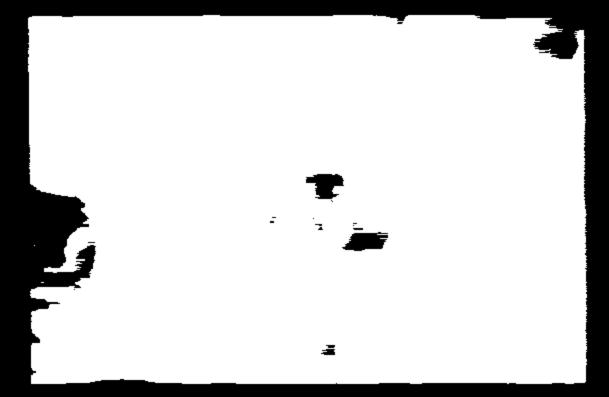
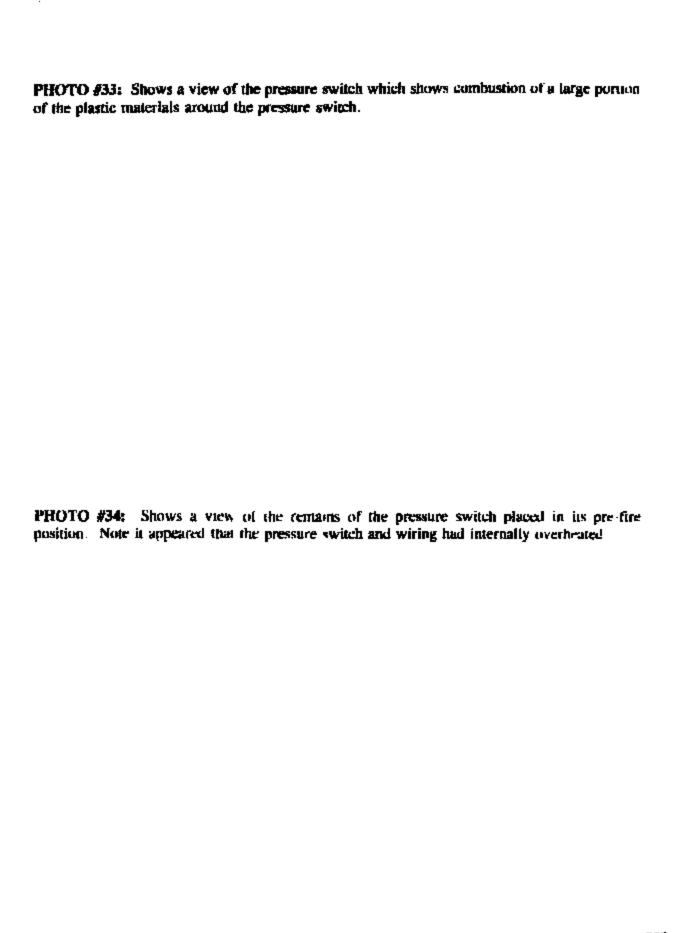
PE04-078
FORD
1/28/2005
BOOK 5 OF 12
ATTACHMENT F
PART 4 OF 6



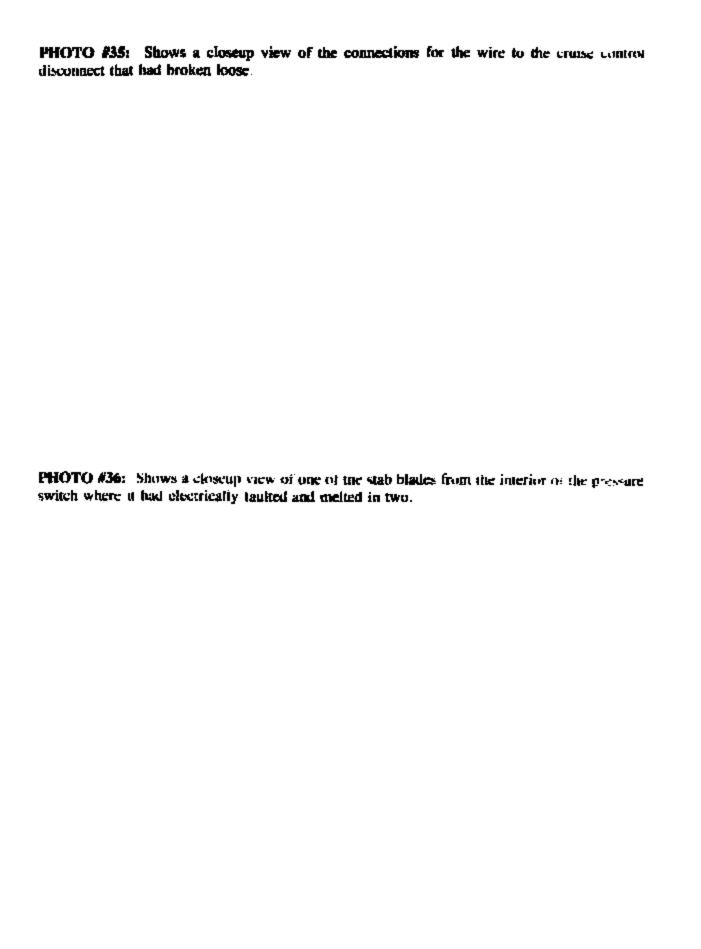


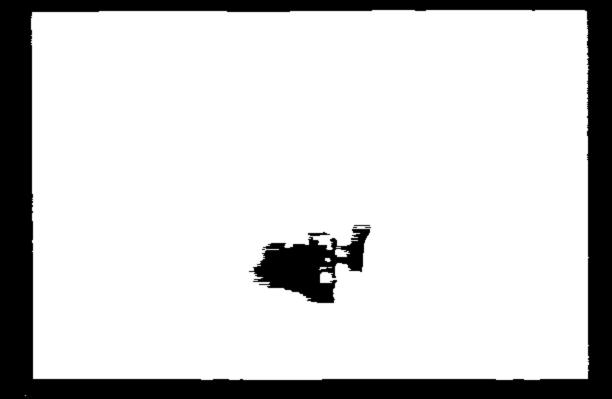




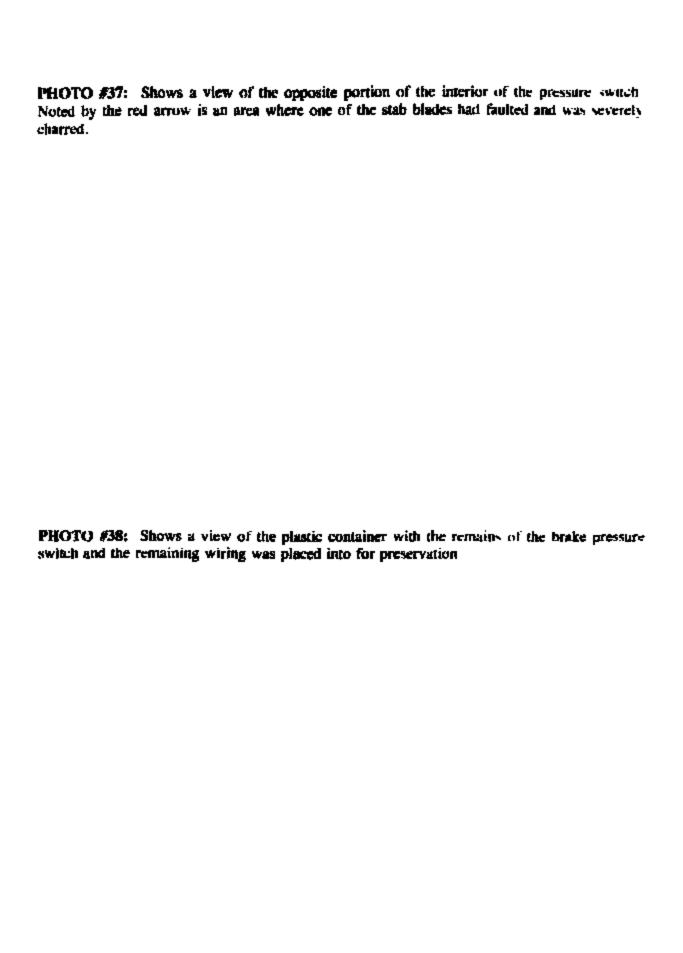








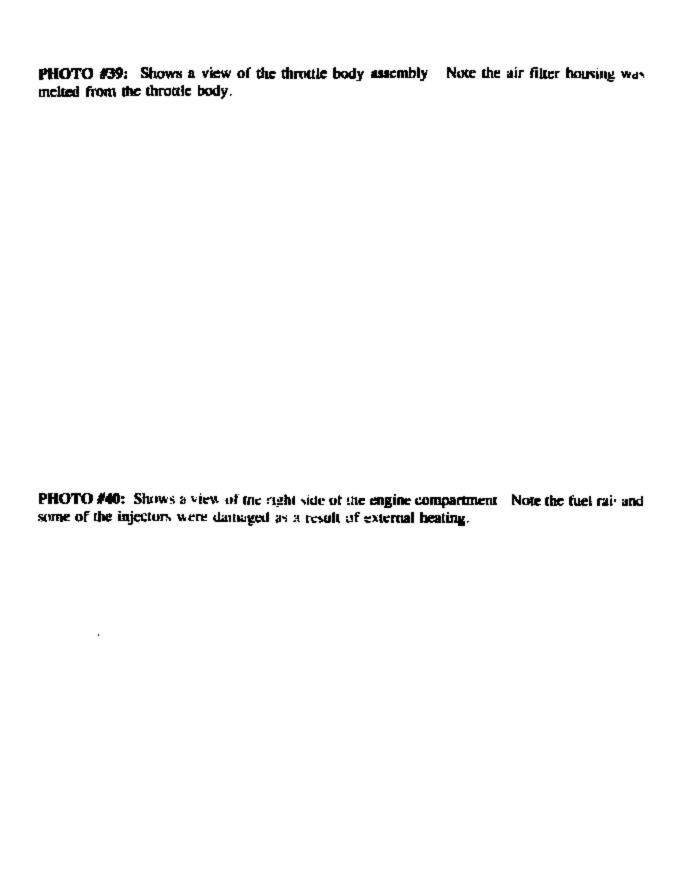






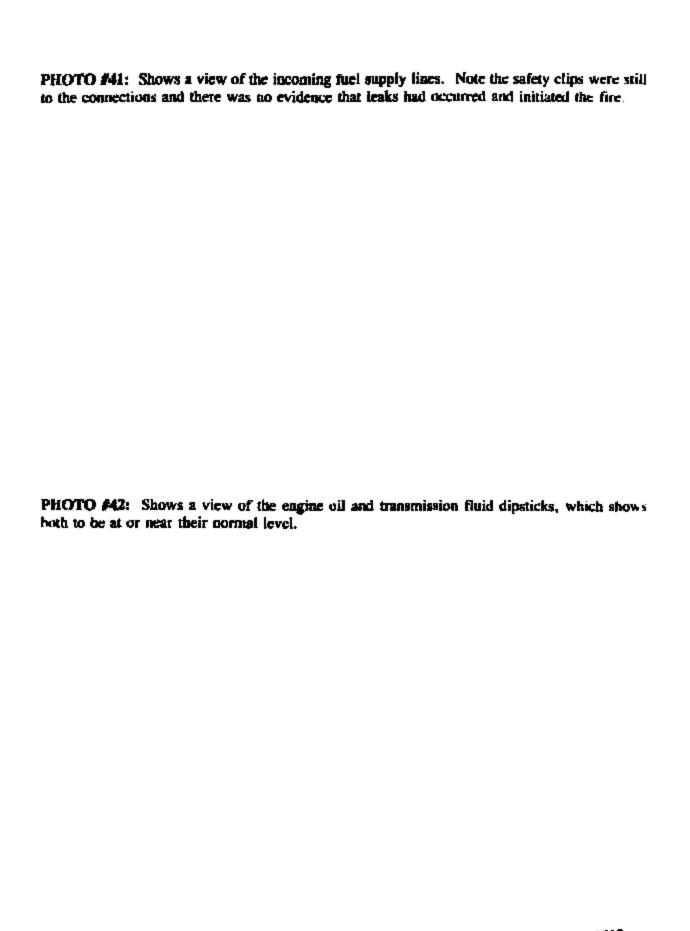


PE84-878 C 1787

















Retirement Amusties and Life, Auto, Homeowners and Group Justicence

April 20, 2004

Ford Motor Company Office of General Counsel Parklane Towers West, Ste 300 Dearborn, MI 48126-2568

Attn: Claims Analyst

APR 2 8 2004

NOTICE OF LIEN AND SUBROGATION INTEREST

Subject:

Date of Loss:

1/25/04

Our Claim:

Our Insured: Amount of Claim:

\$18,301,56

Dear Sir or Madam:

Our investigation establishes that the fire which caused the total loss of our insured's 2001 F150 truck, VIN #1FTRW07W31K was caused by a faulty brake pressure switch, which is mounted on the front of the master cylinder.

Please accept this letter as notice of subrogation rights and communicate with us promptly. Please refer to our claim number on all communications.

linerard.

Peggy Camille General Adjuster

Subrogation Unit

Horace Mann Insurance Companies

Enc: Supports

The Horace Mann Companies 1 Horace Mann Plaza Springfield, Illinois 62715-0001
217-789-2500 www.horacemann.com

GS412 TX FORD State	1/25/2004 Incident Date	3 Statique	149 In:Mont Peritor	0 Expenses	HFM;E - 1 Danic
AptAlui	Address to c	ix Saucer		Climine Treel	
ichlant Type 31 Pannanger 16 Géres or Reseiv lone	ed Their	POID State	Arrheat: 1/. Controlled:	26/2004 00:48:00 20/2004 00:48:00 00:00:00 26/2004 01:18:00	SIR At- Dist
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Fire Service: Chrillent	Poste inj D 0 0 0		Hazardoon Malestale 76 N None	aharad	

G8412 TX 700 State	1/26/2004 Inchient Date	3 Station	140 haldegt Humber	C Reposure	Fire
Mentament Involv SNN Norm Equipment code	X Nos	•	Equipment Press Opposited For	r ror Souice Code	
Brand; Model: Stocks St. Year: D			Eignigement Postal	•	
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F-150 Crew Cal	-		FO Ford		1
Mobile property	ngdel TX	2000 Year 1234307ABC VIII Number	Maile seep		
Local Use			 ··		
Angus report	ottoched attached				
Other reports					}

17-7

THE GA

98412 FOED	TX Stotu	1/26/2004 Incident Date	3 States	149 Indiana Harden	Ü Explesso	IFFRS -2 Fire
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13->

, **82/25/84** 15:57:18

474 1840374485423538 Page 884

Person/Ently Involved	Bassins	عجىم وخد		Phone Hum	pol
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13->

			Cimbons rates	·	Phone Number
	Mr. th. drs.	Piret Hee	₩	Last Name	SHEEK
	Number	Profit (Houst or Highway		Street Type Sulfix
	Post Office Bax		April Selber Comm	CHT	
	State		Dip Code		
Author	tzallis.		-		
	Officer in strange	. DIC	anto, Lavence	R Signature 1/27/2004	Aast Chiefelet Lawrence R. Di Centi

Asst ChiefeMT Lewronce R. Di Carriff
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PDD	State	lockbont (Pate	Anesion	Jostefent Man	sher Expansive	
Hatte	T	lites incident rate	-			

Pick-up trust, on the in division of residence. Five eatinguished and SPM 63 requested for the investigation. SPM 65 unavailable and the bolloved to be electrical in nature. MPPD units on source and weblide left with Corner (Netson) and MPPD.

FDA Failure & Damage Analysis, Inc.

February 9, 2004

Mr. Chuck Persinger Horace Mann Insurance 13111 Northwest Freeway, Suite 400 Houston, Texas 77040

Re:

Claim No:

Insured:

Subject: Report of Findings

File: 667

Dear Mr. Persinger:

On January 25, 2004, a car fire accident happened at the residence of in Stafford, Texas. A 2001 Ford F-150 suddenly caught fire while parked in the driveway of the vehicle reportedly heard an explosion sound coming from his vehicle. They reportedly called the fire department and the fire department put out the fire.

Failure & Damage Analysis Inc. was retained to examine the vehicle and determine the cause and origin of the fire.

In the course of our work, we examined and photographed the Ford F-150.

Conclusions & Discussion

- 1- The fire damage is consistent with the recorted fire accident.
- 2- There has been over 10 similar fire accidents on the 2000 Ford F-150 trucks which have the same similar design as 2001 Ford F-150s.

3 Riverway , Suite 705 , Houston, Texas 77056 Tel : (713) 355-3775 , Fax (713) 840-8115 3- The fire started in front of the master cylinder on the driver side underneath the air filter. The cause of the fire is electrical. According to some of the reports it is caused by a faulty brake pressure switch, which mounts on the front of the master cylinder. It has been reported that although the switch blows a fuse, some how the switch keeps burning and meiting, unless the battery is disconnected. The air filter above the switch starts getting hot and starts expanding like a plastic ball till the fire reaches it and blow the plastic ball. The expanded air filter blows like a ball as it releases the trapped air making an explosive sound.

4- A copy of similar fire incidents for Ford F-150 has been attached...

Our report is based on the information made available to us at this time. Should additional information become available, we reserve the right to determine the impact, if any, of the new information on our opinions and conclusions, and to revise our opinions and conclusions if necessary and warranted by the discovery of additional information.

Thank you for allowing us to provide this service. If you have any questions or need additional assistance, please contact us.

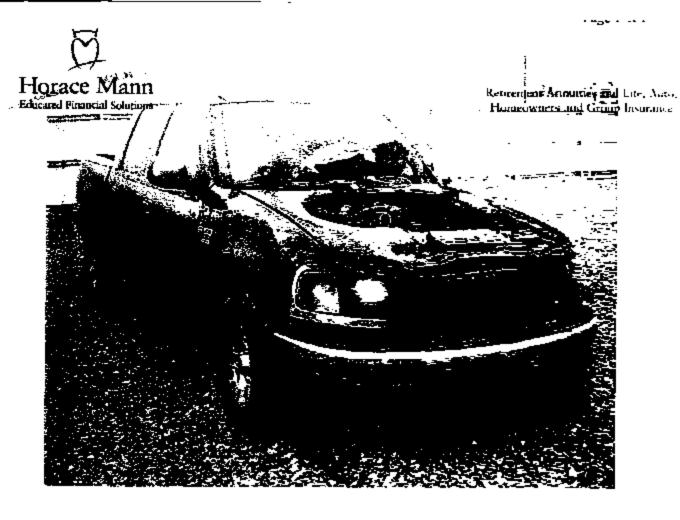
Sincerely,

FAILURE & DAMAGE ANALYSIS, INC.

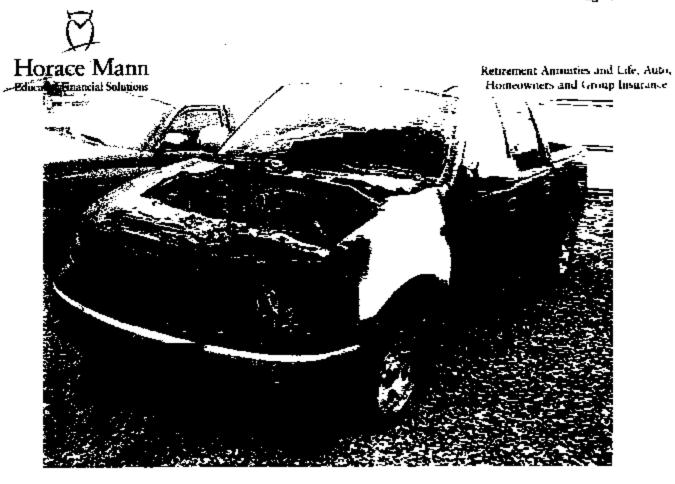
Franco F. Davati, P.E.

Consultant, M.S.; A.E.; DABFE

Diplomate, American Board of Forensic Examiners



The Horace Mann Companies | 1 Horace Mann Plaza | Springheld, illinor, 62/15/0001 http://images.copart.com/website/data/pix/26040126/0085933#49859F() | 4/20/2004



The Horace Mann Companies | 1 Horace Mann Plaza | Springfield, Illinois | n2 | 15 | 0001 | http://images.copart.com/website/data/pix/24004012600857354_PPCFPCi | 4-20/2004



State Farm Insurance Companies®

504440



November 30, 2004

Panola Claim Office 5301 Saapfinger Park Drive P. O. Box 370568 Decatur, GA 30037 (770) 593-8400

FORD MOTOR COMPANY PARKLANE TOWERS WEST SUITE 400 3 PARKLANE BOULEVARD **DEARBORN MI 48128-2568**

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

RE:

Claim Number:

Qur insured

Date of Loss: 11-18-04

Make, Model, Year. 200 Ford Expedition

VIN: 1FMRU1568YE

Dear Sin

This State Farm® Insured vehicle was involved in a fire loss. We settled a claim with our Insured in the amount of \$ 16,420,50 which includes our insured's deductible.

Our investigation revealed that the cause of the loss was due to cruise control disconnect switch. Enclosed is the documentation of State Farm's claim. The evidence is being held for your inspection. You may contact me at (770) 593-6471 to make arrangements to inspect the vehicle.

Please consider this letter as our demand to Ford Motor Company for relimburgement of \$16,420,50.

Sincerely.

Jim E. Blourt

Claim Representative

State Farm Mutual Automobile Insurance Company

(770) 593-6471

JEB/045/1013048e

Enclosure

State Farm Insurance Companies®



November 19, 2004

RECEIVE:

Panota Claim Office 5301 Snaplinger Park Drive P. O. Box 370581 Decetur, GA 30037

FORD MOTOR COMPANY. PARK LANE TOWERS WEST SUITE 400 3 PARK LANE BOULEVARD **DEARBORN MI 48126-2568**

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

RE:

Claim Number:

Our insured:

Date of Loss:

Make, Model, Year:

VIN:

11-18-04

2000 Ford Expedition

1FMRU1566Ý

NOV 9 & 2004

Dear Sir or Madam:

The identified vehicle is insured by State Farm Fire and Casualty Co. The vehicle experienced a fire loss originating in engine compartment.

State Farm® would like to give you an opportunity to inspect the vehicle and give you advanced notice of our potential subrogation claim.

Please contact me, Jim Blount, to set up a time for your inspection.

Sincerely yours,

J≨n E. Blount

Claim Representative

State Farm Mutual Automobile Insurance Company

(770) 593-6471

JEB/025/1014003er

1/18/04 1/18/04 100,10



State Farm Insurance Companies*



10/13/2004

EMERYTECH SERVICE CENTER 1475 - 86th Street Emeryville, CA 04606 (510) 995-8/200

Ford Motor Company Attn: Consumer relations Parklane Towers West 3 Parklane Blvd. Suite 400 Dearborn, MI 48126-2568 OCT 2 3 2004

VIA CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Claim Number: Date of Loss: 9-50-04

Insured:

Vehicle: 2000 Ford #150

Vio: IFTPX17L6Y

Dear Gentle Person:

The identified vehicle is insured by State Farm-Muttad Automobile Insurance Company. This vehicle was involved in a comprehensive fire loss as a result failure to the brake pressure switch. State Farm Insurance would like to give you an opportunity to inspect the damaged vehicle or parts. In addition, we would like to give you advanced notice of potential subrogation. Please contact me at 925-779-2965 to set up a time for your inspection. We request that the inspection occur within 15 days from the date of this letter so we may move forward with the resolution of this matter.

Sincerely.

Manuel Bento

Vehicle Investigator

State Farm Mutual Automobile Insurance Company

CC.





INVESTIGATIVE CONSULTANTS, INC.

FIRE INVESTIGATOR

EXPERIENCE:

9867

September 1995-Present

Investigative Consultants, Inc.

- Complete insurance investigations to include fire origin and cause determination on residential and commercial properties
- Conduct fire investigations on vehicles
- Identify fraudulent claims and develop financial history
- Provide expert witness testimony and consultations

Nov. 1994-Aug. 1995

de Boer, Inc. Transportation J.B. Hunt Transport, Inc.

Truck Driver

Oct. 1989-Nov. 1994

Rimlats Consulting Group, Inc. Robert A. Minor Fire Investigation Service

- Completed fire investigations to include origin and cause determination, motive and opportunity
- Prepared reports and conducted video and photographic documentation of fire scenes
- Provided expert testimony and consultations for the insurance industry

April 1969-Nov. 1988

Town of Addison & City of Farmers Branch

- Fire Chief in Addison
- Deputy Fire Chief in Farmers Branch

Arlington, Texa

Metro Local Fax

PES4-878 C 1729

FIRE INVESTIGATOR (CONTINUED)

Bob has over 35 years of experience in fire service with expertise in determining the origin and cause of a fire loss. He is a Court Qualified Expert Witness. Bob has momerous hours of training, a few courses are listed below.

EDUCATION:

Associate of Arts Degree-Fire Protection Technology-El Centro College, Dallas

CERTIFICATE COURSES:

- National Fire Department Management School (SMU) 1974
- Executive Development (National Fire Academy & Texas A&M) 1978, 1979 and 1981
- Hazardous Waste Operator Health & Safety Course, 1993
- 41st Annual Texas Fire & Arson Investigators Seminar, 1996
- National Police Forensic Video Course, 1997
- Electrical Fire Investigation Course, 1998
- Advanced Fire Scene Processing and Report Preparation (W.VA. Association of Fire and Arson Investigators), 1999
- * Fire Investigation Training Seminar, International Association of Atson Investigators & Arizona Chapter, 2000
- Investigation of Gas and Electric Appliance Fires Seminar, Fire Findings Laboratories LLC, Benton Harbor, Michigan, 2001
- Fire Pattern Certification Public Agency Transining Council -Cypress, Texas, 2002
- Vehicle Fire, Arson & Explosion Investigation Science & Technology Seminar Eastern Kentucky University in Richmond, Kentucky, October 1-4, 2003

FIRE INVESTIGATOR (CONTINUED)

STATE

CERTIFICATIONS:

- Master Firefighter
- Advanced Peace Officer
- Fire & Arson Investigator
- Fire Inspector
- Fire Service Instructor
- N.A.F.I. Certified Fire & Explosion Investigator N.A.F.I. Certified Vehicle Fire Investigator

MEMBERSHIPS:

- International Association of Araon Investigators
- National Association of Fire Investigators

DEPOSITIONS/TRIAL TESTIMONY

08/15/91	Deposition	Allen Duplantis vs. Ari-Tex, Inc., Individually and D/B/A Ari-Tex Contractors, Rick Pickard, Individually and D/B/A Ari-Tex Contractors, and American Electrical Corporation. Cause No. 90-04003-D, District Court of Dallas County, Texas, 95th Judicial District.
12/11/91	Deposition	Mark and Patricia Feldman vs. Groves Electrical Services, Inc. Cause No. 91-5959-G, District Court of Dallas County, Texas, 134th Indicial District.
01/23/92	Deposition	Linda Wegenast, Lisa Beck, Shirley Thompson, Beth Murphy, and Ridgetree Investors vs. Gene Brausome, Tristar Electric, Inc., and Commercial Plumbers of Dallas, Inc. Cause No. 90-07589-D, District Court of Dallas County, Texas, 95th Judicial District.
08/10/92	Deposition	Bernard Schuchmann, Individually as Next Friend of Kerry and Lisa Schuchmann, Fred Miller and James Seaman as Trustee of the Dallas Trust, Et Al vs. Jaguar Cars, Ltd. Et Al. Cause No. 91- 7884, District Court of Dallas County, Texas, 134th Judicial District.
02/01/93	Civil Trial	Allen Duplantis vs. Ari-Tex, Inc., Individually and D/B/A Ari-Tex Contractors, Rick Pickard, Individually and D/B/A Ari-Tex Contractors, and American Electrical Corporation. Cause No. 90-04003-D, District Court of Dallas County, Texas, 95th Judicial District.
11/10/93	Deposition	J. S. DuBose and Colonial Management Corporation vs. Therm-O-Disc, Inc. Cause No. 236-145889-92, District Court of Tarrant County, Texas, 236th Judicial District.
12/28/93	Deposition	Michael J. Brady and Libby W. Brady vs. Houk Air Conditioning, Inc. Cause No. 96-145092-92, District Court of Tarrant County, Texas, 96th Judicial District.
05/26/94	Deposition	Atlantic Mutual Insurance Company as Subrogee of Fellowship Bible Church North and Chisolm Development as Intervenor vs. Philip E. Grubbs Individually and as Principal in Philip E. Grubbs, & Assoc., Et Al. Cause No. 296-725-93, District Court of Collin County, Texas, 296th Judicial District.

03/30/95	Deposition	Geary Washburn, Individually and D/B/A H&R Block vs. Aboud M. Ary, Individually and D/B/A A. Ary Company. Cause No. 94-02-082, District Court of Wise County, Texas, 271st Judicial District.
01/08/96	Criminal Trial	United States of America vs. James Douglas "Bob" Impson. Case Number 4:95-CR-52, United States District Court, Eastern District of Texas.
05/29/96	Deposition	Joe E. Shaw, Jr. and Rozanne K. Shaw vs. Rulon Electric Company, Inc. Cause No. 94-20464, District Court of Harris County, Texas, 11th Judicial District.
03/25/97	Deposition	Martin S. Barron vs. Texas Utilities Electric Company, Cause No. 96-462-C26, District Court of Williamson County, Texas, 26th Judicial District.
06/05/97	Criminal Trial	The State of Texas vs. Carol Davis Walker. Case No. F-9775159 - L, Criminal District Court No. 5 of Dailas County, Texas.
09/23/98	Deposition	John C. Napoli vs. Ford Motor Company, and United Technologies Automotive, Inc. Cause No. 97-07613, District Court, Dallas County, Texas, 68th Judicial District.
05/29/02	Deposition	Peter John Witt vs. Honeywell International. Case No. 401-CV-0511-E, United States District Court for the Northern District of Texas, Fort Worth Division.
08/18/03	Deposition	Tommye Blewett and Enoch Blewett vs. Ford Motor Company. The County Civil Court at Law No. Two (2), Johnson County, Texas.
06/01/04	Deposition	Johnstie Ware Ivey Vs. Icon Health and Fitness. Cause No. 342-197700-03, In the District Court of Tarrant County, Texas, 342 Judicial District.

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State Farm Insurance Companies



53-0204-416 TU

CLAIM NUMBER: 53-E254-616

State Form Ingularme Claim Office P.O. Ber 149203 Austin Trans 72714-9201

	AFFIDAVIT OF VEHICLE FIRE
	(All Questi
1.	Name of Insured.
	Address: Heme-Phone:
	Date of Birth: Social Secution
	Driver's License #: (70) (optional)
	Marital Status (Marital State) - No. of Paradasta
	Occupation: MD Employer: Set
	Address: Phone:
	November 2
2.	Date of Pire: 1 AM PRO
	Make of Vehicle: Forth Year 1860 Model 100
	Body Type TRICK Color RCACK
	Veh ID#: License plate: State
	Certificate of Title: If none, why?
	Proban of cultations of the state of
	Number of cylinders? 72 H.P. or C.I. or Liter?
	Was vehicle locked?WBSWO
	Were windows rolled up? YES NO
	When did you last see your vehicle? (Date & Time) 100 MM PM
	nate 10 5 Pine
	specific location where vahicle burned: St Cokes MEDICA-TOWER
	Specific location where vanicle purpose: 57 Cocks File 14
	Reason vehicle was left at this location: DARKAN SARACE
	Time and adversed names also last the unbigle of this
	Name and address of person who left the vehicle at this
	location: (/dogre)
	That person's driver's license number:
	When was the fire discovered? Dare, 10603 imm ~ 1211P
	miles and the three discoveredity, but of the time
	Who made the discovery?
	0
	When you the Blog property to the file description
	When was the fire reported to the fire department?
	Date 10 Time AN PM
	Location of Fire Station:
	Describe fire (where, color of smoke, cause):
	Was vehicle being driven? YES NO Describe
	ness verificate deploy delivers - IDD V NV DOBULIDE
	Valuation of the manufacture of the control of the
	exactly what happened prior to noticing smoke or fire (slectrical or mechanical melfunction):
	Mana transport and a contract of floreship to the
	Were you carrying a container of flammable Liquid in the

HOME OFFICES: BLOCKINGTON, RLINOIS 51710-0001

Page 2 October 6, 2003

	./
	vahicle at the time of fire?YESVNO
	If yes, give type of liquid, size and type of container, location of
	amount size and type of
	contribut
	container, location of container at time of fire, location
	container at time of fire
	Did you small smoke or see flames first?
	Have you had any mechanical problems prior to firm?
	YesNo
	If yes, explain
	140' outrour
	Was the vehicle stolen and recovered burned?YesNo
	wen cun Appricts scotet and ischAsted butnest. Ties The
	If so, was anything stolen from the vehicle?YesNo
	_
	Has vehicle been damaged during the past three years?
	YES NO
	<u> </u>
	If so, give location
	TI BO, GIVE ICECTION
	Type or Liange
	Type of Damage, Date
	Were repairs made? YES NO FARTIAL
	Were repairs totally completed?YESNO
	Who made the repairs?
	Wild make the repettor
	Name and address of insurance company who paid claim damages,
	if any:
	Any other claims in the last three years on this or any other vehicle?YESEO
	vehicle?YES VEO _
	Any other vehicles in your household? LYRS NO
	May other values in jour households & the
	Name of insurance company and agent on other vehicles:
	Not to
	Your prior insurance company and agent:
	Any homeowners claims within the past 6 months with
	State Farm? YES YES
	Any other darrier? YES YNO
	with order owners. The Town
3. 1	Vehicle Equipment (Check if vehicle had any of the following)
3. 1	Vehicle Equipment (Check if vehicle had any of the following)
3. 1	Webicle Equipment (Check if vehicle had any of the following)
3. 1	Webicle Equipment (Check if vehicle had any of the following) Radio Mag Wheels T-Tops
3. 1	Vehicle Equipment (Check if vehicle had any of the following) Radio Mag Wheels T-Tops Tilt Wheel
3. 1	Webicle Equipment (Check if vehicle had any of the following) Radio Mag Wheels T-Tops StereoTilt Wheal Tape DeckCruise control
3. 1	Vehicle Equipment (Check if vehicle had any of the following) Radio Mag Wheels Line FM
3. 1	Webicle Equipment (Check if vehicle had any of the following) Radio Mag Wheels T-Tops StereoTilt Wheal Tape DeckCruise control

Are keys in your possession? ___ YES
Ignition key # ______ Tro

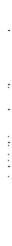
- NO

Trunk key #

October 6, 2003 Do you have other theft insurance? __ YES 📈 NO Policy # ______ Name of Insurance Company Wes this a rebuilt wrack? _ If yes, name of rebuilder: Was vehicle previously a recovered theft? __ YES <u>∽</u>жо If yee, date of prior theft _ 7. Amount for which you are making claim? 8 8. Are the answers you have given true to knowledge and balief? YES NO Witness: _ ____ Policyhold Address: _ De day of Ottober. SUBSCRIBED AND SWORN TO BEFORE ME this year 2003 in Howard , He Romnission expires 5/17/2005 Notary Public State Farm Mutual Automobile Insurance Company

Page 4

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State Farm Insurance Companies



17301 Preston Road P.O. Box 799014 Deliss, TX 75379-9011 (888)257-8077 Fax - [688]257-6076

November 24, 2003

Ford Motor Company Parklane Towers West, Ste. 400 3 Parklane Blvd. Dearborn, MI 48126

RE:

Claim Number: Date of Loss: Our Insured: Year/Make/Model:

VIN:

2000 Ford F150

350

CEC 0 2 2001

Dear Ford Motor:

This vehicle was insured by State Farm and involved in a comprehensive loss. The claim settled for \$19,967.19, which includes our insured's deductible.

Our investigation establishes the cause of loss was due to a failure of the control deactivation switch.

Enclosed is our documentation. We will retain the evidence until we conclude this matter with your company. You may contact me to arrange for inspection of the vehicle.

Please consider this notice as our demand for reimbursement.

Sincerely,

Tonya Bedell - Team 40

Claim Representative (972) 732-4842 Ext. 40

State Farm Mutual Automobile Insurance Company

Enclosures

HOME OFFICES: BLOOMINGTON, ILLINOIS 61710-0001



RECEIVED JUL - 7 2084 State Farm Insurance Companies



HECEIVED

JUL 0 7 2004

OFFICE OF THE GENERAL COUNSEL

F1083104 31/3/04 150

New Orleans East Claim Office 5700 Bullard Averse New Orleans LA 70128-2820 Phone: (504)245-8500

July 1, 2004

Shawn Norton Ford Motor Company 3 Park Ln Blvd, West Ste 300 Dearborn, MI 48126

RE: Claim Number:

Date of Loss:

Our Insured:

March 13, 2004

Dear Ms. Norton:

This letter is to put you on notice of a subrogation claim against your company. An investigaton was completed and it was found that 2000 Pord F150 caught fire as a result of internal failure of the speed control deactivation switch.

The fire <u>spre</u>ad <u>to the vehicle parked</u> across from vehicle. Once we have the total figures we will send the sub demand and supporting documents.

If you have any questions, please contact me.

Sincerely

Mabel Dupré

Claim Representative

(504) 240-7016

State Farm Mutual Automobile Insurance Company



}



UNITED SERVICES AUTOMOBILE ASSOCIATION P.O. Box 33490, San Antonio, TX 78265

LEGAL DEPARTMENT, CONSUMER FORD MOTOR CORPORATION PO BOX 624, MD-3NE-B DEERBORNE MI 48126 SECTION FAIRS

4 Alb -4 AU 75

June 16, 2004

Policyholder:

Reference Number: 15306448-7101-7-7643

Date Of Loss: April 22, 2004

Loss Location: Jacksonville, Florida

USAA Tax ID Number: 74-0959140

Your Policyholder: self

Your Reference Number: unknown

AUG 0 5 2014

Gentlemen:

We have reimbursed our insured for damages sustained as a result of the above loss. Our investigation reveals that your insured is responsible. Therefore, we are seeking full reimbursement from you.

This is to notify you of our subrogation interests and to request that you not make any settlements on this claim without protecting our recovery rights.

Our claim payments are documented below:

Collision Amount Paid \$ 2,639.06 Insured's Deductible \$ 500.00 Rental/Loss of Use \$ 456.93

Total Subrogation Demand \$ 3,595.99

Please forward your check, referencing # 15306448-7101-7-7643, in the amount of our total subrogation demand. Make your check payable to USAA as subrogee of our policyholder. Please include our reference number on your check to allow us to identify your payment to our claim and avoid additional demands or an arbitration filing.

Remit Payment To: USAA

USAA

ATTN: Insurance Claims

P.O. Box 33490

San Antonio, TX 78265-3490

Be aware that no partial payment to USAA that is less than the

15306448 - 7 - FL - 04/22/04 - 7643 - 94 - A109

-

full amount claimed herein will be considered in any way a satisfaction of this claim without an express written release of our claim executed by an individual who identifies himself/herself as a member of our Subrogation Department. Therefore, our legal rights to enforce collection on the remaining amount of the claim shall not be waived or estopped due to a partial payment by you or someone acting on your behalf.

If you wish to discuss this matter, please contact me.

Sincerely,

Eswards Playert

Esmeralda Bryant

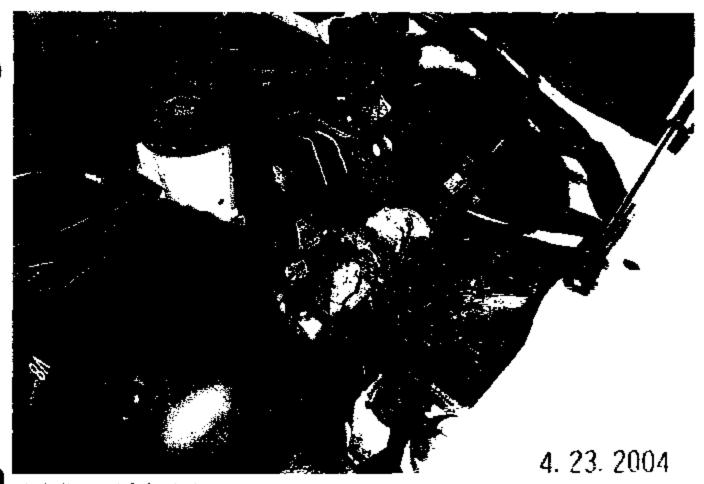
Subrogation Specialist

Claims - East Zone Subrogation

Phone: 1-800-531-8222 ext. 7-6931

Fax Phone: 210-498-3063

Encl: Support Docs



EATE CREATED: 2004-00-23 09:49:14

DESCRIPTION: NOBERT P. DECREENTION SWITH HOUSES ON INJETER CILINDER SHORTED OUT.

Field Assignment Attachment Note Version 1.0 CREATED: 2004-04-23 09:49:14 CREGIN: FILE

ROBERT P DECEMBERATION SPITE NOUNTS ON HASTER CYLINDER SECRETO OUT.



DATE CREATED: 2004-04-23 09:49:30 DESCRIPTION:

Field Assignment Attachment Note Version 1.0 GREATED: 2004-04-23 09:85:30 DRIGDE: FIRE

PE84-078 C 1750

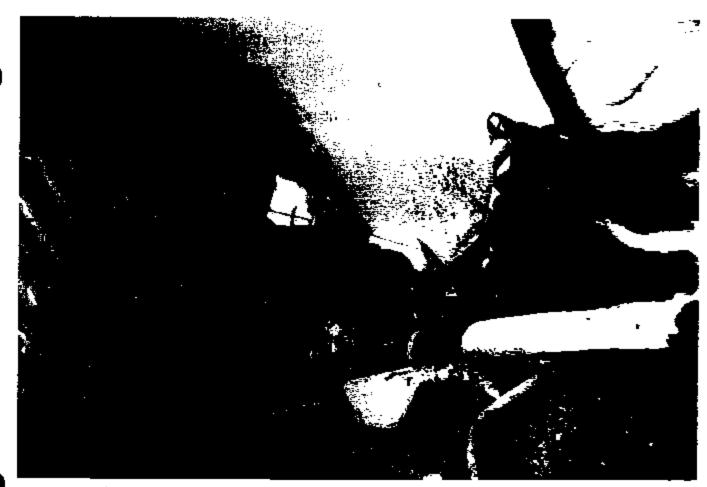
<u>:</u>



DATE CRENTED: 2004-04-23 09-50:10 DESCRIPTION: BONNS ON ANTI LOCK BRAKE HOD.

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date created: 2001-01-21 09:50:20description:

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DRIES CREATED: 2004-04-23 09:50:44 DESCRIPTION:

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PATE CREATED: 2004-04-22 09:50:58 DESCRIPTION:

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BATA (REBUTE): 2004-04-23 (9:51:32 DESCRIPTION:

Field Assignment Attachment Note Version 1.0 URBATED: 2004-04-23 09:51:12 ORZGIN: FILE



UNITED SERVICES AUTOMOBILE ASSOCIATION P.O. Box 33490, San Antonio, TX 78265

SECTION

FORD MOTOR CORPORATION PO BOX 624.MD-3NE-B LEGAL DEPARTMENT, CONSUMER DEERBORNE MI 48126

4 JUN 17 P1:35

FORD MOTOR COMPANY

JUN 1 7 2004

OFFICE OF THE GENERAL COUNSEL

June 8, 2004

Policyholder:

Reference Number: 15306448-7101-7-7933

Date Of Loss: April 22, 2004

Loss Location: Jacksonville, Florida

USAA Tax ID Number: 74-0959140 Your Policyholder: FoMoCo

Your Reference Number: unknown

To whom it may concern:

Our investigation reveals that your insured is responsible for damages sustained in this loss.

This is to notify you of our subrogation interests and to request that you not make any settlements on this claim without protecting our recovery rights. The exact amount of our claim and supporting documentation will follow separately.

Be aware that no partial payment to USAA that is less than the full amount claimed herein will be considered in any way a satisfaction of this claim without an express written release of our claim executed by an individual who identifies himself/herself as a member of our Subrogation Department. Therefore, our legal rights to enforce collection on the remaining amount of the claim shall not be waived or estopped due to a partial payment by you or someone acting on your behalf.

If you wish to discuss this matter, please contact me.

Sincerely,

Turbide, Andre E

Andie Turbill

Senior Auto Claims Representative USAA Southeast Regional Office

Phone: 1-800-531-8222 x44775

Fax Phone: 800-531-8877

4/22/04 100 FL Jack somuniles M100





National Document Genrer P.O. Box 268992 Oklahoma City, OK 73126-8992 claimalocoment@farmeronsarvance.com Fax: 877-217-1389

10/07/2004

Shawna Norton Via Fax No. J13-845-4089 Ford Motor Company Parkiane Towers, Ste 300 3 Parkiane Bivd Dearborn, MI 48126

Re: Our Insured:

Loss Date: Claim Number:

...

07/21/2004

Total Amount Oved: \$20,818.56

Dear Ms. Norton:

We previously advised you of our subrogation rights for the damages listed above. We provided you with our cause and origin report documenting the faulty cruise control descrivation switch. To date, you have not responded.

I would appreciate if you would forward your settlement offer at your earliest convenience.

Sincerely,

Mid-Century Insurance Company of Texas

Scott Sheffield

Auto Subroguion Representative

Sale Shell

512-238-5739

Aus. 9. 1004 3:58PM

FARMERS

2818769905

No.1335 P. 7

P.2

1974 Complete Orient Same State Harton, Texas 17807-1278. Ski Ph. 200 (sheet) 201.495.9944 Fu ROLENG THE INTERIOR property designation (Mal) Parties markey and

REPORT OF FINDINGS

Claim No:

Date of Loss: 07/21/04

VEHICLE FIRE EVALUATION

INSTRED:

2061 FORD F150 LARIAT

Prepared for:

FARMERS INSURANCE GROUP **480 NORTH SAM HOUTON PARKWAY EAST** SULTE 320 HOUSTON, TEXAS 77060

> Randy Callison, ASE, CFEI, CVFI Project Manager

August 9, 2004

ProNet File No. 749/

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I. INTRODUCTION

On July 21, 2004, a fire occurred involving a Ford vehicle. On July 22, 2004, The ProNet Group, Inc., was retained by Mr. Chris Novotny of Farmers Insurance Group to Inspect the vehicle and evaluate the damage.

On July 27, 2004, The ProNet Group attempted to Inspect the vehicle at the insured's residence, located at 1543 Piñata Lane in Crosby, Texas. The Ford vehicle had been moved from the residence, however, fire debris was located in the driveway adjacent to the garage. This debris consisted mainly of burned and meited engine compartment components. The steel skeleton of the cruise control deactivation switch was located in the debris and taken into evidence.

On August 2, 2004, ProNet inspected the vehicle at Insurance Auto Auction, located at 2535 West Mount Houston in Houston, Texas. During this visit, the vehicle was inspected and photographs were taken to document our observations. The observations described and pictured in this report are representative of the conditions observed during our visit. This report will not reflect all conditions of the vehicle, but will demonstrate typical conditions observed. All photographs are available for review.

The cruise control deactivation switch was collected during this inspection and is currently stored by ProNet.

II. BASIS OF REPORT

This report is based on the following:

- 1. Inspection of the vehicle.
- 2 Interview with the owner of the vehicle,

FARMERS

- 3. Research of the National Highway Traffic Safety Administration (NHTSA) records to identify any preliminary evaluations, engineering analyses, or
- 3. Information and observations as noted in this report.

recalls on 2001 Ford F150 Lariat trucks.

This report is based upon information available to us at this time, and is not necessarily final. Should additional information be presented or discovered, we reserve the right to review and, if necessary, revise this report and our conclusions in light of that information.

III CONCLUSION

Based on our findings and observations as noted in this report, it is our opinion the 2001 Ford F150 Lariat truck fire originated in the left rear quadrant of the engine compartment, was accidental in nature, and was caused by the failure of the cruise control deactivation switch.

IV. DISCUSSION

INTERVIEW

An interview was conducted with the following on August 12, 2004, and the following Information was obtained:

August 27, 2004

Page 4

ProNet File No. 7497

- He has owned the vehicle since March or April of 2001. There has been no previous trouble with the vehicle, no warning lights flashing, and no recent repairs.
- The vehicle was equipped with an aftermarket alarm, radio, subwoofers, and amplifier.
- He had driven approximately thirty (30) miles home from work and had left the vehicle sitting for an hour, when he heard the alarm going off.
- 4. He went outside and saw flames coming from the hood, just right of center (passenger side) and medium to dark gray smoke. He attempted to put the fire out with a water hose, which it seemed to make it worse. He called 911 and they advised him to get away from the vehicle. The fire department responded three to four minutes later and extinguished the fire.

VEHICLE DESCRIPTION

The vehicle was identified as a gold-colored four-door 2001 Ford F150 Lariat truck bearing Vehicle Identification No. 1FTRW07L51) and Stock No. 834544.

EXTERIOR INSPECTION

Our Inspection of the truck exterior revealed:

- A burn patient consistent with a fire originating in the engine compartment.
- The windshield was shattered.

- 3. The right and left front fenders were void of paint. The left front fender evidenced the most intense burn.
- 4. The right and left front tires were burned. The inboard side of the left front tire had evidence of intense burn.
- 5. All that remained of the hood was a very small section attached to the left. hood hinge.
- 6. All combustibles were consumed on the front face of the vehicle.

PASSENGER COMPARTMENT

Our inspection of the passenger compartment revealed:

FARMERS

- 1. A burn pattern consistent with a fire that propagated from the engine compartment into the passenger compartment after consuming the firewall (bulkhead) access hole seats.
- 2. The front third section of the dash was consumed.
- 3. The front third section of the headliner was burned.
- 4. The front seat coverings were mildly burned.
- 5. The floorboard in the rear passenger area contained aftermarket electrical wiring consistent with aftermarket stereo components being Installed. No components were located and it appears these items were removed subsequent to the fire.

FARMERS

Closer Inspection of the aftermarket stereo electrical wiring in the rear 6. passenger area did not reveal any electrical short-dircuiting that would have caused the fire. Specifically, the insulation for the electrical wiring was not melted, which is indicative of electrical overheating. The wiring routed to the dash area and one (1) heavy gauge wire (wire A) routed through a firewall opening right of the brake booster. Wire A was void of insulation three inches (3") from the firewall (passenger compartment side) along Rs route towards the starter solenoid, which was secured at the right upper quadrant of the firewall in the engine compartment. Attached to the end of wire A (engine compartment side) was a burned fuse holder.

A shorter heavy gauge wire (wire B) was attached to the starter solenoid. B+ terminal, the other end of the wire evidenced a "set screw" consistent with the use of a fuse holder.

It can be concluded that wires A and B are the same wire and they were attached via a fuse holder. When A did not have any evidence of electrical short-circuiting along its route from the passenger compartment to the engine compartment and wire B did not have any evidence of electrical short-drouiting.

7. Inspection of the passenger compartment fuse/relay center revealed No. a 15-amp fuse, had failed.

ENGINE COMPARTMENT

Our inspection of the engine compartment revealed moderate to intense lower to upper level progressive type burn patterns consistent with a fire originating in the left rear

August 27, 2004

Page 7

ProNet File No. 7497

quadrant of the engine compartment and propagating around the front of the engine in a clockwise direction. Specifically:

- The right upper control arm rear bushing was basically intact and the front bushing was slightly burned. The left upper control arm front and rear bushings were consumed indicative of a fire that was more intense in the left third section of the engine compartment.
- The battery had evidence of Intense burn that consumed the case and exposed the lead plates within.
- 3. The right engine valve cover was burned in a progressive pattern (more burn at the front than the rear). The left valve cover evidenced a significantly greater burn than the right valve cover indicative of a fire that was more intense in the left third of the engine compartment.
- 4. The vehicle was equipped a V-8 engine coupled to an automatic transmission. The front face of the engine specifically, the aluminum timing chain covering revealed surface burn, white the left third of the left timing chain covering was consumed. Again, this is indicative of a fire that was more intense in the left third section of the engine compartment than the right third.
- The alternator was located at the front upper edge along the centerline of the engine. The left face of the alternator had evidence of intense burn.
- The fuel supply and return hoses were burned but intact. The securing dips for the lines were in place.

- The electrical wiring in the engine compartment was void of insulation.
 Inspection of the wiring did not reveal any evidence of electrical short-chrotiting that would have caused this fire.
- 8. The aluminum, plastic and rubber components secured to the top face of the engine had evidence of progressive burn patterns, consistent with a fire that propagated from the left third section of the engine compartment to the right third.
- 9. The air conditioner condenser was consumed and all that remained of the radiator was the left lower corner. The burn pattern observed to the radiator is consistent with a fire that propagated from the left third section of the engine compartment to the right.
- 10. The power steering fluid reservoir was consumed. The reservoir location is directly adjacent to the front third of the left valve cover and slightly forward and right of the brake master cylinder.
- 11. The brake booster, located in the left rear quadrant of the engine compartment, exhibited evidence of exterior surface burn. All that remained of the brake master cylinder was the securing hardware attached to the brake booster.

It should be noted that the front third section of the brake master cylinder housing, as well as internal components of the master cylinder, were observed in the driveway fire debris at the residence. The front third of the master cylinder was located in the debris. The front quarter of the master cylinder exhibited evidence of very little burn.

- 12. The right two-thirds section of the front face of the power distribution center had evidence of intense burn. The distribution center is located approximately six inches (6") to the left of the brake master cylinder location and forward of the brake booster. The interior of the distribution center, specifically the electrical wiring and relays, did not evidence electrical short-circuiting or electrical overheating that would have caused the fire.
- The cruise control servo located directly forward of the power distribution center exhibited evidence of intense burn.

RECALLS.

We searched the National Highway Traffic Safety Administration (NHTSA) database to identify any preliminary evaluations, engineering analyses, or recalls on 2001 Ford F150 vehicles relating to electrical fires involving cruise control deactivation switches.

A search of their records, as well as technical service bulletins, did not indicate any problems relating to cruise control deactivation switch failures resulting in engine compartment fires within 2001 Ford F150 vehicles at this time.

However, a search of their records did reveal ODI Action No. EA02-025. This ODI is an engineering analysis investigation involving the cruise control deactivation switch failures that result in fires. While the 2001 Ford F150 was not a listed vehicle in this investigation, it should be noted that the switch is virtually identical to the ones used in the vehicle in question.

SUMMARY

In summary, this 2001 Ford F150 truck fire originated in the left rear quadrant of the engine compartment, specifically in the immediate area of the brake master cylinder as evidenced by the burn patterns. The burn patterns are further indicative of a fire originating at the cruise control deactivation switch. Specifically, the cruise control deactivation switch is located on the top face front third section of the brake master cylinder and is supplied with 12-volts at all times. The switch itself had evidence of intense burn, however the front quarter of the master cylinder was besically intact.

In regards to cruise control deactivation switch failures, it is known and documented that these switches have failed and subsequently caused fires.

RECOMMENDATIONS

We recommend that the 2001 Ford F150 Lariat vehicle be retained, secured and protected regarding any further testing or inspection by other interested parties. We also reserve the right to be present and observe any and all inspections or testing of the Ford vehicle by any other concerned parties.

V. ATTACHMENT

PHOTOGRAPHS



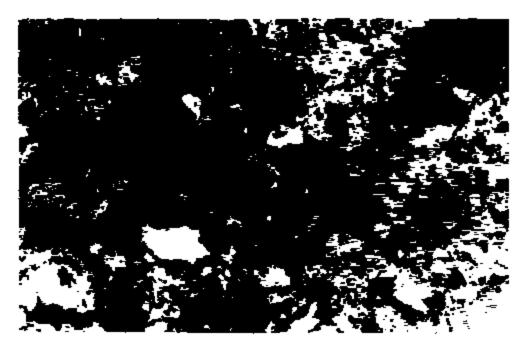
2. View showing the fire debris located at the insured's residence



View showing the fire debris located at the insured's residence.



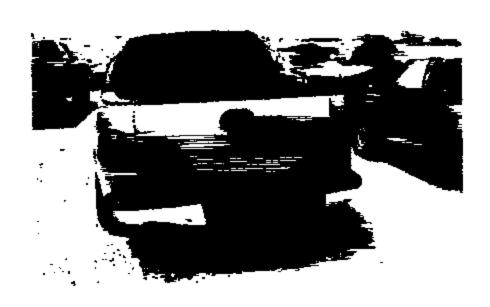
View showing the cruise control deactivation switch located in the fire debns.



View showing the front of the 2001 Ford F150 Lariat vehicle.



6. Rear view of the vehicle.



Front to rear view of the right side of the vehicle.



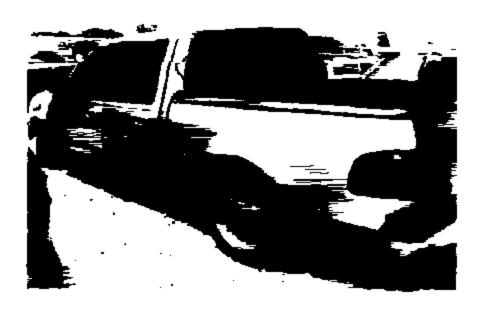
Rear to front view of the right side of the vehicle.



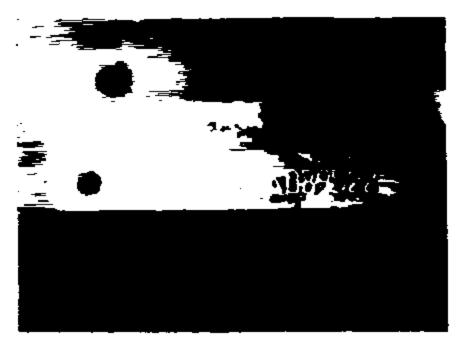
9. Front to rear view of the left side of the vehicle.



10. Rear to front view of the left side of the vehicle.



View of the vehicle identification number. 11.





Night to left view of the roar LJ. passenger compartment.

13. Left to right view of the front a passenger compartment.





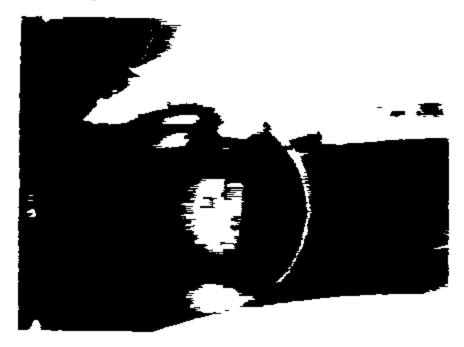
 Left to right view of the rear passenger compartment. View showing the right third of the dash.





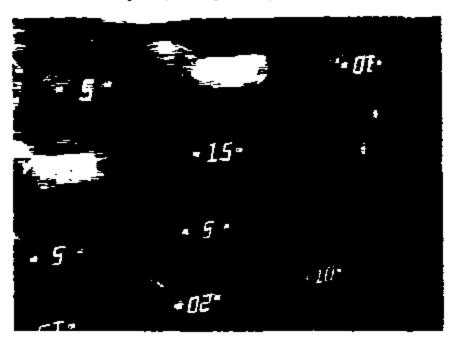


 View showing the center third of the dash.



18. View showing the passenger compartment fuse/relay center.





20. View showing fuse No. 14,





22. Right to left view of the engine compartment



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 View showing the right third of the engine compartment. 25. View showing the center third of the engine compartment.

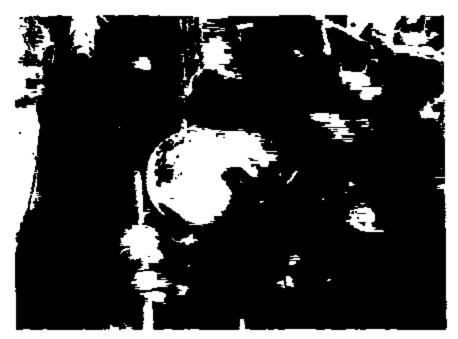


26. View showing the left third of the engine compartment.

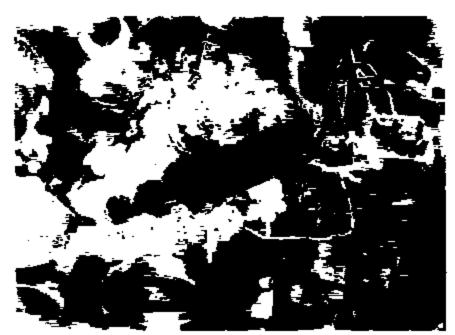


28. View showing the left rear corner of the engine compartment.





30. View of the left valve and timing chain cover.





32. View of aftermarket wire A.





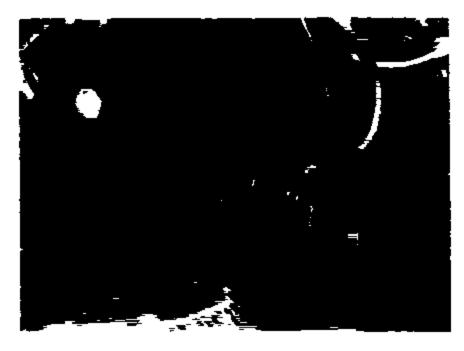
34. View of aftermarket wire A at the point where it enters the passenger compartment (engine compartment side).





36. Another view of whe A.





38. View of the fuel hose connectors and clips.





40. View of the left valve cover.





42. Another view of the power distribution center.





44. View of the right upper control arm bushing.





46. View of the left upper control arm bushing.

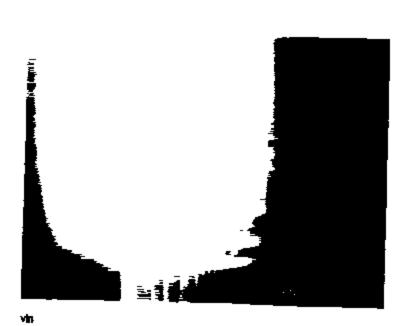


47. Closer view of the left upper control arm bushing.



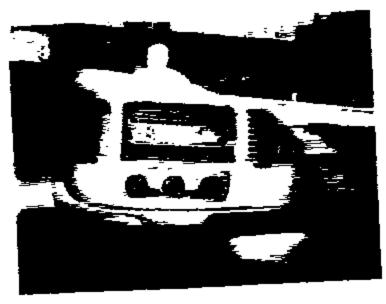


left front



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CRN Photo Template

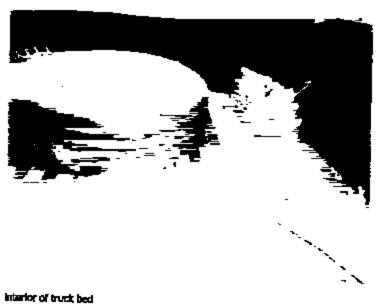


ad player



front satis







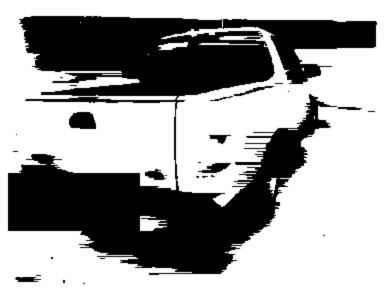
left side



infreer



rear



right rear

CRN Photo Template



right skie



right front



front



engine





National Document Center P.O. Box 268992 Oklahoma Ciry, OK 73126-8992 claimsdocument@farmersinsurance.com Fax : 877-217-1389

09/10/2004

Shawna Norton Ford Motor Company Parklane Towers West, Suite 300 Three Parklane Bivd. Dearborn, MI 48126-2568

Re: Our Insured:

Our Claim#:

Date of Loss:
Amount Owed:

07/01/2004 \$5,793,72 500 12

Dear Ford Motor Company:

We previously informed you of our subrogation claim. Pursuant to your request enclosed herewith are color photographs. Please be advised the Ford Dealership acknowledged that the cruise control deactivation switch failed, which is known and documented that these switches have failed and subsequently caused fires.

Our insured's vehicle was repaired by the dealership. I retained the parts have them for your review and inspection if necessary.

Please review your file and advise us if you are now in a position to consider our claim.

Sincerely,

Mid-Century Insurance Company of Texas

Scott Sheffield

Subrogation Representative

512-238-5739



WIRLING HARNESS



MASTER CYLINDER AND CRUESE CONTROL DEACTIVATION, SWITCH



AIR INTAKE



MASTER CYLINDER AND CURISE CONTROL DEACTIVATION, SWITCH



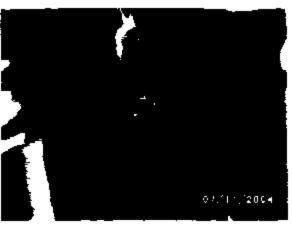
COWL UPPER PANEL



HOOD INSULATOR



WIRING HARNESS



ABS SENSOR



AIR INTAKÉ SENSOR

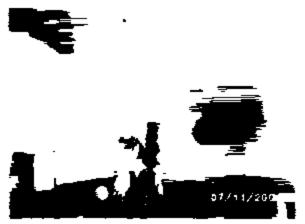


VIN

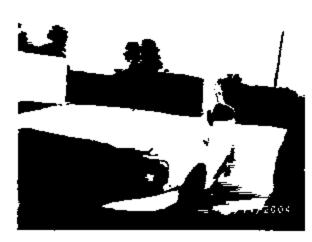


MILLAGE

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FENDER LINER





LT PRONT

KT FRUNT





RT REAR

LT REAR