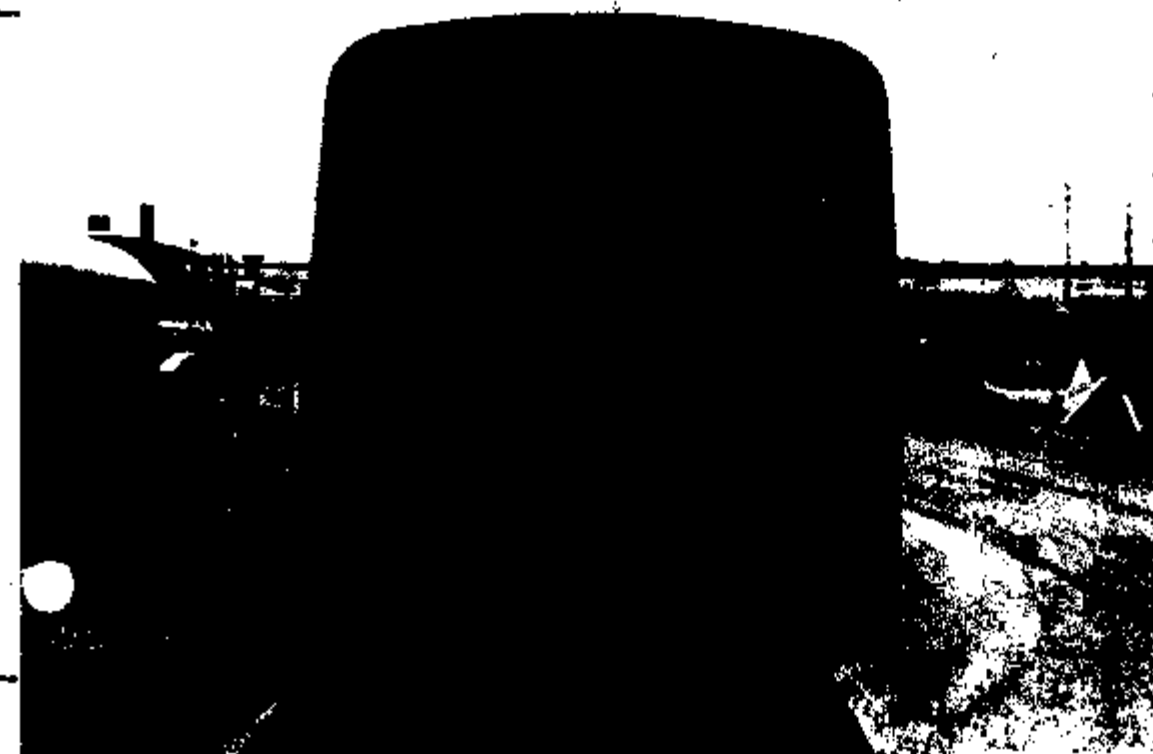
IF ANY CLAIM NO. _____

POLICY NO. _____

OUR FILE NO. 100-5066

DATE TAKEN 8-24-00

FILM - POLAROID NEGATIVE ADJUSTER J. Nicolas



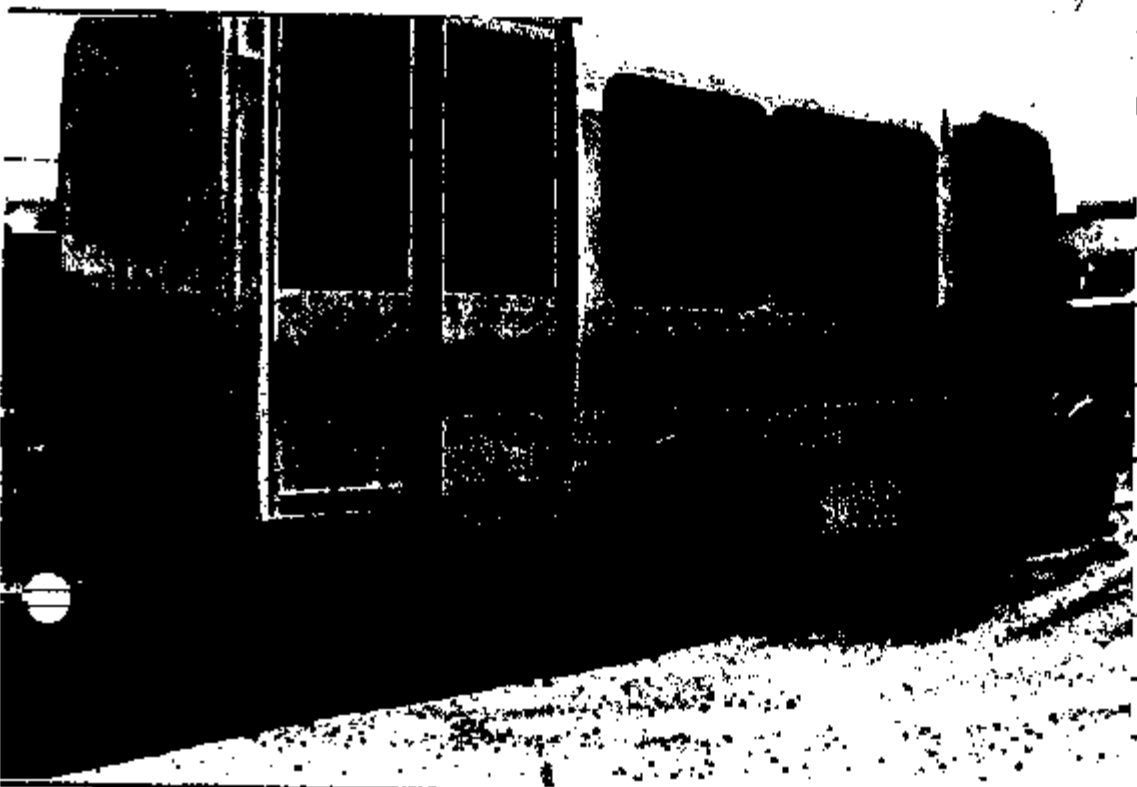
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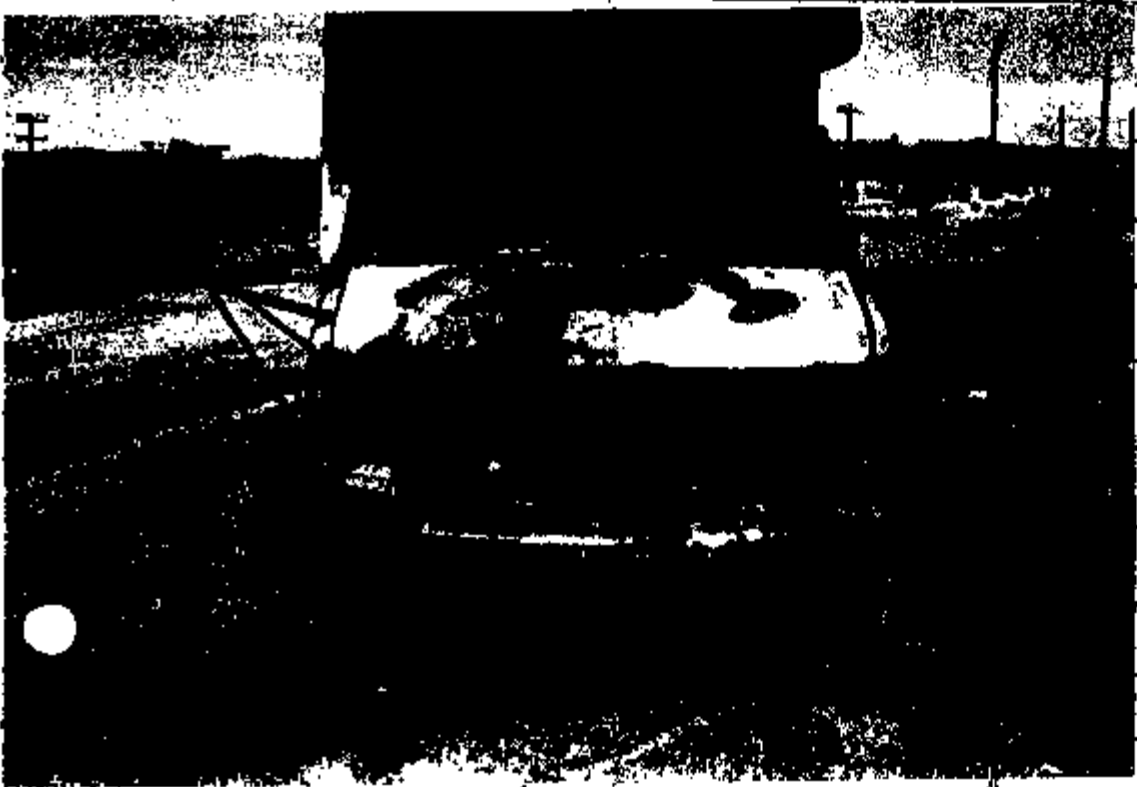
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VIEWER _____

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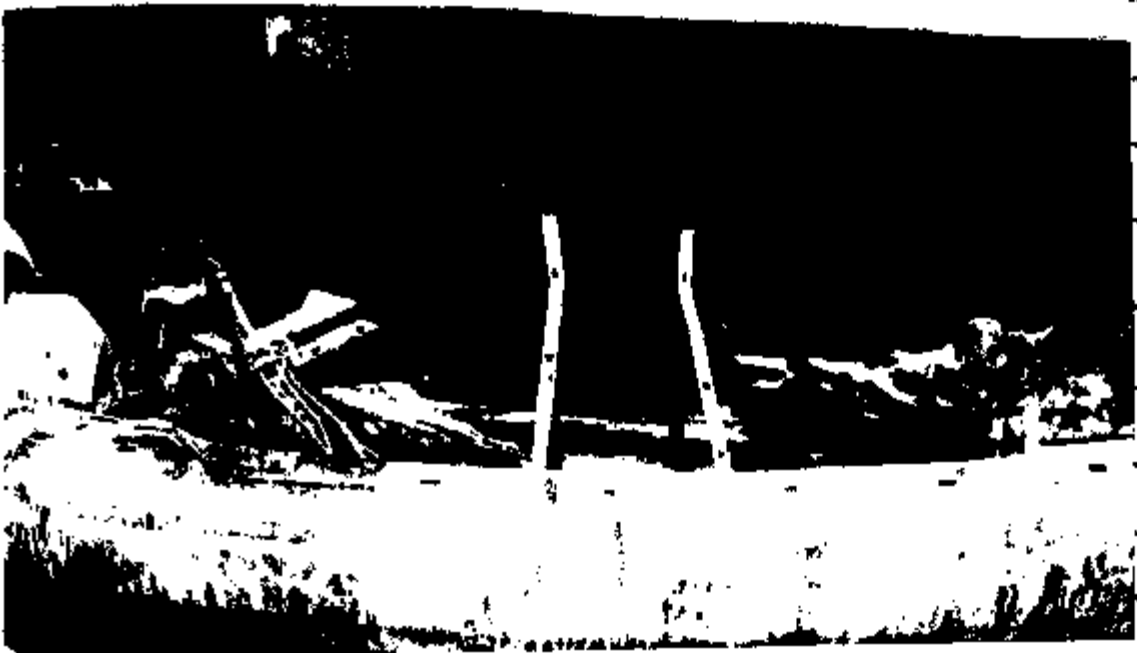


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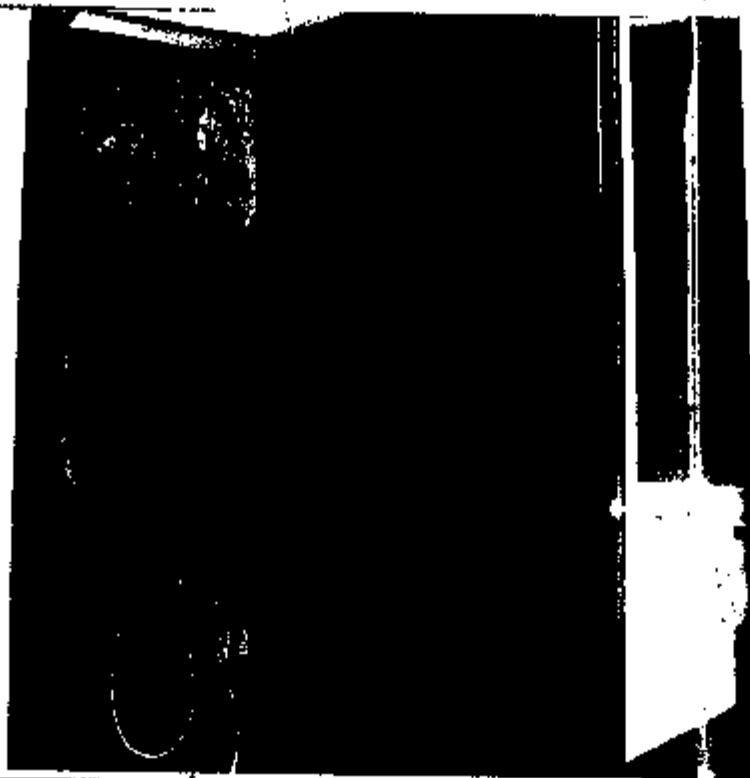
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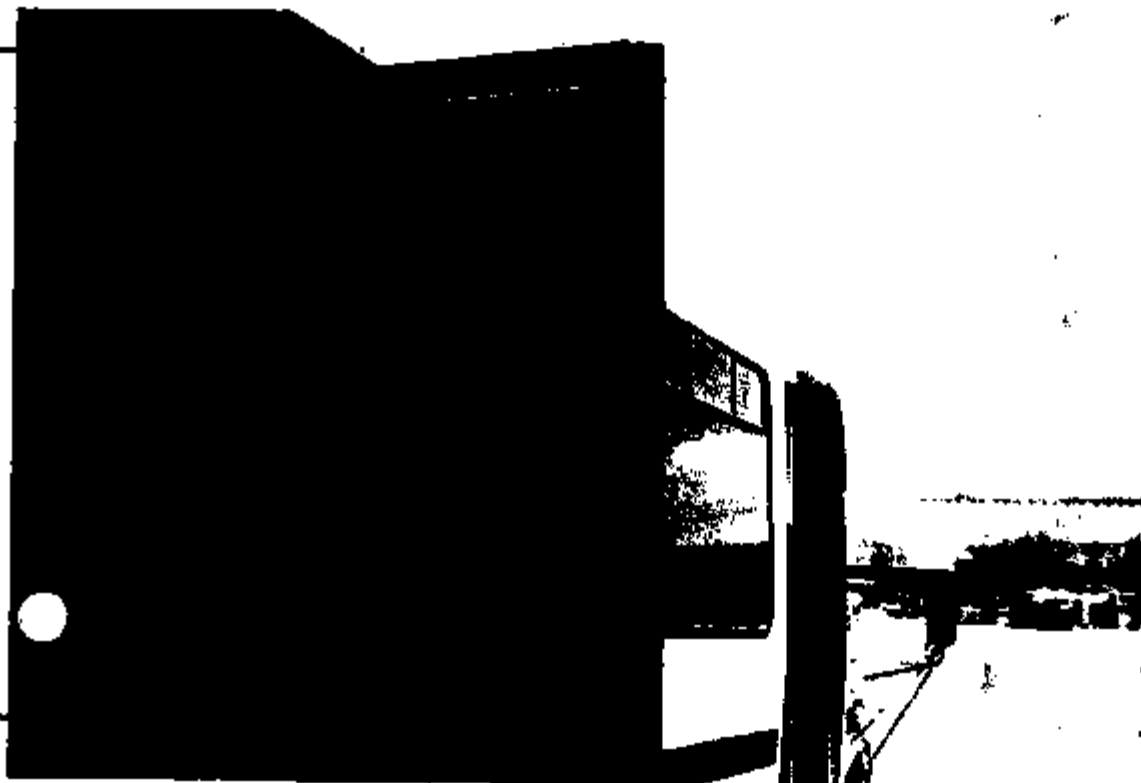
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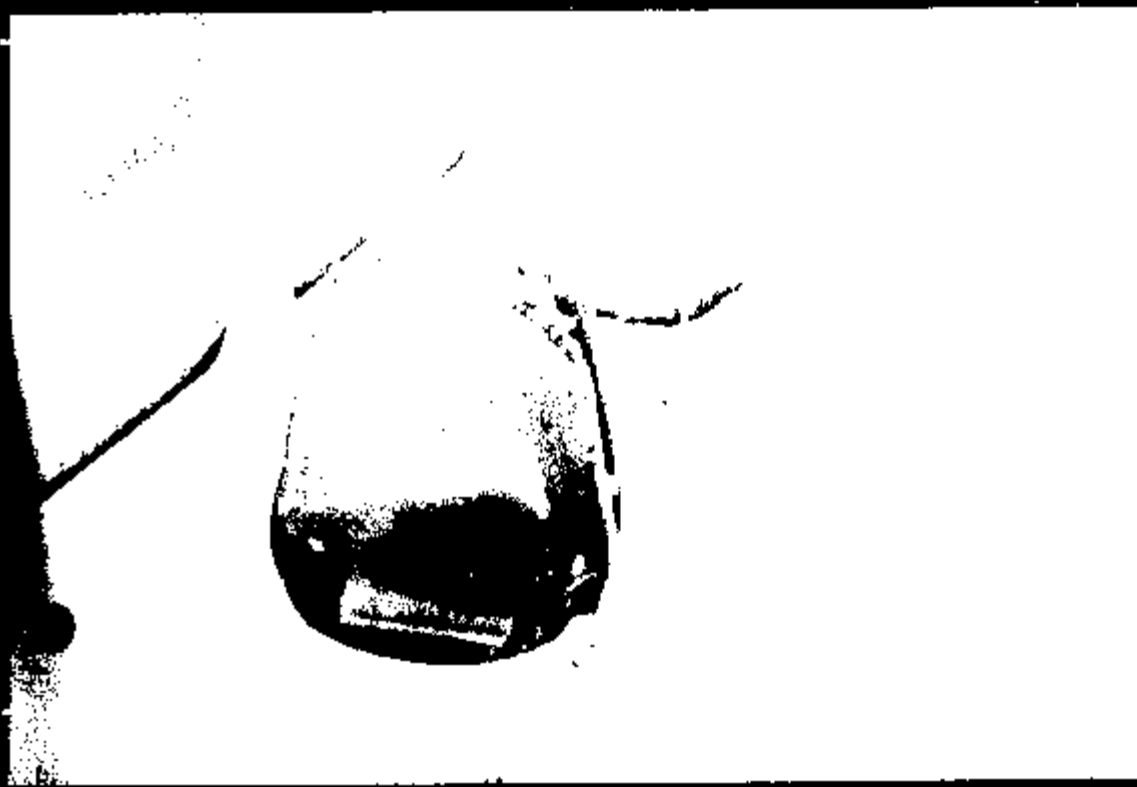


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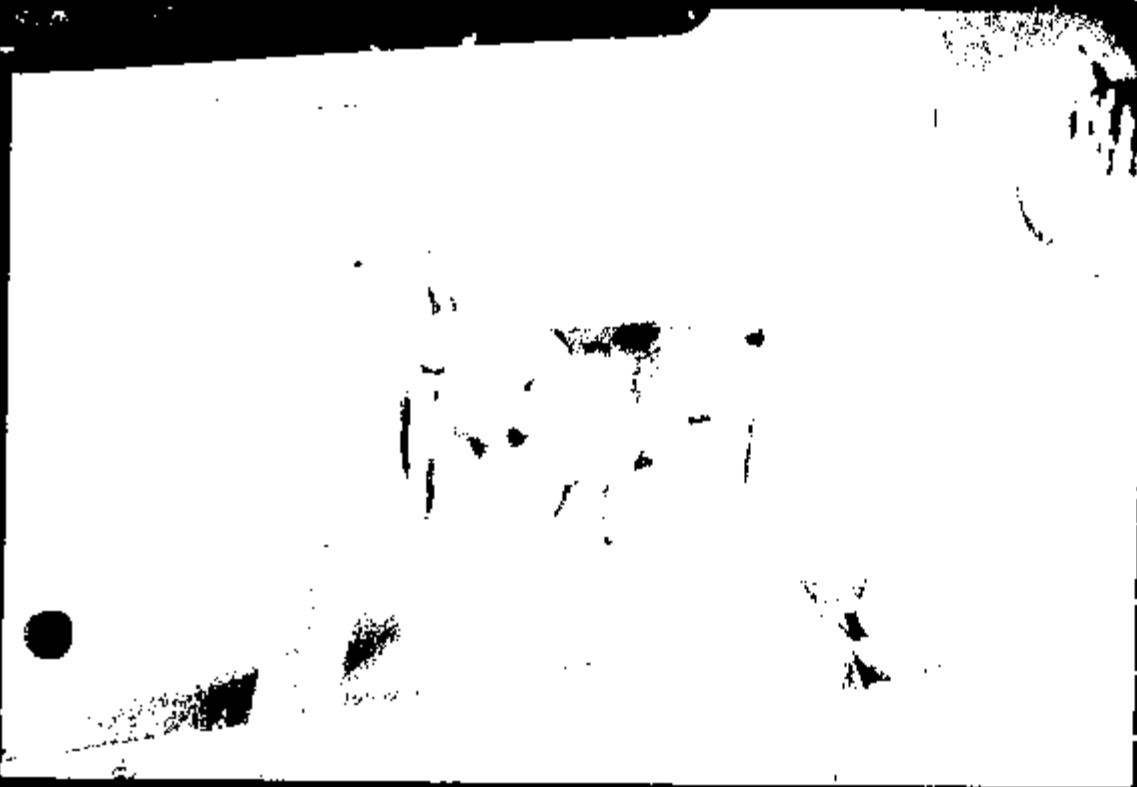
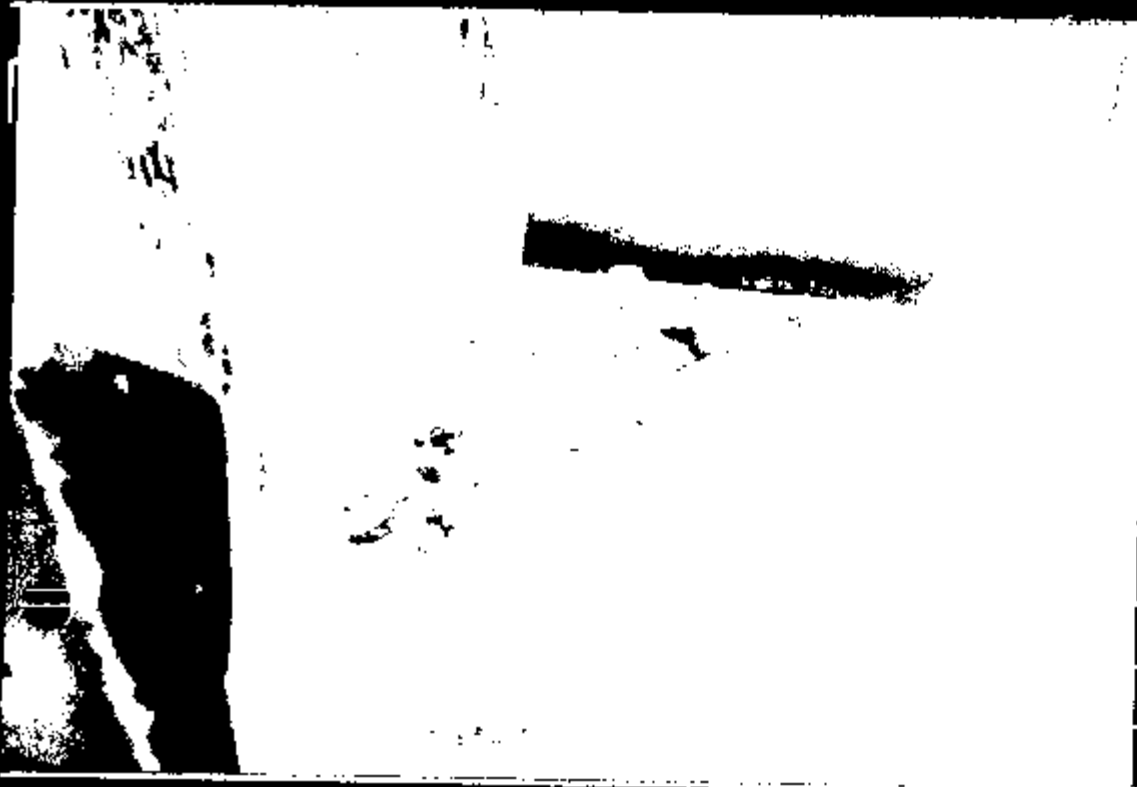
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OUR FILE NO. _____ DATE TAKEN _____

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Vertical column of horizontal lines for notes or additional information, with the word 'NUMBER' partially visible at the top.

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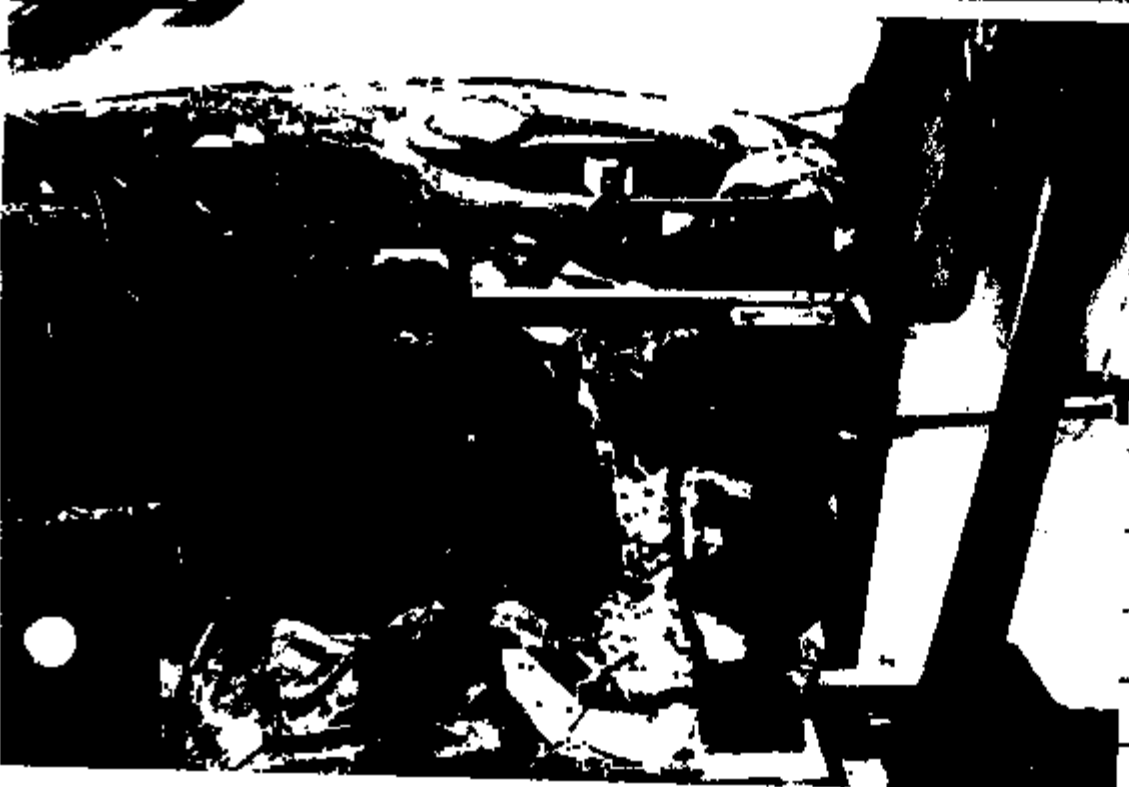
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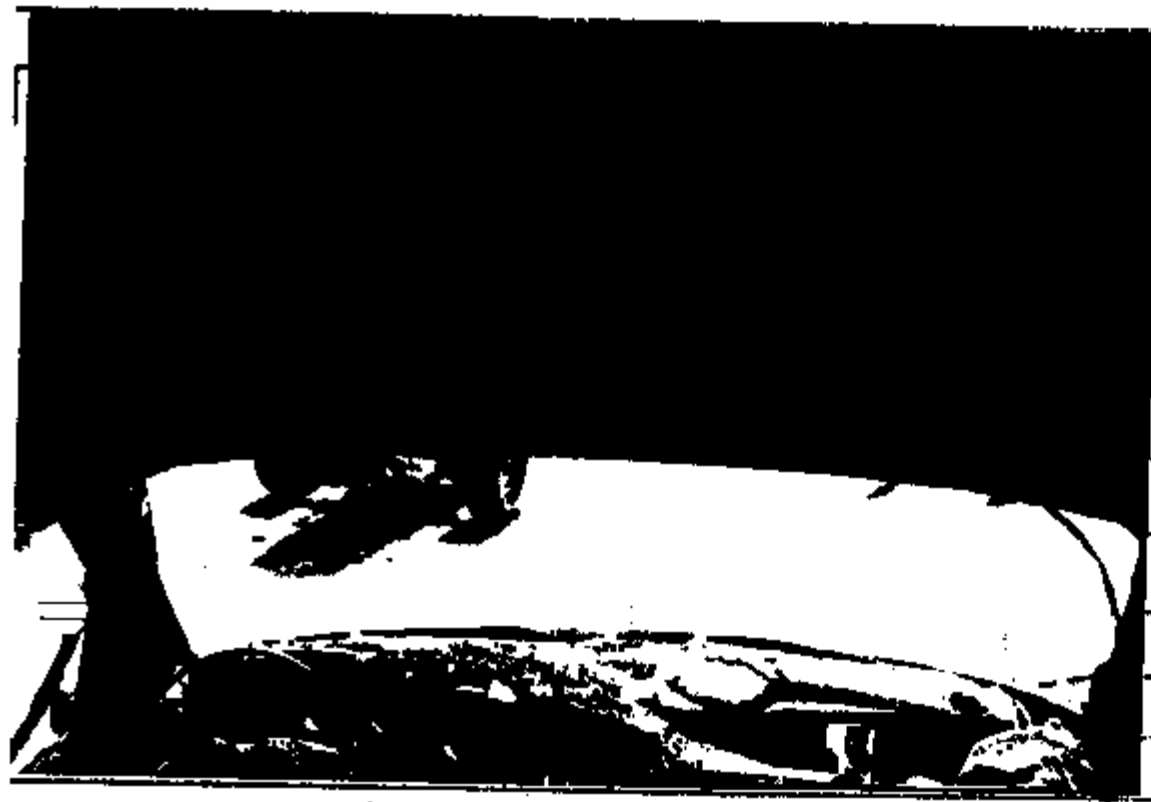


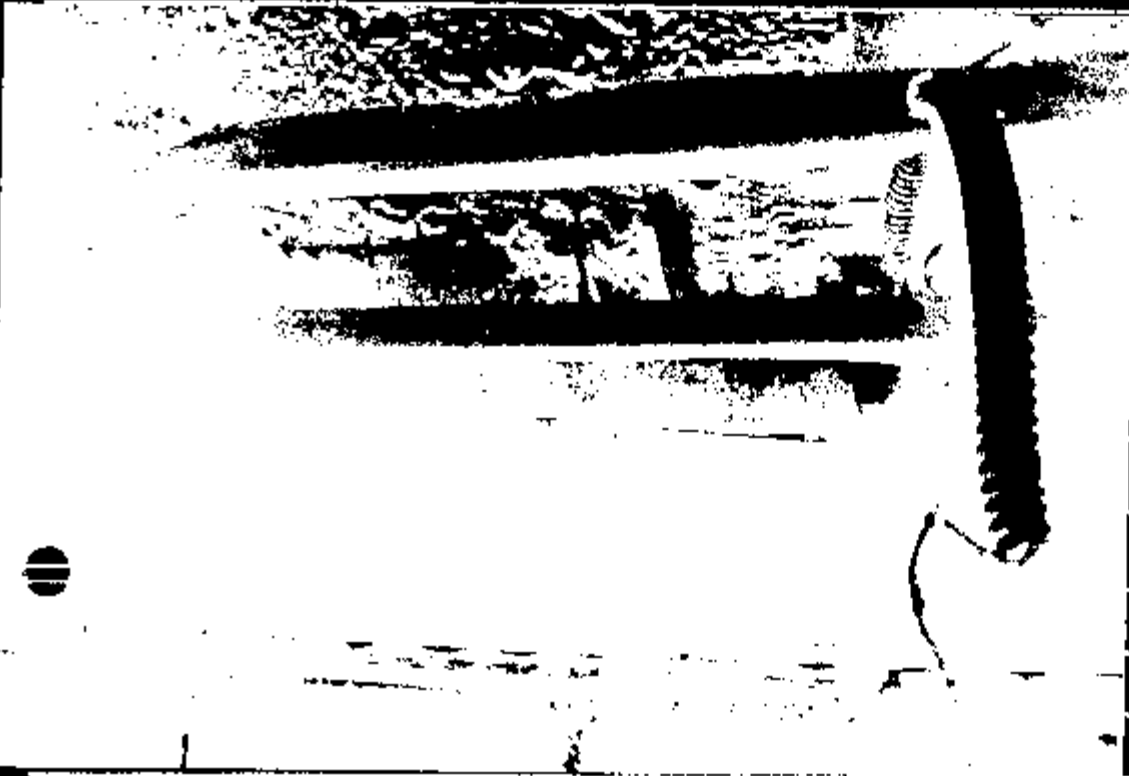
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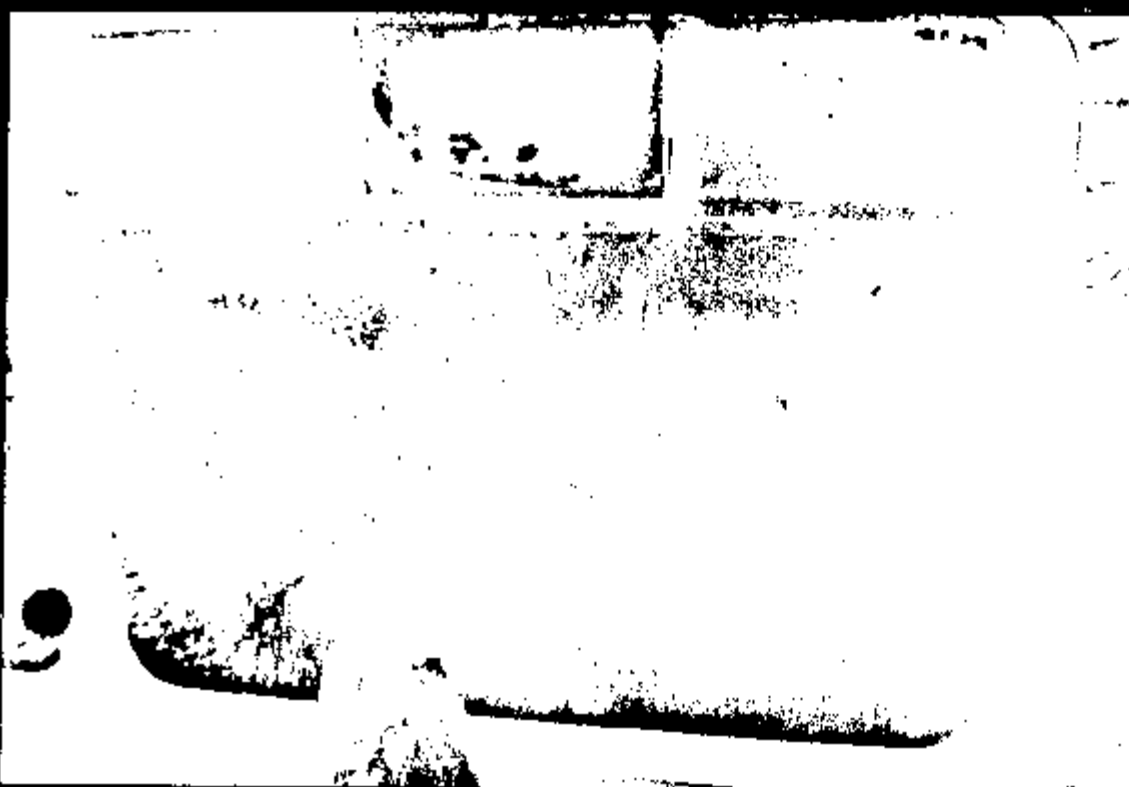
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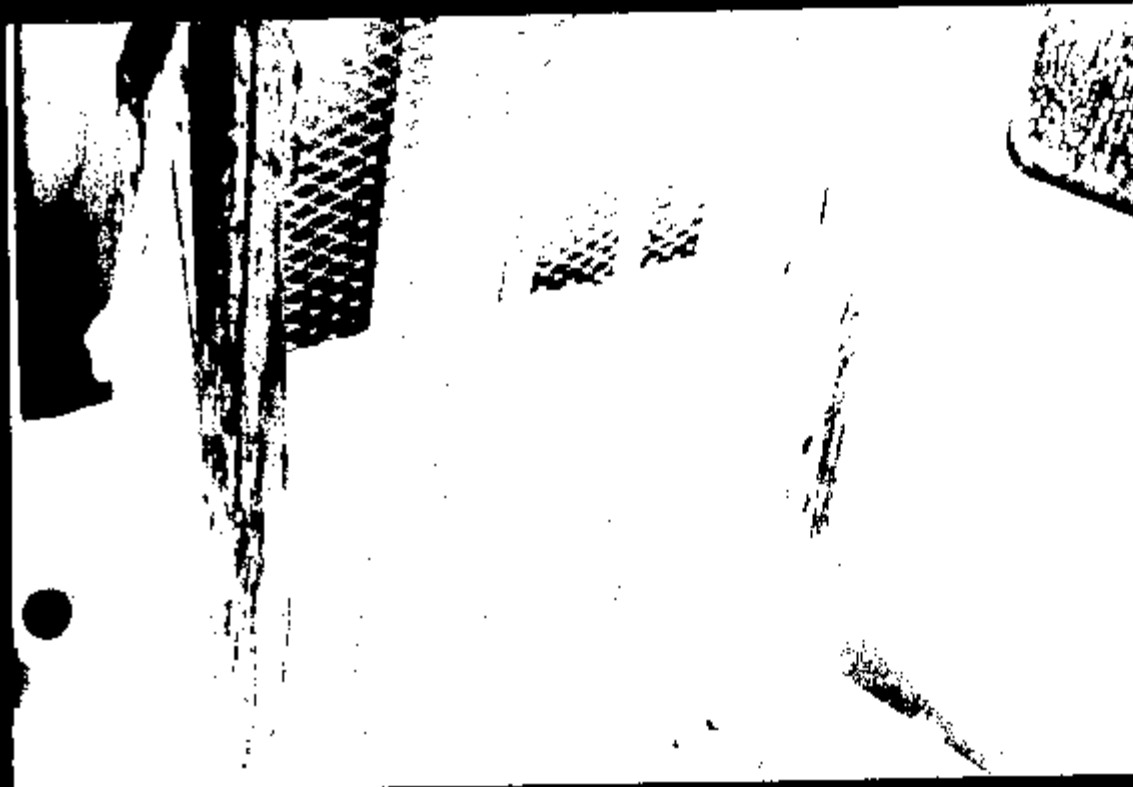
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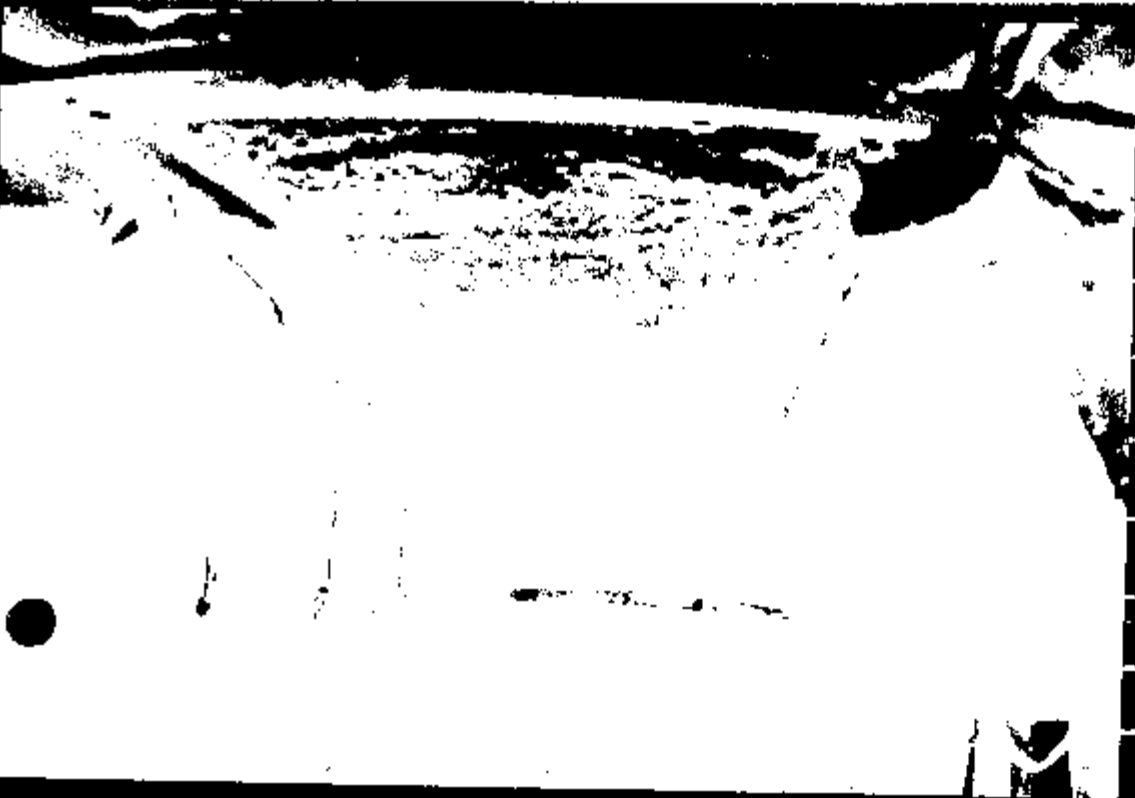
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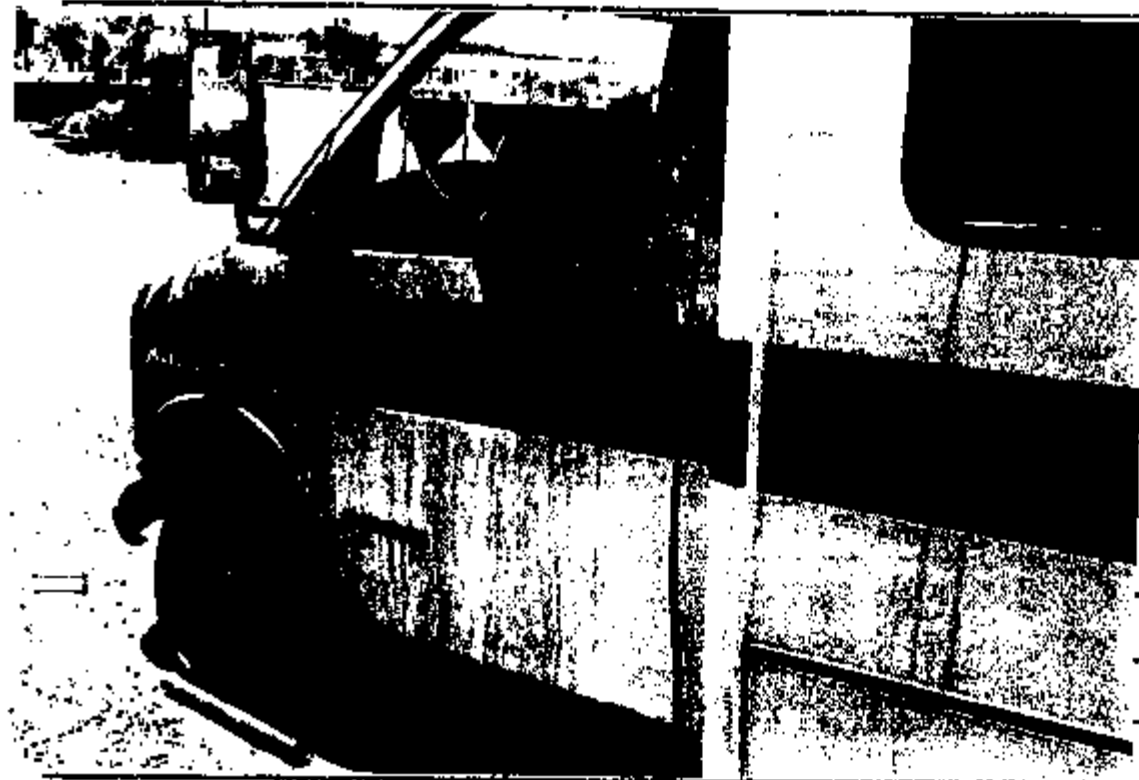
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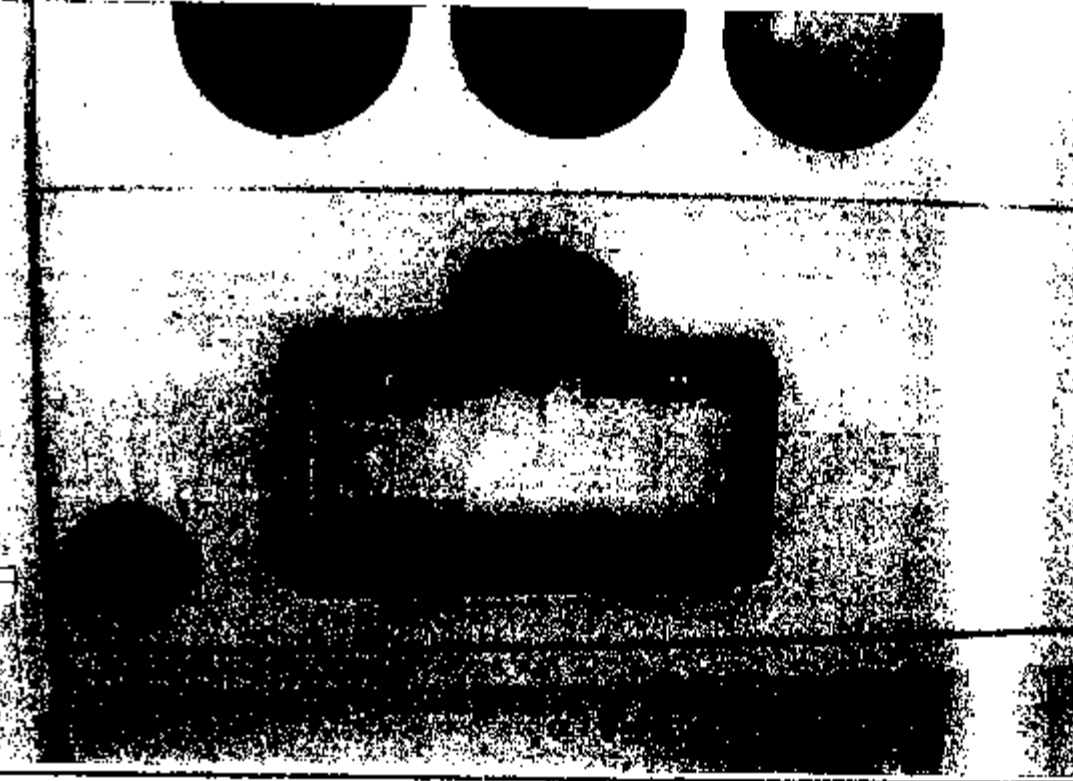
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ON _____

NUMBER _____

IN _____

Champion



NO:

Don Roberts

John Glenn Adjusters & Administrators, INC.

275 CENTENNIAL WAY, SUITE 211

TUSTIN, CA 92780

License #2833481

Phone: (714) 598-8999 - Facsimile: (714) 598-8999

SUBJECT: Bvs Fire

DATE: 12-27-00

Here the two page Fire Report we received from the city of Hepburn. Note page 2, lower left hand corner. Talk to you soon

PLEASE REPLY TO =>

SIGNED

J. Nicolosi

REPLY

DATE:

SIGNED

THIS COPY FOR PERSON ADDRESSED

12/27/2000 14:02

=== COVER PAGE ===

TO: PAC BELL

FROM: JACK NICOLSI

FAX: 8055338100

TEL: 8055338100

COMMENT: CONFIDENTIAL

CHAMPION BUS INC.

— a THOR company —

January 9, 2001

331 Graham Road
P.O. Box 158
Imlay City, MI 48444
(810) 724-8474

Fax Eng. (810) 724-7748
Fax Purch. (810) 724-7661
Fax Sales (810) 724-1844

Jack Nicolosi
Claim Adjuster
John - Glenn Adjuster & Administrators, Inc.
275 Centennial Way, Suite 211
Tustin, CA 92780

Dear Mr. Nicolosi;

Per our phone conversation yesterday, January 8, 2001, on the CalTran paratransit bus, VIN #1GBJG31J9 [REDACTED], belonging to the [REDACTED]. Apparently, the bus experienced a fire due to a faulty ignition. Champion Bus does not tamper with the ignition system.

I talked to one of our GM Representatives who recommended that the customer contact the GM Customer Service facility at 800-222-1020, or 800-Fleet-OP. I left these numbers on your home phone answering machine, as you requested. Once they contact the GM Customer Service Representative, they need to request that a district representative investigate the situation.

Please feel free to call me if you have any further questions.

Sincerely,

Dick Cutcher

Dick Cutcher
Service Manager

CC: Don Roberts, President, CBI
Ed Cox, Sunset Bus Sales

7573

Memorandum

To: Don Roberts

From: Ed Cox

Date: 05/09/02

Re: Law suit

Good morning! I just was served with the following documents. Apparently the insurance company for the City of [redacted] is suing General Motors, Crusader Bus Company (I'm sure they mean Champion and will change it later), and Sweet over the bus that caught fire and was destroyed 100 miles after they picked it up.

Will we both be under GM's umbrella, Thor's umbrella, or do I need to have my attorney involved?

Ed

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO

 CASE NO: BCVB806206

NOTICE OF CASE ASSIGNMENT FOR ALL PURPOSES
 NOTICE OF CASE MANAGEMENT CONFERENCE AND
 OSC RE SERVICE COMPLETION

IN RE: NONPROFITS UNITED -V- GENERAL MOTORS CORP

Please take notice that the above-entitled case has been set for a CMC Hearing and an OSC re Service Completion hearing. File your CMC questionnaire in the courtroom 5 court days prior to the hearing. Failure to appear may result in sanctions or dismissal of your case.

"THIS CASE HAS BEEN ASSIGNED TO JUDGE JOHN P VANDERFEER
 IN DEPARTMENT B2 FOR ALL PURPOSES."
 OSC RE SERVICE HEARING SET: 05/24/02 AT 8:30 in B2

If proof of service of summons and complaint had been filed, no appearance is required at the OSC re Service Completion hearing.

CMC HEARING SET: 08/19/02 AT 8:30 IN DEPARTMENT B2

A COPY OF THIS NOTICE MUST BE SERVED ON ALL DEFENDANTS

Date: 03/26/02 Tressa Kentner, Court Admin. By: APRIL MARCUM

 CERTIFICATE OF SERVICE BY MAIL

I hereby declare that I am over the age of 18 years, a resident of San Bernardino County, State of California, and not a party to nor interested in the title of the within entitled case. I am a Deputy County Clerk of the said County and on the date shown below I served a copy of the "Notice of Case Management Conference" as follows:

- () Enclosed in an envelope mailed to the interested party addressed above, for collection and mailing this date, following ordinary business practice.
 () Enclosed in a sealed envelope, first class postage prepaid in the U.S. mail at the location shown above, mailed to the interested party and addressed as shown above.
 (X) A copy of this notice was given to the filing party at the counter.

DATE OF MAILING: 03/26/02

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 03/26/02 at Barstow, CA BY: APRIL MARCUM


JOHN W. SHORT

1 WHEREFORE, Plaintiff prays for judgment against Defendants, and each of them,
2 as follows:

- 3 1. For property damage in the sum of \$40,713.74;
- 4 2. For storage fees at the rate of \$300.00 per month, according to proof;
- 5 3. For loss of use in amount according to proof;
- 6 4. For pre-judgment interest;
- 7 5. For costs of suit herein incurred; and
- 8 6. For such other and further relief as the Court may deem just and appropriate.

9
10 Dated: March 22, 2002

DRISCOLL & REYNOLDS

11
12 By: 
13 MAUE B. REYNOLDS
14 JOHN W. SHORT
15 Attorneys for Defendant
16 NONPROFITS UNITED
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SUMMONS · SUBROGATION
(CITACION JUDICIAL)

NOTICE TO DEFENDANT: (Avise a Acusado)
GENERAL MOTORS CORPORATION, CRUSADER BUS COMPANY, SUNSET BUS AND COMMERCIAL, INC., AND DOES 1 to 100

FOR COURT USE ONLY
(NO LO PARA USO DE LA CORTE)

YOU ARE BEING SUED BY PLAINTIFF:
(A Ud. le está demandando)
NONPROFITS UNITED

You have **30 CALENDAR DAYS** after this summons is served on you to file a typewritten response at this court.

A letter or phone call will not protect you; your typewritten response must be in proper legal form if you want the court to hear your case.

If you do not file your response on time, you may lose the case, and your wages, money and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may call an attorney referral service or a legal aid office (listed in the phone book).

Después de que le entreguen esta citación judicial usted tiene un plazo de **30 DIAS CALENDARIOS** para presentar una respuesta escrita a máquina en esta corte.

Una carta o una llamada telefónica no le ofrecerá protección; su respuesta escrita a máquina tiene que cumplir con las formalidades legales apropiadas si usted quiere que la corte escuche su caso.

Si usted no presenta su respuesta a tiempo, puede perder el caso, y le pueden quitar su salario, su dinero y otras cosas su propiedad sin aviso adicional por parte de la corte.

Existen otros requisitos legales. Puede que usted quiera llamar a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de referencias de abogados o a una oficina de ayuda legal (vea el directorio telefónico).

The name and address of the court is: (El nombre y dirección de la corte es)

SAN BERNARDINO SUPERIOR COURT
235 E. MOUNTAIN AVENUE
SAME AS ABOVE
BARSTOW, CA 92311
BARSTOW DISTRICT

CASE NUMBER (Número de Caso)

BCV062064

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es)
JOHN W. SHORT, ESQ. (909) 369-9849
DRISCOLL & REYNOLDS (909) 369-6695
6960 MAGNOLIA AVENUE
SUITE 101
RIVERSIDE, CA 92506

DATE: **MAR 2 8 2012**
(Fecha)

Clerk, by: *[Signature]* Deputy
(Actuario) (Delegado)



NOTICE TO THE PERSON SERVED: You are served

- as an individual defendant.
 - as the person sued under the fictitious name of (specify):
 - on behalf of (specify): **Sunset Bus and Commercial, Inc.**
- under:
- | | |
|--|---|
| <input checked="" type="checkbox"/> CCP 418.10 (corporation) | <input type="checkbox"/> CCP 418.80 (minor) |
| <input type="checkbox"/> CCP 418.20 (defunct corporation) | <input type="checkbox"/> CCP 418.70 (conservatee) |
| <input type="checkbox"/> CCP 418.40 (association or partnership) | <input type="checkbox"/> CCP 418.90 (individual) |
| <input type="checkbox"/> other: | |
4. by personal delivery on (date): **5-9-02**

Form Adopted by Rule 90
Judicial Council of California
002009 (Rev. January 1, 1994)
Mandatory Form

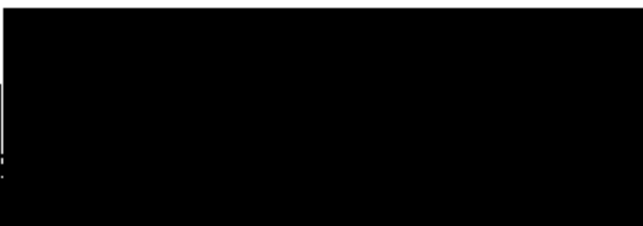
(See reverse for Proof of Service)

SUMMONS

Legal
Solutions
by PAS

CCP 418.20

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FILED
SAN BERNARDINO COUNTY
CLERK OF SUPERIOR COURT

MAR 26 2002

[Signature]
Deputy

Attorneys for Plaintiff **NONPROFITS UNITED**

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO/BARSTOW DISTRICT**

NONPROFITS UNITED

Plaintiff,

v.

GENERAL MOTORS CORPORATION; CRUSADER BUS COMPANY; SUNSET BUS AND COMMERCIAL, INC; and DOES 1-100, inclusive.

Defendants.

CASE NO.: **BCV062064***

COMPLAINT FOR DAMAGES (SUBROGATION); PRODUCTS DEFECT AND NEGLIGENCE

JUDGE:
DEPT:
COMPLAINT FILED:
NO TRIAL DATE SET

COMES NOW PLAINTIFF, NONPROFITS UNITED, and for its cause of action against the Defendants, and each of them, alleges as follows:

**GENERAL ALLEGATIONS
(As to All Defendants)**

1. NonProfits United is, and at all times relevant herein was, a Corporation organized and existing and authorized to transact business in the State of California.
2. Plaintiff is informed and believes and thereon alleges that Defendant, General Motors Corporation ("GMC") is, and at all times relevant herein was, a Corporation duly authorized to do business in the County of San Bernardino and the State of California.

1 3. Plaintiff is informed and believes and thereon alleges that Defendant, Crusader
2 Bus Company ("Crusader") is, and at all times relevant herein was, a Corporation duly
3 authorized to do business in the County of San Bernardino and the State of California.

4 4. Plaintiff is informed and believes and thereon alleges that Defendant, Sunset
5 Bus and Commercial, Inc., ("Sunset") is, and at all times relevant herein was, a Corporation
6 duly authorized to do business in the County of Los Angeles, the County of San Bernardino
7 and the State of California.

8 5. The true names and capacities, whether individual, corporate, associate,
9 partnership, or otherwise, of Defendants designated herein as DOES 1-100, inclusive, are
10 unknown to Plaintiff who, therefore, sues said Defendants by such fictitious names and will
11 seek leave of Court to amend this Complaint to show their true names and capacities when
12 the same have been ascertained. Plaintiff is informed and believes and thereon alleges that
13 each defendant designated herein as a DOE is responsible in some manner for the events and
14 happenings referred to herein.

15 6. At all times mentioned herein, Defendants, and each of them, were the agents
16 and/or employees of the other Defendants, and, at all times mentioned herein, were acting
17 within the course and scope of said agency or employment.

18 7. At all times mentioned herein, the incident giving rise to this Complaint
19 occurred within the County of San Bernardino, State of California.

20 8. Plaintiff is informed and believes and thereon alleges that on or about August
21 10, 2000, the City of Barstow purchased a 2000 Champion Crusader Caltran - C2 Paratransit
22 bus, bearing VIN # 1GBJG31J9Y1226833, for use by Troma Transit and the Searles Valley
23 Community Service Counsel. The Searles Valley Community Service Counsel and the City
24 of Barstow were covered under a memorandum of coverage by and through NonProfits
25 United to insure against property damage of the subject vehicle.

26 9. Plaintiff is informed and believes and thereon alleges that on or about August
27 21, 2000, Plaintiff's insured member, Searles Valley Community Service Counsel, took
28

1 15. As a further proximate result of the negligence of the defendants, and each of
2 them, as herein alleged, plaintiff has been deprived of the use of said 2000 Champion
3 Crusader Caltran-C2 Paratransit bus, all to its damage, in a sum according to proof, but in
4 excess of the Court's minimum jurisdiction.

5 16. As a further proximate result of the defect in design and/or manufacture by
6 Defendants, and each of them, as herein alleged, Plaintiff has incurred additional damages
7 in the sum of \$300.00 per month for storage fees.

8 **SECOND CAUSE OF ACTION**
9 (Negligence - As to All Defendants)

10 17. Plaintiff hereby incorporates by reference paragraphs 1-16 as though set forth
11 fully herein.

12 18. Defendants, and each of them, negligently manufactured, designed, assembled,
13 inspected, distributed, and sold said 2000 Champion Crusader Caltran-C2 Paratransit bus,
14 which proximately caused the damages set forth above.

15 19. As a proximate result of the acts, omissions and/or conduct of defendants, and
16 each of them, as herein alleged, said 2000 Champion Crusader Caltran-C2 Paratransit bus
17 sustained property damage in the amount of \$40,713.74, thereby damaging plaintiff in that
18 amount.

19 20. As a further proximate result of the acts, omissions and/or conduct of
20 defendants, and each of them, as herein alleged, plaintiff has been deprived of the use of
21 said 2000 Champion Crusader Caltran-C2 Paratransit bus, all to its damage, in a sum
22 according to proof.

23 21. As a further proximate result of the negligence by Defendants, and each of
24 them, as herein alleged, Plaintiff has incurred additional damages in the sum of \$300.00 per
25 month for storage fees.

26
27 ///

THOR

INDUSTRIES, INC.

419 West Pike Street • PO Box 629 • Jackson Center, OH 45334-0629
Phone 937.596.6849 Fax 937.596.6539

MEMO

May 14, 2002

TO: John Garmhausen
Allen Hunter

RE: Bus Claims - [REDACTED] / Sunset Bus

Although we may not be properly served on the matter which I just received today regarding a Champion Bus unit, we might as well get the ball rolling. By copy of this letter I would like Allen Hunter to have an investigation by Crawford set up and John Garmhausen should send a nice letter to our customer, Sunset Bus, stating basically that we can't indemnify them yet but would be willing to take a lead in the answer that appears to indicate a GM problem.

Please let me know what else you need to take the proper initial action.

Sincerely,



Walter Bennett

WB/jp

Enclosure

cc: Andy Imanse
Don Roberts

NOV 25 2002



PRIVILEGED AND CONFIDENTIAL

REPORT DATE: November 17, 2002

REPORT RECIPIENT:

Thor Industries
C/O Faulkner, Garmhausen, Keister & Shenk
100 S. Main Avenue, Courtview Center #300
Sidney, Ohio 45385

ATTENTION: John Garmhausen

INSURED: Thor industries

CLAIMANT: [REDACTED]

DATE OF LOSS: August 21, 2000 Time: 4:45 p.m.

LOSS LOCATION: I-15 & Highway 395

CITY / STATE OF LOSS: Hesperia, CA

CRAWFORD FILE NUMBER: 112-84810

POLICY NUMBER: Unknown

CIS FILE NUMBER: 7251-000219

PREPARED BY: Charles F. Alfred
Certified Fire & Explosion Investigator

File Status:

- First and Final Report
- Initial Report
- Interim Report
- Final Report - File Closed



ASSIGNMENT:

Received from: [REDACTED]
Instructions: Conduct cause and origin investigation – no report until notified

Received on:	Monday	August 5, 2002	10:00 a.m.
Commenced on:	Monday	August 5, 2002	10:00 a.m.
Completed on:	Sunday	November 17, 2002	5:00 p.m.
Verbal report on:	Wednesday	August 7, 2002	8:00 a.m.
Verbal report to:	[REDACTED]		

RISK:

The Insured is identified as Thor Industries.

The risk is a 2000 Handicap bus, with a Chevrolet chassis and body by Champion (Thor) Industries. The VIN is 1GBJG31J8[REDACTED]. No license plate was displayed on the vehicle at the time of my investigation.

The owner of the risk is the [REDACTED].

A potential liability issue exists, as the insured was the builder of the bus that was involved in the fire incident.

ORIGIN AND CAUSE SUMMARY:

Following the examination of burn patterns and vector analyses within this scene, and based on the information currently available, it is my opinion this fire originated at or near the battery for the chassis of the vehicle.

From the origin area, the fire spread across the engine compartment and into the passenger compartment through the ductwork.

The ignition source for this fire is undetermined at this time but is in all probability electrical in nature.

The first materials ignited were plastics, insulation, and wiring.

The event that caused the union of this ignition source and the first material ignited is undetermined at this time but in all probability is an electrical failure.

Based on the information currently available, it is my opinion that this fire was accidental in nature.

FIRE DEPARTMENT:

The responding fire department was the Hesperia Fire Protection District, a fully paid department.

Information for this report was obtained from the official report.

The department received the call via the 911 system from an unknown person.

The alarm was received at 4:45 p.m., and the first engine arrived at 4:55 p.m.

The fire department found the front of the vehicle well involved upon arrival.

The driver of the bus was present upon the arrival of the fire department.

The incident was investigated by personnel from the fire department, and they determined that the fire was from a gasoline leak.

No evidence was retained by the fire department personnel.

INTERVIEW - INSURED:

Due to the fact that all parties concerned are represented by counsel, no interviews were conducted.

SCENE EXAMINATION:

Date Commenced: Tuesday August 6, 2002 8:00 a.m.
Date Completed: Tuesday August 6, 2002 1:00 p.m.

Safety survey: A safety survey was conducted, and it was concluded that the vehicle was safe to work on and in.

Weather conditions: Clear with a temperature of 100° F

Previous Alterations: No alterations had been done to the vehicle that interfered with the investigation.

Access Authority By: Barstow City Yard Personnel

Photos taken? Yes

Field Diagram prepared? Yes

ENGINE OBSERVATIONS:

Type Chevrolet
Cylinders 8
Cu. In. or Liters 350
Accessories Air conditioning, alternator, appears to be a standard alternator and not a heavy-duty alternator
Oil Clean & Full
Filters In place and undamaged
Radiator Damaged, with heavy damage in front of the alternator and the chassis battery extending to the left side
Master Brake Cylinder In place, with the reservoir damaged
Battery(s) Although three batteries were installed in the vehicle, the size of the battery for the chassis could not be determined, but common would be a group 27. Two Group 27 batteries were installed in the body of the coach for the purpose of running the wheelchair ramp and the doors. These have been designated B & C.
Battery Voltage A - totally destroyed, B- 7.93v, C - 3.2v.

Climate Control:

The vehicle was equipped with the standard air-conditioning system supplied with the chassis, but it was not a factor in the loss.

Electrical System:

Additional electrical components had been added to the vehicle by the bus manufacturer, which were for the purpose of operating the wheelchair ramp and door. The main panel was located to the left of the driver's side seat. Additionally, two 12v batteries had been installed on the right side of bus just aft of the passenger door.

The additional electrical circuits and batteries were all installed by the insured in this matter for the purpose of operating the wheelchair ramp and doors.

The panel housing the relays, solenoids, and circuit boards on the driver's side of the vehicle were heavily damaged by the fire. It was determined that the fire damage was from external heat and not an internal failure of these particular parts. The two additional batteries had heat damage to the casing from the heating of the battery cable coming from the front portion of the coach. The battery cable from the front of the coach to the rear batteries had evidence of internal heating and damage to the insulation, with some of it being destroyed. No fuse was located in the line, but it will be necessary to obtain original drawings to determine if a fuse was called for or some destructive testing to determine if one was in place. One of the additional batteries was much lower in voltage than the other, which could indicate a short in the cable to the battery, causing the drain.

EXTERIOR OBSERVATIONS:

The front of the vehicle has moderate fire damage at the top progressing to heavy damage at the engine compartment area.

The left (driver's side) has minor fire damage at the left front quadrant extending to the driver's door.

The rear of the vehicle does not have any damage.

The right (passenger's side) has moderate fire damage at the front quadrant extending back to the door area.

The roof does not have any damage.

The undercarriage has no damage.

SECURITY ISSUES (at time of incident):

Security was not an issue; the delivery driver was driving the vehicle at the time of the loss.

INTERIOR OBSERVATIONS:

There is heavy fire damage at the front of the vehicle extending back towards the mid portion of the bus where the damage decreases.

There is heavy fire damage in the dash area of the vehicle, with the heaviest damage being located on the right side of the dash area.

The vehicle was equipped with numerous electrical components housed to the left of the driver, consisting of circuit boards, connector blocks, and relays.

No contents were present in the bus at the time of the scene examination.

AREA OF ORIGIN:

The area of origin was at or near the battery for the vehicle chassis.

The alternator was in close proximity to the area of origin and had damage at the rear of the alternator where the connections are made.

The alternator showed moderately heavy damage to the rear, and the cabling showed evidence of internal heating.

The battery for the chassis was completely destroyed.

There was a connection for two cables in the area, but until destructive testing is accomplished and the cables can be traced to their source or destination, no determination can be made if they were a cause of the loss or not.

It was noted that the cables going back towards the rear batteries had evidence of internal heating.

No unusual items were located in the area of origin other than those installed by the chassis manufacturer or the manufacturer of the bus.

Electrical Distribution System:

No other electrical systems were present in the bus that have not been discussed previously that were a factor in this loss.

Fixed Electrical Appliances:

The wheelchair ramp and door, which was electric, did not show any evidence of fire damage.

There is no indication that the ramp or door itself was a factor in this loss.

Gas / Diesel Fuel System

The fire department attributed the loss to a fuel leak. Examination of the fuel system showed that the fuel lines had melted on the driver's side of the vehicle, but examination showed that it was from external heat and not a ruptured line.

No significant damage was found in the area where the lines had melted, and it was noted that all had melted down in the same place.

There is no physical indication that the fuel system was a factor in this loss other than to cause minor damage as the lines melted.

Ignition Sources that could not be eliminated:

The following items cannot be eliminated until further examination is accomplished, which will entail destructive testing:

- A failure of the alternator, which may have caused an overcharge condition
- A failure or short in one or more of the battery cables

Property / Evidence - Retrieved / Retained from this scene:

Nothing was retained in this loss, pending further testing at a yet to be determined date.

Insured: [REDACTED]
File No.: 7251-800218

6

Product / Equipment Issues:

At the present time, there is ongoing litigation regarding the manufacturer of the bus and the chassis on which it was built.

FILE STATUS:

At the present time and with no further investigation immediately anticipated, this file is being closed, pending notification of any further proceedings, at which time it will be reopened.

If you have any questions or require interim assistance, please contact me at the number listed below.

Respectfully,

Charles F. Alred
Certified Fire & Explosion Investigator
San Diego, CA
(619) 286-0165

Cf: Richard Skinner
Western Regional Manager
677-365-3245

(Address all correspondence concerning this file to the following address. Please include the CIS file number.)
Crawford Investigation Services
National Operations Center
285 W. Esplanade Ave., Suite 300
Kenner, LA 70065

Insured: [REDACTED]
File No.: 7251-000218

7

ENCLOSURES:

1. Photographs - Mounted = 21
2. Diagram - origin area
3. Diagram - photograph vantage points
4. Map = area
5. Fire Department Incident Report
6. Photographs - Unmounted = 3

Insured: [REDACTED]
File No.: 7251-000210

PHOTO LOG

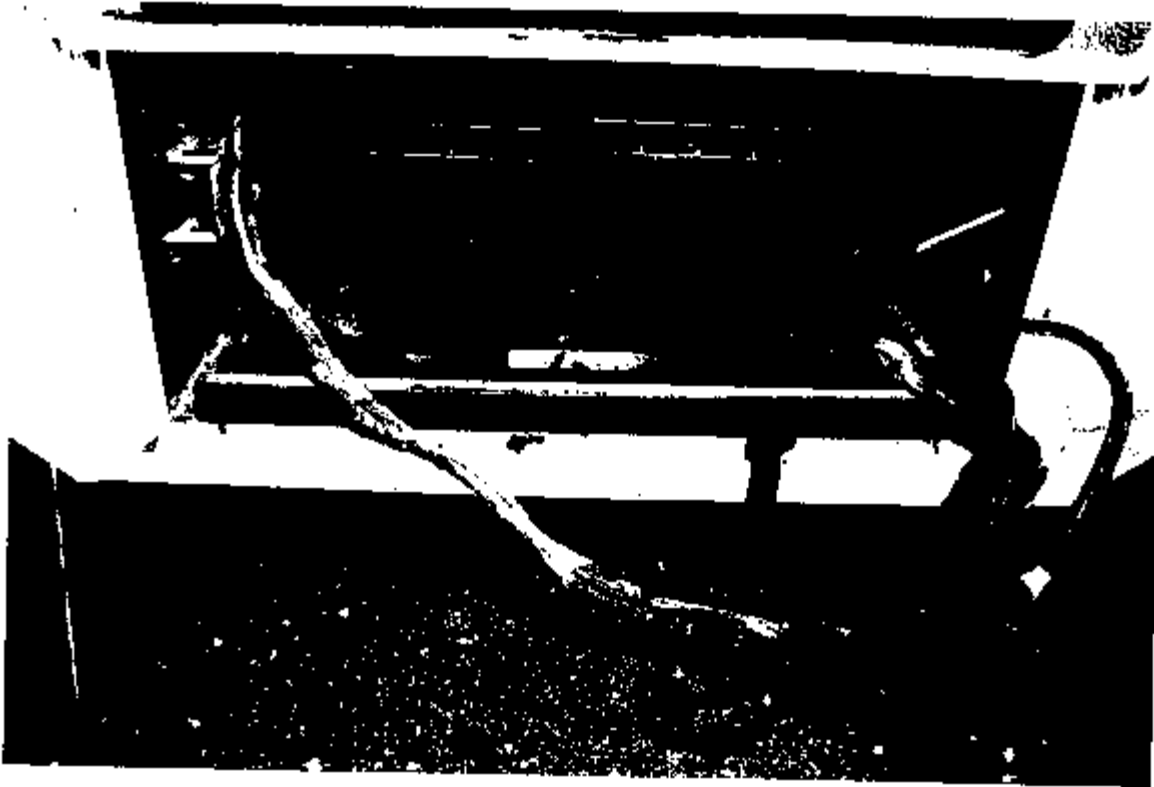
- | No. | Location / Describing |
|-----|---|
| 1. | VIN located on front left dash panel. |
| 2. | Builder identification. |
| 3. | Front of vehicle. |
| 4. | Driver's side of vehicle looking to the rear. |
| 5. | Rear of vehicle. |
| 6. | Rear and passenger's side of vehicle. |
| 7. | Interior of bus looking to the rear. |
| 8. | Interior of bus looking to the front and driver's compartment. |
| 9. | Driver's compartment - note the heavy damage on the right side. |
| 10. | Electrical compartment installed by Thor for the wheelchair ramp and the door. |
| 11. | Wiring as it goes down the channel in back of the driver's side door to the wheelchair ramp. |
| 12. | Looking under the driver's side and steering wheel area. |
| 13. | Fuel lines for the engine, with minor damage. |
| 14. | Front of bus with the hood raised, note the heavy damage on the right side of the hood and the heavy damage to the headlight assembly. |
| 15. | Looking across the engine compartment from the driver's side, note the radiator is still intact, with some damage from left to right. |
| 16. | View of the alternator and the radiator, note the damage to the radiator is severe in the area in front of the alternator. |
| 17. | Computer for the bus, which is a part of the vehicle chassis. |
| 18. | Battery for the bus starting system and chassis, note that it is totally destroyed, also note that the battery cable that was traced to the rear batteries for the wheelchair ramp had shorted out and was stiff, showing evidence of internal heating. |
| 19. | Close-up of the alternator, note the rear is slightly damaged where the connections are made. |
| 20. | View of the battery cables for the wheelchair ramp, note the heavy internal heating and damage to the cables and no associated fire damage. |
| 21. | Overview of the two batteries for the wheelchair ramp, which were charged from the vehicle alternator. |

3945821
Battery
SRM-24 650 COLD
CRANK HUP

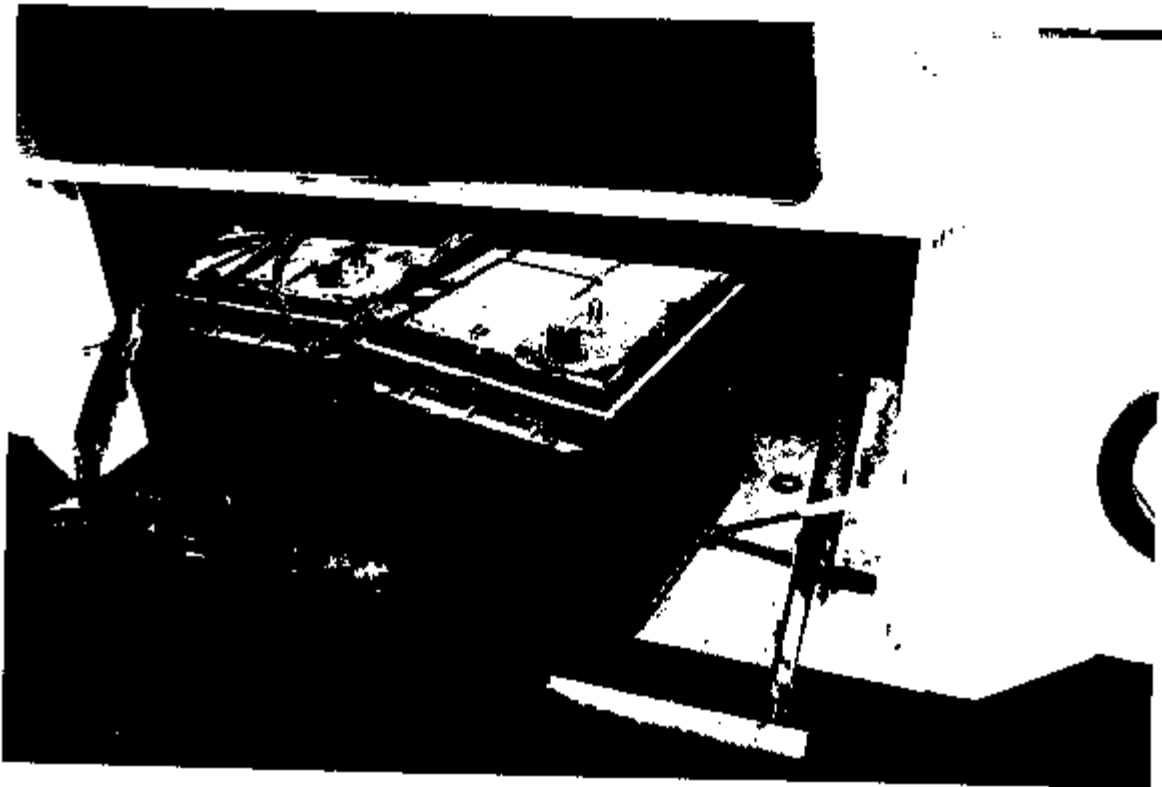
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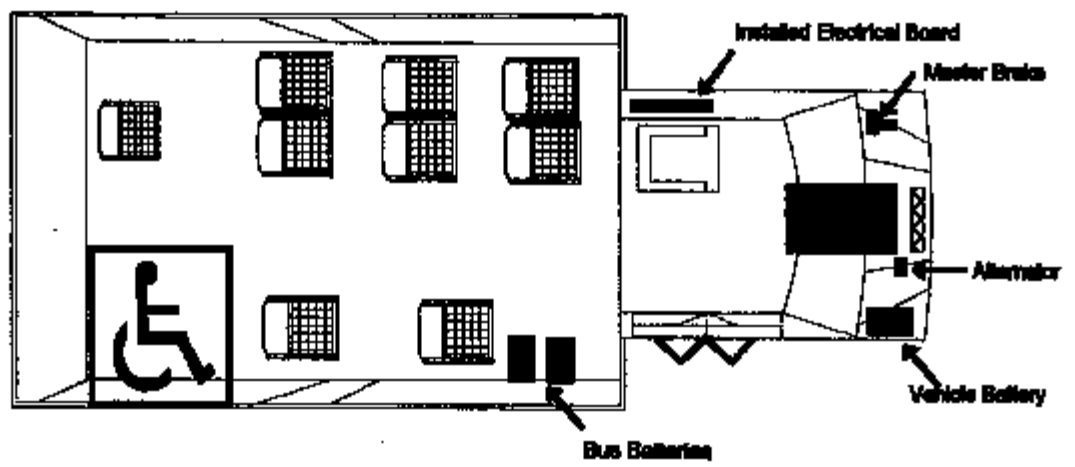
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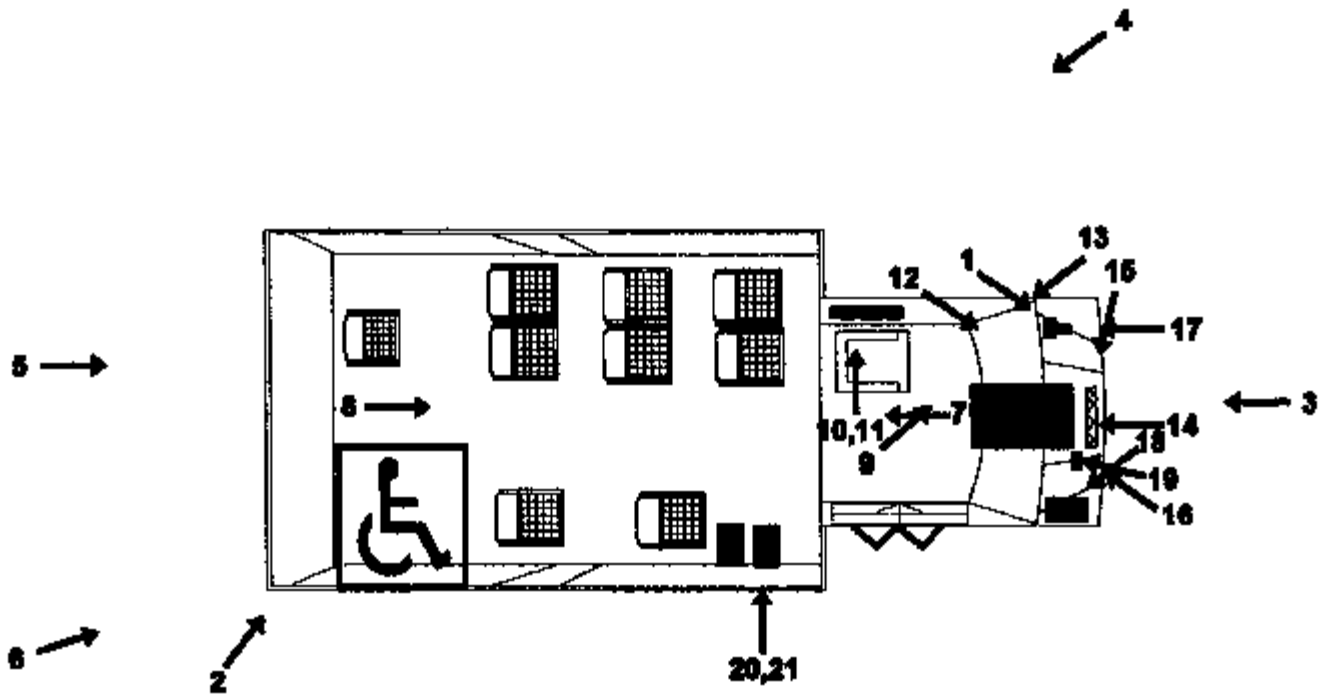
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21

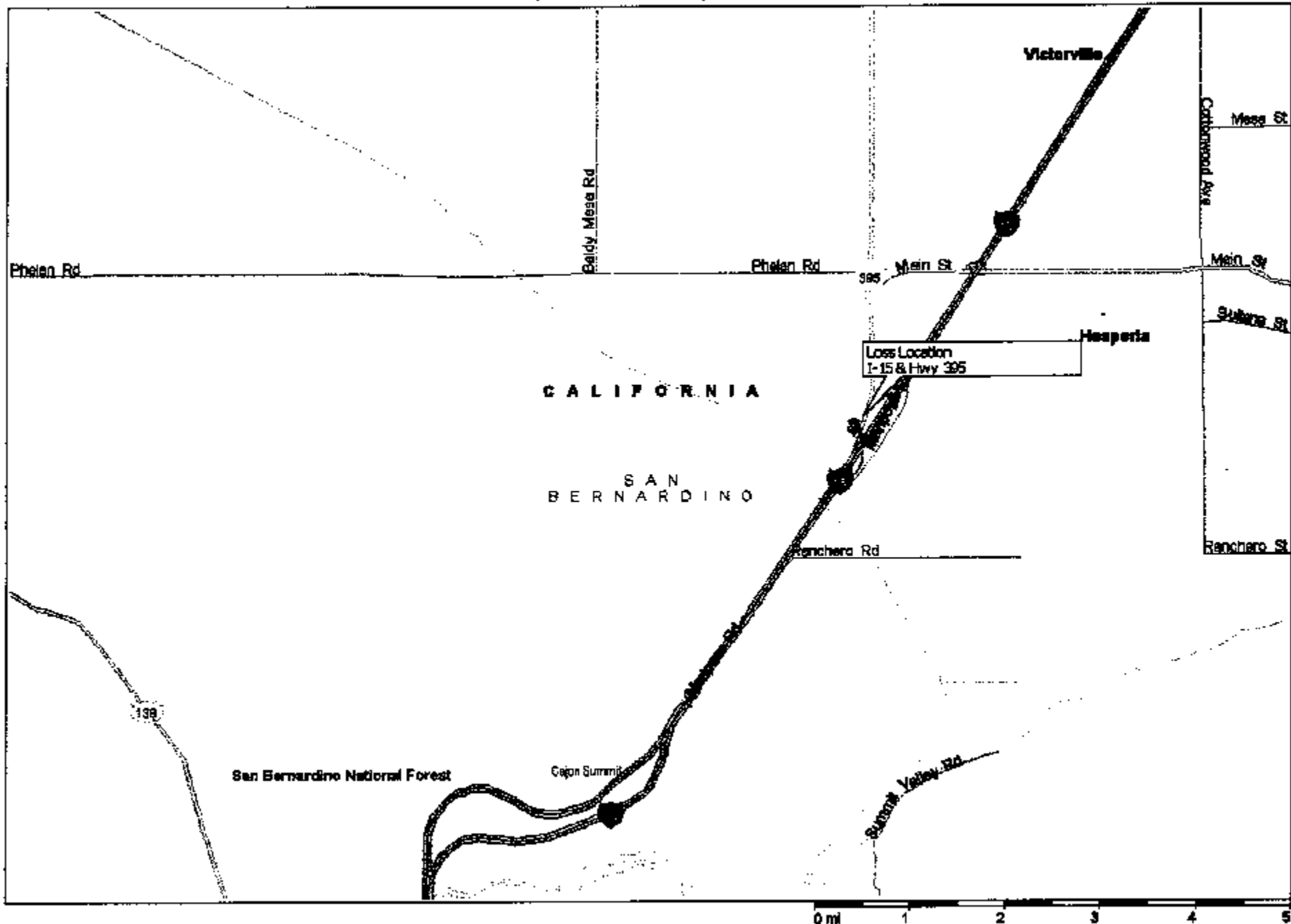


2000 Champion Crusader
██████████
X = Area of Origin
Not to Scale



2000 Champion Crusader
[Blacked-out area]
X = Area of Origin
Photo Layout
Not to Scale

California, United States, North America



Heperia Fire District

A	38105 FDID	CA State	08/21/2000 Incident Date	01 Station	0028078 Incident Number	000 Exposure	<input type="checkbox"/> Delete <input type="checkbox"/> Changes <input type="checkbox"/> No Activity	NFIRS-1 Basic
Location <input type="checkbox"/> Address on Wildland Form Census Tract _____ <input type="checkbox"/> Street Address _____ Hwy 395 _____ HWY _____ <input checked="" type="checkbox"/> Intersection Number _____ Prefix _____ Street _____ Type _____ Suffix _____ <input type="checkbox"/> In front of _____ Heperia _____ CA _____ 92348 _____ <input type="checkbox"/> Rear of Apt/Suite _____ City _____ State _____ Zip Code _____ <input type="checkbox"/> Adjacent to Joshua St. <input type="checkbox"/> Direction _____ Cross Street or Directions, as applicable								

C Incident Type 151 Passenger vehicle fire	E1 Date & Times	E2 Shifts / Alarms
D Aid Given or Received 1 <input type="checkbox"/> Received _____ Their FDID _____ 2 <input type="checkbox"/> Automatic Rec'd _____ 3 <input type="checkbox"/> Given _____ Their State _____ 4 <input type="checkbox"/> Automatic Given _____ 5 <input type="checkbox"/> Other Aid Given _____ 0000000 _____ N <input checked="" type="checkbox"/> None _____ Their Incident _____	Alarm _____ Mon. _____ Day _____ Year _____ Time _____ Arrival <input checked="" type="checkbox"/> Arrival 08/21/00 16:48:00 Control <input checked="" type="checkbox"/> Control 08/21/00 16:55:00 Last Unit Cleared <input checked="" type="checkbox"/> Last Unit Clear 08/21/00 17:00:00 _____ 08/21/00 17:35:00	A1 _____ 1 _____ E15 _____ Shift Alarms Dist.
	E3 Special Studies	
	ID# _____ Value _____	

F Actions Taken 11 Extinguish Primary Action Taken (1) 88 Investigate Additional Action Taken (2) Additional Action Taken (3)	G1 Resources Apparatus Personnel Suppression _____ 1 _____ 2 EMS _____ 0 _____ 0 Other _____ 0 _____ 0 <input type="checkbox"/> Check if counts include mutual aid resources	G2 Dollar Loss & Values LOSSES: NONE Property _____ 50000 _____ Contents _____ 100 _____ PRE-INCIDENT VALUE Property _____ 50000 _____ Contents _____ 100 _____
---	--	--

Completed Modules <input checked="" type="checkbox"/> Fire-2 <input type="checkbox"/> Structure-3 <input type="checkbox"/> Civ. Casualty-4 <input type="checkbox"/> Fire Casualty-5 <input type="checkbox"/> EMS-6 <input type="checkbox"/> Hazmat-7 <input type="checkbox"/> Wildland-8 <input checked="" type="checkbox"/> Apparatus-9 <input type="checkbox"/> Personnel-10 <input type="checkbox"/> Arson-11	H1 Casualties <input checked="" type="checkbox"/> None Deaths Inj. Fire Service _____ 0 _____ 0 Civilian _____ 0 _____ 0 H2 Detector Alerted Occupants 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No U <input checked="" type="checkbox"/> Unknown	H3 Hazmat Release N <input checked="" type="checkbox"/> None 1 <input type="checkbox"/> Natural Gas 2 <input type="checkbox"/> Propane Gas 3 <input type="checkbox"/> Gasoline 4 <input type="checkbox"/> Kerosene 5 <input type="checkbox"/> Diesel Fuel/Fuel Oil 6 <input type="checkbox"/> Household Solvents 7 <input type="checkbox"/> Motor Oil 8 <input type="checkbox"/> Paint 9 <input type="checkbox"/> Other	I Mixed Use Property NN <input checked="" type="checkbox"/> Not Mixed 10 <input type="checkbox"/> Assembly Use 20 <input type="checkbox"/> Education Use 30 <input type="checkbox"/> Medical Use 40 <input type="checkbox"/> Residential Use 51 <input type="checkbox"/> Row of Stores 63 <input type="checkbox"/> Enclosed Mall 68 <input type="checkbox"/> Business & Resid. 59 <input type="checkbox"/> Office Use 60 <input type="checkbox"/> Industrial Use 63 <input type="checkbox"/> Military Use 65 <input type="checkbox"/> Farm Use 00 <input type="checkbox"/> Other Mixed Use
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1st Company to Arrive E301	Fire Alarm Tag# _____	Property Use J _____	981
Highway or divided highway			

Hesperia Fire District

A	<u>38108</u> FDID	<u>CA</u> State	<u>08/21/2006</u> Incident Date	<u>01</u> Station	<u>0028078</u> Incident Number	<u>000</u> Exposure	<input type="checkbox"/> Delete <input type="checkbox"/> Change <input type="checkbox"/> No Activity	NFIRS-2 Fire
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Property Details B1 <u>0</u> <input checked="" type="checkbox"/> Not Residential No. of residential units in building of origin B2 <u>0</u> <input checked="" type="checkbox"/> Bldgs not Involved No. of buildings involved B3 <u>0</u> <input checked="" type="checkbox"/> None <input type="checkbox"/> Less than one acre Acres burned (outside fire)	C On-Site Materials or Products <input checked="" type="checkbox"/> None <u>NNN</u> On-site materials (1) <u> </u> On-site materials (2) <u> </u> On-site materials (3) <u> </u>	<table border="0" style="width:100%;"> <tr> <td style="width:5%; text-align: right;">1</td> <td><input type="checkbox"/> Bulk storage or warehousing</td> </tr> <tr> <td style="text-align: right;">2</td> <td><input type="checkbox"/> Processing or manufacturing</td> </tr> <tr> <td style="text-align: right;">3</td> <td><input type="checkbox"/> Packaged goods for sale</td> </tr> <tr> <td style="text-align: right;">4</td> <td><input type="checkbox"/> Repair or Service</td> </tr> </table> <table border="0" style="width:100%;"> <tr> <td style="width:5%; text-align: right;">1</td> <td><input type="checkbox"/> Bulk storage or warehousing</td> </tr> <tr> <td style="text-align: right;">2</td> <td><input type="checkbox"/> Processing or manufacturing</td> </tr> <tr> <td style="text-align: right;">3</td> <td><input type="checkbox"/> Packaged goods for sale</td> </tr> <tr> <td style="text-align: right;">4</td> <td><input type="checkbox"/> Repair or Service</td> </tr> </table> <table border="0" style="width:100%;"> <tr> <td style="width:5%; text-align: right;">1</td> <td><input type="checkbox"/> Bulk storage or warehousing</td> </tr> <tr> <td style="text-align: right;">2</td> <td><input type="checkbox"/> Processing or manufacturing</td> </tr> <tr> <td style="text-align: right;">3</td> <td><input type="checkbox"/> Packaged goods for sale</td> </tr> <tr> <td style="text-align: right;">4</td> <td><input type="checkbox"/> Repair or Service</td> </tr> </table>	1	<input type="checkbox"/> Bulk storage or warehousing	2	<input type="checkbox"/> Processing or manufacturing	3	<input type="checkbox"/> Packaged goods for sale	4	<input type="checkbox"/> Repair or Service	1	<input type="checkbox"/> Bulk storage or warehousing	2	<input type="checkbox"/> Processing or manufacturing	3	<input type="checkbox"/> Packaged goods for sale	4	<input type="checkbox"/> Repair or Service	1	<input type="checkbox"/> Bulk storage or warehousing	2	<input type="checkbox"/> Processing or manufacturing	3	<input type="checkbox"/> Packaged goods for sale	4	<input type="checkbox"/> Repair or Service
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4	<input type="checkbox"/> Repair or Service																									

D Ignition D1 <u>83</u> Area of origin Engine area, running gear, whe D2 <u>41</u> Heat Source Heat, spark from friction D3 <u>82</u> Item first ignited Flammable liquid/gas - in/from <u>23</u> Type of material first ignited Gasoline <input checked="" type="checkbox"/> Confined to item	E1 Cause of Ignition <input type="checkbox"/> Exposure Report 1 <input type="checkbox"/> Intentional 2 <input type="checkbox"/> Unintentional 3 <input type="checkbox"/> Failure of equipment 4 <input type="checkbox"/> Act of nature 5 <input type="checkbox"/> Cause under investigation U <input checked="" type="checkbox"/> Undetermined after invest. E2 Factors Contributing <input checked="" type="checkbox"/> None <u>NN</u> None Factor contributing to ignition (1) <u> </u> Factor contributing to ignition (2) <u> </u>	E3 Human Factors Contributing to Ignition 1 <input type="checkbox"/> Asleep <input checked="" type="checkbox"/> None 2 <input type="checkbox"/> Possibly impaired by alcohol or drugs 3 <input type="checkbox"/> Unattended person 4 <input type="checkbox"/> Mentally disabled 5 <input type="checkbox"/> Physically disabled 6 <input type="checkbox"/> Multiple persons 7 <input type="checkbox"/> Age was a Factor Estimated age 1 <input type="checkbox"/> Male 2 <input type="checkbox"/> Female
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F1 Equipment Involved in Ignition <input checked="" type="checkbox"/> None <u>NNN</u> None Equipment Involved Brand <u> </u> Model <u> </u> Serial # <u> </u> Year <u> </u>	F2 Equipment Power <u> </u> Equipment Power Source <u> </u>	G Fire Suppression Factors <input checked="" type="checkbox"/> None <u>NNN</u> None Fire suppression factor (1) <u> </u> Fire suppression factor (2) <u> </u> Fire suppression factor (3) <u> </u>
F3 Equipment Portability 1 <input type="checkbox"/> Portable 2 <input type="checkbox"/> Stationary Portable equipment normally can be moved by one person, is designated to be used in multiple locations.		

H1 Mobile Property Involved <input type="checkbox"/> None 1 <input type="checkbox"/> Not involved in ign, burned 2 <input type="checkbox"/> Involved in ign, did not burn 3 <input checked="" type="checkbox"/> Involved in ignition and burned <u>Champion Bus</u> Mobile property model <u>none</u> License Plate Number <u> </u>	H2 Mobile Property Type & Make 12 Bus, school bus, trackless tr Mobile property type <u>OO</u> Other Make Mobile property make <u>2000</u> Year <u>CA</u> State <u>1GBJG31J8</u> VIN Number	Local Use <input type="checkbox"/> Pre-Fire Plan Available Some of the information presented in this report may be based upon reports from other agencies: <input type="checkbox"/> Arson report attached <input type="checkbox"/> Police report attached <input type="checkbox"/> Coroner report attached <input type="checkbox"/> Other reports attached
--	--	---



CHAMPION
BUS INC.
— a **THOR** company —

331 Graham Road
P.O. Box 158
Inlay City, MI 48444
(810) 724-6474

Fax Eng. (810) 724-7748
Fax Purch. (810) 724-7681
Fax Sales (810) 724-1844

January 27, 2003

John Garmhausen
Faulkner, Garmhausen, Keister & Shenk
Courtview Center - Suite 300
100 South Main Avenue
Sidney, OH 45365

Dear John:

Subject: [REDACTED]

I reviewed the fire report from Crawford Investigation Services and noticed the bus has three batteries, one chassis battery and the two auxiliary batteries. The bus was built and left our factory with two batteries. One battery located under the hood as the chassis battery, and one auxiliary battery in a slide tray located on the curb side behind the entry door, as it was ordered.

The third battery was added by someone else and located in the battery tray behind the entry door as well. The report does mention that one of the additional batteries was much lower in voltage than the other, which could indicate a short in the cable to the battery, causing a drain.

The report also mentions the bus having a standard alternator but the bus order shows it having a heavy duty aftermarket alternator, a Penntex PX420.

I thought you should know about these discrepancies. Feel free to call me if you have any questions.

Sincerely,

Dick Cutcher

cc: Don Roberts
Andy Imanse

**ATTORNEY WORK PRODUCT
- PRIVILEGED AND CONFIDENTIAL -**

MEMORANDUM

**TO: J. RANDOLPH HUSTON
FILE/NONPROFITS UNITED v. CHAMPION BUS, ET AL.**

FROM: JOHN S. WARD

DATE: MARCH 26, 2003

RE: INSPECTION OF BUS

Yesterday I attended the inspection of the burned bus at the [REDACTED] maintenance facility at [REDACTED]. [REDACTED] GM attorney from Texas, and Ron Orlando, a GM engineer from Detroit, were present. Our inspector, Charles Allred, was also present, as was the plaintiff's counsel, John Short.

Mr. Orlando spent a good two hours and a half looking at various parts of the vehicle. According to Mr. Allred, it was clear that Mr. Oriando was focusing on the battery connections and/or alternator as a possible source of the fire. This was in contrast to the Fire Department's conclusion of a fuel line leak, although consistent with Mr. Allred's preliminary findings. Mr. Orlando and Mr. Allred both wanted the opportunity to take the alternator out and inspect and photograph it. However, Mr. Short was reluctant to give any approval for any sort of "destructive" inspection or testing. This was disappointing for Ms. [REDACTED] is, who did not want to incur the expense of another inspection.

A significant issue exists as to which defendant is responsible for the alternator. Initially, we assumed that GM was responsible for everything under the hood, but Allred noticed that the alternator was not a Delco, so it might have been changed during the manufacture of the bus, perhaps because of the additional electrical devices in the bus.

Overall, Mr. Allred's comments rejected the Fire Department theory of the fire. More likely than not, it was electrical related and possibly related to the wiring of the three batteries together. Two batteries are apparently used to power the elevator in the rear of the bus, and they were all connected at the front by the engine battery, which apparently was completely destroyed in the fire.

It does not appear that the plaintiff has actually retained an expert to give an opinion, although its adjustor has presumably looked at the vehicle. We are presently scheduled for a mediation on May 9, 2003. It may be to our advantage that there is still some uncertainty regarding the actual source of the fire, and that another visit might be necessary to remove the alternator. Given the expense of such an inspection to GM, as well as the expense of the mediation, this might facilitate settlement discussions.

FAULKNER, GARMHAUSEN, KEISTER & SHENK

A LEGAL PROFESSIONAL ASSOCIATION

COURTVIEW CENTER - SUITE 300

100 SOUTH MAIN AVENUE

SIDNEY, OHIO 45385

(937) 492-1271

FAX: (937) 498-1308

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FT. LORAMIE OFFICE

31 S. MAIN STREET

P.O. BOX 320

FT. LORAMIE, OHIO 46048

(937) 285-2883

FAX: (937) 288-3833

HARRY N. FAULKNER
JOHN N. GARMHAUSEN
RALPH P. KEISTER
JAMES R. SHENK
MICHAEL A. STAUBT
JAMES L. THIEMAN**
THOMAS J. FOTTS
DANIEL A. BENEMAN
WILLIAM E. LANG
DAVID S. SHUFFELTON
BRYAN A. NIEMEYER

*ALSO ADMITTED IN FLORIDA
** ALSO ADMITTED IN INDIANA

SENDER'S E-MAIL:
jgarmhausen@igke-law.com

April 7, 2003

Mr. Don Roberts
CHAMPION BUS, INC.
P.O. Box 158
Inlay City, MI 48444-0158

Re: [REDACTED] v. Champion Bus, Inc.

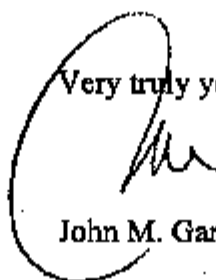
Dear Don:

Enclosed please find a copy of a letter received from our California counsel in connection with the defense of the [REDACTED] file. Also enclosed is a Memorandum relative to the recent inspection of the subject bus.

I would appreciate your providing me with answers to Randy's questions as contained in the first paragraph of his letter. In addition, I recommend that we agree to tender a settlement offer in some amount as been suggested. As you are well aware, we can "eat up" \$10,000 in legal fees in California rather quickly.

I look forward to hearing from you.

Very truly yours,



John M. Garmhausen

nce

Enclosures

cc: Mr. Andrew Imanse (w/ enc.)
Mr. Walter L. Bennett (w/ enc.)

G:\Thor\Champion Bus\Birstow\Liz\Roberts lr 4-7-03

APR 03 2003

WALKER, WRIGHT, TYLER & WARD
ATTORNEYS AT LAW

J. RANDOLPH HUSTON

626 Wilshire Boulevard, Suite 900
Los Angeles, California 90017-3209
Telephone: (213) 629-3571
Telecopier: (213) 623-5160
e-mail: jrb@wwtwlaw.com

IRVING M. WALKER
(1923-1965)
HOWARD W. WRIGHT
(1923-1977)
DON F. TYLER
(1908-1996)
SHERLEY C. WARD, JR.
(1907-1996)

March 31, 2003

John Garmhausen, Esq.
FAULKNER, GARMHAUSEN, KEISTER & SHENK
100 South Main Avenue, Suite 300
Sidney, OH 45365

Re: Nonprofits United v. General Motors, et al.
San Bernardino County (Barstow) Case No. BCV 06206

Dear John:

As you know, we were able to have the Crawford adjuster, Chuck Allred, reinspect the remains of the bus this past week. General Motors also inspected the bus. Surprisingly, they sent a lawyer from Texas to attend the inspection, together with an engineer from Michigan. The GM people were frustrated in that the plaintiff's attorney did not let them remove the remains of the alternator and thus perform "destructive analysis" of that component. For what it's worth, Chuck Allred noted that the alternator appeared to be of a "heavy duty" variety and did not appear to be a Delco component. Did Champion equip the bus with a heavy duty alternator? Can we confirm that the alternator in the bus when it burned was the one supplied with the GM chassis?

It appeared to my colleague John Ward, who attended the inspection, that GM did not want to have another inspection of the vehicle—even if it were allowed to do so by the plaintiff. I thus think that we may be able to get GM to contribute to a settlement of this case even though the precise cause of the fire remains undetermined.

As this is a subrogation matter, it may be that the case can be settled for an amount significantly less than the \$40,713.74 sought in the initial Complaint. I would thus recommend that we get together with GM and offer to settle the case for 50% of the plaintiff's claim, with Champion/Sunset Bus contributing half of that amount and GM the other half.

We could save some time and money if we were to propose such a settlement prior to the court-ordered mediation, which is now scheduled for May 9. My suggestion reflects the fact that it is my understanding that we have indemnified Sunset Bus in this case and Champion will ultimately have to answer to the plaintiff, even there was some culpability on the part of the dealer. I am also unaware of any fault on the part of the bus purchaser or its driver.

John Garmhausen, Esq.

March 31, 2003

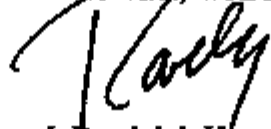
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I would appreciate the benefit of your thoughts on this matter and the input of the good people at Champion.

Enclosed is a copy of John Ward's memorandum concerning the inspection. As always, if you have any questions, please give me a call.

Very truly yours,

WALKER, WRIGHT, TYLER & WARD

A handwritten signature in black ink, appearing to read "J. Randolph Huston", written over the typed name below.

J. Randolph Huston

JRH:elb
Enclosure



CHAMPION
BUS INC.
— a **THOR** company —

331 Graham Road
P.O. Box 158
Inley City, MI 48444
(810) 724-8474

Fax Eng. (810) 724-7748
Fax Purch. (810) 724-7881
Fax Sales (810) 724-1844

April 11, 2003

John Garmhausen
Faulkner, Garmhausen, Keister & Shenk
Courtview Center – Suite 300
100 South Main Avenue
Sidney, OH 45365

RE: **Nonprofits United v General Motors, et al**
San Bernardino County (Barstow)
Case #BCV 06206

Dear John,

Here is the information you requested:

1. Did Champion equip the bus with a heavy-duty alternator?
"Yes, PennTex PX420"
2. Can we confirm the alternator in the bus when it burnt, was the one supplied with the GM chassis?
"No, it was not the supplied alternator"

Feel free to call me if you have any questions.

Sincerely,

Dick Cutcher
Parts & Service Manager

cc: Don Roberts
Andy Imanse