

PE04-078

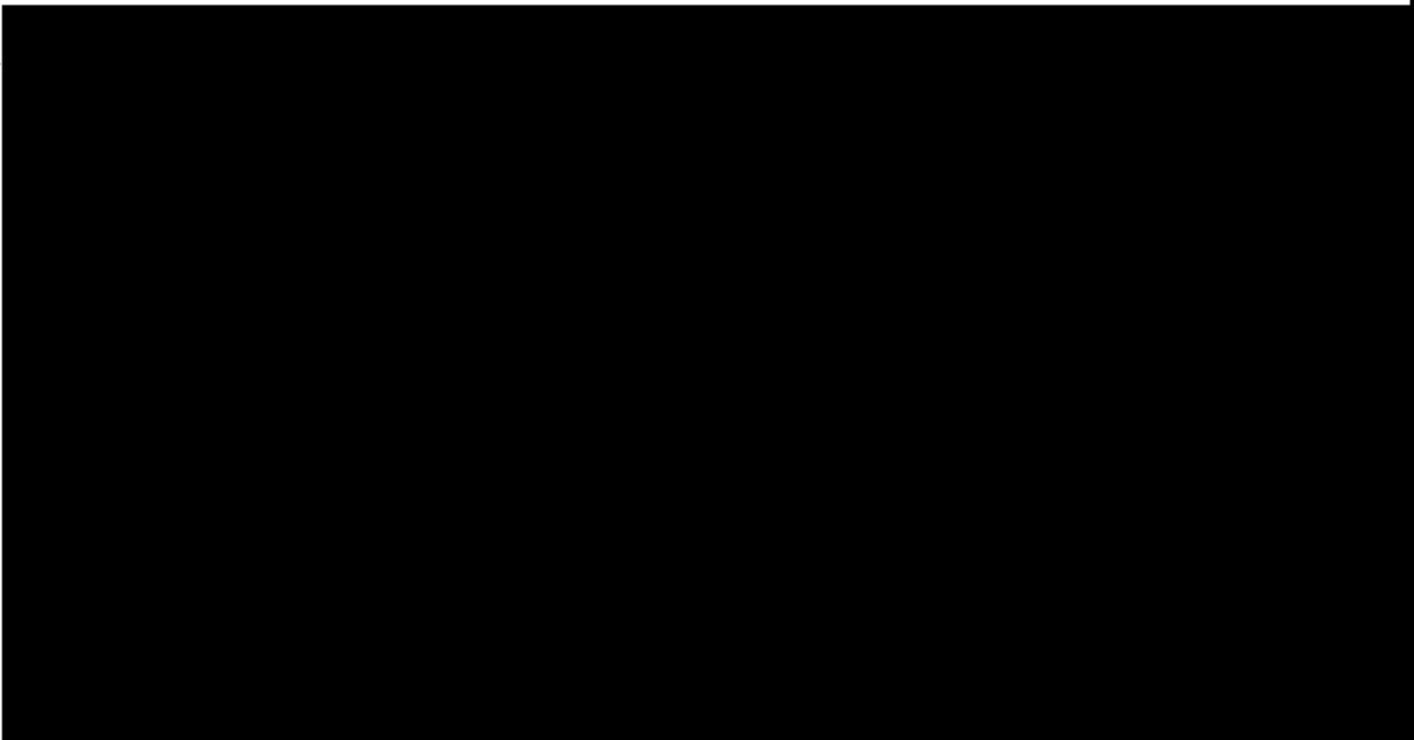
FORD

1/28/2005

BOOK 2 OF 12

ATTACHMENT F

PART 4 OF 6



PE84-878 C 8224

PED4-878 C 0225



PRIVILEGED & CONFIDENTIAL

Office of the General Counsel

Ford Motor Company
Parklane Towers West
Suite 300
Three Parklane Boulevard
Dearborn, Michigan 48126-2568

September 2, 2004

State Farm Mutual Auto Ins. Co.
1440-A E. Arlington Blvd.
Greenville, NC 27858
ATTENTION: PATRICK CAMPANARO

RECEIVED

SEP 14 2004

SPECIAL INVESTIGATIVE UNIT
PATRICK CAMPANARO
GREENVILLE, NC

RE: Claimant: [REDACTED]
Your Claim #: [REDACTED]
DOL: 08-12-2004

Dear Mr. Campanaro:

We acknowledge your recently submitted subrogation claim. In order to assist us in evaluating your claim, we request that you provide us with the following information: (Please note that the information requested is in regard to the Ford manufactured vehicle.)

- 1. Attach statement with a complete description of the incident, including events that occurred prior to and subsequent to the loss. *Attached w/ Engineer's Report*
- 2. A copy of the police and/or fire report. *|| || ||*
- 3. Original color photographs of the vehicle's collision/fire damage & the alleged defective parts, from several different angles. *|| || || ||*
- 4. Original color photographs of the inside of the vehicle showing the steering wheel, dash and roof areas.
- 5. Original color photographs of the accident / fire scene from several different angles.
- 6. Attach a copy of your expert's report and the expert's original photographs. *|| || || ||*
- 7. Attach the repair estimate, repair order, or your total loss worksheet for the vehicle's damage and any losses associated with this incident, and copies of draft payments. ** Attached*
- 8. Attach the complete service history for the subject vehicle, including any tune-ups or oil changes. ** Unavailable - Owner only had vehicle a few months before loss.*

Please answer the following in the space provided. If you need additional space, please use the back of the form:

- 6. What was the city and state of occurrence: Williamston, NC
- 10. The 17 digit vehicle identification number: N/A
- 11. What was the mileage at time of occurrence: Approx 131,000
- 12. What is the alleged defect:
Failure of the Speed Control Deactivation switch mounted on the master cylinder.

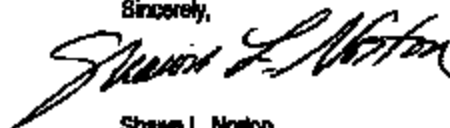
13. Has the alleged defective part been repaired or replaced? (circle one) Yes or No
14. What is the current location of the vehicle, and the alleged defective part(s)?
Adesa; 600 Sadixco Rd.; Clayton, NC (900-722-3842)
15. List all after market additions or modifications that were made to the vehicle. stock # YJF32
None
16. Was the engine running? (circle one) Yes or No
17. Were the keys in the ignition? (circle one) Yes or No
18. Was this vehicle purchased new or used: used
If purchased used, provide the date of purchase, mileage at the time of purchase, and from whom the vehicle was purchased: Purchased 4-28-04 from Jason Bizzell;
400 Hyman Rd, New Bern, NC; mileage - 126,823

Once we are in receipt of the requested information, it will be reviewed and you will be notified of our decision concerning your claim. Should you not send all of the requested information and materials, we will assume that you are not interested in pursuing a claim and we will close our file. Please note that your vehicle will not be inspected until all the above information has been submitted and a determination has been made as to whether an inspection is warranted.

Please be advised that all necessary steps should be taken to ensure that the subject vehicle and all of its component parts are maintained and preserved for trial. Ford Motor Company has the right to inspect the vehicle and remove and test any component part that you claim to be defective, and to be presented with the vehicle and the subject component part(s) at the time of trial, should litigation ensue from this informal claim.

Please Note: If you propose to repair the vehicle for continued usage, such repairs may not be performed until after Ford Motor Company has inspected the vehicle and removed and tested any component part you claim to be defective or advised you in writing that it does not intend to perform such inspection and/or testing at this time. But even in that event, Ford Motor Company will insist that all components claimed to be defective are maintained and preserved for trial.

Sincerely,



Shawn L. Norton
Claims Analyst /
Litigation Assistant

SEPTEMBER 9, 2004

REPORT OF INVESTIGATION PREPARED FOR:

MR. PATRICK CAMPANARO
STATE FARM INSURANCE
1440-A EAST ARLINGTON BOULEVARD
GREENVILLE, NORTH CAROLINA 27608

SUBJECT: 2000 FORD F150 PICKUP TRUCK FIRE
INSURED: [REDACTED]
CLAIM NUMBER: WILLIAMSTON, NORTH CAROLINA
DATE OF INCIDENT: 33-0631-772
FBI FILE NUMBER: AUGUST 12, 2004
8437

REPORT PREPARED BY:

Chadwick A. Bible

CHADWICK A. BIBLE, B.S.M.E., S.F.E.I., C.V.F.I.

John C. McLean
95012

JOHN C. MCLEAN, P.E.



5116 Departure Drive - Raleigh - North Carolina - 27616-1814
Tel: 919-780-2217 - Fax: 919-790-2219
E-mail: fei@ncrbiz.com
Website: <http://www.feiwebsite.com>

ASSIGNMENT:

Patrick Campanaro of State Farm Insurance contacted Forensic Engineering Incorporated (FEI) on August 23, 2004, with a brief description of this assignment. FEI was asked to examine a 2000 Ford F150 pickup truck belonging to ██████████ of Williamston, North Carolina, and determine the origin and cause of fire damage to this vehicle.

CONCLUSION:

FEI has completed its examination of ██████████ 2000 Ford F150 pickup truck. Based on our research, examination, and an interview with ██████████ we have concluded that the August 12, 2004, fire originated at the left side of the engine compartment. This fire was caused by a failure of the Speed Control Deactivation Switch (Brake Pressure Switch) mounted on the brake master cylinder.

An internal brake fluid leak in the Speed Control Deactivation Switch most likely resulted in internal corrosion in the switch that created a conductive path to ground, ultimately resulting in sufficient internal heat to ignite the brake fluid, resulting in a fire.

BACKGROUND:

Mr. Campanaro reported on August 12, 2004, ██████████ parked his Ford F150 pickup truck, VIN 1FTRX1BLXYN██████████ near the carport at his home located at 3790 Bear Grass Road, Williamston, North Carolina. He reportedly looked out his window and saw flames and smoke coming from the truck's engine compartment and called the Bear Grass Fire and Rescue, who arrived and extinguished the fire.

FINDINGS AND OBSERVATIONS:

Chad Bible of FEI spoke to Mr. Campanaro by telephone, and he described the fire incident as reported to him by ██████████. Mr. Bible examined the fire report, arranged to examine the fire-damaged vehicle at the owner's house in Williamston, North Carolina, interviewed ██████████ and checked for recalls that might have been related to the 2000 Ford F150 fire. These activities were documented with photographs and notes.

Bear Grass Fire Rescue Report:

The Bear Grass Fire Rescue report, call number 040812-9983, written by Chief Greg Harrison states the fire occurred at ██████████ home ██████████ Williamston, North Carolina. It says the alarm was at 11:47 P. M. on August 12, 2004, the firemen arrived at 11:51 P. M. and the last fire unit departed the scene at 12:18 A. M. on August 13, 2004.

The fire report states the type of incident was a vehicle fire, the fire was unintentional, and was attributed to an equipment failure. It also says the vehicle involved was a 2000 Ford F150 pickup truck, VIN 1FTRX1BLXYN██████████ and the ignition was confined to the object of origin (the truck).

A copy of the fire report is attached as Exhibit A.

██████████ Interview:

██████████ said he had purchased the 2000 Ford F150 pickup truck from Jason Bizzet, New Barn, North Carolina, in April 2004. The vehicle looked like new, had approximately 126,000 miles at the time of purchase, and 131,000 miles at the time of the fire.

██████████ stated he drove the F150 the evening of the fire (August 12, 2004) and parked it at the entrance to his carport at about 9:30 P. M. He was watching television and at about 11:45 P. M. heard a small explosion. He looked out and saw his truck with fire at the left side of the engine compartment. He called the fire department, and shortly thereafter, they arrived and extinguished the fire.

He said the truck was in excellent condition; however, the cruise control had not been operable since he purchased the vehicle. He had not attempted to repair it since he did not often use cruise control. He knew of no other electrical or mechanical problems with the vehicle.

Ford F150 Truck Examination:

Mr. Bible examined ██████████ fire-damaged 2000 Ford F150 pickup truck on August 26, 2004. The F150, with approximately 131,000 miles (according to ██████████), was located near his home, approximately 30 feet from its location at the time of the fire. The truck appeared to be in the same condition as it was following the fire since nothing appeared to have been disturbed. Fire debris was found swept to the side of a concrete pad near the carport.

The exterior of the F150 showed fire damage at the front of the vehicle on the left side of the engine compartment. Fire damage also appeared at the left front fender and at the middle and left side of the front bumper and grill. The fire consumed approximately two-thirds of the aluminum hood and damaged the windshield on the left side of the vehicle.

The fire consumed most combustible items in the upper part of the left engine compartment. Some items in this area, such as the aluminum master cylinder, were not fire damaged. The insulation was burned off most of the wiring in the area, and the fire melted the battery junction box mounted on the left fender wall. All of the wiring in the left part of the engine compartment was examined for electrical faults.

The 10-gauge power feed wire to the battery junction box, originally located in a wiring harness on the bulkhead (firewall) above the power brake booster, had separated to the right of the power brake booster. The ends of this separated wire were not melted as would be expected if an electrical fault had occurred. No other wires in the area incurred electrical faults.

The electrical connector at the top of the Speed Control Deactivation Switch (SCDS), also known as the Brake Pressure Switch, mounted on the front of the brake master cylinder had burned away during the fire. The remains of this connector were found in the engine compartment debris and preserved as evidence. The wiring originally attached to the electrical connector at the top of the SCDS was located below the master cylinder and visually examined.

The two SCDS wires were found with their original terminals attached, although the fire consumed their plastic connector housing. One of the wire connectors contained an electrically faulted flat terminal with a large bead of melted copper at its end. The other flat terminal was contained in the remains of the connector originally attached to the SCDS. Both of these flat terminals were originally located in the female plastic connector attached to the top of the SCDS.

NHTSA File Examination:

Mr. Bible examined the National Highway Traffic Safety Administration (NHTSA) files to determine whether any manufacturer recalls, dealer service bulletins, or consumer complaints were present for problems relating to engine compartment fires on 2000 Ford F150 pickup trucks. No recalls or service bulletins were found.

Eighteen consumer complaints were found reporting engine compartment fires, some specifically reporting the fire on the left side of the engine. Most of these fires started after the vehicle's engine was stopped and the ignition key removed. Some of the fires occurred several hours after the vehicle was parked. Copies of the NHTSA Consumer Complaints are attached as Exhibit B.

DISCUSSION:

The discussion with ██████████ revealed he purchased the 2000 Ford F150 pickup truck in April 2004. He stated he had no problems with the truck except for the cruise control (speed control). It had not been operable during the time he had owned the vehicle.

Our examination of the F150 truck, with reportedly 131,000 miles, on August 26, 2004, showed the fire originated on the left side of the engine compartment and progressed through an opening at the left side of the bulkhead (firewall) into the passenger compartment. Approximately two-thirds of the aluminum hood was consumed by the fire, as were many plastic and rubber components in the left section of the engine compartment. An electrical fault was found at the connector for the SCDS mounted on the front of the brake master cylinder. The electrical circuit supplying power to this switch is "hot" at all times. The switch failure mode is internal switch corrosion due to brake fluid leaks, resulting in a direct electrical path to ground. The switch can overheat causing the brake fluid to ignite. When the SCDS has failed but not yet caused a fire, the speed (cruise) control on the vehicle will not operate.

Ford introduced the SCDS on the 1992 Town Car in November 1991 as part of the electronic speed control system. The 1992 Crown Victoria and Grand Marquis introduced the Electronic Speed Control System with the same deactivation switch in February 1992. The switch wiring and packaging location were similar on all three vehicles. Since this initial application, the SCDS has been used on many vehicle lines manufactured by Ford Motor Company. These vehicles include, but are not limited to, the Lincoln Town Car, Lincoln Navigator, Ford Crown Victoria, Ford Expedition, and Ford F150 pickup truck.

In November 1998, Ford initiated an internal investigation concurrent with NHTSA inquiry PE98-055 concerning under hood fires in 1992 and 1993 model year Lincoln Town Car vehicles. Ford's investigation, including vehicle inspections and owner interviews, found incidents that appeared to have resulted from overheating of the speed control deactivation switch. Laboratory analysis of switches returned from service found internal brake fluid leaks, and experiments demonstrated that internal leaks could result in internal corrosion in the switch that could create a conductive path to ground, ultimately resulting in sufficient internal heat to ignite the brake fluid, resulting in a fire.

END

Attachments: Photographs (14)
Exhibits: (A) Fire Department Report
(B) NHTSA Consumer Complaints



Photograph 1: A front view of the [redacted] Ford F150 truck showing significant fire damage at the left front of the vehicle.



Photograph 2: A right front view of the [redacted] Ford F150 truck showing no right side fire damage.



Photograph 3: A right rear view of the ██████████ Ford F150 truck in good condition showing no fire damage.



Photograph 4: A left rear view of the ██████████ Ford F150 truck showing no fire damage at the rear.

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Photograph 5: A left front view showing fire damage to the aluminum hood, the left front fender, and the engine compartment.



Photograph 6: A closer view of the left front fender showing the fire pattern coming from the wheel well up toward the top edge of the fender (arrow).



Photograph 7: An interior view showing the vehicle in good condition except for the fire damage.



Photograph 8: A close view of the engine compartment showing the aluminum hood partially consumed by the fire and the remains of the SCDS mounted on the front of the master cylinder (arrow).



Photograph 9: Another view of the left side of the engine compartment showing electrical wiring in the area and the fire-damaged SCDS mounted on the front of the master cylinder (arrow).



Photograph 10: A view of the engine compartment looking toward the right side showing less fire damage on the right.



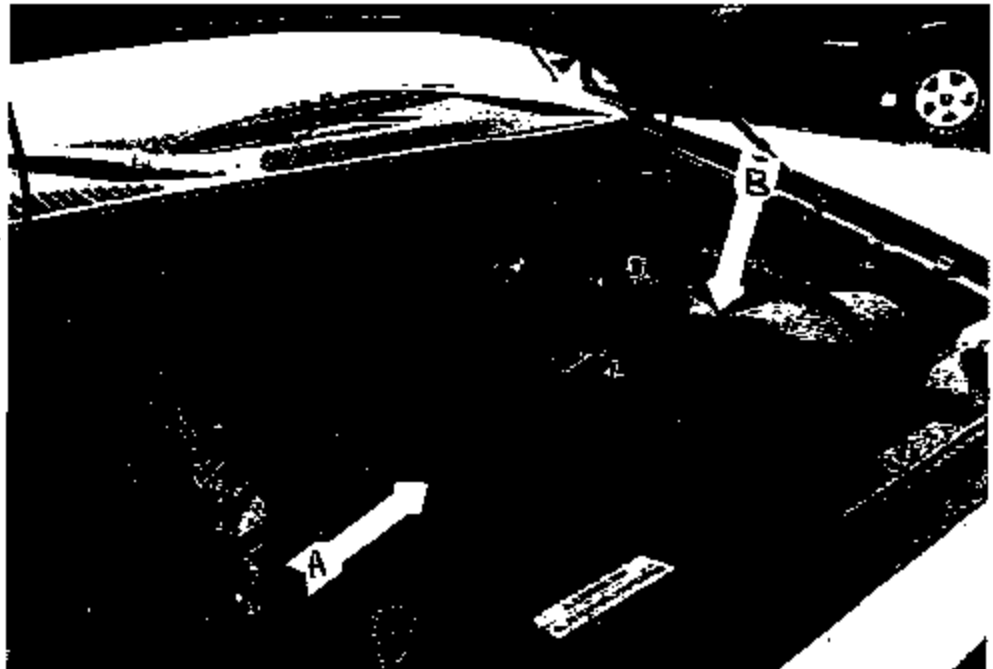
Photograph 11: A view of the left side of the lower engine compartment showing the lower radiator hoses intact (A) and the lightly damaged wiring harness (B) toward the lower front of the engine compartment.



Photograph 12: A close view of the two wires originally in the connector attached to the SCDS. Note the beaded copper terminal blade (arrow) from the top of the SCDS attached to the left wire terminal.



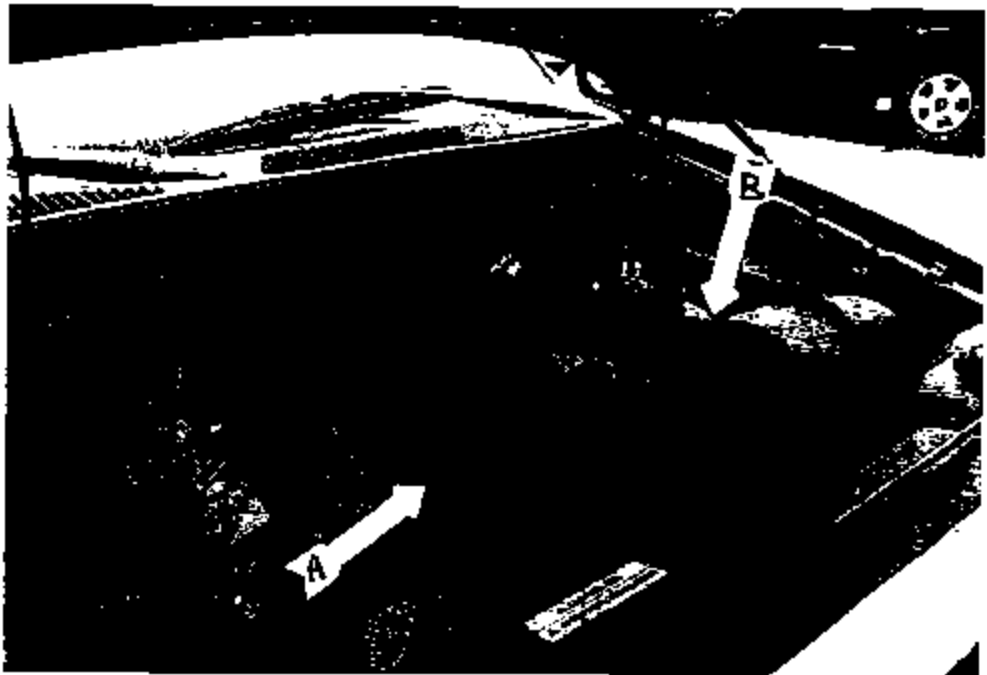
Photograph 13: A close view of an exemplar SCDS (A) and the connecting terminal (B).



Photograph 14: A view of the left side of an exemplar 2000 Ford F150 engine compartment showing plastic air induction components (A) and the location of the SCDS (B).



Photograph 13: A close view of an exemplar SCDS (A) and the connecting terminal (B).



Photograph 14: A view of the left side of an exemplar 2000 Ford F150 engine compartment showing plastic air induction components (A) and the location of the SCDS (B).

Claim #

[Redacted]

08001

NEAR GRASS FIRE RESCUE, INC.

STATION 9

Incident Date 9/2/04 Incident Number 21010411217 Exposure _____

Person/Entity Involved _____ Phone _____

Business Name _____

First Name _____ Last Name _____

P.O. Box _____ Street or Highway _____ City & State Wilmington

- Number**
- Personnel
 - Engine
 - Tanker
 - Mini-Pumper
 - Equipment Truck

- Time of Incident**
- Before 0600
 - 0600
 - 0600 PM
 - Structure Fire
 - Vehicle Fire
 - Vehicle Struck
 - Service Call
 - Mutual Aid
 - Severe Weather
 - False Alarm
 - DOA

- Action Taken: EMS ONLY**
- Writhe Taken
 - Allevy Infection
 - Bleeding Control
 - Burn Care
 - CPR
 - Defib by AED
 - Oxygen Therapy
 - OB Care
 - Splint Immobilization
 - Splint Extension
 - Suction
 - Sphygmomanometer
 - No Treatment

- Investigation**
- Intentional
 - Unintentional
 - Accidental
 - Self-Inflicted
 - Act of Nature
 - Heat Source
 - Mechanical Failure
 - Electrical Failure
 - Equipment Failure
 - Human Factor

Number _____

Incident Circumstances _____

Incident Photos _____

- Action Taken: Fire/Rescue**
- Investigate
 - Salvage/Overhaul
 - Vehicle
 - Investigation
 - Evacuation
 - Traffic Control
 - Stand By
 - Search/Remove

VEHICLE FIRE ONLY

Year	Make	Model	License	Serial #

STRUCTURE FIRE ONLY

- Structure**
- Home
 - Mobile Structure
 - Barn/Shop
 - Shop/Store
 - Other _____

- Building Status**
- Under Construction
 - Occupied
 - Vacant and Secured
 - Vacant and Unsecured

Presence of Detector Yes No

Was Detector Working Yes No

Area of Fire Origin _____ Heat Source _____

Item First Ignited _____ Type of Material Ignited _____

Officer in Charge Greg Harrison Member Making Report Mike Harris

Vehicle Near Residence Vin on Page 2

For Transmittal From: [REDACTED] Fax Server, To: [REDACTED] 2004 08/12/04 11:17: [REDACTED]

Call Detail Information

claim [REDACTED]

Jurisdiction MARCO911
 Call Number 040812-9962
 Priority 1
 Incident Location 3790 BEAR GRASS RD
 Incident Apartment
 Incident City WILLIAMSTON
 Dispatcher [REDACTED]
 Caller Name [REDACTED] 2
 Complaint FIRE VEHICLE
 Date Received Aug 12 2004 23:46
 How Received 911
 Phone Number 252-792-5171
 Time Received Aug 12 2004 23:46
 Time Dispatched Aug 12 2004 23:47
 Time Enroute Aug 12 2004 23:48
 Time Onscene Aug 12 2004 23:50
 Time Depart Aug 13 2004 00:04
 Time Destination Aug 13 2004 00:08
 Time Complete Aug 13 2004 00:16
 Directions:

Narrative:
 [8/12/2004 11:50:53 PM : KFORREST]
 612 ADVISED CARPORT FULLY KNOULPED

[08/12/2004 23:49:10 : KFORREST]
 TRUCK ON FIRE AND NEAR RESIDENCE....

[08/12/2004 23:47:33 : KFORREST]
 Cross streets: RALPH TAYLOR RD//E BEAR GRASS RD

Unit	Dept	DIS	ENR	ONS	LEF	ARR	REN	COM
61	BOFD		23:51	23:54		00:08		00:14
62	BOFD		23:50	23:53	00:11	00:14		00:16
64	BOFD		23:02		00:06	00:09		00:14
65	BOFD		23:48	23:50	00:05	00:15		00:16
66	BOFD		23:58	23:58	00:04	00:08		00:16
67	BOFD	23:47					23:50	

Call Department Number

BOFD 8408-0143

Internal ALI

2000 FISO 4x4
 NC# SVF-8132
 1 FTRX19LXIN [REDACTED]

Lain

05801 FDID	NC State	0/13/2004 Incident Date	Station	2000127 Incident Number	0 Exposure	Special - None
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Location Address is on the Wildland Fire Module

Street Address: [Redacted] RD Street Type [Redacted]

City: Williamston NC State [Redacted] Zip Code

Appt./Bldg./Room: [Redacted]

Cross street or direction: [Redacted]

Incident Type 131 Passenger vehicle fire All Given or Received None	Their FDID State Their Incident Number	Dates & Times Alarm: 0/13/2004 23:47:00 Arrived: 0/13/2004 23:51:00 Control/End: 0/13/2004 00:01:00 Last Unit: 0/13/2004 00:16:00	Units & Alarms Unit: [Redacted] Alarm: 0 Special Studies
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Action Taken 11 Extinguish Primary Action Taken (Y) 12 Salvage & overhaul Additional Action Taken (Z) Additional Action Taken (3)	Resources <input type="checkbox"/> Apparatus or Personnel Form Used <table border="1"> <tr> <td></td> <td>Apparatus</td> <td>Personnel</td> </tr> <tr> <td>Suppression:</td> <td>5</td> <td>20</td> </tr> <tr> <td>Other:</td> <td>0</td> <td>0</td> </tr> <tr> <td>Other:</td> <td>0</td> <td>0</td> </tr> </table> <input type="checkbox"/> Resource records include all received		Apparatus	Personnel	Suppression:	5	20	Other:	0	0	Other:	0	0
	Apparatus	Personnel											
Suppression:	5	20											
Other:	0	0											
Other:	0	0											
Estimated Dollar Losses & Values LOSSES Property: 14,000 <input type="checkbox"/> None Contents: 0 <input checked="" type="checkbox"/> PRE-INCIDENT VALUE: Property: 14,000 <input type="checkbox"/> Contents: 0 <input checked="" type="checkbox"/>													

Casualties <input checked="" type="checkbox"/> None Fire Service: 0 Deaths 0 Injuries Civilian: 0 Deaths 0 Injuries	Hazardous Materials Released H None
---	--

Deleter	Mixed Use Property
---------	--------------------

Property Use
 NRM None

05801	NC	8/13/2004		2003127	0	MPRS-1
FOID	State	Issued Date	Staff	Incident Number	Exposure	Notes
Name		Title				

2000 F150 4x4
 NCE SVF-8132
 1FTDX18LJ

00001 FDID	NC State	8/13/2004 Incident Date	Station	2003127 Incident Number	0 Severity	NFRS - Fire
---------------	-------------	----------------------------	---------	----------------------------	---------------	----------------

Property Details			
1 Est. number of residential units	<input type="checkbox"/> Not Residential	0.000 Acres Burned	<input checked="" type="checkbox"/> None <input type="checkbox"/> Less than one acre
1 Number of buildings involved	<input type="checkbox"/> Buildings not involved		
On-Site Materials or Products <input checked="" type="checkbox"/> None			
On-site material (1)	Storage unit (1)		
On-site material (2)	Storage unit (2)		
On-site material (3)	Storage unit (3)		

Ignition	Cause Of Ignition
20 Outside area, other	<input type="checkbox"/> Exposure Report
Area of origin	3 Failure of equipment or heat source
40 Hot or smoldering object, other	Cause
Heat Source	
UKJ Undetermined	Factors Contributing To Ignition
Item first ignited <input checked="" type="checkbox"/> Confined to object of origin	<input checked="" type="checkbox"/> None
80 Multiple types of material	None
Type of material first ignited	Factor contributing to ignition (1)
	Factor contributing to ignition (2)

Human Factors Contributing To Ignition	
<input checked="" type="checkbox"/> None	<input type="checkbox"/> Age was a factor
<input type="checkbox"/> Asleep	
<input type="checkbox"/> Possibly impaired by alcohol or drugs	Estimated age of person involved
<input type="checkbox"/> Unattended person	
<input type="checkbox"/> Possibly mentally disabled	Sex of person involved
<input type="checkbox"/> Physically disabled	
<input type="checkbox"/> Multiple persons involved	

Claim # [REDACTED]

05001 PDR	NC State	01/13/2004 Incident Date	Station	2000127 Incident Number	0 Severity	APRIS - 5 Struct. Fire
Structure Type 1 Enclosed building Structure type code			Building Status 2 Occupied and operating Building status code			
Building Height 1 Total stories at or above grade 0 Total stories below grade			Main Floor Size 1,800 Total square feet 0 Length in feet BY 0 Width in feet			
Fire Origin 1 Story of fire origin <input type="checkbox"/> Below grade <input type="checkbox"/> Confined to room of origin <input type="checkbox"/> Confined to floor of origin <input type="checkbox"/> Confined to building of origin <input type="checkbox"/> Beyond building of origin			Number Of Stories Damaged By Fire 1 # of stories window damage 0 # of stories windowless damage 0 # of stories whiskey damage 0 # of stories structure damage			
Material Contributing Most To Flame Spread <input checked="" type="checkbox"/> No Flame Spread Has contributing most to flame spread Type of material contributing most to flame spread						
Presence of Detectors <input type="checkbox"/> None Present <input type="checkbox"/> Present <input checked="" type="checkbox"/> Undetermined		Detector Power Supply Power supply code		Detector Effectiveness Effectiveness code		
Detector Type Detector type code		Detector Operation Operation code		Detector Failure Reason Failure reason code		
Automatic Extinguishment System <input type="checkbox"/> None Present <input type="checkbox"/> Present		Automatic Extinguishment System Operation System operation code		Automatic Extinguishment System Failure Reason Failure reason code		
Type of Automatic System Type automatic system code		Number of Sprinkler Heads Operating: 0				

Equipment Involved in Ignition <input checked="" type="checkbox"/> None NIN None Equipment code Brand: Model: Serial #: Year: 0	Equipment Power Equipment Power Source Code Equipment Portability <input type="checkbox"/> Portable <input type="checkbox"/> Stationary
---	---

Fire Suppression Features <input checked="" type="checkbox"/> None Fire suppression factor (1) Fire suppression factor (2) Fire suppression factor (3)

Mobile Property Involved <input type="checkbox"/> Not involved in ignition, but burned <input type="checkbox"/> Involved in ignition, but did not burn <input checked="" type="checkbox"/> Involved in ignition and burn Mobile property model: 2005 SVF-8132 NC Year License Plate Number State VIN Number 1FTRX18LX [REDACTED]	Mobile Property Type & Make 11 Passenger car. Mobile property type FO Ford Mobile property make
---	--

Local Use <input type="checkbox"/> Fire-Plan Available <input type="checkbox"/> Aerial report attached <input type="checkbox"/> Peller report attached <input type="checkbox"/> Camera report attached <input type="checkbox"/> Other reports attached
--

EXHIBIT A

Personality Involved

Mr. [Redacted] [Redacted] [Redacted]
Mr., Ms., Mrs. First Name MI Last Name

Phone Number

[Redacted] [Redacted]
Number Prefix Street or Highway

Suffix
RD
Street Type Suffix

Post Office Box
NC
State Apt./Building
[Redacted] Zip Code
Wilmington
City

Owner

Mr. [Redacted] [Redacted] [Redacted]
Mr., Ms., Mrs. First Name MI Last Name

Phone Number

[Redacted] [Redacted]
Number Prefix Street or Highway

Suffix
RD
Street Type Suffix

Post Office Box
NC
State Apt./Building
[Redacted] Zip Code
Wilmington
City

Authorization

Officer in charge: Harrison, Greg

Signature: _____

8/13/2004
Date

Chief Greg Harrison

Assignment

Member making report: Harrison, Alan, G

Signature: _____

8/13/2004
Date

Alan G. Harrison

Assignment

State Farm Mutual Automobile Insurance Company



1440-A E. Arlington Blvd.
Greenville, NC 27858
Phone: 252-321-3731
Fax: 252-321-3735

August 18, 2004

Ford Motor Co.
Parklane Towers West STE 400
3 Parklane Blvd.
Dearborn, MI 48126-2568



Re: Claim Number [REDACTED]
Our Insured: [REDACTED]
Date of Loss: 8-12-04
Make, Model, and Year of Product: 2000 F150 P/U
Vehicle Identification Number (VIN): 1FTRX18LXYN [REDACTED]

The identified vehicle is insured by State Farm Mutual Automobile Ins. Co.
This vehicle experienced an engine compartment fire in the area of the master cylinder and cruise control deactivation switch.

State Farm Mutual Automobile Ins. Co would like to give you an opportunity to inspect the vehicle and give you advance notice of our potential subrogation claim.

Please contact me at the above phone number to set up a time for your inspection. Please respond within 30 days.

Sincerely,

A handwritten signature in cursive script that reads "Patrick Campanaro".

Patrick Campanaro
Claims Representative
Special Investigative Unit
State Farm Mutual Automobile Ins. Co



40-2795-210

OCT 13 2003



- State Farm Fire and Casualty Company
- State Farm Indemnity Company
- State Farm Mutual Automobile Insurance Company
- State Farm County Mutual Insurance Company of Texas

Claim Number [REDACTED]

AFFIDAVIT OF VEHICLE FIRE (All Questions Must Be Completed in Ink)

1. Name of Insured [REDACTED] Name of Owner [REDACTED]
 Address [REDACTED] Home Phone [REDACTED]
 Date of Birth [REDACTED] Marital Status: Married Single No. of Dependents 2
 Social Security No. [REDACTED] Driver's License No. [REDACTED]
 Occupation DESIGN SPECIALIST (Optional) Employer's Name BYER ENGINEERING
 Address [REDACTED] GNUL SC Phone [REDACTED]

2. Date of Fire [REDACTED] Time 2:00pm A.M. P.M.
 Make of Vehicle FORD Year 2000 Model F150 Body Type TRUCK Color BLACK/GOLD
 Vehicle ID # ZETA X0811Y0 License Plate # [REDACTED] State SC
 Certificate of Title # _____ If none, why? _____
 Number of cylinders 8 H.P. or C.I. or Liter 5.1 Odometer reading _____
 Was vehicle locked? Yes No Were windows rolled up? Yes No
 When did you last see your vehicle? Date 09-27-2003 Time 1:45pm A.M. P.M.
 Specific location where vehicle burned INSIDE LEFT FRONT FENDER
 Reason vehicle was left at this location PARKED WHILE WORKING ON RE-MODELING A MOBILE HOME
 Name and address of person who left auto at this location [REDACTED]
(My son in law) Their driver's license no. [REDACTED]
 When was the fire discovered? Date 09-27-2003 Time 2:00pm A.M. P.M.
 Who made the discovery? [REDACTED]
 When was fire reported to fire department? Date NONE Time _____ A.M. P.M.
 Name and Location of Fire Station FIRE WAS PUT OUT BY DARREL MASSEY & DWAYNE FEEN
 Describe fire (where, color of smoke, cause): BLACK SMOKE, FLAMES UNDER HOOD & OUTSIDE LEFT FENDER
 Was vehicle being driven? Yes No Describe exactly what happened prior to noticing smoke or fire (electrical or mechanical malfunction): TRUCK WAS PARKED

Were you carrying a container of flammable liquid in the vehicle at the time of fire? Yes No

If yes, give type of liquid _____, amount _____, size and type of container _____, location of container at time of fire _____

Did you smell-smoke or see flames first? No

Have you had similar problems prior to fire? Yes No If Yes, explain _____

Has vehicle been damaged during the past three years? Yes No If so, give location FRONT END
REPLACED, type of damage CAR ACCIDENT, amount of damage \$LOOK IT UP, and date 7-20-2003

Were repairs made? Yes No Partial If so, were they completed? Yes No

Who made the repairs? TATHAM BODY SHOP Hwy 123 GNOL SC

Name and address of insurance company who paid claim damages, if any:
STATE FARM INS PD - STILL TRYING TO COLLECT MONEY FROM SAFE ACTO

Any other claims in the last three years on this or any other auto? Yes No

Any other vehicles in your household? Yes No

Name of insurance company and agent on other vehicles STATE FARM - Jim WALLACE

Your prior insurance company and agent NONE

Any homeowners claims within the past 6 months with State Farm? Yes No

With any other carrier? NO

3. Vehicle Equipment (Check if vehicle had any of the following)

- | | | | | | |
|---|---|---|--|--|---|
| <input type="checkbox"/> Radio AM | <input checked="" type="checkbox"/> Power Steer. | <input type="checkbox"/> Vinyl Roof | <input type="checkbox"/> Cruise Control | Tires: | Transmission: |
| <input checked="" type="checkbox"/> AM/FM | <input checked="" type="checkbox"/> Power Brakes | <input checked="" type="checkbox"/> Tinted Glass | <input checked="" type="checkbox"/> Compact Disc | <input type="checkbox"/> W/W | <input checked="" type="checkbox"/> Automatic |
| <input type="checkbox"/> Stereo | <input type="checkbox"/> Power Locks | <input type="checkbox"/> Mag Wheels | <input type="checkbox"/> Sun/Moon Roof | <input checked="" type="checkbox"/> Radial | <input type="checkbox"/> Standard |
| <input checked="" type="checkbox"/> Tape Deck | <input checked="" type="checkbox"/> Power Windows | <input type="checkbox"/> T-Tops | | <input type="checkbox"/> Special | <input type="checkbox"/> Console |
| <input checked="" type="checkbox"/> Air Cond. | <input checked="" type="checkbox"/> Power Seats | <input checked="" type="checkbox"/> Tilt Steering Wheel | | | <input type="checkbox"/> AutoStick |

Other: _____

CB Radio Type _____ Cost \$ _____ Date Installed _____

Purchased From: FORD BENSON - EASLEY (NEW)

4. Vehicle Condition

- | | | | |
|--------------|-------------------------------|-------------------------------|---|
| Paint | <input type="checkbox"/> Fair | <input type="checkbox"/> Good | <input checked="" type="checkbox"/> Excellent |
| Transmission | <input type="checkbox"/> Fair | <input type="checkbox"/> Good | <input checked="" type="checkbox"/> Excellent |
| Engine | <input type="checkbox"/> Fair | <input type="checkbox"/> Good | <input checked="" type="checkbox"/> Excellent |
| Body | <input type="checkbox"/> Fair | <input type="checkbox"/> Good | <input checked="" type="checkbox"/> Excellent |

Other distinguishing features: (dents, decals, trailer hitch, interior, etc.)

GROUND EFF. PACKAGE

OCT 19 2003

5. Name and address of service station/garage: PEG WEG'S TIRES PENNINGTON ST
Who performs routine maintenance services? ABOVE Date last serviced 6-01-03
Who performs State MV inspection? NONE Date last inspected _____

6. Date car purchased 2000 New Used Purchase price \$ _____
Trade-in _____ Allowance _____
Seller Dealer/Individual Name and Address _____

How did you learn the car was for sale? _____
How was the car paid for? Cash Check

If financed, name and address of finance company TECO FSU
Toy St GREENVILLE SC

Account _____ Balance Due \$ APPROX 10,500 Loan Terms _____ Months 24
Date of last loan payment made 9-15-2003

Is account past due? Yes No How long? _____

Are keys in your possession? Yes No Ignition key # @ the body shop Trunk keys _____

Do you have other theft insurance? Yes No Policy # _____
Name of insurance company _____

Was this a rebuilt wreck? Yes No If yes, name of rebuilder _____

Was it a recovered theft? Yes No If yes, date of theft _____

7. Amount for which you are making claim \$ _____

8. Are the answers you have given true to the best of your knowledge and belief? Yes No

Witness _____ Policyholder _____
Address _____ (Signature)
Greenville, SC

SUBSCRIBED AND SWORN TO BEFORE ME this 8 day of October, (year) 2003
in Greenville South Carolina county, Greenville

Notary Public: [Signature] My commission expires: December 18, 2005

RONALD W. PARNELL, P.C.
LAW OFFICES FOR SUBROGATION AND COLLECTION RECOVERIES

Post Office Box 81085
Coryors, GA 30013

Telecopier: (770) 922-2324
Telephone: (770) 929-8585

Our File # 301-2066

May 20, 2004

Richard J. Baker, Esq.
Owen, Gleaton, Egan, Jones & Sweeney, LLP
Suite 1400, Promenade Two
1230 Peachtree Street, NE
Atlanta, GA 30309

RE: [REDACTED]
va. Ford Motor Company
State Court of Cobb County Georgia, # 2004-A-2449-6
Claim [REDACTED]

Dear Rick:

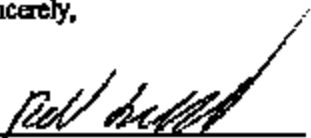
Please find enclosed the Expert Report and the Photos for this loss.

It has come to my attention that this vehicle has been repaired. The vehicle is in Greenville,
North Carolina. The experts have the cruise control brake pressure switch.

Please let me know if you still want to examine the parts or vehicle.

Thank you for your time and attention in this matter.

Sincerely,



Ronald Lockley, of counsel for
Ronald W. Parnell
Attorney for Plaintiff
301-2066.noc

enc.

ENGINEERING DESIGN & TESTING Corp.
ENGINEERS / CONSULTANTS / LABORATORIES

COLUMBIA DISTRICT OFFICE:
Post Office Box 8027
Columbia, South Carolina 29202

(803) 791-8800
Facsimile Transmission:
(803) 791-0427

November 11, 2003

REPORT TO: Ms. Andrea Vaughan
State Farm Insurance Company
Post Office Box 3200
Greer, South Carolina 29652

REPORT FROM: James I. Middleton, Jr., M.E., P.E.

REFERENCE: Origin and Cause of 2000 Ford F-150 Pickup Fire
Insured: [REDACTED]
L.o.L.: Greenville, South Carolina
D.o.L.: September 27, 2003
State Farm Claim Number: 40-2795-210
ED&T File Number: COL10900-77875



At the request of State Farm Insurance Company, Engineering Design & Testing Corp. has conducted an examination of the above referenced vehicle. It is understood that the vehicle was parked when it experienced a fire. It is also understood that there is some question as to the origin and cause of the fire. Therefore, the purpose of this investigation has been to examine the vehicle and determine the origin and cause of the fire.

During this investigation, certain observations were made and specific conclusions were reached which are summarized below. It should be noted that the observations and conclusions stated herein are based upon currently available information. It is conceivable that additional information may be forthcoming which bears upon these opinions and conclusions. Therefore, the right is reserved to review and modify all opinions and conclusions should additional information become available.

CORPORATE OFFICES: ENGINEERING DESIGN & TESTING Corp.
Post Office Box 8027/Columbia, South Carolina 29202/(803) 796-6875
DISTRICT OFFICES: Columbia, South Carolina/Charlotte, North Carolina/Houston, Texas/Chattanooga, South Carolina/
Birmingham, Alabama/Overland Park, Kansas/Oakland, California/Greenville, South Carolina

REV 14 2003

Observations

1. The vehicle, a black and tan 2000 Ford F150 Pickup, was examined at the facilities of Tatham Body Shop near Greenville, South Carolina on October 6, 2003. The vehicle is shown in Figures 1 through 8 and is further identified as follows:

Vehicle Identification Number: 2FTRX08L1Y [REDACTED] (Figure 9)

Vehicle Date of Manufacture: March 2000 (Figure 9)

Vehicle License Plate: South Carolina, 846 BRL (Figure 10)
Expires: 2004

2. The condition of the vehicle was evaluated. The exterior of the vehicle is shown in Figures 11 through 14. As can be seen in the figures, there was no observable evidence of fire damage on the exterior of the vehicle. Therefore, the condition of the exterior of the vehicle could not be utilized to assist in the isolation of the area of origin of the fire.
3. The underside of the vehicle was examined. This area of the vehicle is shown in Figures 15 through 24. As can be seen in the figures, there was no observable evidence of fire damage on the underside of the vehicle. Based upon these observations, it was evaluated that the fire neither originated nor directly burned on the underside of the vehicle.
4. The occupant compartment of the vehicle was examined. This compartment is shown in Figures 25 through 32. As can be seen in the figures, there was no observable evidence of fire damage within the occupant compartment of the vehicle. Based upon

these observations, it was evaluated that the fire neither originated nor directly burned within the occupant compartment of the vehicle.

5. The engine compartment of the vehicle was examined. This compartment is shown in Figures 33 through 35. Examination of the components within the compartment, shown in Figures 36 through 38, revealed limited fire damage. Examination of the underside of the vehicle hood revealed smoke damage that indicated the fire burned from the driver's side of the engine compartment outward. The fire damage is shown in Figure 39. Given this damage, it was evaluated that the fire burned from the driver's side of the engine compartment outward.

The driver's side of the engine compartment was examined. This area of the compartment is shown in Figure 40. Examination of the area revealed very limited damage. This damage included the partial melting of the air intake hose and master cylinder reservoir. The damage to the air intake hose is shown in Figures 41 through 43. Examination of the power steering reservoir, shown in Figure 44, ABS pump, shown in Figures 45 through 47, and other surrounding components revealed no identifiable fire damage. Given the condition of these components, it was evaluated that the fire originated in the area of the front of the master cylinder.

As part of the examination of the driver's side of the engine compartment, the condition driver's side wheel well was evaluated. As can be seen in Figures 48 through 52, there was significant fire damage to the plastic of the wheel well. However, examination of the components in the area of fire damage revealed only the ABS sensor wire had been damaged enough to expose this wire. Examination of the ABS sensor wire, shown in Figure 53, revealed no evidence of

NOV 14 2003

unusual electrical activity within the wire. Given the observed damage, it was evaluated that burning components from the area of the master cylinder dropped to the wheel well and burned the plastic of the wheel well.

As part of the examination, the condition of the wiring routed through the area of the brake master cylinder was evaluated. This wiring is shown in Figures 54 through 57. As can be seen in the figures, there was no evidence of wiring damage that would indicate unusual electrical activity within the wiring. Given these observations, it was evaluated that the only remaining fire cause involved the cruise control cutoff pressure switch located at the front of the master cylinder. As part of the examination, the cutoff pressure switch and associated wiring were removed from the vehicle and returned to the facilities of Engineering Design & Testing Corp. The components removed and their original installed locations are shown in Figures 58 through 63.

Conclusions

NOV 14 2003

The vehicle, a black and tan 2000 Ford F-150 Pickup, was examined to determine the origin and cause of a fire it experienced. Examination of the exterior of the vehicle did not reveal any indications as to the area of origin of the fire. Further, examination of the underside and occupant compartment of the vehicle revealed the fire did not burn in these areas of the vehicle. Based upon these observations, it was concluded that the fire originated within the engine compartment of the vehicle.

The engine compartment of the vehicle was examined. Examination of the components within the compartment revealed burn patterns that indicated the fire originated in the area of the front of the master cylinder. Given the observed burn patterns, it was concluded that the fire originated at the front of the vehicle master cylinder.

Examination of the area of origin of the fire revealed no observable evidence of unusual electrical activity within the wiring. The only remaining component in the evaluated area of origin of the fire was the cruise control cutoff switch. Therefore, it was concluded that the fire originated as a result of a condition of mechanical defect within the cruise control cutoff switch located at the front of the vehicle master cylinder.

IN THE STATE COURT OF COBB COUNTY, GEORGIA, CIVIL ACTION #

PLAINTIFF: State Farm Mutual Automobile Insurance Company
(Our File #301-2066)

VS

DEFENDANT: Ford Motor Company

2449-6

COMPLAINT FOR TORT OF NEGLIGENCE (PRODUCT LIABILITY)

STATEMENT OF FACTS

State Farm Mutual Automobile Insurance Company (hereinafter referred to as "Plaintiff") files this Complaint for damages against Defendant Ford Motor Company, and respectfully shows the Court as follows:

1. Defendant Ford Motor Company (hereinafter referred to as "Defendant") is a foreign profit business corporation registered to do business in the State of Georgia. Said Defendant may be served with process through its registered agent in the State of Georgia to-wit: Corporation Process Company, 180 Cherokee Street, N.E., Marietta, Cobb County, Georgia 30060.

2. Defendant designed, tested, manufactured, assembled, inspected, marketed, distributed and warranted a 2000 Ford F-150 Pickup Truck, V.I.N.: 2FTRX08L1Y0 [REDACTED] hereinafter "said product" prior to September 27, 2003.

3. Said product was purchased in the stream of interstate commerce prior to September 27, 2003, by [REDACTED] (hereinafter "Plaintiff's Insured").

4. Thereafter, Plaintiff's Insured used said product for its intended purpose without abuse and without modification.

5. On or about September 27, 2003, said product caught fire while parked due to a mechanical defect within the cruise control cutoff switch (hereinafter "defective part").

6. As a result of the casualty described in the previous paragraph, property owned by Plaintiff's Insured was damaged in the amount of \$4,374.25 (salvage is undetermined).

7. Subsequent investigation revealed that Defendant had negligently designed; negligently tested; negligently manufactured; negligently assembled; negligently inspected; negligently marketed; negligently distributed said product in a defective condition at the time of first distribution and sale for use.

8. Subsequent investigation revealed that Defendant's negligence described in the previous paragraph was the proximate cause of the casualty described above and of the damages described above.

COBB COUNTY, GA
2004 MAR -8 PM 4:30
J. L. LERK

9. As a result, Defendant is liable as tortfeasor in the amount of \$4,374.25 (salvage is undetermined) for damages caused by the defective part.

10. Plaintiff has served Defendant a copy of: (a) Plaintiff's First For Admissions To Defendant; (b) Plaintiff's First Interrogatories to Defendant; and, (c) Plaintiff's First Request For Production of Documents To Defendant with the summons and complaint pursuant to O.C.G.A. 9-11-4(a)-(g).

11. Plaintiff has served Defendant a copy of: (a) Notice of Plaintiff's Desire To Settle This Litigation; (b) Notice of Plaintiff's Intention To Seek Attorney's Fees In The Event of A Default By Defendant; (c) Notice of Plaintiff's Intention To Seek Interest; (d) Notice of Service of Discovery Materials; and, (e) Notice of Conditional Stipulation For Extension of Time For Defendant with summons and complaint pursuant to O.C.G.A. 9-11-4(a)-(g).

COUNT A: TORT OF NEGLIGENT DESIGNING; NEGLIGENT TESTING; NEGLIGENT MANUFACTURING; NEGLIGENT ASSEMBLY; NEGLIGENT INSPECTION; NEGLIGENT MARKETING; AND, NEGLIGENT DISTRIBUTION

12. Plaintiff herein incorporates by reference the allegations contained in paragraphs 1 through 11 as if set forth herein.

13. Plaintiff shows that said defective part in said product, which was designed, manufactured, distributed and sold by Defendant was in a defective condition at the time of the first distribution and sale for use. Plaintiff shows that the defective condition existing in said product included, but was not limited to:

a. A defective design of the defective part installed in said product.

b. The failure to warn and to continue to warn users, purchasers and registered owners of such products, by letter, recall notice, or other reasonable means, of the dangerous characteristics and properties of the defective part Defendant had a duty to exercise reasonable care to design, test, manufacture, assemble, inspect, market, and distribute safe products, so as to not subject purchasers or users or innocent third parties to an unreasonable risk of harm.

14. Defendant breached its duty to exercise reasonable care with respect to said product and defective part.

15. Defendant was negligent and acted in a willful and wanton manner in designing, testing, and/or manufacturing, inspecting, marketing, distributing and selling the installed defective part in such a manner and in such condition as to make said product inherently dangerous and defective.

16. Defendant's defective product failed as a result of the negligence of Defendant described in this Count so that Defendant's negligence was the proximate cause of the incident and resulting damages described above in the STATEMENT OF FACTS section of

Plaintiff's complaint; and, said incident and said damages was reasonable perceivable by Defendant at all times relative to Plaintiff's complaint.

COUNT B: STRICT LIABILITY OF DEFENDANT

17. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 16 as if fully set forth herein.

18. Defendant is strictly liable in tort to Plaintiff for the losses suffered by Plaintiff because the defective part installed in said product was defective when distributed and sold by Defendant, was not merchantable and was not reasonably suited to the use intended, said defective condition having existed at the time of sale. Specifically, Plaintiff shows that the defects existing in the defective part installed in said product include, but are not limited to, defects in design and engineering of the defective part installed in said product, defects which were unreasonably dangerous and pose an unreasonable risk of serious injury or death to the users of said product due to malfunctions of said product resulting from defective design and manufacture of the defective part.

19. Plaintiff further shows that Defendant failed to utilize economical and technically available safety design alternatives insofar as the design of the defective product is concerned.

20. Defendant's defective product failed as a result of the negligence of Defendant described in this Count so that Defendant's negligence was the proximate cause of the incident and resulting damages described above in the STATEMENT OF FACTS section of Plaintiff's complaint; and, said incident and said damages was reasonable perceivable by Defendant at all times relative to Plaintiff's complaint.

COUNT C: BREACH OF EXPRESS AND IMPLIED WARRANTIES BY DEFENDANT

21. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 20 as if set forth verbatim herein.

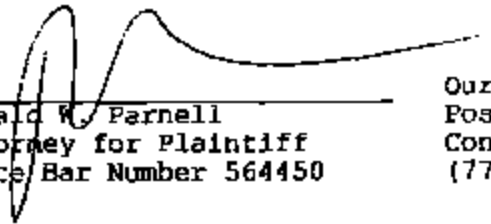
22. The defective part installed in said product was not merchantable, nor was it reasonably suited for the use intended, and as such, Defendant breached the express and implied warranties of fitness for a particular purpose and of merchantability in that the defective part in said product posed an unreasonable risk of serious injury and death to its users due to the defective design of the defective part which allowed for the malfunction of said product.

23. Defendant's defective product failed as a result of the negligence of Defendant described in this Count so that Defendant's negligence was the proximate cause of the incident and resulting damages described above in the STATEMENT OF FACTS section of Plaintiff's complaint; and, said incident and said damages was reasonable perceivable by Defendant at all times relative to Plaintiff's complaint.

11. PRAYER FOR RELIEF AND DAMAGES

WHEREFORE, Plaintiff demands judgment against Defendant in the amount of \$4,374.25 (salvage is undetermined), plus 3% pre-judgment interest, one-third attorney fees in the event of default, costs and 3% post-judgment interest; and that a writ of fieri facias issue commanding all Sheriffs within the State of Georgia and their lawful deputies to execute said writ by levy and seizure of Defendant's goods and lands.

March 4, 2004



Ronald W. Parnell
Attorney for Plaintiff
State Bar Number 564450

Our File #301-2066
Post Office Drawer 81085
Conyers, Georgia 30013
(770) 929-8585 Answer Service

IN THE STATE COURT OF COBB COUNTY, GEORGIA, CIVIL ACTION #

PLAINTIFF: STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY
(OUR FILE #301-2066)

VS

DEFENDANT: FORD MOTOR COMPANY

PLAINTIFF'S NOTICES TO DEFENDANT

I. NOTICE OF PLAINTIFF'S DESIRE TO SETTLE THIS LITIGATION

IN THE EVENT DEFENDANT DESIRES TO SETTLE PLAINTIFF'S CLAIM BUT IS UNABLE TO PAY THE TOTAL AMOUNT CLAIMED BY PLAINTIFF WITHIN 30 DAYS OF RECEIPT OF THIS NOTICE, THEN PLAINTIFF WOULD BE WILLING TO ACCEPT REASONABLE INSTALLMENT PAYMENTS UPON RECEIPT OF A WRITTEN OFFER OF SETTLEMENT FROM DEFENDANT.

II. NOTICE OF PLAINTIFF'S INTENTION TO SEEK ATTORNEY'S FEES IN THE EVENT OF DEFAULT BY DEFENDANT

IN THE EVENT A WRITTEN SETTLEMENT AGREEMENT IS NOT CONCLUDED WITHIN 30 DAYS OF SERVICE OF SUMMONS AND COMPLAINT UPON EACH DEFENDANT AND IN THE EVENT OF A DEFAULT BY DEFENDANT PLAINTIFF INTENDS TO SEEK ONE-THIRD ATTORNEY'S FEES PURSUANT TO O.C.G.A. 13-6-11 ON THE GROUNDS THAT DEFENDANT HAS BEEN STUBBORNLY LITIGIOUS AND HAS CAUSED PLAINTIFF UNNECESSARY TROUBLE AND EXPENSE AS A MATTER OF LAW BY FORCING PLAINTIFF TO RESORT TO THE COURTS WHEN NO BONA FIDE CONTROVERSY EXISTED.

III. NOTICE OF PLAINTIFF'S INTENTION TO SEEK INTEREST

IN THE EVENT A WRITTEN SETTLEMENT AGREEMENT IS NOT CONCLUDED WITHIN 30 DAYS OF SERVICE OF SUMMONS AND COMPLAINT UPON EACH DEFENDANT, THIS PARAGRAPH CONSTITUTES WRITTEN NOTICE PURSUANT TO O.C.G.A. 51-12-14 THAT IF EACH DEFENDANT FAILS TO PAY THE CLAIMED SUM WITHIN THIRTY (30) DAYS FROM RECEIPT OF THIS NOTICE, THEN PLAINTIFF SHALL BE ENTITLED TO RECEIVE INTEREST ON THE CLAIMED SUM (IF THE JUDGMENT IS FOR AN AMOUNT NOT LESS THAN THE CLAIMED SUM) AT THE RATE OF 12 PERCENT PER ANNUM FROM THE THIRTIETH (30) DAY FOLLOWING THE DATE OF EACH DEFENDANT'S RECEIPT OF THIS WRITTEN NOTICE UNTIL THE DATE OF JUDGMENT. (IN THE EVENT PLAINTIFF'S DAMAGES ARE LIQUIDATED, THE LEGAL RATE OF INTEREST SHALL BE 7 PERCENT PER ANNUM SIMPLE INTEREST WHERE THE RATE PERCENT IS NOT ESTABLISHED BY WRITTEN CONTRACT PURSUANT TO O.C.G.A. 7-4-2.)

IV. CONDITIONAL STIPULATION FOR EXTENSION OF TIME FOR DEFENDANT

IN THE EVENT A WRITTEN SETTLEMENT AGREEMENT IS NOT CONCLUDED WITHIN 30 DAYS OF SERVICE OF SUMMONS AND COMPLAINT UPON DEFENDANT, THEN DEFENDANT MUST OBEY THE SUMMONS WHICH REQUIRES DEFENDANT TO FILE WITH THE CLERK OF SAID COURT AND TO SERVE A COPY ON THE PLAINTIFF'S ATTORNEY AN ANSWER TO THE COMPLAINT WHICH WAS SERVED ON DEFENDANT WITHIN (30) DAYS AFTER SERVICE ON DEFENDANT, EXCLUSIVE OF THE DAY OF SERVICE. IF YOU FAIL TO DO SO JUDGMENT BY DEFAULT WILL BE TAKEN

AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT PLUS COST OF THIS ACTION. HOWEVER, PLAINTIFF AGREES TO EXTEND THE TIME FOR DEFENDANT TO FULLY ANSWER, OBJECT MOVE OR OTHERWISE RESPOND TO PLAINTIFF'S COMPLAINT IN WRITING FOR AN ADDITIONAL FIFTEEN (15) DAYS SUBJECT TO THE SPECIFIC CONDITION THAT DEFENDANT MUST FULLY ANSWER, OBJECT, MOVE OR OTHERWISE RESPOND TO PLAINTIFF'S COMPLAINT INTERROGATORIES, REQUEST TO PRODUCE AND REQUEST TO ADMIT IN WRITING BEFORE FILING ANY MOTION OF ANY DISCOVERY OR ANY OTHER DOCUMENT REQUIRING A RESPONSE BY PLAINTIFF.

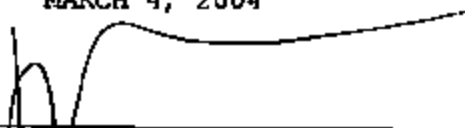
V. NOTICE OF SERVICE OF DISCOVERY MATERIALS

IN THE EVENT A WRITTEN SETTLEMENT AGREEMENT IS NOT CONCLUDED WITHIN 30 DAYS OF SERVICE OF SUMMONS AND COMPLAINT UPON DEFENDANT, PLAINTIFF HAS SERVED DEFENDANT WITH COPIES OF THE LISTED DISCOVERY MATERIAL WITH THE SUMMONS AND COMPLAINT PURSUANT TO O.C.G.A. 9-11-4 (A)-(G): (1) FIRST INTERROGATORIES TO DEFENDANT (2) FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO DEFENDANT (3) FIRST REQUEST FOR ADMISSIONS TO DEFENDANT. DEFENDANT MUST FULLY ANSWER, OBJECT, MOVE OR OTHERWISE RESPOND TO PLAINTIFF'S DISCOVERY MATERIAL IN WRITING WITHIN 45 DAYS AFTER SERVICE ON DEFENDANT EXCLUSIVE OF THE DAY OF SERVICE.

CERTIFICATE OF SERVICE

PLAINTIFF'S ATTORNEY CERTIFIES THAT THIS DOCUMENT WAS SERVED UPON DEFENDANT WITH THE SUMMONS AND COMPLAINT IN THIS CASE PURSUANT TO O.C.G.A. 9-11-4 (A)-(G).

MARCH 4, 2004



RONALD W. PARNELL,
ATTORNEY FOR PLAINTIFF,
STATE BAR # 564450
POST OFFICE DRAWER 81065
CONYERS, GA 30013
(770) 929-8585
301-2066.C

IN THE STATE COURT OF COBB COUNTY, GEORGIA, CIVIL ACTION #

04 A. 24 F-6

PLAINTIFF: STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY
(OUR FILE #301-2066)

VS

DEFENDANT: FORD MOTOR COMPANY

FIRST REQUEST FOR ADMISSIONS TO DEFENDANT (O.C.G.A. 9-LL-36):

1. THE PARTIES NAMED IN PLAINTIFF'S COMPLAINT ARE THE REAL PARTIES AT INTEREST IN THIS CAUSE OF ACTION.
2. DEFENDANT HAS ADMITTED TO OTHERS THAT DEFENDANT ~~DID~~ IN FACT CAUSE PLAINTIFF TO BE DAMAGED IN THE MANNER ALLEGED IN PLAINTIFF'S COMPLAINT.
3. DEFENDANT IS NOT AWARE OF THE EXISTENCE, DESCRIPTION, CUSTODY, CONDITION OR LOCATION OF ANY BOOKS, PHOTOGRAPHS, DOCUMENTS OR OTHER TANGIBLE THINGS TENDING TO DISPUTE THE ALLEGATIONS CONTAINED IN PLAINTIFF'S COMPLAINT.
4. DEFENDANT IS NOT AWARE OF THE IDENTITY OR LOCATION OF ANY PERSON HAVING KNOWLEDGE OF ANY MATTER TENDING TO DISPUTE THE ALLEGATIONS CONTAINED IN PLAINTIFF'S COMPLAINT.
5. DEFENDANT CAN OFFER NO PERSONAL TESTIMONY OR WITNESS TESTIMONY OR ANY DOCUMENT TO DISPUTE THE AMOUNT OF DAMAGES CLAIMED IN PLAINTIFF'S COMPLAINT.
6. DEFENDANT STIPULATES THAT THE AMOUNT OF DAMAGES CLAIMED IN PLAINTIFF'S COMPLAINT IS CORRECT BECAUSE SAID AMOUNT IS REASONABLE, IS NOT EXCESSIVE AND IS BASED ON THE PROPER MEASURE OF DAMAGES.
7. DEFENDANT DESIRES TO CONFESS JUDGMENT FOR THE AMOUNT OF DAMAGES CLAIMED IN PLAINTIFF'S COMPLAINT AND ENTER INTO A REASONABLE PAYMENT PLAN THROUGH PLAINTIFF'S ATTORNEY.
8. DEFENDANT DID NOT HAVE AND DOES NOT HAVE ANY INSURANCE TO COVER ANY PART OF PLAINTIFF'S CLAIM AGAINST DEFENDANT.
9. DEFENDANT'S COUNSEL WAS RETAINED PERSONALLY BY DEFENDANT.
10. DEFENDANT'S COUNSEL WAS NOT RETAINED ON BEHALF OF DEFENDANT BY ANY INSURANCE COMPANY OR SELF INSURER.
11. THIS CASE IS NOT SUBJECT TO ANY INTER-COMPANY ARBITRATION AGREEMENT.
12. DEFENDANT RECEIVED A COPY OF: (A) PLAINTIFF'S FIRST REQUEST FOR ADMISSIONS TO DEFENDANT; (B) PLAINTIFF'S FIRST INTERROGATORIES TO DEFENDANT; AND, (C) PLAINTIFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO DEFENDANT WITH THE SUMMONS AND COMPLAINT.
13. DEFENDANT RECEIVED A COPY OF: (A) NOTICE OF PLAINTIFF'S


COBB COUNTY
GEORGIA
FILED
JUL 10 1964
COURT CLERK

DESIRE TO SETTLE THIS LITIGATION; (B) NOTICE OF PLAINTIFF'S INTENTION TO SEEK ATTORNEY'S FEES IN THE EVENT OF A DEFAULT BY DEFENDANT; (C) NOTICE OF PLAINTIFF'S INTENTION TO SEEK INTEREST; (D) NOTICE OF SERVICE OF DISCOVERY MATERIALS; AND, (E) NOTICE OF CONDITIONAL STIPULATION FOR EXTENSION OF TIME FOR DEFENDANT WITH SUMMONS AND COMPLAINT.

CERTIFICATE OF SERVICE

PLAINTIFF'S ATTORNEY CERTIFIES THAT THIS DOCUMENT WAS SERVED UPON DEFENDANT WITH THE SUMMONS AND COMPLAINT IN THIS CASE PURSUANT TO O.C.G.A. 9-11-4 (A)-(G).

MARCH 1, 2004



RONALD W. PARNELL,
ATTORNEY FOR PLAINTIFF
STATE BAR # 564450
POST OFFICE DRAWER 81085
CONYERS, GA 30013
(770) 929-8585
301-2066,C

State Farm Insurance Companies®



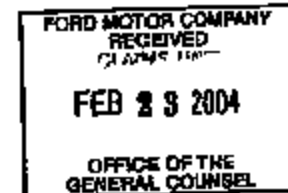
February 18, 2004

Duluth Claims Center
Subrogation Unit
11890 Johns Creek Parkway
Duluth, GA 30196-0001
1-800-578-8001

FORD MOTOR COMPANY
PARK LANE TOWERS
SUITE 300
THREE PARK LANE BOULEVARD
DEARBORN MI 48126-2558

RECEIVED FEB 25 2004

P



RE: Claim Number: [REDACTED]
Our Insured: [REDACTED]
Date of Loss: September 27, 2003
Year, Make, Model: 2000 Ford F150 truck
VIN: 2FTRX08L1YC [REDACTED]

Dear Sir:

The insured's vehicle was involved in a fire loss. We settled a claim with our insured in the amount of \$4,374.25, which includes our insured's deductible.

Our investigation revealed the cause of this loss was due to a mechanical defect within the cruise control cutoff switch located at the front of the vehicle's master cylinder. Enclosed is the documentation of State Farm's claim. The evidence is being held for your inspection. You may contact me at (770) 418-3300 to make arrangements to inspect the defective part.

Please consider this letter our demand to Ford Motor Company for reimbursement of \$4,374.25.

Sincerely,

Mitzi L. McDowell
Claim Representative
Team C
State Farm Mutual Automobile Insurance Company
(770) 418-6835
1-800-578-8001

MLM/023/0216012

Enclosure

- \$ 4,374.²⁵
- 87,394 (M)
- NO EXP
- NO COLOR PHOTOS
- ELD-SC yz
- NO VPH

State Farm Insurance Companies



STATE FARM CLAIMS OFFICE
108 INTERSTATE BLVD
P.O. BOX 2707
ANDERSON, S.C. 29622

October 6, 2003

FORD MOTOR CO.
PARKLANE TOWERS WEST
3 PARKLANE BLVD SUITE 400
DEARBORN, MI 48126-2568

RECEIVED

OCT 10 2003

RE: Claim Number: 40-2795-210
Date of Loss: September 27, 2003
Our Insured: [REDACTED]

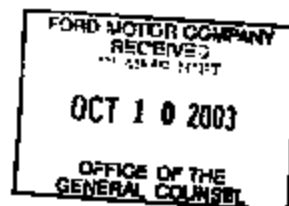
Dear WHOM IT MAY CONCERN:

WE ARE THE INSURANCE CARRIER FOR OUR INSURED, [REDACTED] WHO IS THE OWNER OF A 2000 FORD F150 PICKUP WITH VIN #2FTRX06L1YC [REDACTED] ON 9/27/03 THIS 2000 FORD F150 EXPERIENCED A FIRE IN THE ENGINE COMPARTMENT ON THE LT SIDE AT THE BRAKE MASTER CYLINDER AND BRAKE PRESSURE SWITCH. STATE FARM WOULD LIKE TO GIVE YOU AN OPPORTUNITY TO INSPECT THE 2000 FORD AND GIVE YOU ADVANCE NOTICE OF OUR POTENTIAL SUBROGATION CLAIM. PLEASE CONTACT ME.

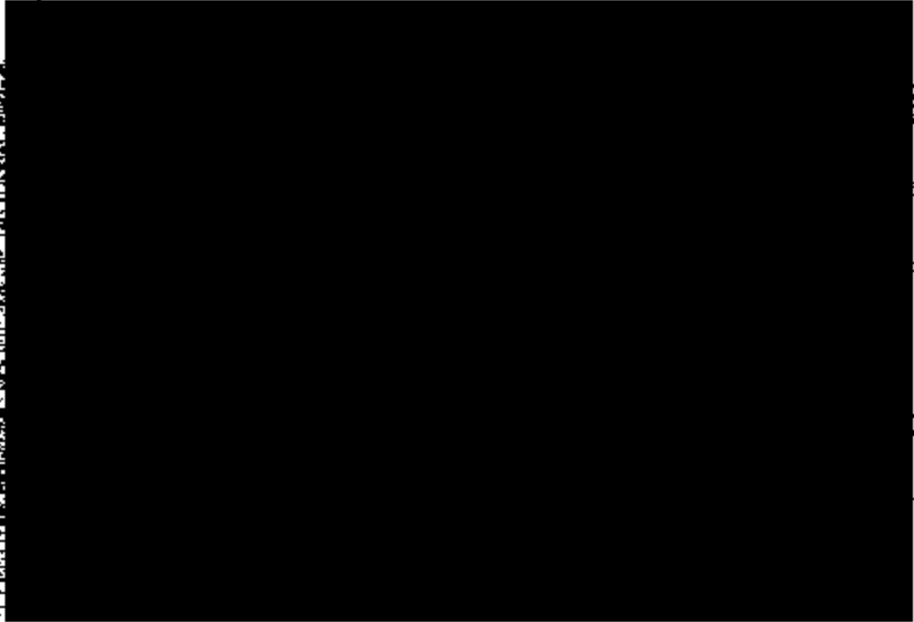
Sincerely,


Andrea Vaughan
Claim Representative
(864) 964-5088

State Farm Mutual Automobile Insurance Company



- FI MB
- 9/27/03
- 100 F150
- VIN



FEDERAL BUREAU OF INVESTIGATION
MEMORANDUM FOR THE DIRECTOR, FBI
DATE: 6/29/04

June 29, 2004

Mr. Andy Ebbrey
Farmers Insurance Group
4916 66th St
Lubbock, TX 79424

Re:	Investigation	City: Lubbock
		Auction System, Inc.
		Lubbock, Texas
	Date:	6/24/04
	Case #:	1004-5494
	File #:	A-0004-232

Dear Mr. Ebbrey:

Pursuant to your instructions, on Wednesday, June 24, 2004, I traveled to the above location. I commenced and concluded the examination of the same fire. A detailed report of the destructive examination was conducted.

DESCRIPTION OF THE LOSS

The loss was a 2001 Ford F4X4 extended cab pickup truck. The loss had a VIN of N1E... with vehicle identification number 1FTRX18L9P...

ACTIVITIES PRIOR TO THE FIRE

The insured had driven the loss approximately two hours prior to the fire. The insured was the original owner of the loss and reported having ongoing problems with the cruise control. The insured had replaced several fuses for the cruise control and brake release...

SCENE EXAMINATION

The scene examination revealed that the fire originated at the brake pressure switch. When the brake pedal is pushed the brake pressure switch would disable the cruise control. The brake pressure switch was energized even though the ignition switch was off. The report included 13 photographs to document the examination of the loss.

Page 2 of 2

Insured Ray Donna
Location Action Systems of Lubbock Lubbock Texas
Claim # 44755951

Photographs 1-5 show the fire damage to the exterior of the vehicle. Photograph 1 shows the driver side of the hood and the windshield was cracked from the heat!

Photograph 6 shows the fire damage to the interior of the vehicle.

Photograph 7 shows the identification information for the vehicle.

Photographs 8-10 show the area of origin inside the engine compartment.

Photograph 11 shows the break pressure sensor for the cruise control system. A white arrow in the engine compartment to show the break pressure switch.

Photograph 12 shows the engine compartment after the hood was raised.

Photographs 13-15 show the remains of the break pressure switch. The burn patterns in this area indicated that the fire developed at the break pressure switch.

Photograph 16 shows the loss after a blue tarp was placed over the area to help to protect it from the weather.

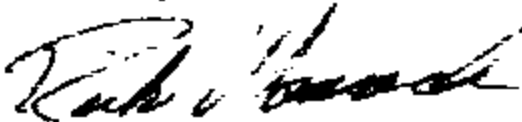
ORIGIN AND CAUSE DETERMINATION

After conducting a systematic evaluation of the fire scene I was able to determine that the fire originated at the break pressure switch for the cruise control unit. It is my opinion that there is a strong subrogation potential with Ford Motor Company. Therefore further examination is necessary but would be destructive in nature. Further examination should be conducted only after Ford Motor Company has been notified and given an opportunity to respond.

COMMENTS

If you have any questions concerning my examination or this report, please call me at 806-45-0052.

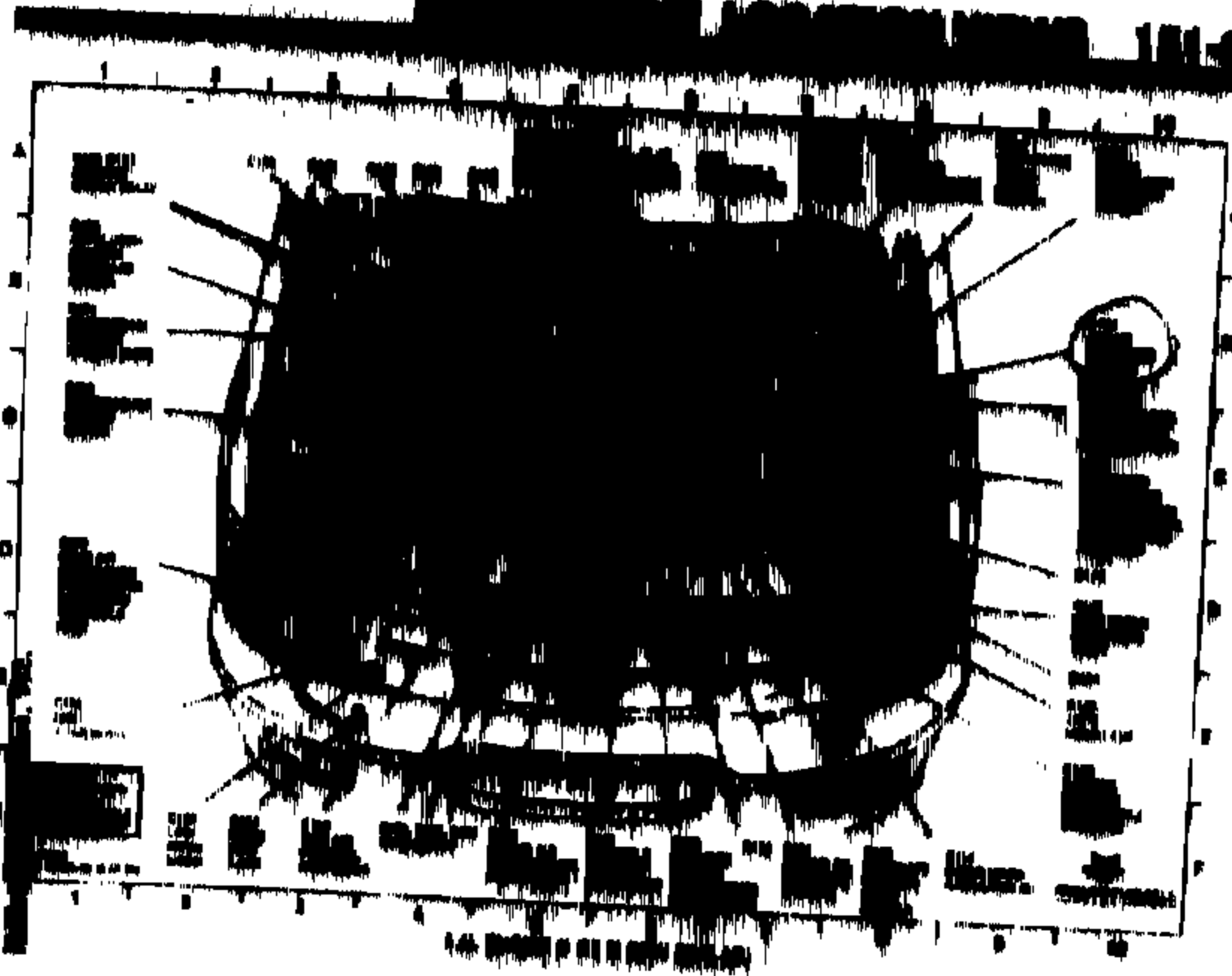
Respectfully



Rick Womack
Associate
Ketkough and Associates, Inc.
806-45-0052
r-womack@kai.com

RESEARCH - M-INTL. CIN.
FIELD OPERATIONS DIVISION

1462 00000
FR

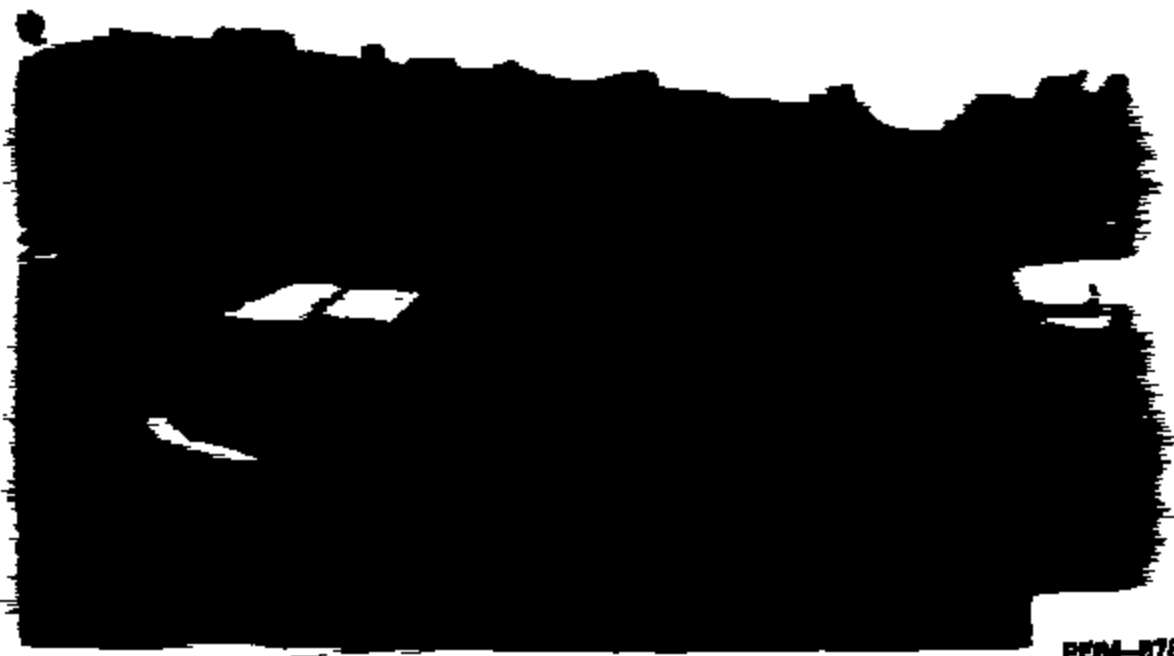




PHOTOGRAPHY SERVICE

98-04-00-25-28

Photography & Associates, Inc.



PE04-078 C 0274



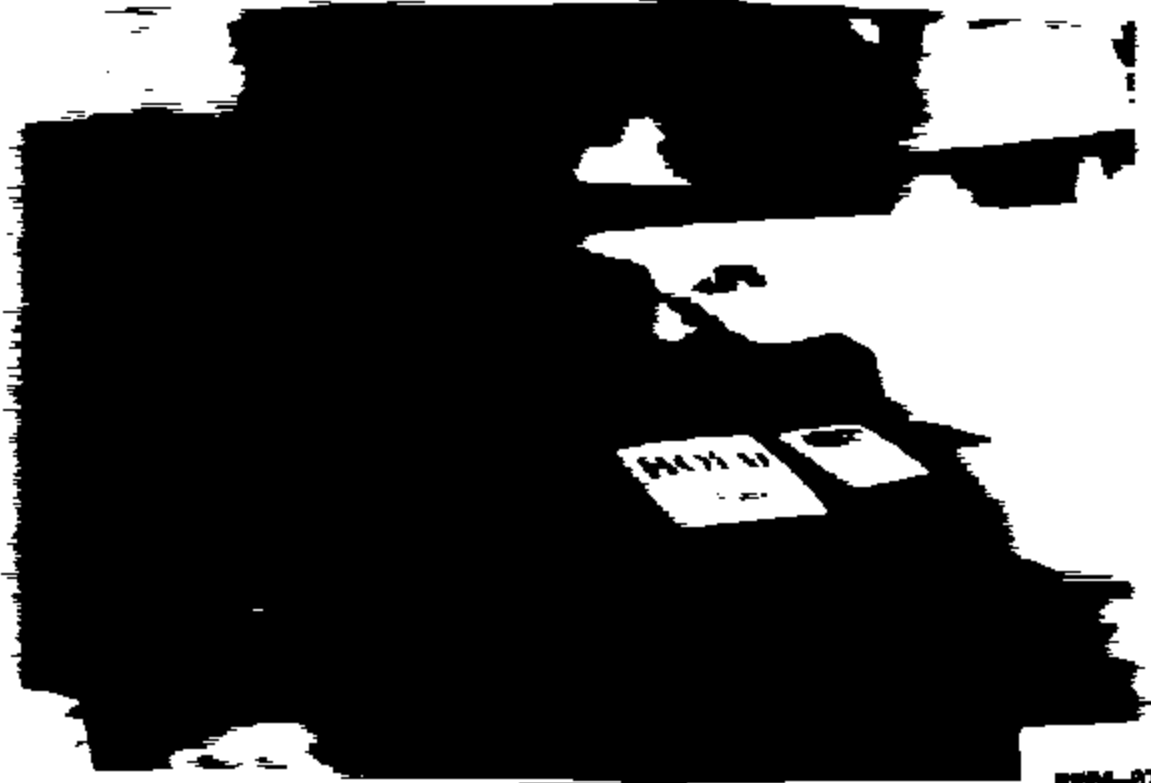
PROTONS & PULSARS

W-04-01-21-20

Billings & Associates, Inc.



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FEB-878 C 8275

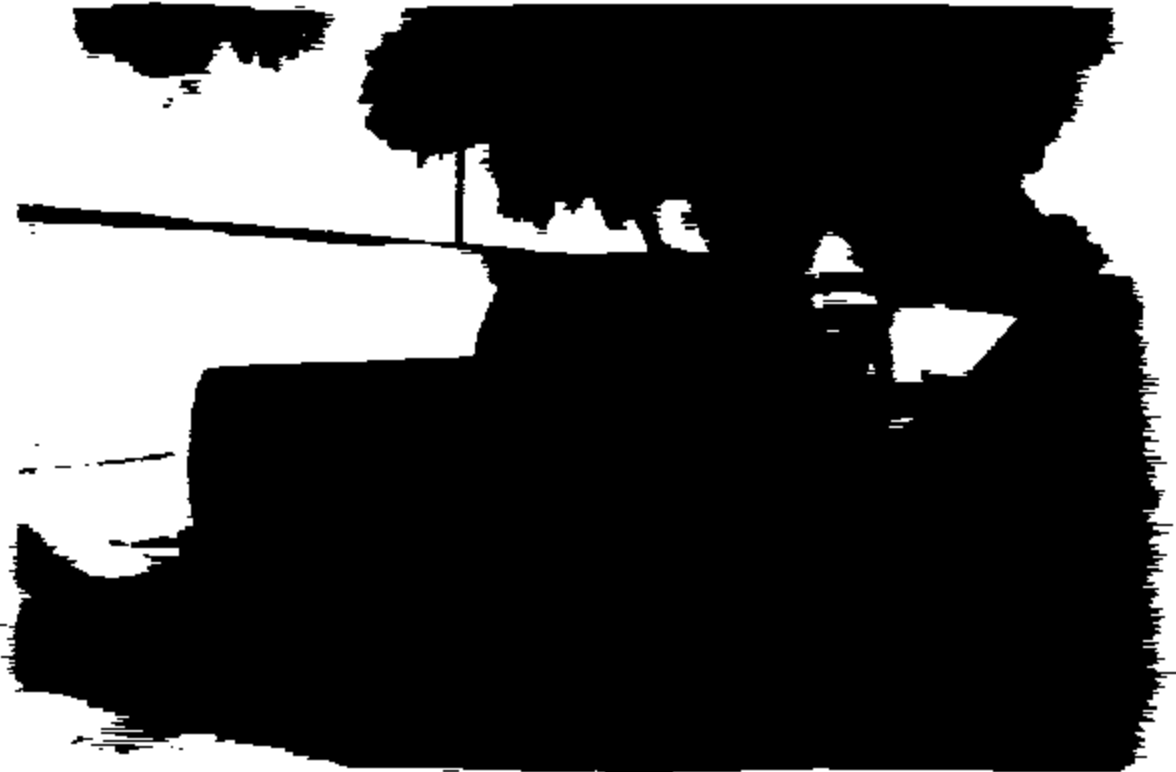
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PHOTOGRAPH SHEET

W 04-06-23-24

Kalberg & Associates, Inc.



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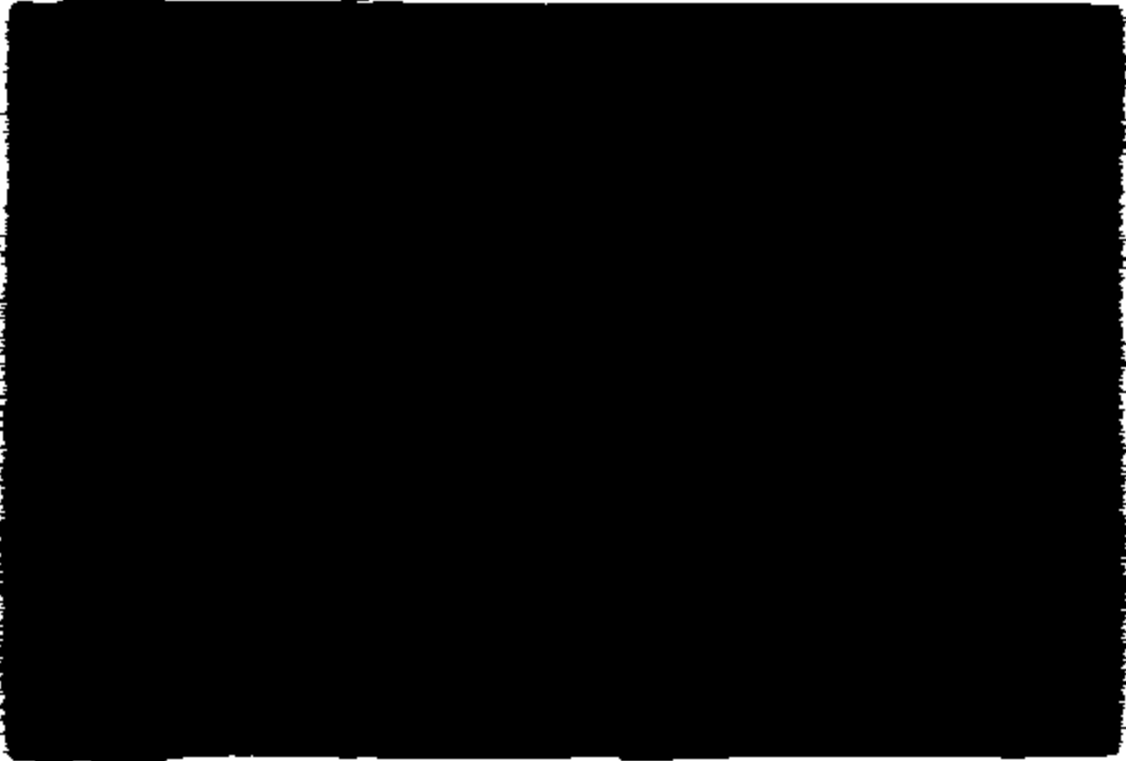
PEB4-078 C 0276



PHOTOGRAPH SERVICE

W-04-06-23-28

Kollmeyer & Associates, Inc.



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FE04-078 C 0277



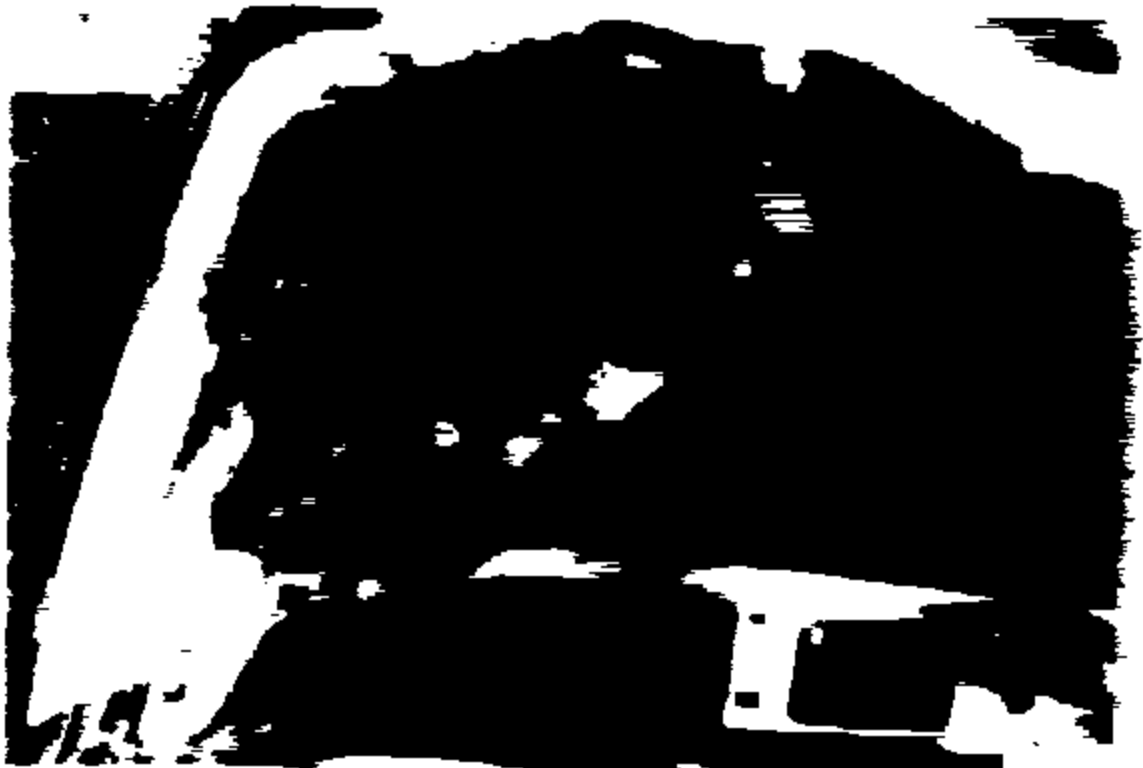
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W-34700-20

Kellogg & Associates, Inc.



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PHOTOGRAPH SHEET

APR 1964
WA-44-06 27 12

Mallory & Associates, Inc.



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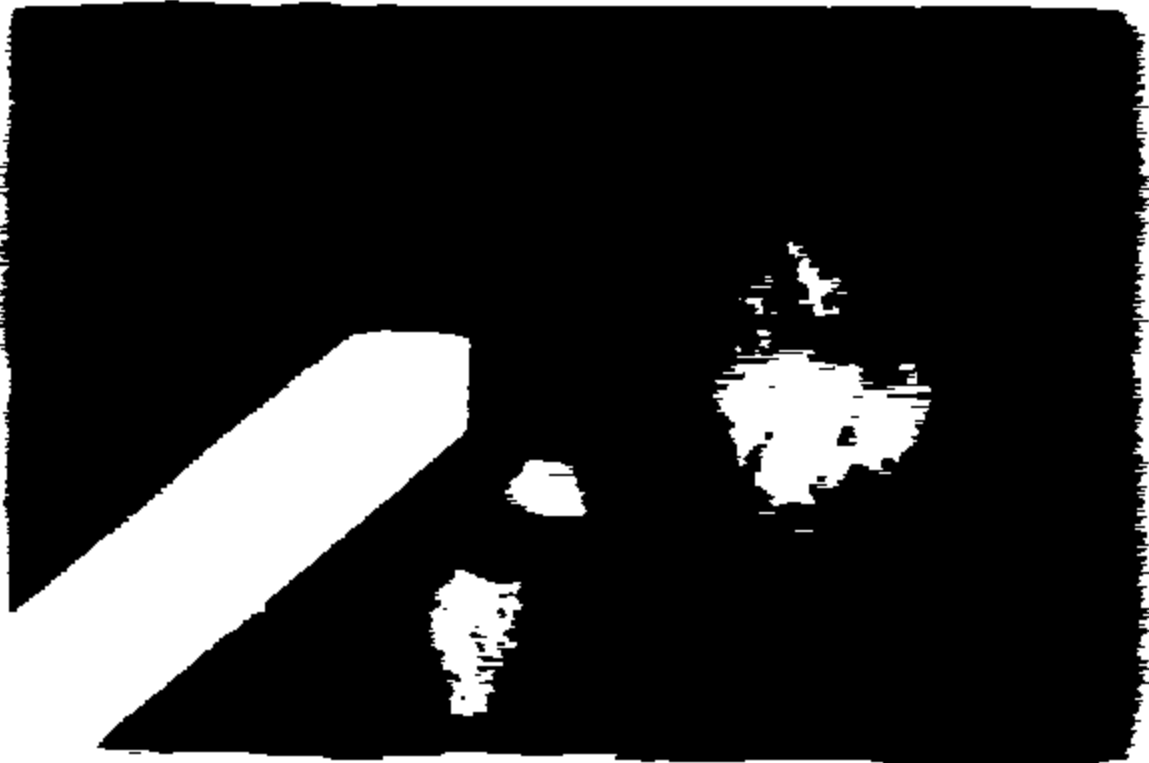
PH34-878 C 8278



Mallory & Associates, Inc.

PHOTOGRAPH SHEET

FIG. 1
W-04-06-23 28



13



14

PE84-676 C 8280

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16



PHOTOGRAPH SHEET

VI-04-06-23-28

Kilgus & Associates, Inc.



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