

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SUFFOLK

-----x
[REDACTED]
Plaintiff,

-against-

COMPLAINT

Ford Motor Company

Defendant.
-----x

The plaintiffs, by their attorney, complaining of the defendants, respectfully show to the Court and allege:

AS AND FOR A FIRST CAUSE OF ACTION

1. That during the time herein stated and hereinafter mentioned, the plaintiff hereinafter referred to as was and still is a mutual insurance company duly organized under the laws of the State of Illinois, engaged in the legal transaction of business in the State of New York.

2. That during the time heretofore mentioned, plaintiff's subrogor was insured under a policy of insurance issued by the plaintiff and was the owner of a motor vehicle.

3. Upon information and belief that during the time heretofore and at all times hereinafter mentioned, the defendant was doing business within the County of Suffolk, State of New York, as the manufacturer.

4. That on August 26, 1999, plaintiff's subrogor's vehicle was damaged, said vehicle manufactured and sold by the defendant.

5. That the defendant expressly warranted to the plaintiff's subrogor that each part of the vehicle was free of defects in material and workmanship and fit to be used as a motor vehicle.

6. That the aforesaid warranties related to the aforesaid goods were part of the basis of the bargain.

7. That the said warranties were not true as the vehicle was not warranted inasmuch as the vehicle on August 26, 1999, was damaged when it ignited as a result of the aforesaid breach of warranty within the County of Suffolk.

8. That as a result of the foregoing, plaintiff sustained damages in the sum of \$23,297.94, and plaintiff has been damaged in said sum.

AS AND FOR A SECOND CAUSE OF ACTION

9. Plaintiff repeats, reiterates and realleges each and every allegation contained in paragraphs "1" through "9" inclusive, of the complaint, with the same force and effect as though herein more fully set forth at length.

10. Upon information and belief that as hereinbefore shown and alleged, the said automobile was faulty, defective and malfunctioning in the respects hereinbefore stated, as said vehicle was being used.

11. The damages sustained were caused by the defendant's failure to properly and adequately manufacture, design and inspect said vehicle as to be free from defects.

12. Upon information and belief, that by reason of all of the foregoing, the plaintiff has been damaged in the sum of \$23,297.94.

WHEREFORE, plaintiff demands judgment against the defendant in its first cause of action in the sum of \$23,297.94 and in its second cause of action in the sum of \$23,297.94, together with interest, costs and disbursements of this action.

Dated: Huntington, New York
February 15, 2002

SERPE, ANDREE & KAUFMAN
Attorney for Plaintiff
149 Main Street, PO Box 165
Huntington, New York 11743
(631) 421-4488
File No.: ISM31764

LANGE TECHNICAL SERVICES, LTD.

ONE AMES COURT, SUITE 210 PLAINVIEW, NEW YORK 11803 (516) 576-3102 FAX (516) 576-3105

FORENSIC ENGINEERING
EQUIPMENT ANALYSIS
ACCIDENT RECONSTRUCTION
FIRE CAUSE DETERMINATION

November 29, 1999

Ms. Lillian Pabst
State Farm Insurance Company
P.O. Box 8011
Huntington Station, NY 11746-9816

Re: Our File No.: 9909-PM-495
Claim No.: [REDACTED]
Insured: [REDACTED]
Vehicle: 1999 Ford Ranger
VIN: 1FTZR15X2X [REDACTED]
Mileage: 8,785 miles
Examined: September 15, 1999

Dear [REDACTED]:

As you requested, the above vehicle was examined on two occasions at Insurance Auto Auctions in Holbrook, New York to determine the cause and origin of the fire. The following are our findings and opinions.

General Observations:

It was reported that, soon after turning the engine off, the insured put the key in the auxiliary position to listen to the radio, when he heard a "popping" noise, followed by smoke and fire. The insured reported no indications of recent repairs or malfunctions of the vehicle. The damage at the time of our examination is reportedly the result of that fire.

The above vehicle is a pickup truck equipped with a 4-liter fuel injected V6 engine, automatic transmission and is four wheel driven. Analysis of the burn patterns on the exterior of the vehicle indicates that the fire originated and was of greatest intensity in the engine compartment (Photo Nos. 6 and 7). The composite hood has been completely consumed, as were the grille, head and marker lights. However, the passenger compartment was examined for indications of malfunction which may have caused or contributed to the fire.

Examination of the passenger compartment (Photo Nos. 8 and 9) revealed secondary damage present, consistent with the fire originating in the engine compartment.

LT 11/29/99

11/29/99

ERRS-005-LC-0724

Ms. Lillian Pabst
State Farm Insurance Company

Re: Our File No.: 9909-PM-495
Claim No.: [REDACTED]
Insured: [REDACTED]

No indications of malfunction in this area which may have caused or contributed to the burning in the engine compartment were observed.

Examination of the engine and engine compartment (Photo Nos. 10 and 11) revealed no visible indications of mechanical malfunction which may have caused or contributed to the fire. Analysis of the burn patterns in the engine compartment revealed significant heating in the upper areas on both the left and right sides. Deterioration of aluminum components was visible (Photo No. 12) and the heater box assembly (Photo No. 13) had also been completely consumed.

Examination of the electrical wiring in the engine compartment (Photo Nos. 14 and 15) revealed no indications of characteristic fusing or beading of wires consistent with an electrical malfunction. Portion of the exposed harness within the intake manifold area revealed the presence of insulation. Please note that absence of fusing of copper strands or beading of wires does not preclude the possibility of an electrical malfunction.

Additional analysis of the burn patterns in the engine compartment indicates that a significant heat existed on the right side of the engine compartment. This is partially based on the remaining consumable materials found on the left side of the engine compartment and the plastic remains on the upper engine compartment area (Photo No. 16). However, fuel injection related components normally located in the top center of the engine were examined for indications of malfunction which may have caused or contributed to the fire.

As indicated above, significant plastic residue was present in the center of the engine and was impart the melting of the aluminum intake assembly. However, examination of this area and the removal of the materials revealed the presence of undamaged fuel injectors (Photo No. 18) and fuel connections (Photo No. 19) which were intact and undamaged. No excessive heat associated with the presence of fuel in this area was identified nor was a malfunction of fuel injection related component.

Examination of the alternator and surrounding area (Photo Nos. 20 and 21) revealed severe melting of the forward casing of the alternator. However, the presence of air conditioning components in this area may have accelerated the fire during the expulsion of pressurized oils lubricating the air conditioning system. However, examination of the wiring at the rear of the alternator (Photo No. 22) revealed that the main power lead from the alternator to the battery was loose and the nut attached only by two or three threads (Photo Nos. 23 and 24). In addition, examination revealed severe arcing of the stud (Photo No. 25) to which the battery wire was connected. This arcing indicates improper contact between the wire and the stud which corresponds to the position of the nut. It should be noted that the fire could not have displaced the nut and in general, it is accepted that the thread of the stud should stick out a few threads beyond the top of the nut. It should also be noted that, at the time of our examination, the nut would not move by hand suggesting that this was the condition the vehicle was operating during the time period in which it was in service. Had this condition is associated with improper installation of the wire from the battery to the alternator.

During the examination, the vehicle was raised from the ground to examine the forward undercarriage area for indications of malfunction which may have caused or contributed to the fire. Although severe damage

Ms. Lillian Pabst
State Farm Insurance Company

Re: Our File No.: 9909-PM-495
Claim No.: [REDACTED]
Insured: [REDACTED]

was observed below the vehicle (Photo Nos. 26 and 27), no indications of malfunction which may have caused or contributed to the fire were observed. It should be noted that an oil residue was present on the forward catalytic converter. However, no indications of burning in this area were present. In addition, the circumstances surrounding the incident did not correspond to ignition of a combustible liquid below the body of the vehicle.

Conclusions:

In our opinion, based on the above findings, available information, accuracy of reported statements, conditions of the examination and with a reasonable degree of engineering certainty, the fire in the above vehicle originated in the vicinity of the alternator and was caused by the ignition of combustible materials in the area of the alternator output stud which connects through a single wire, the alternator to the battery. As identified above, an improper connection allowed arcing to occur which likely ignited the surrounding combustible materials. It is our opinion that based on the position of the nut and the arcing observed, along with the absence of repairs or installation of accessory components, this condition is the result of a manufacturing defect and as such, is the responsibility of the vehicle manufacturer.

Thank you for this opportunity to be of service.

Sincerely,

LANGE TECHNICAL SERVICES, LTD.

Submitted by:

Jeffrey Lange

HL:ps

Enclosures

Reviewed by:

Carl J. Lange, P.E.

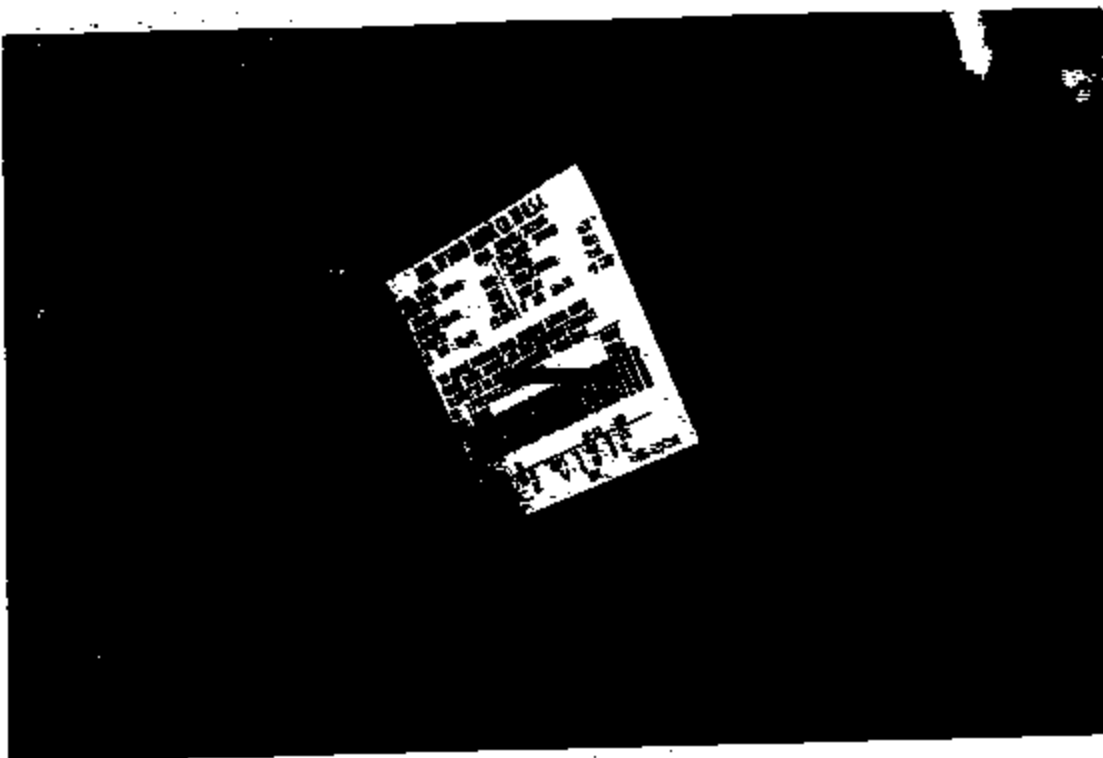


Photo No. 1:

Vehicle identification



Photo No. 2:

Vehicle examined



Photo No. 3: Vehicle examined



Photo No. 4: Vehicle examined

EP85-085-LC-6728

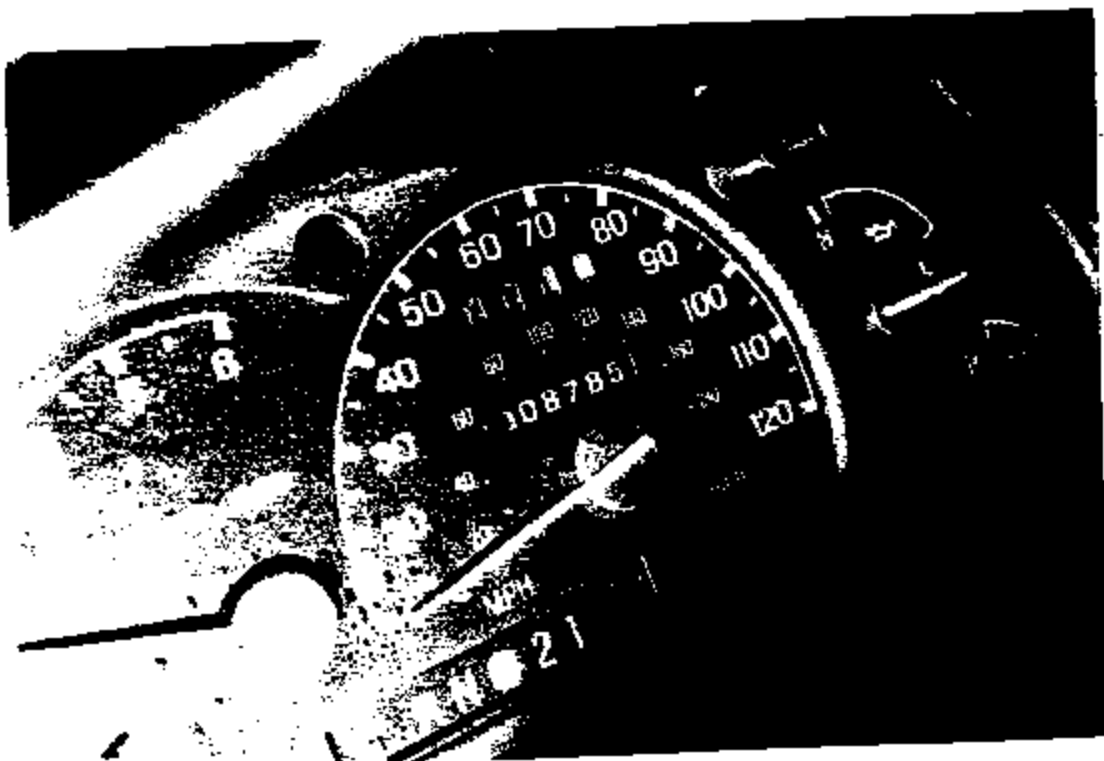


Photo No. 5: Odometer reading

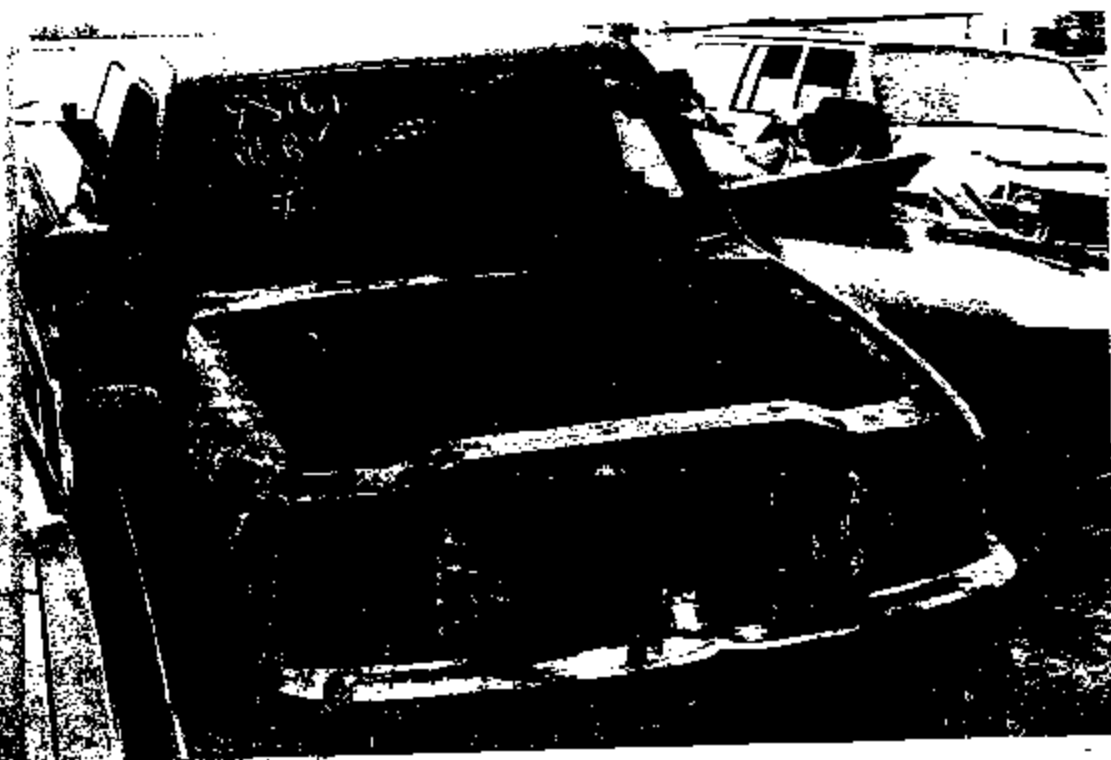


Photo No. 6: Burn patterns on front of vehicle

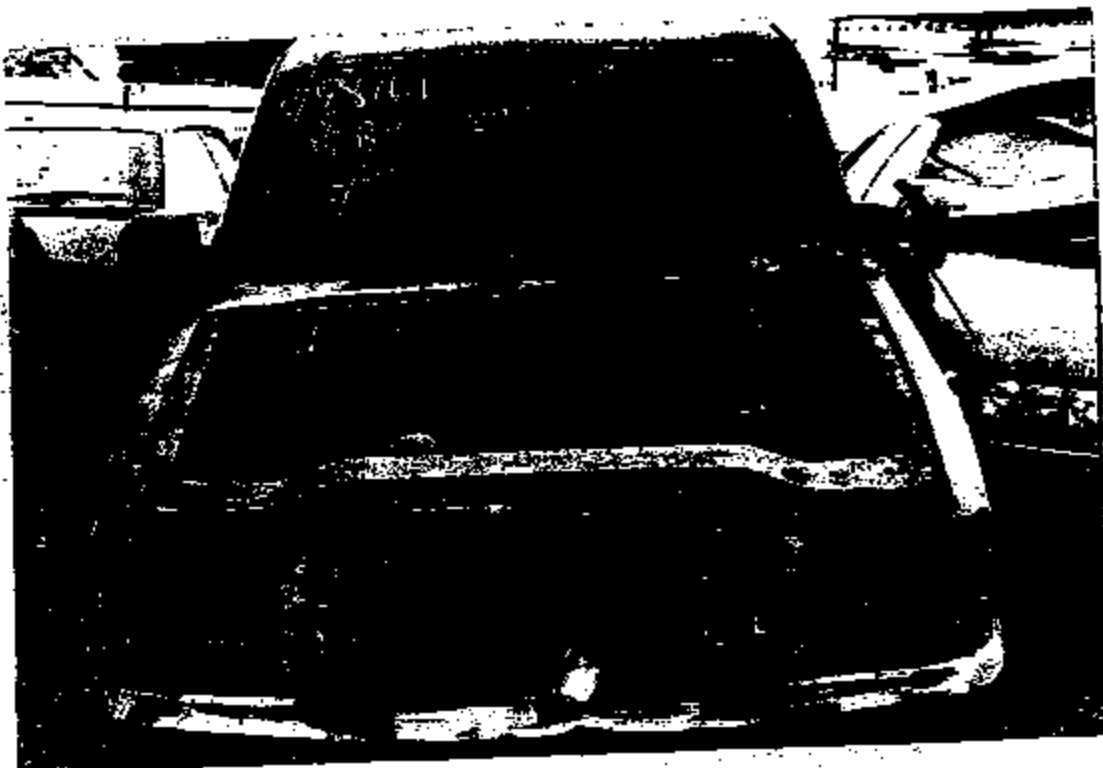


Photo No. 7: Burn patterns on front of vehicle



Photo No. 8: Forward passenger compartment



Photo No. 9: Forward passenger compartment

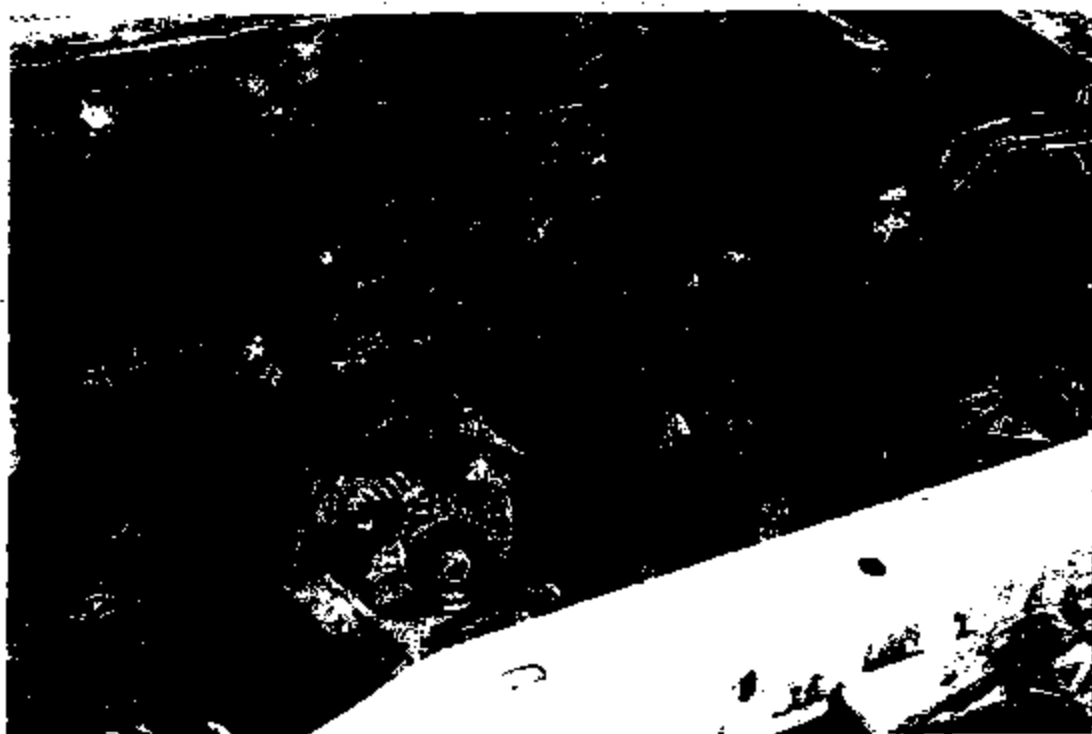


Photo No. 10: Engine and engine compartment

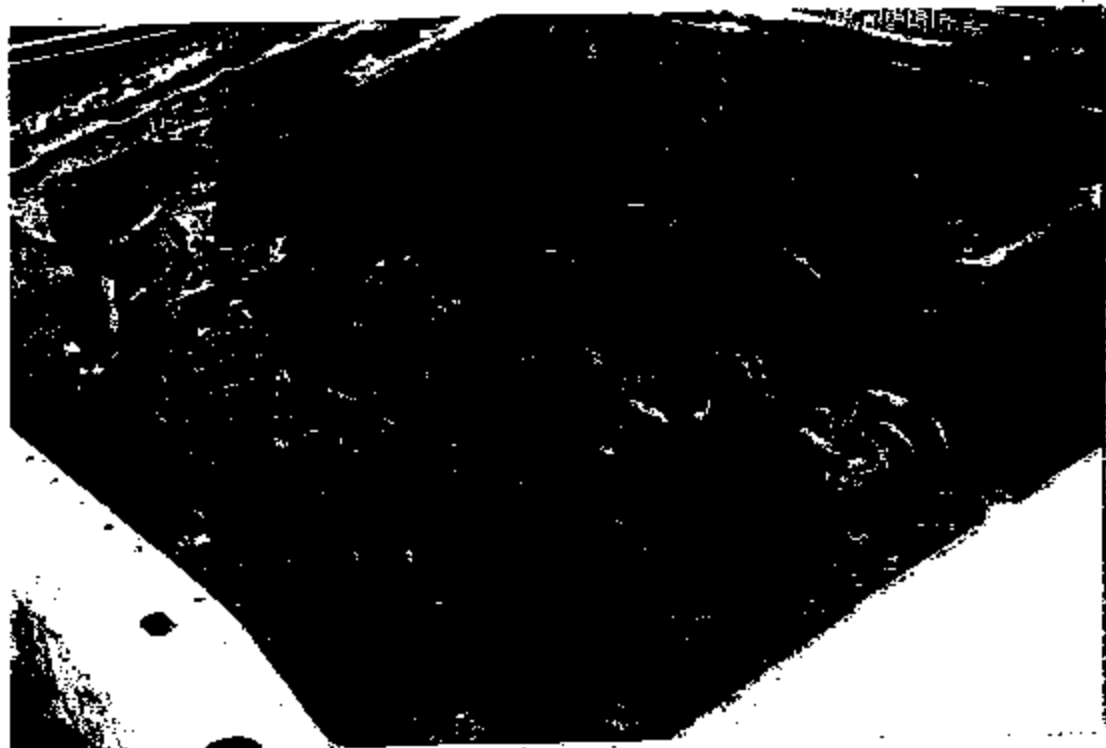


Photo No. 11: Engine and engine compartment



Photo No. 12: Burn patterns on left side of engine compartment



Photo No. 13: Consumed heater box assembly



Photo No. 14: Wiring in engine compartment

2003-005-LC-8733



Photo No. 15: Wiring in engine compartment



Photo No. 16: Plastic residue in center of engine



Photo No. 17: Plastic residue in center of engine



Photo No. 18: Fuel injection components in upper engine compartment area



Photo No. 19: Undamaged fuel supply line in engine compartment area



Photo No. 20: Alternator and surrounding area



Photo No. 21: Damage to alternator casing



Photo No. 22: Power connection at rear of alternator

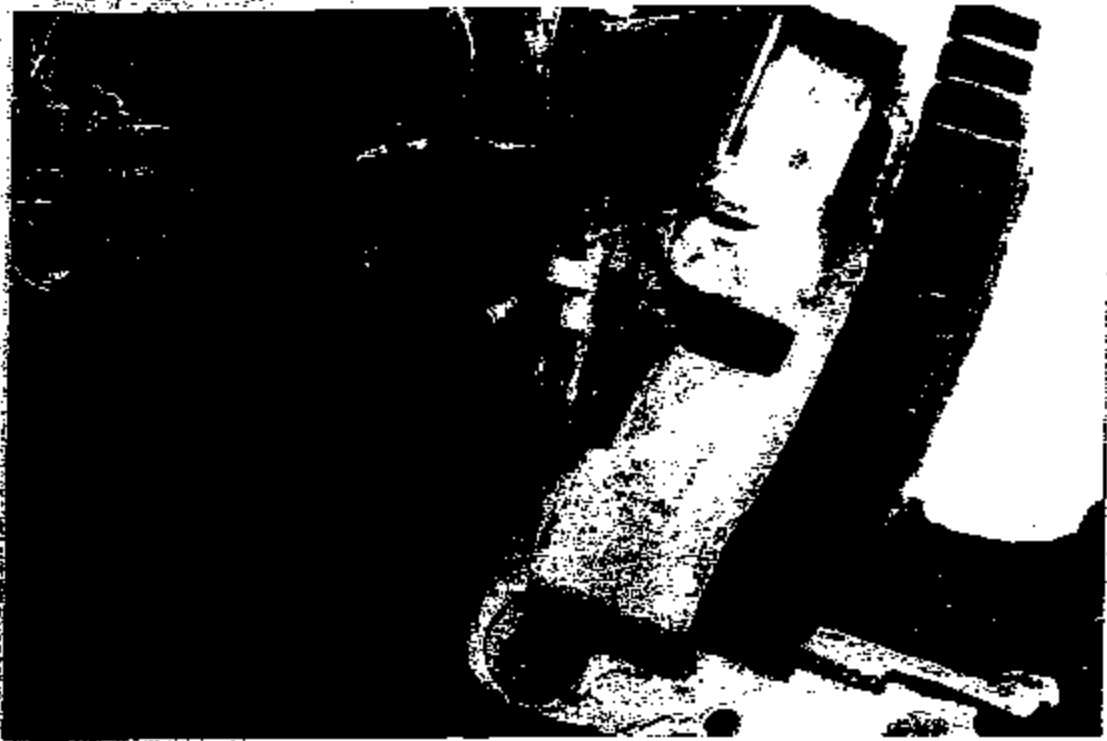


Photo No. 23: Power connection at rear of alternator (note placement of securing nut on stud)

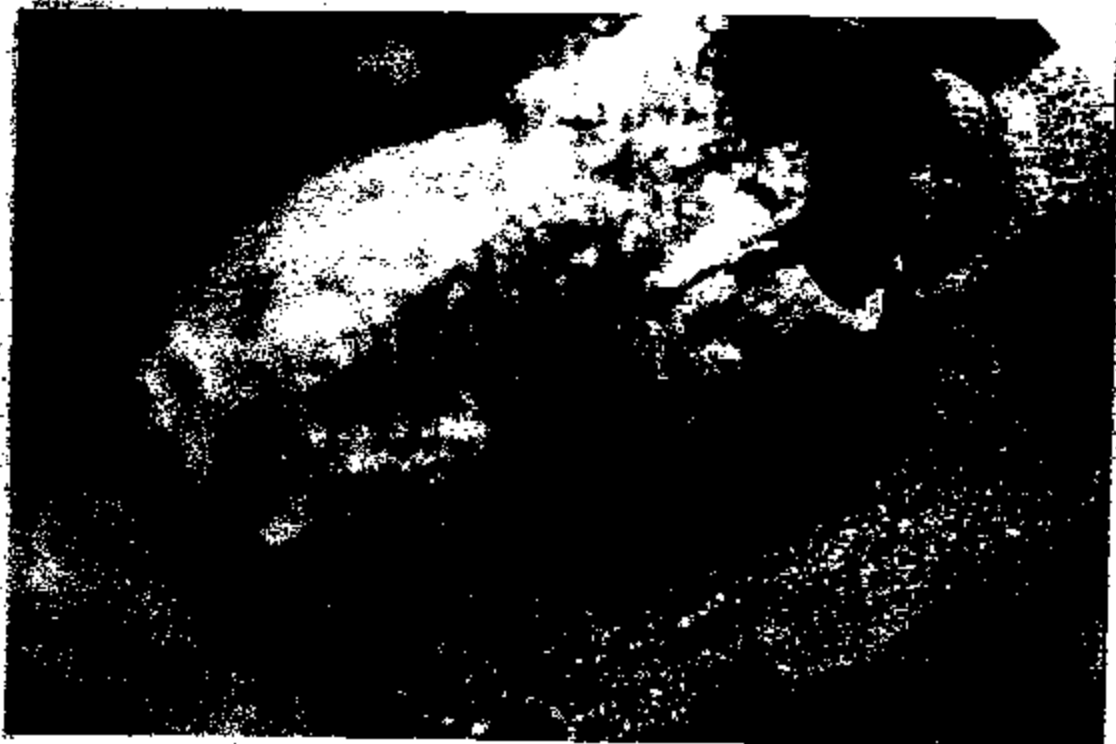


Photo No. 24: Power connection at rear of alternator (note location of securing nut)



Photo No. 25: Arcing on power stud from alternator



Photo No. 26: Forward undercarriage area



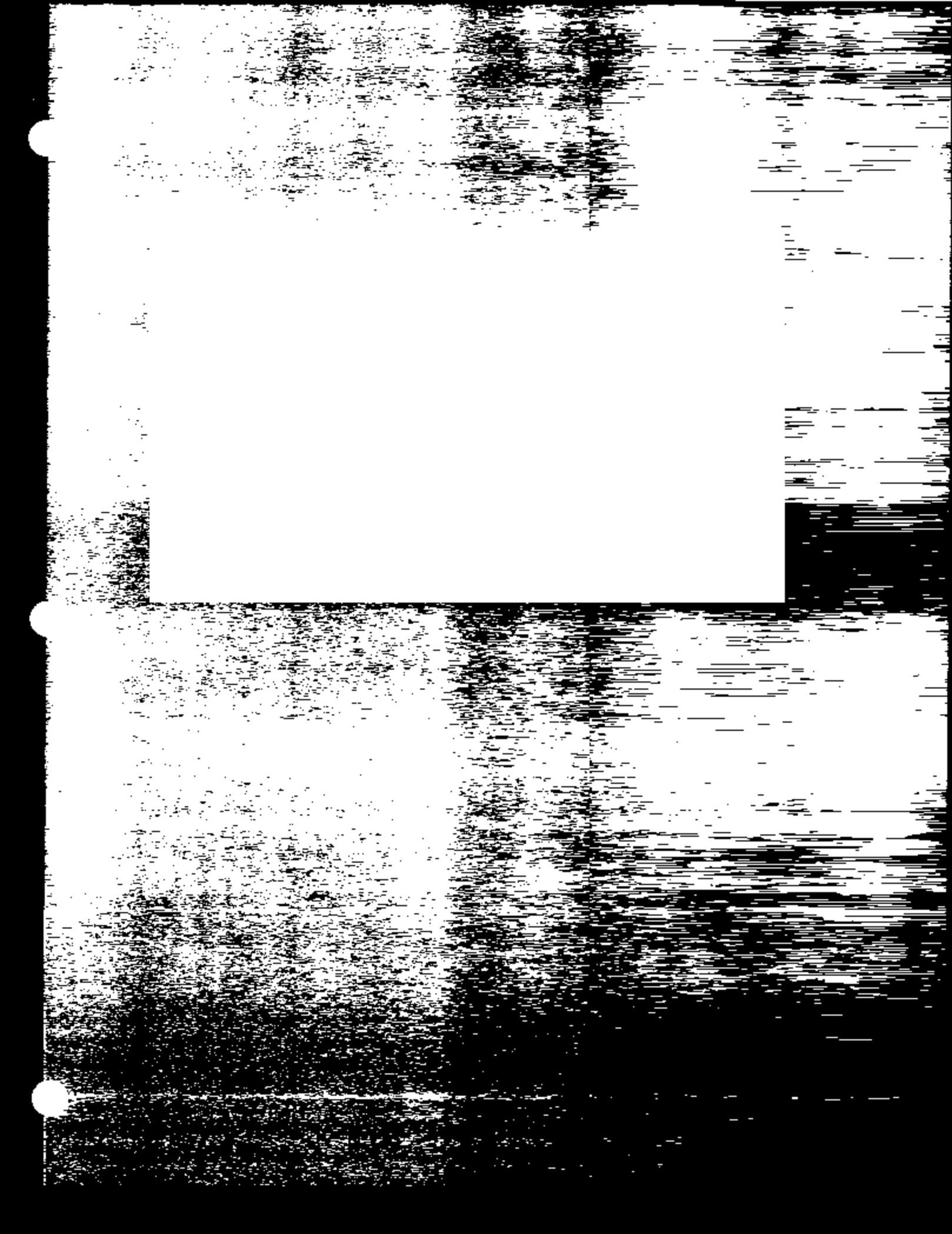
Photo No. 27:

Forward undercarriage area (note oil residues on catalytic converter)



Photo No. 28:

Forward undercarriage area (note oil residues on catalytic converter)



June 2, 2005

RELATIONSHIP
CENTER

2005 JUN 10 A 8 40

PROGRESSIVE

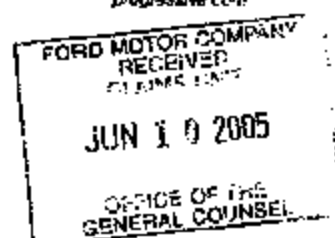
JUN 10 2005

2200 Stafford Avenue
Scranton, PA 18505

Telephone: 1-800-PROGRESSIVE
Facsimile: 570 969-1008

progressive.com

Ford Motor Company
Consumer Affairs
P.O. Box 6248
Dept MD-3NE-B
Dearborn, MI 48126



Our Policy Number: [REDACTED]
Our Claim Number: [REDACTED]
Date of Loss: April 23, 2005
Ford VIN#: 1FTEF14N0TL [REDACTED]

Joyce Benedict

Our investigation indicates that a defect in manufacturing was responsible for this loss. We have been called upon to make payment under our insureds policy. We are placing you on notice of our subrogation interests.

Enclosed, please find the summary opinion from the cause & origin completed 05/19/05.

At this time we have taken no action against you. If you should wish to complete your own inspection of the vehicle involved, please contact Great Valley Auto Salvage 59 East Lancaster Ave. Malvern, PA 19355. Phone: (610) 560-0430.

This vehicle is a total loss from fire due to a faulty cruise control deactivation switch. We have forwarded all correspondence regarding this claim to our subrogation unit at:

Progressive Companies
Attn: Subrogation 3rd Fl.
5920 Landerbrook Drive
Mayfield Heights, OH 44124

Progressive Companies

Mark Farrell
Mark Farrell
Claims Investigator
(570)496-3004

EN05-005-LC-8741

Assignment # 05-171-SP

Claim # [REDACTED]

May 19, 2005

Page 20

OPINION

A thorough and extensive examination of the subject vehicle, a 1996 Ford F-150, regular cab pick-up truck, bearing vehicle identification number 1FTEF14N0T[REDACTED] was conducted.

This examination included, but was not limited to the interior/exterior of the vehicle, the fuel, electrical systems, emissions, drivetrain, and research into recalls and technical services bulletins applicable to the subject vehicle. At the time of this examination, an interview was conducted with the mother of the insured, Joyce Benedict, the operator of the vehicle prior to the fire.

As a result of this examination and interview, it is the studied opinion of this examiner, with a high-degree of technical and professional certainty, that the fire that damaged the subject vehicle was accidental in nature. The causation of this fire can be attributed to a high resistance or glowing connection within the electrical system at the driver's side rear of the engine compartment. This high resistance or glowing connection originated within the cruise control deactivation switch that is attached to the forward portion of the brake master cylinder. This cruise control deactivation switch is known to have been the causation for fires in other Ford products. The cruise control deactivation switch used in this 1996 Ford F-150 has the identical part number of the recalled cruise control switch on the 2000 Ford F-150 and 2001 Ford F-150 Super Crew pick-up truck. Ford Motor Company issued a recall dated January 7, 2005 for the 2000 F-150 and 2001 F-150 Super Crew trucks for replacement of this cruise control switch. This switch can overheat and ignite, resulting in an engine compartment fire.

As part of this examination, an interview was conducted with the mother of the insured, Joyce Benedict. Mrs. Benedict informed this examiner that she had operated the vehicle for approximately 45 minutes prior to the fire. She parked the vehicle and entered her home. In less than 30 minutes, a passing motorist alerted her that the truck was on fire. Mrs. Benedict attempted to extinguish the fire with the use of her garden hose after notifying emergency service personnel. When the emergency service personnel arrived, the fire had almost been completely extinguished.

In view of these findings and prior experience with faulty cruise control deactivation switches, I would suggest that subrogation possibilities against Ford Motor Company be considered. As part of this report, the fire damaged remains of the forward portion of the

ENCS-005-LC-6742

PROGRESSIVE

MAY 23 2005

SCRANTON, PA

Assignment # 05-171-SP

Claim # [REDACTED]

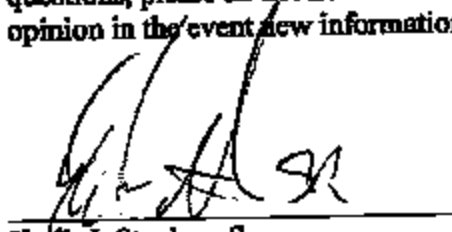
May 19, 2005

Page 20

OPINION (cont)

brake master cylinder and cruise control deactivation switch will be returned. It is suggested that these components be retained until subrogation issues have been satisfied.

If any additional information becomes available in this matter, or if you have any further questions, please do not hesitate to contact me. I reserve the right to revise or amend my opinion in the event new information, documentation or evidence becomes available.

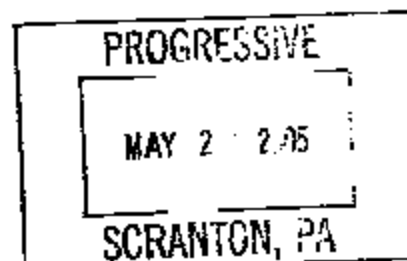


Keith J. Stephan, Sr.

ASE Certified Technician

KEITH J. STEPHAN, SR. FORENSIC AUTOMOTIVE SERVICE

ER05-005-LC-5743



ISSUE LIST

| Last Handling Date/ Issue Status | Name/ Reason Desc | Vin/ Case No. | Model Year and Vehicle Line | Issue Type |
|--|--|-------------------------------------|--------------------------------|---------------|
| 1/13/2000 CLOSED | [REDACTED] RENTAL/LOANER - RENTAL/LOANER REQUEST | 1FTEF14N0T [REDACTED] 1455693619 | 1996 F-SERIES | 03 |
| 1/13/2000 CLOSED | [REDACTED] AWA - WITHIN CRITERIA, REQUESTING AWA | 1FTEF14N0T [REDACTED] 1455693619 | 1996 F-SERIES | 03 |
| 1/3/2000 CLOSED | [REDACTED] DEALERSHIP - WORKMANSHIP | 1FTEF14N0T [REDACTED] 1455693619 | 996 F-SERIES | 02 |
| 12/29/1999 CLOSED | [REDACTED] AWA - WITHIN CRITERIA, REQUESTING AWA | 1FTEF14N0T [REDACTED] 1455693619 | 996 F-SERIES | 03 |

E905-005-LC-6744

6/20/2005

All Action Details for Issue

Print

VIN: 1FTEF14N9T Year: 1996 Model: F-SERIES Case: 1455883618
Name: Owner Status: Original WSD: 1996-06-04
Symptoms Desc: MANUAL TRANS, SHIFT EFFORTS MULTIPLE GEARS Primary Phone: Secondary Phone: Reason Desc: RENTAL/LOANER - RENTAL/LOANER REQUEST
Issue Type: D3 CONCERN Issue Status: CLOSED
Initial Customer Contact:

Action: VEHICLE DOES NOT HAVE ANY LOANER PROVISION; DEALER POLICY
Dealer: 01249 BROWN-DAUBFORD-LINCOLN-MERCURY Origin Desc: US CONCERN CASE BASE
Odometer: 45000 MI Comm Type: MAIL
Analyst Name: CAROLYN BROWN Analyst: CBROWN43
Action Date: 01/03/2000 Action Time: 11:29:58.583 Action Data: No

Comments CUSTOMER SAYS: WOULD LIKE A LOANER VEH WHILE THE VEH IS IN FOR SERVICE. PER CUSTOMER, DEALER SAYS: NONE CAC ADVISED: - VEHICLE DOES NOT HAVE ANY LOANER PROVISIONS - DEALERSHIP MAY PROVIDE THIS SERVICE - DOCUMENTED, FORWARDED INFO TO CRM/SERV MGR - REQUESTED CRM/SERV MGR CONTACT CUSTOMER WITHIN 2 BUSINESS DAYS IN REFERENCE CASE ID: 4040

Action: AWA P07 OFFER - ACCEPTED BY CUSTOMER
Dealer: 01249 BROWN-DAUBFORD-LINCOLN-MERCURY Origin Desc: DEALER
Odometer: 45000 MI Comm Type: MAIL
Analyst Name: BROWN-DAUB FORD C Analyst: F16484
Action Date: 01/13/2000 Action Time: 09:57:10.750 Action Data: No

Comments NO COMMENTS AVAILABLE

E905-005-LC-6745

All Action Details for Issue

Print

VIN: 1FTEF14N0T [REDACTED] Year: 1998 Model: F-SERIES Case: 1455093619
Name: [REDACTED] Owner Status: Original WSD: 1998-06-04
Symptom Desc: AUTO TRANS UPSHIFT DELAYED Primary Phone: [REDACTED]
Reason Desc: AWA - WITHIN CRITERIA, REQUESTING AWA Secondary Phone: [REDACTED]
Issue Type: 03 CONCERN Issue Status: CLOSED
Initial Customer Contact:

Action: ADVISE CUST INFO WILL BE SENT TO DLR; CONTACT CRM
Dealer: 01249 BROWN-DAUBFORD-LINCOLN-MERCURY Origin Desc: US CONCERN CASE BASE
Odometer: 45000 MI Comm Type: MAIL
Analyst Name: CAROLYN BROWN Analyst: CBROWN43
Action Date: 01/03/2000 Action Time: 11.30.04.801 Action Data: No

Comments CUSTOMER SAYS: THE VEH WAS TOWED ON DEC 28TH TO BE SERVICED —REPAIRS WERE DONE AND THE REPAIRS WERE NOT EFFECTIVE —THE TRANS IS COMPLETELY GONE NOW —THE VEH WAS OVER HAULED. —WOULD TO KNOW IF FORD WILL PROVIDE ASSISTANCE. —THE VEH IS AT ANOTHER DEALER. —WAS TOWED TO BROWN DAUB FORD. —FEELS THE WORK WAS NOT DONE EFFECTIVELY AT THE OTHER DEALER. —WOULD LIKE REIMBURSEMENT FOR THE MONEY TOWARDS THE REPAIR. PER CUSTOMER, DEALER SAYS: NONE CAC ADVISED: - WARRANTY HAS EXPIRED - FORWARDED INFORMATION TO THE DEALERSHIP FOR FINANCIAL CONSIDERATION - REQUESTED CRMSERV MGR CONTACT CUSTOMER WITHIN 2 BUSINESS DAYS —THE DEALER WILL INSTRUCT CUST AS TO WHETHER OR NOT THEY WIL ASSIST —CUST WILL BE RESPONSIBLE FOR THE REPAIRS IF THERE IS NOT DEALER ASSISTANCE. —NO RECALL OR ESP TO COVER REPAIRS. INFERENCE CASE ID: 2365

Action: AWA P07 OFFER - ACCEPTED BY CUSTOMER
Dealer: 01249 BROWN-DAUBFORD-LINCOLN-MERCURY Origin Desc: DEALER
Odometer: 45000 MI Comm Type: MAIL
Analyst Name: BROWN-DAUB FORD C Analyst: F16464
Action Date: 01/13/2000 Action Time: 09.55.18.005 Action Data: No

Comments NO COMMENTS AVAILABLE

2005-06-10-10-0746

All Action Details for Issue

Print

| | | | |
|---------------------------------------|------------------------|-----------------------------|------------------|
| VIN: 1FTEEE14N07 | Year: 1996 | Model: F-SERIES | Case: 1455893619 |
| Name: [REDACTED] | Owner Status: Original | WSD: 1996-06-04 | |
| Symptom Desc: | | Primary Phone: [REDACTED] | |
| Reason Desc: DEALERSHIP - WORKMANSHIP | | Secondary Phone: [REDACTED] | |
| Issue Type: 02 INFORMATION | Issue Status: CLOSED | | |

Action: APOLOGIZE FOR DEALER POLICY; REFER BACK TO DLR

Dealer: 01249 BROWN-DAUBFORD-LINCOLN-MERCURY

Origin Desc: US CONCERN CASE BASE

Odometer: 45000 MI

Comm Type: MAIL

Analyst Name: CAROLYN BROWN

Analyst: CBROWN43

Action Date: 01/03/2000

Action Time: 11.30.04.178

Action Date: No

Comments CUSTOMER SAYS: THE VEH WAS TOWED ON DEC 28TH TO BE SERVICED ==REPAIRS WERE DONE AND THE REPAIRS WERE NOT EFFECTIVE ==THE TRANS IS COMPLETELY GONE NOW ==THE VEH WAS OVER HAULED. ==WOULD TO KNOW IF FORD WILL PROVIDE ASSISTANCE. ==THE VEH IS AT ANOTHER DEALER. ==WAS TOWED TO BROWN DAUB FORD. ==FEELS THE WORK WAS NOT DONE EFFECTIVELY AT THE OTHER DEALER. ==WOULD LIKE REIMBURSEMENT FOR THE MONEY TOWARDS THE REPAIR. PER CUSTOMER, DEALER SAYS: NONE CAC ADVISED. - DEALERSHIPS ARE INDEPENDENTLY OWNED AND OPERATED - APOLOGIZE FOR EXPERIENCE - CONTACT CRM/SERV MGR FOR FURTHER ASSISTANCE ==SPEAK WITH SERVICE MGR TO DISCUSS COMPENSATION. ==FORD DOES NOT COVER WORKMANSHIP ISSUES -DEALERS NEEDS TO BE PAID FOR WORK THEY PERFORM. INFERENCE CASE ID: 4482

E905-005-LO-8747

K0000000

All Action Details for Issue

Print

VIN: 1ETEE14N0T [REDACTED] Year: 1998 Model: F-SERIES Case: 1455693619
Name: [REDACTED] Owner Status: Original WSD: 1998-06-04
Symptoms Desc: AUTO TRANS NO ENGAGEMENT Primary Phone: [REDACTED]
Reason Desc: AWA - WITHIN CRITERIA, REQUESTING AWA Secondary Phone: [REDACTED]
Issue Type: 03 CONCERN Issue Status: CLOSED
Initial Customer Contact:

Action: ADVISE CUST INFO WILL BE SENT TO DLR, CONTACT CRM
Dealer: 00086 RON BORTNICK FORD, INC. Origin Desc: US CONCERN CASE BASE
Odometer: 44874 MI Comm Type: PHONE
Analyst Name: LEONARD MCCALL Analyst: LMCCALL
Action Date: 12/27/1999 Action Time: 12.30.40.888 Action Data: No

Comments CUSTOMER SAYS: CUST HAS NO REVERSE OR DRIVE GEARS PER CUSTOMER, DEALER SAYS: AT DEALER NOW CAC ADVISED: - WARRANTY HAS EXPIRED - FORWARDED INFORMATION TO THE DEALERSHIP FOR FINANCIAL CONSIDERATION - REQUESTED CRM/SERV MGR CONTACT CUSTOMER WITHIN 2 BUSINESS DAYS CAC IS AWARE THAT THE DEALER THE VEH IS AT IS NOT THE SELLING DEALER BUT THE CUST IS TRAVELLING AND IS CURRENTLY IN MARYLAND. INFERENCE CASE ID: 2385

Action: AWA P06 OFFER - ACCEPTED BY CUSTOMER
Dealer: 00086 RON BORTNICK FORD, INC. Origin Desc: DEALER
Odometer: 44874 MI Comm Type: PHONE
Analyst Name: RON BORTNICK FORMC Analyst: F27046
Action Date: 12/29/1999 Action Time: 13.30.24.242 Action Data: No

Comments CUSTOMER ACCEPTED P06 AWA REPAIR TO TRANS.

E003-005-15-0748





Insurance Company

CUSTOMER
RELATIONSHIP
CENTER

2005 MAY 31 A 7:37

Subrogation Department

717 Mulberry
Des Moines, IA 50309-3872
P.O. Box 712
Des Moines, IA 50303-0712
Phone 515.280.2465
FAX 515.237.2117
www.emcinsurance.com

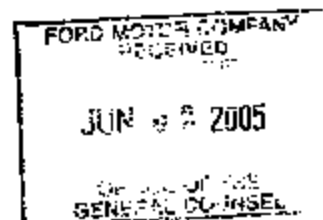
JUN 01 2005

May 25, 2005

Ford Motor Company
PO Box 6248
Deerborn MI 48126

RE: Our Claim No: [REDACTED]
Our Insured: [REDACTED]
Date of Loss: 12/13/04 ✓
EMC Payment: \$11,827.36
Deductible: \$500.00
Total Payment: \$12,327.36

New



To Whom It May Concern:

This letter is to advise you of our subrogation rights and interests in the above accident. Our investigation indicates legal responsibility on behalf of your company.

We have made payment to our insured under our policy coverages and are looking to you for recovery of this amount. Our documentation is enclosed.

Please forward your draft to us in the amount of \$12,327.36. Thank you for giving this matter your prompt attention.

Sincerely,

Chris Maier
Office Adjuster

CM/ktn

Enclosures

T:\Claims_Subrogation\Chris\Correspondence\Bemer459GF2.doc

EMC-805-LC-6750

Employers Mutual Casualty Company
EMC National Life Company
EMCARGO Insurance Company
EMC Property & Casualty Company

EMC Reinsurance Company
EMC Risk Services, Inc.
EMC Underwriters, LLC
Dakota Fire Insurance Company

Farm and City Insurance Company
Hamilton Mutual Insurance Company
Illinois EMCASCO Insurance Company
Union Insurance Company of Providence



MVC-017S.JPG



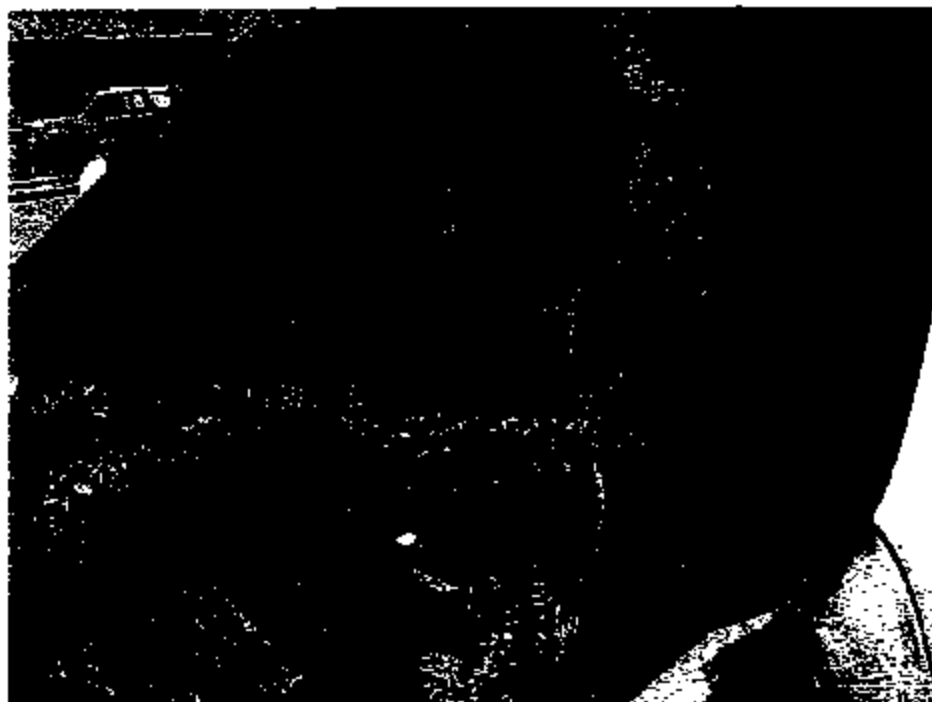
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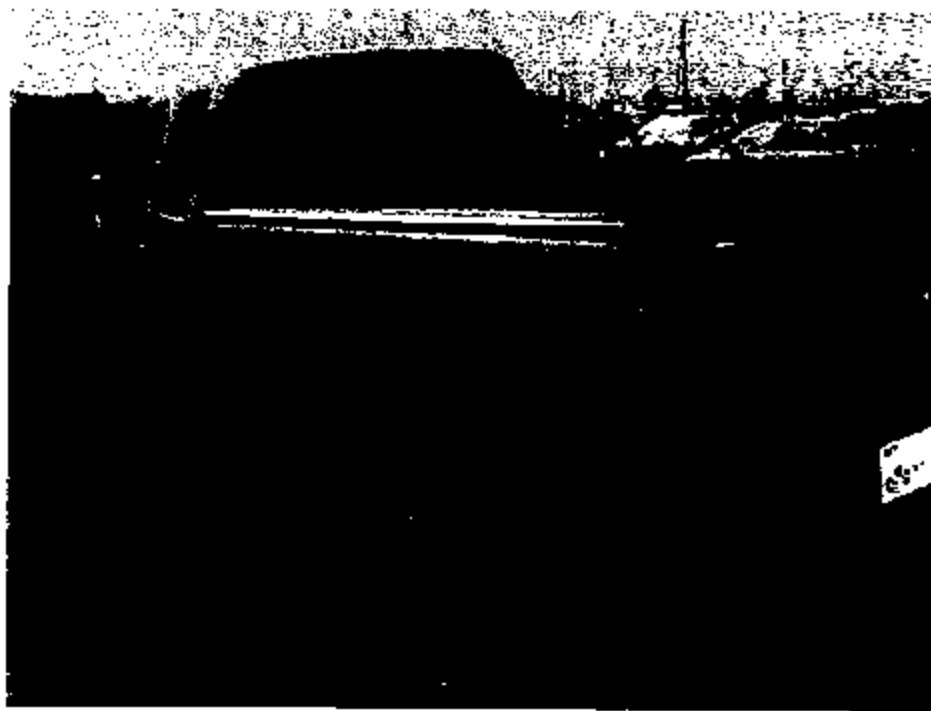
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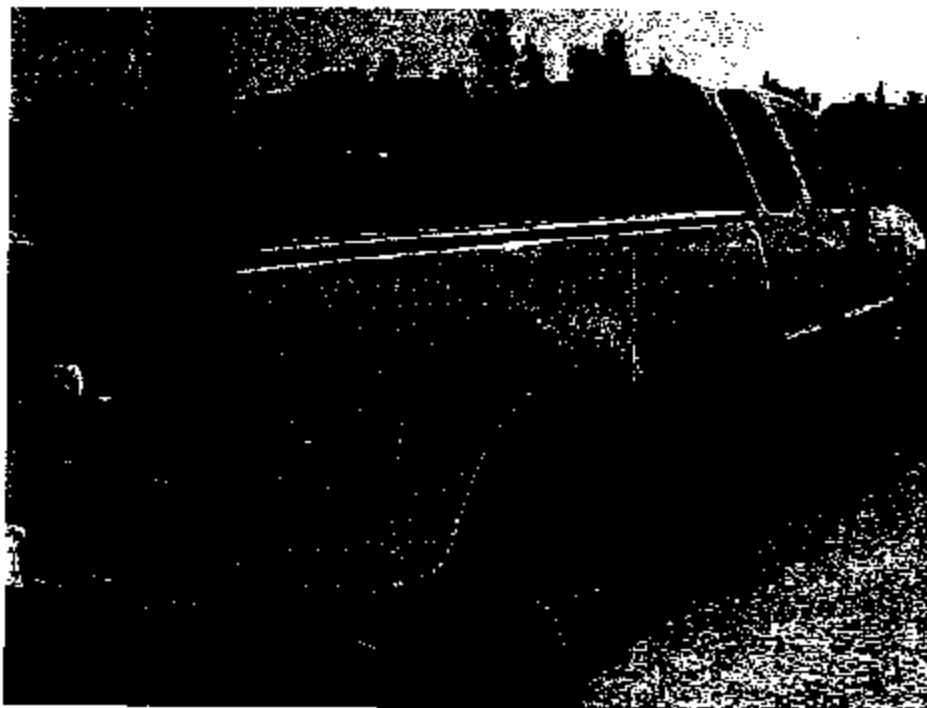
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ER05-005-LC-0752

MVC-0218.JPG



MVC-0225.JPG

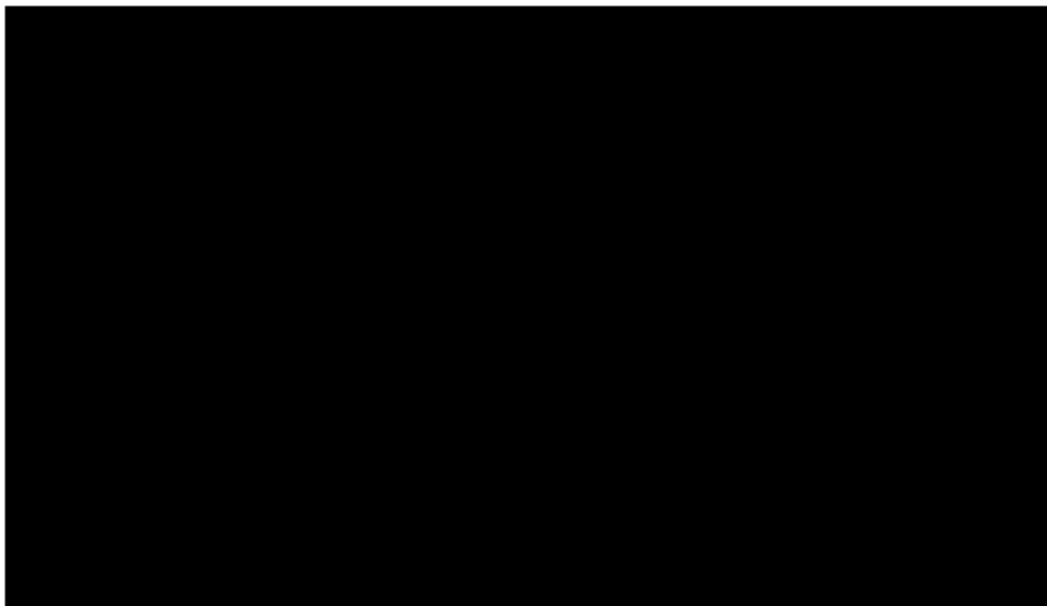


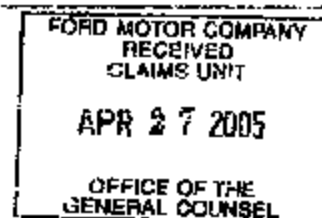
PDF created by SceneAccess.net

EA05-005-LC-6753

MVC-023S.JPG







Thank you for your prompt response. Per our tel. conversation, I have been retained by St. Paul Traveler's Insurance Company to pursue a subrogation action arising out of a fire which started in a 1997 Ford F 150.

Pursuant to your request, the following information is provided:

Claimant name (owner of vehicle and home):



ER05-005-LC-6755

4/27/2005

Date of loss: 3/7/2005

Vehicle model & Year & the 17 digit vehicle identification number: 1997 Ford F 150 .
VIN # 1FTDF1728VN [REDACTED]

Brief description of the Incident: [REDACTED] heard a sound in his garage and opened the door to see what was happening. He saw fire coming from the truck. He opened the the garage door to try and drive the car out of the garage, but the flames were, by that time, making their way into the driver's area. The fire spread and burned [REDACTED] home.

The dwelling address: [REDACTED]
North Port, FL [REDACTED]

Please contact me as soon as possible upon receipt of this email so we may arrange a time for your C & O expert to come to the scene to meet with our representative and determine what steps need to be taken and what evidence needs to be preserved. We would like to complete this on scene investigation no later than the middle to end of next week; earlier if possible.

Please have your C & O expert contact me directly, or you may feel free to arrange the time directly with my office.

Thank you for your courtesy and cooperation,

Craig M. Greene

**KRAMER, GREEN, ZUCKERMAN,
GREENE & BUCHSBAUM, P.A.**
4000 Hollywood Boulevard, Suite 485 South
Hollywood, FL 33021
Office Telephone: 954-966-2112
Office Facsimile: 954-981-1605

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From: Norton, Shawn (S.L.) [mailto:snorton1@ford.com]
Sent: Tuesday, April 26, 2005 1:36 PM
To: Craig Greene
Cc: Norton, Shawn (S.L.)

ER05-005-LC-0756

4/27/2005

Subject: 1997 F-150 dwelling fire

Craig,

Per our conversation earlier today, please submit a letter of representation to our offices with the following information:

Claimant name (owner of vehicle and home)

- Date of loss,
- Vehicle model & Year & the 17 digit vehicle identification number,
- Brief description of the incident and
- The dwelling address

Once we get this information, a claim will be set up in our system, and I can have our outside expert: Newell Investigative Services, Inc., call you to set up the inspection arrangements.

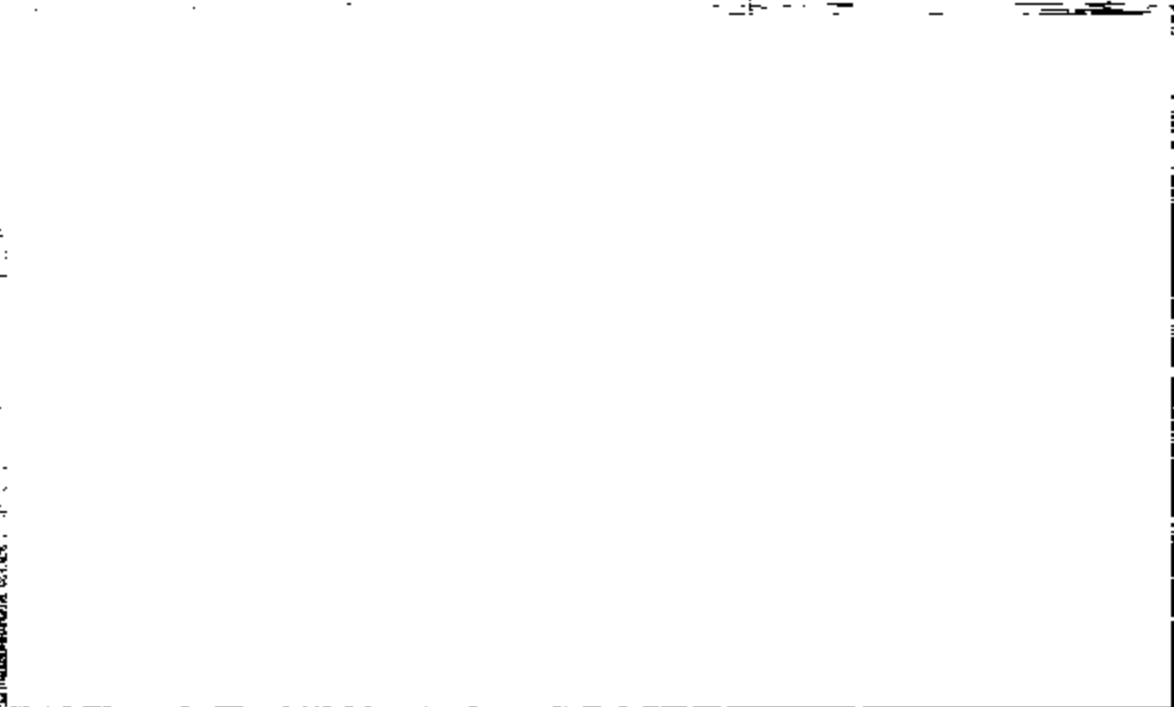
Fax and phone numbers are below the signature line.

Thanks,

Ms. Shawn L. Narton
Claims Analyst / Litigation Assistant
OGC - Product Litigation
PTW300
313/322-3269 phone
313/845-4089 fax

ER25-025-LC-6757

4/27/2005



JUN 09 2005

BEGINNING OF CONTACT
06/09/2005

VOICE OF THE CUSTOMER TRACKING SYSTEM

08.00.04

| | | |
|--------------------|-----------------------|----------------------|
| REGION: 21 ATLANTA | OGC ISSUE | CASE NBR: 1600431595 |
| VIN: 1FTDX1720VN | ZONE: G2 | OPENED: 06/08/2005 |
| | ENGINE: 2 VEH TYPE: T | CLOSED: 06/08/2005 |

| | | |
|---|---------------------------------|-----------------|
| LAST NAME: [REDACTED] | FIRST NAME: [REDACTED] | STATUS: CLOSED |
| TITLE: [REDACTED] | MI: [REDACTED] | |
| ADDRESS: [REDACTED] | | |
| CITY: BISHOPVILLE | STATE: SC | ZIP: [REDACTED] |
| HOME PHONE: [REDACTED] | | |
| MODEL YEAR: 1997 | MODEL: F150 4X2 SUPERCAB PICKUP | |
| MILEAGE: 1 | | |
| DEALER NAME: MCLAUGHLIN MOTORS I | SALES CODE: F21312 | P & A: 01060 |
| REASON CODE: 0792 LEGAL - ACCIDENT / FIRE | | |
| SYMPTOMS: 704100 FIRE/SMOKE VISIBLE FLAME | | |

ORIGIN: CAC138 - US CONCERN CASE BASE COMMUNICATION: PHONE
 ACTION: 705 - CONTACT ADVANCED TO OGC
 DOCUMENT: ANALYST: CPARRIS CHUMSIE PARRIS

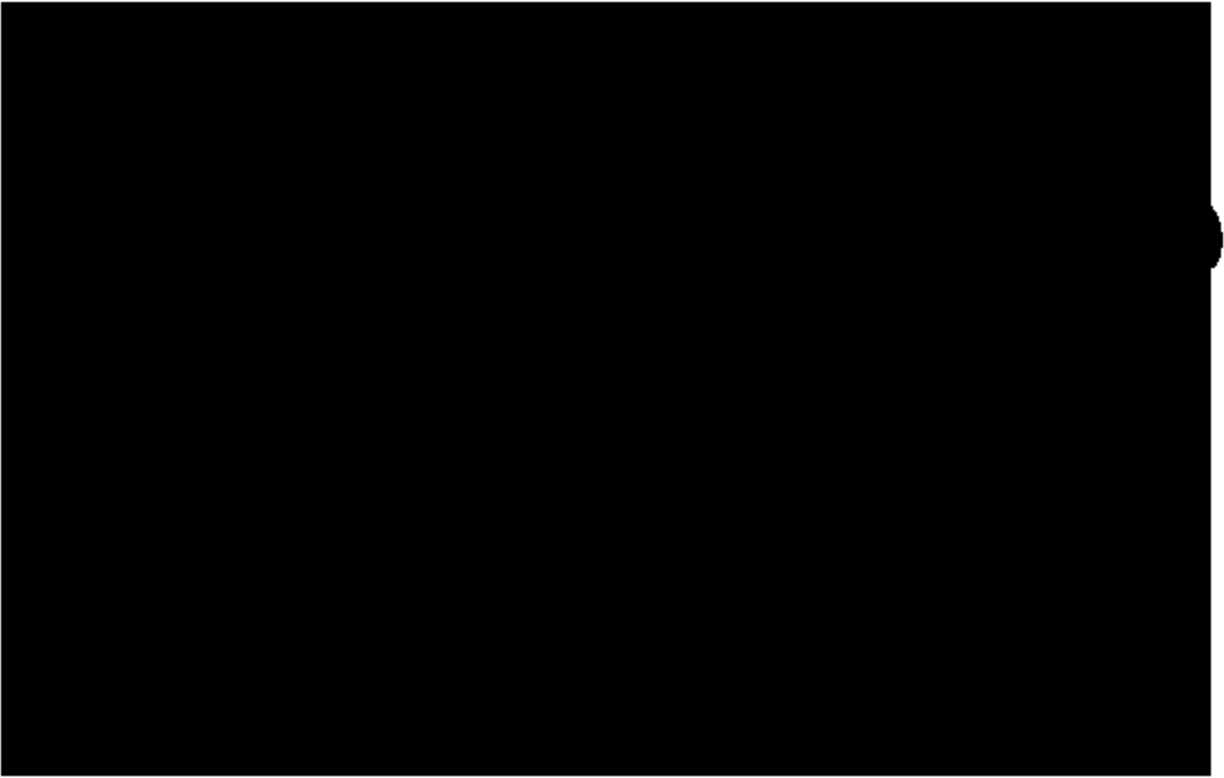
DATE: 06/08/2005 TIME: 16.40.43:
 ACTION DATA/COMMENTS:

FORD MOTOR COMPANY
 RECEIVED
 JUN 09 2005

JUN 09 2005

OFFICE OF THE
 GENERAL COUNSEL

CUSTOMER SAID: -CUST STATED THE VEH CAUGHT ON FIRE WHILE PARKED ON THE CAR PORT. -DATE : 1/17/04 TIME: ABOUT 8 AM -LOCATION : PARKED IN THE YARD. -THE HOUSE WAS DAMAGED FROM HEAT AND SMOKE , ANOTHER VEH WAS DAMAGE AND THE AREA WHERE THE CAR WAS PARKED ON THE CAR PORT. -THERE WAS NO PERSONAL INJURIES
 -FIRE POLICE REPORT WAS FILED WITH THE LEE COUNTY FIRE DEPT
 T. -INSURANCE CLAIMS WAS NOT FILED BECAUSE THE VEH ONLY HAD LIABILITY INSURANCE. -THE VEH WAS TOTALLED OUT. -CUST STATED HE HAS AN ARTICLE FROM THE USA TODAY STATING THAT THESE TRUCK MYSTERIOUSLY CATCH ON FIRE. -IS SEEKING FMC TO CLAIM RESPONSIBILITY FOR THE CAUSE OF THE FIRE SO THAT HE DOES NOT HAVE TO GET INVOLVED IN A CLASS ACTION SUIT. -IS ALLEGING FMC RESPONSIBLE FOR THE FIRE DUE TO A PRODUCT DEFECT. -NB: CALLER IS REQUESTING THAT HE BE CONTACTED INSTEAD ON HIS BROTHER
 .DEALER SAID: DLRS NAME: NONECRC ADVISED: -I WILL FORWARD THIS INFORMATION TO THE FORD OGC DEPARTMENT. YOU WILL BE CONTACTED WITHIN 3-5 BUSINESS DAYS.-ADVISED CUST THAT THE VEH WAS NOT ASSIGNED TO HIS BROTHER AS THE CURRENT OWNER .CSR ASSIGNED THE FILE TO CUST NAME.



State Farm Insurance Companies

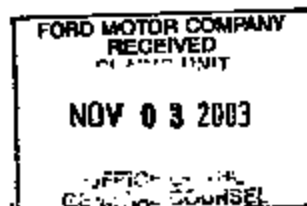


Po Box 3810 / 4910 29th Ave.
Meridian, MS. 39303
601-693-2788 F-601-485-9139

October 29, 2003

Ford Motor Company
Parklane Towers West
Suite 400
3 Parklane Blvd.
Dearborn, MI 48126-2568

RE: Claim Number: [REDACTED]
Our Insured: [REDACTED]
Date of Loss: 10/27/03
Vehicle: 1998 Ford Ranger pickup
Serial Number: 1FTYR10C2WU [REDACTED]



Dear Gentlemen:

The identified vehicle is insured by State Farm Mutual Automobile Insurance Company. This vehicle experienced a fire loss which we feel is a result of a defect.

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

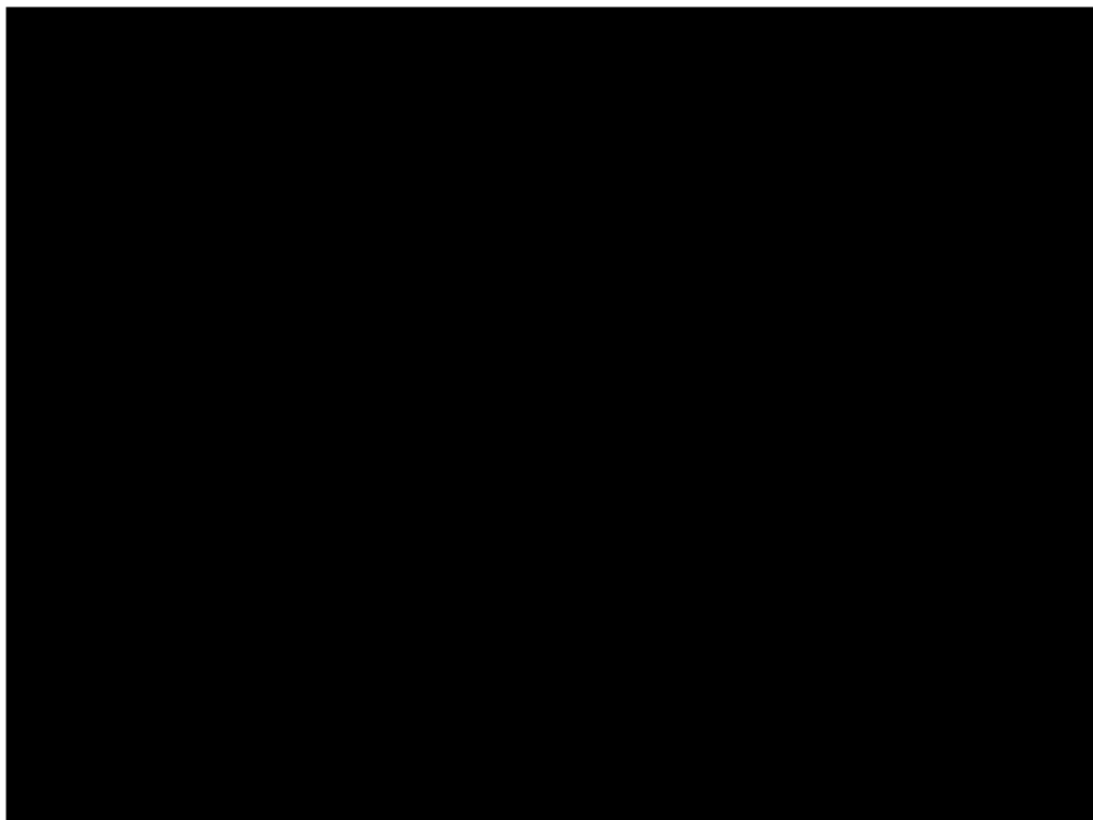
Please contact me at 601-693-7888 to set up a time for your inspection.

Sincerely,

Renee Powell
Claim Representative
(601) 693-2788

State Farm Mutual Automobile Insurance Company

10/27/03
198 Ranger
VIN



Allstate®

New

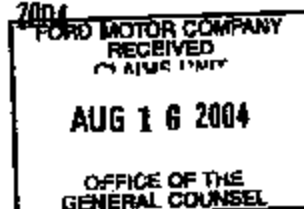
ALLSTATE INSURANCE COMPANY
P. O. BOX 168288
IRVING TX 75016

08/05/04

(800) 374-4246

RECEIVED AUG 13 2004

FORD MOTOR GENERAL COUNCIL/ ATTN: CLMS
3 PARKLANE BLVD STE
DEARBORN MI 48126



OUR INVESTIGATION INDICATES THAT YOUR INSURED WAS RESPONSIBLE FOR THIS LOSS.

SINCE WE HAVE ALREADY MADE A SETTLEMENT WITH OUR POLICYHOLDER, THE CLAIM HAS BEEN ASSIGNED TO US. COPIES OF THE FINAL PAPERS RELATING TO THE LOSS ARE ENCLOSED.

PLEASE ACCEPT THIS LETTER AS NOTICE OF OUR SUBROGATION CLAIM. PLEASE FORWARD YOUR PAYMENT WITH OUR CLAIM NUMBER TO:

ALLSTATE PAYMENT PROCESSING CENTER
P.O. BOX 227257
DALLAS, TX, 75222-7257

DIRECT ANY OTHER CORRESPONDENCE TO THE ADDRESS AT THE TOP OF THIS LETTER.

SINCERELY,

SUBROGATION CLAIM REP

ALLSTATE INSURANCE COMPANY

CBP:G

YOUR FILE NO. : [REDACTED]
YOUR INSURED : [REDACTED]
ADDRESS : [REDACTED]
DEARBORN MI [REDACTED]

OUR CLAIM NO. [REDACTED]
OUR INSURED [REDACTED]
LOSS DATE : 05/07/04

LOCATION :
649 W FULTON, GRAND RAPIDS MI GRAND RAPIDS MI

AMOUNT OF LOSS: \$596.00

ER05-005-LC-0760

May 19, 2004

IN RE: Allstate Claim No. [REDACTED]
H&A File No. 04-0850VF
Date Received: May 11, 2004
[REDACTED]

PREDICATION:

This report is predicated upon the request of Ms. Velma Biggers, Allstate Claims Representative, to conduct an investigation into [REDACTED] with special reference to the fire loss of a 1999 Ford, Ranger.

SECRETARY OF STATE:

Through the Secretary of State, the following information was obtained:

TITLE INFORMATION:

1999 FORD IFTYR10C1XU [REDACTED]
13 PICKUP TRANSFER
07/23/2002 247N2030302 RANGER 68496 A

[REDACTED]
GRAND RAPIDS [REDACTED]

****FULL RIGHTS TO SURVIVOR***

BANK ONE
PO BOX 37264 07/22/2002
LOUISVILLE KY 40232

REGISTRATION INFORMATION:

NYGEL **1 PLATE** PE-RENEWAL **BRIDGE**
11/02/2004 B-325-367-115-843
MI SOS

INSPECTION:

On May 12, 2004 at 4:00 p.m., this Investigator arrived at 649 West Fulton in Grand Rapids, to conduct an investigation into the fire loss of a 1999 Ford, Ranger.

EA05-005-LC-8781

IN RE: Allstate Claim No. [REDACTED]
H&A File No. 04-0850VF
[REDACTED]

May 19, 2004

Page 2

Once at the scene, a close inspection provided the following information:

SEE ENCLOSED INVESTIGATION REPORT

Prior to leaving the scene, several color photographs were taken and are enclosed.

ORIGIN AND CAUSE INVESTIGATION:

On May 12, 2004 at 4:00 p.m., this Investigator arrived at Steve's Tattoo, 649 West Fulton in Grand Rapids, to conduct an origin and cause investigation into the fire loss of a 1999 Ford, Ranger, black in color, Vehicle Identification Number 1FTYR10C1XU [REDACTED]

Upon arriving at the facility, the vehicle is located in an unsecured lot and is identified by its vehicle identification number located in the area of the windshield and dash.

Initial observations reveal evidence of a fire to have originated within the passenger compartment, that extended to the melting and cracking of all of the window glass, to include the sunroof. The fire further extended to blistering of the painted surfaces of the cab and hood closest the cowl, further partially consumed the fiberglass cap closest the rear window.

The examination of the fuel tank, fill tube and fuel cap reveals all are intact, and there is no evidence of any fuel leakage. The examination of the underside reveals it is free of any fire origin.

The inspection of the bed of the truck reveals it is intact, and there is no evidence of any fire origin.

At this time, entry is gained into the engine compartment, whereupon examining same, no fire damage is present. Prior to this Investigator's arrival, the battery was removed. The examination of the fluid levels reveals all are within a safe range. After completing an inspection of the engine compartment, no evidence of any fire origin could be found.

At this time, the inspection is focused to the cab area, where partial consumption of both front seats is noted. A substantial amount of the combustible armrest is remaining, which was in the down position. The examination of the area behind the front seats reveals high burning present, and there is evidence of two aftermarket speakers wired direct, utilizing speaker wire, into the factory rear speakers. The examination reveals no evidence of any fire origin.

IN RE: Allstate Claim No. [REDACTED]
H&A File No. 04-0850VF
[REDACTED]

May 19, 2004
Page 3

At this time, the examination is focused to both front floor areas, whereupon cleaning out same, the remains of a pair of pants is found in the right front floor area. Upon removing same, the carpeting, padding and floor mat are intact. The examination of the driver floor area reveals the carpeting, padding and floor mat intact as well. Further, the pads for the clutch, brake and accelerator pedals are basically intact, and there is no evidence of any low burning. The examination of the ignition switch and associated wiring reveals a substantial amount of combustibles still surrounding the switch, the wiring reveals exposure fire damage only, and no evidence of any electrical failure could be found and attributed to the cause of the fire.

The examination of the dashboard reveals combustibles remaining on the driver's side and passenger's side, with partial consumption noted in the center. The inspection of the radio reveals it is factory, combustibles remain to the rear of the radio, and the associated wiring is partially void of insulation and combustibles still remain at the connection.

The examination continues, and the heavier gauge wiring in the center of the dashboard, which traveled to the heater and air conditioning controls, reveals it is void of insulation and no combustibles remain at the connections. The examination further reveals the center hump/tunnel reveals carpeting and padding intact as well. The examination further reveals the ashtray intact and there is no evidence of any smoking material in same. The examination further reveals combustible silencer pad still intact on the interior of the firewall/bulkhead.

The examination of the steering column reveals fire damage present, pointing toward the right or passenger's side.

At this time, after completing the above inspection and examination, it is the opinion of this investigator that the fire originated within the center dashboard, and at this time, the investigation continues.

TITLE INFORMATION:

A review of the title information indicates that the 1999 Ford, Ranger was transferred into the name of [REDACTED] in Grand Rapids. The secured interest is listed as Bank One, and the Michigan license plate of NYGEL was not due to expire until November 2, 2004. The driver's license number listed on the registration is [REDACTED]

IN RE: Allstate Claim No. [REDACTED]
H&A File No. 04-0850VF
[REDACTED]

May 19, 2004
Page 4

NICB VINASSIST:

A review of the NICB Vinassist indicates that the 1999 Ford, Ranger, XL, 4 x 2, pickup truck is equipped with a 2.5 liter, four cylinder engine, and was assembled in Louisville, Kentucky.

ALL DATA SYSTEM:

A search of the All Data System produced eight recalls and upon review, none were found to pertain to the fire in question.

A further search was conducted of the technical service bulletins and upon review, none were found to pertain to the fire in question.

NATIONAL HIGHWAY TRAFFIC & SAFETY ADMINISTRATION:

A search of the National Highway Traffic & Safety Administration, Recall Database, produced five records and upon review, none were found to pertain to the fire in question.

GRAND RAPIDS FIRE DEPARTMENT:

A search of the Grand Rapids Fire Department Records Section produced Incident #4006227. According to this report, the Grand Rapids Fire Department responded to a fire alarm on May 7, 2004 at 4:00 a.m., on a vehicle fire located at 649 Fulton in Grand Rapids. The area of origin is listed as operator/passenger area of transportation equipment. The heat source, item first ignited and type of material first ignited are all listed as undetermined. The cause of ignition is listed as cause undetermined after investigation. The vehicle is identified as a 1999 Ford, Ranger, bearing Michigan license plate NYGEL.

INTERVIEW:

On May 12, 2004 at 11:10 a.m., Investigator John Adams conducted an interview with [REDACTED] titleholder, named insured and last operator of the vehicle prior to the fire. It was learned that the fire occurred on May 7, 2004 at 4:00 a.m., while parked at 649 West Fulton in Grand Rapids. Subsequently, a passing motorist contacted 911, and the Grand Rapids Fire

IN RE: Allstate Claim No. [REDACTED]
H&A File No. 04-0850VF
[REDACTED]

May 19, 2004
Page 5

Department responded in approximately five to ten minutes and extinguished the fire involving the 1999 Ford, Ranger, equipped with a four cylinder engine.

The vehicle was purchased used in July of 2002 from Jack Keller Ford on Alpine Street in Grand Rapids. No warranty was in effect at the time of the purchase, and no extended warranty was ever purchased.

Recent service work performed to the vehicle included the replacement of the slip yoke in November of 2003, by a friend at his house.

At the time of the fire, the fuel tank was one-half full, and the last person to have entered the engine compartment was [REDACTED] to check the oil. Oil changes are secured every 3,000 miles and oil is added on occasion.

Prior to the fire, there were no mechanical or electrical problems experienced. The mileage at the time of the purchase was approximately 68,000 miles and the mileage at the time of the fire loss was well over 100,000 miles. Since ownership, no recall notices, campaigns or correspondence have been received from the manufacturer. [REDACTED] does smoke and was smoking in the vehicle prior to exiting same.

Aftermarket accessories added to the vehicle included rear speakers, directly wired, utilizing speaker wire, into the rear speakers. Since ownership, the vehicle had been involved in an accident in January of 2003, and Allstate serviced the claim. Parts replaced on the vehicle included the front bumper, passenger quarter panel, passenger front fender, the grill, the header panel, passenger's side headlight and turn signal housing. No parts were replaced on the engine.

At the time of the fire, the vehicle had been parked for over six hours.

In a short scenario, [REDACTED] indicated that he parked the vehicle at his residence, which is also the tattoo shop, at approximately 10:30 p.m. He went to bed at 1:30 a.m., and was awakened by the fire department at approximately 4:00 a.m. Upon looking outside, he found that the vehicle had been involved in a fire. The firemen believed the probable cause was electrical, originating within the dashboard, however, [REDACTED] has no idea as to the probable cause.

A 1987 Cadillac limousine parked next to the Ranger sustained heat damage to the vinyl top and blistering to the paint. [REDACTED] did have a substantial amount of miscellaneous tools in the bed of the truck, which were undamaged by fire. Further, the tattoo shop has 24 hour video

IN RE:

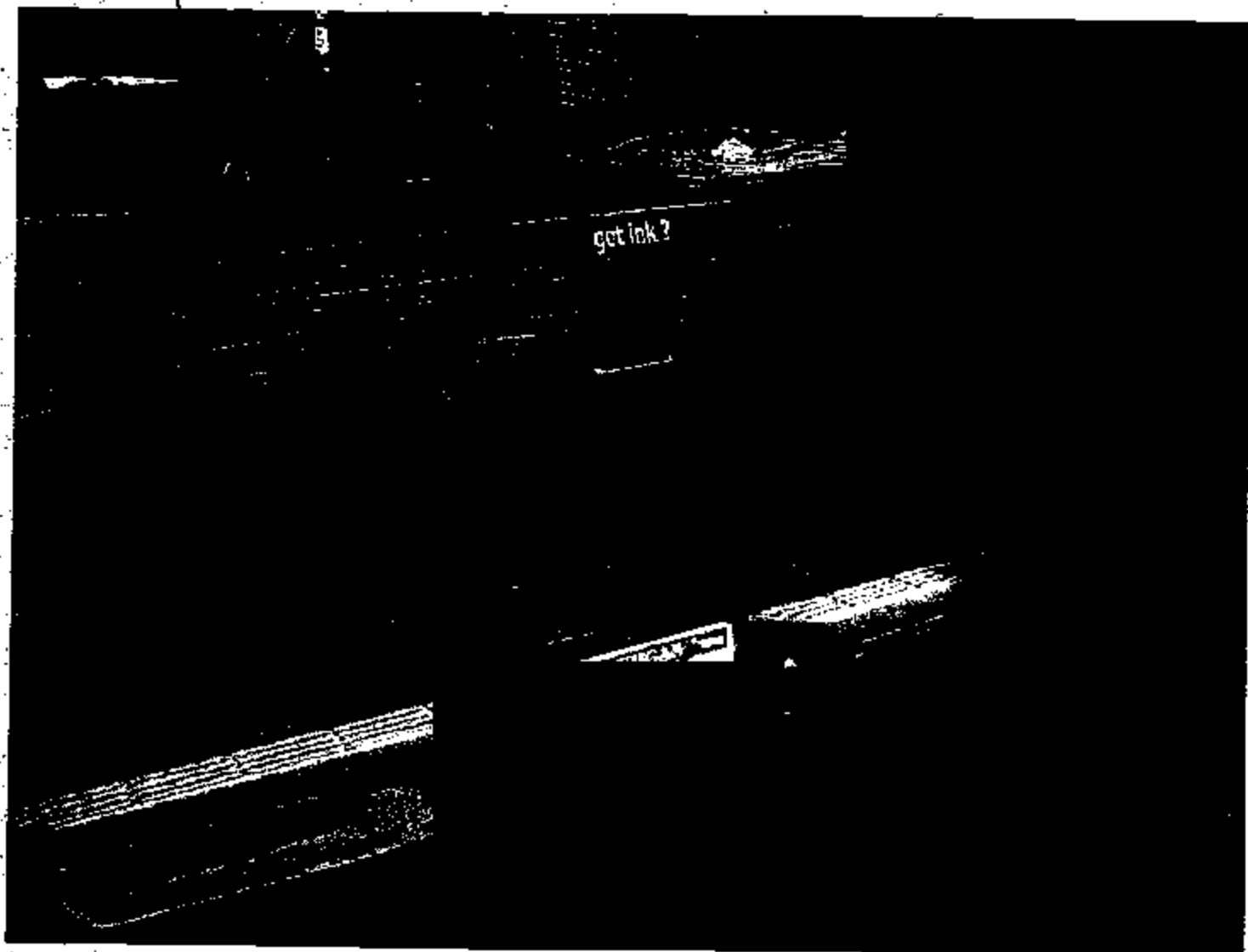
[REDACTED]
H&A File No. 04-0850VF
[REDACTED]

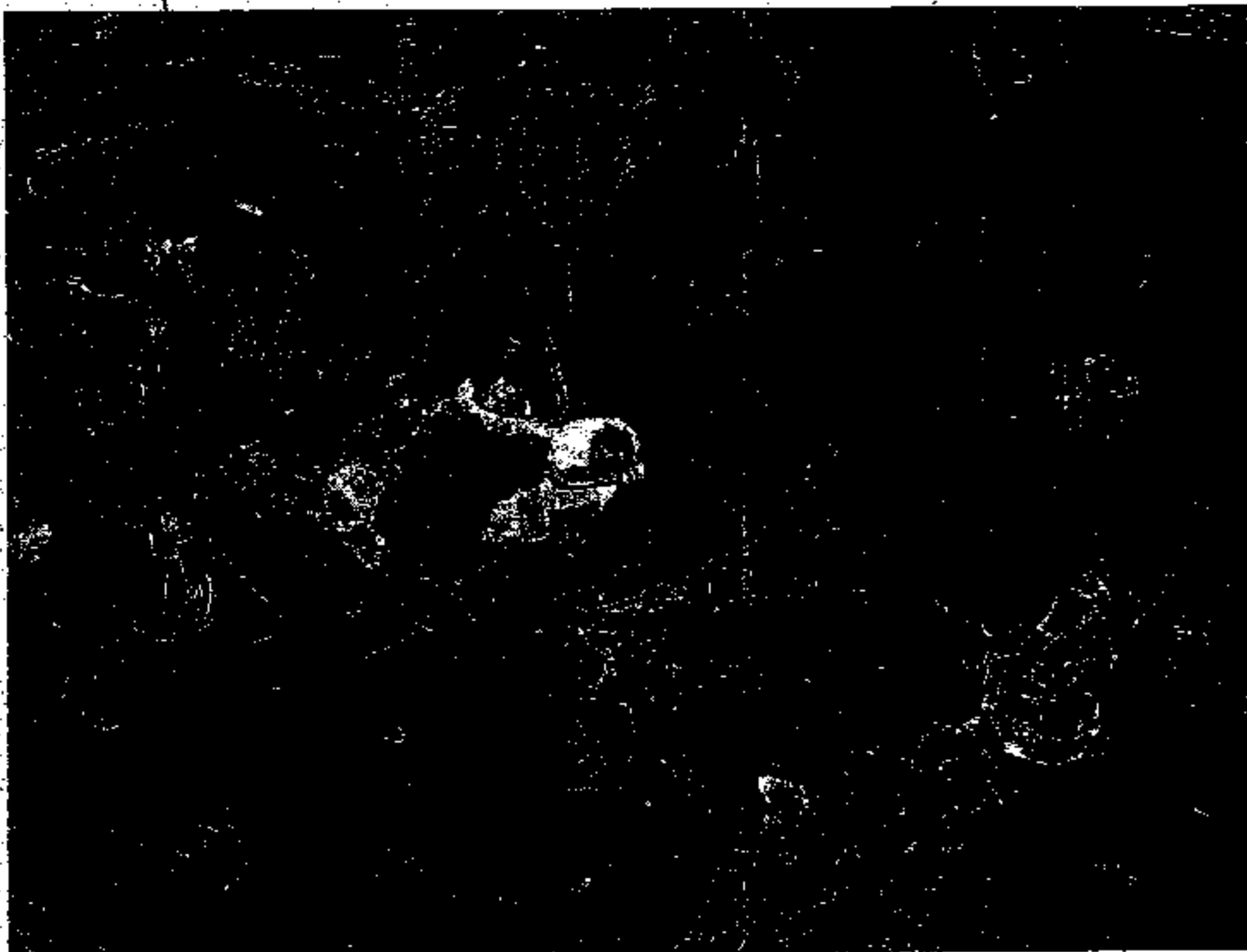


ER05-885-LC-5766



ER05-285-LC-6767





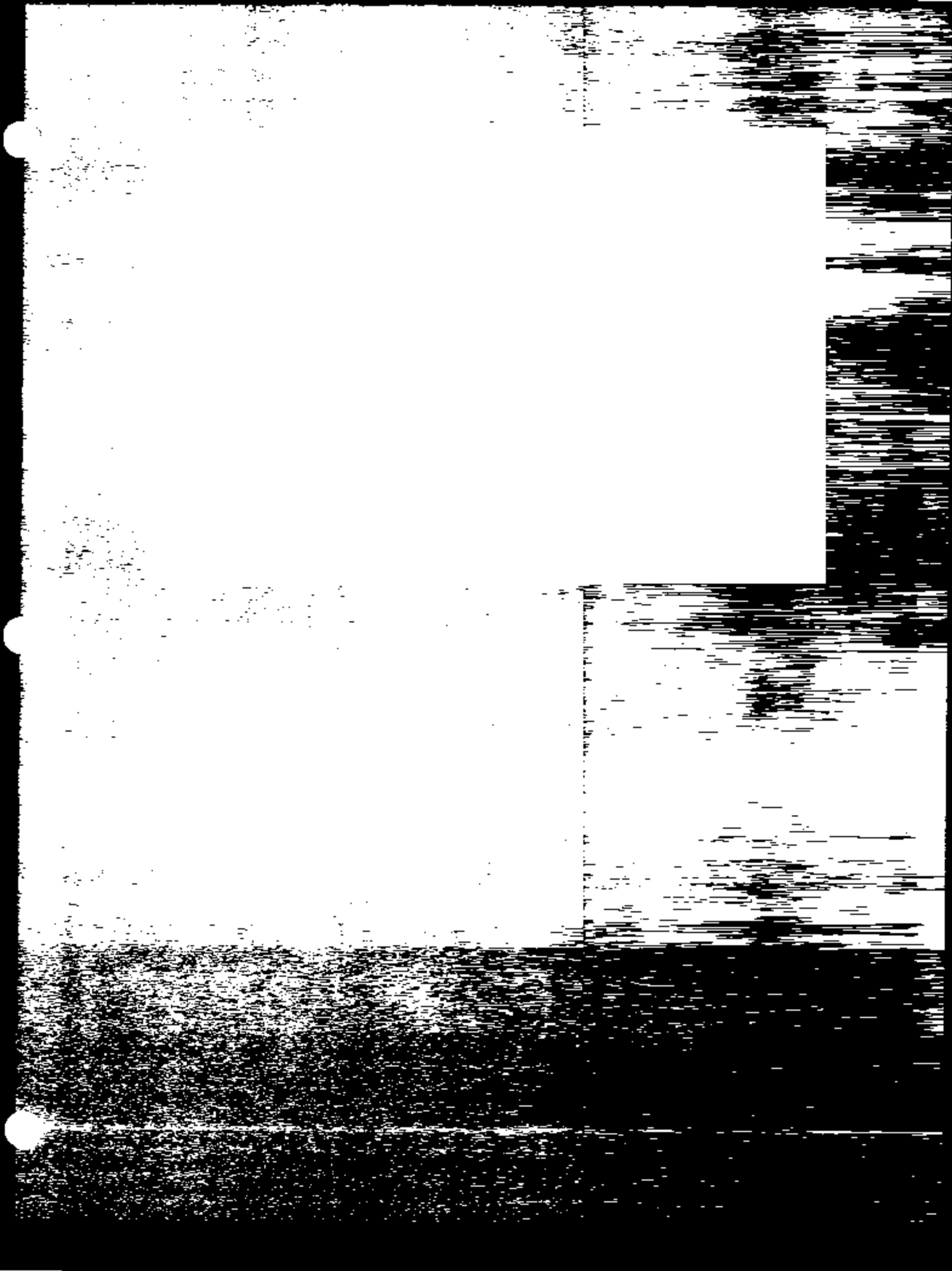
EA85-005-LC-6789



EA85-885-LC-5770



EA05-005-LC-6771



State Farm Insurance Companies

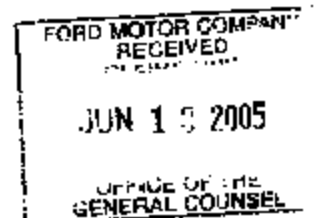


June 9, 2005

CERTIFIED MAIL-RETURN RECEIPT REQD

Centralized Total Loss Unit
P.O. Box 122
Concordville, PA 19331-0122

Ford Motor Co.
Parklane Towers W., Suite 400
3 Parklane Blvd.
Dearborn, MI 48126-2568



RE: Claim Number: [REDACTED]
Date of Loss: May 29, 2005
Our Insured: [REDACTED]
Claimant Name: (2000 Ford Explorer)
File Number: VIN 1FMZU73E0Y [REDACTED]

Dear Sir:

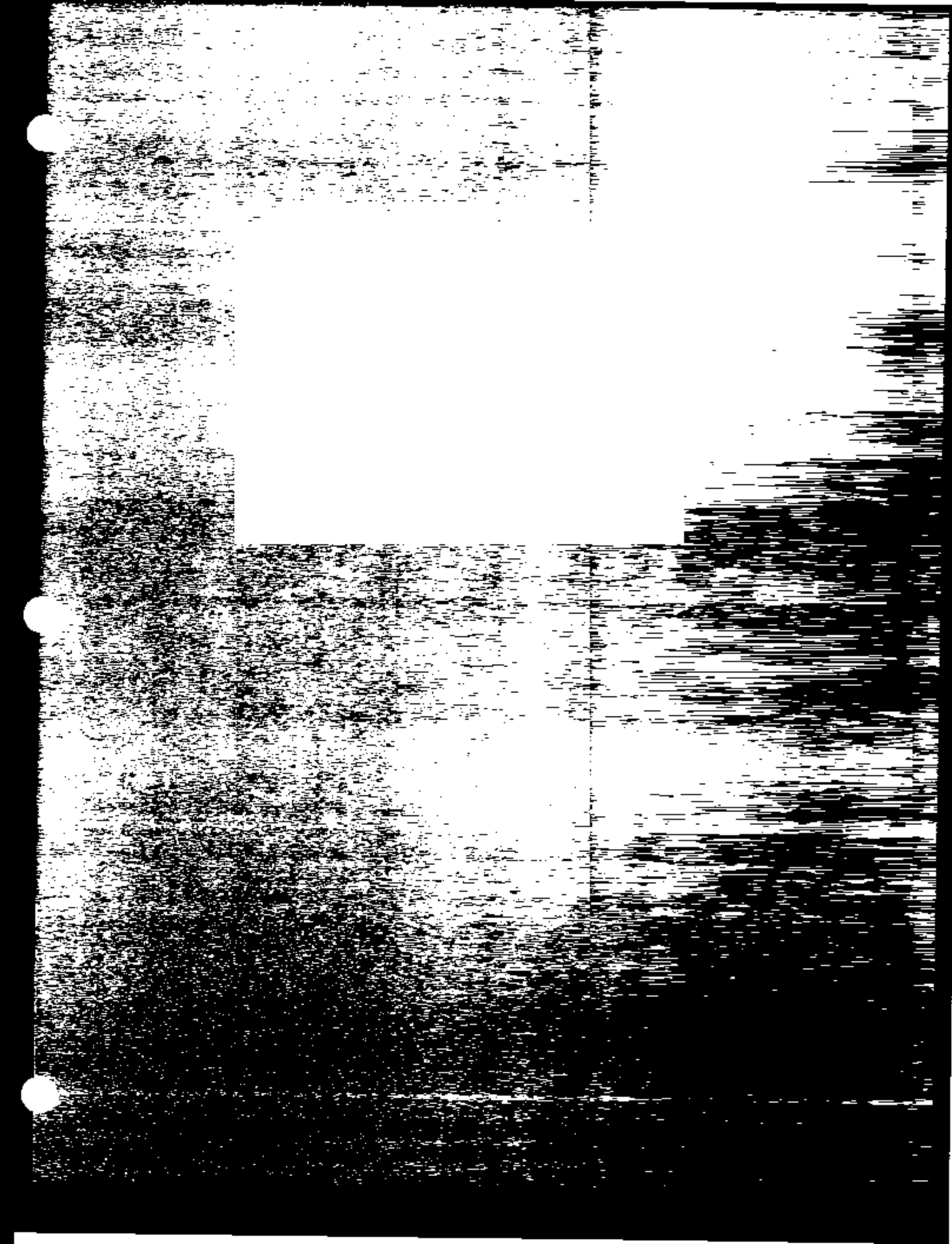
The identified vehicle is insured by State Farm Mutual Automobile Insurance Co. This vehicle experienced a fire. State Farm would like to give you an opportunity to inspect the vehicle and give you advance notice of our potential subrogation claim. Please contact me at 1-888-713-4694 Extn. 4653 to set up a time for your inspection.

Sincerely,

A handwritten signature in cursive script that reads 'Cheryl Derrico'.

Cheryl Derrico Ext 4653
Claim Representative
(888) 713-4694

State Farm Mutual Automobile Insurance Company



HANNAH, COLVIN & PIPES, L.L.P.

ATTORNEYS AT LAW
2051 SILVERSIDE DRIVE, SUITE 260
BATON ROUGE, LOUISIANA 70808
TELEPHONE: (225) 766-8240
FACSIMILE: (225) 766-5546

MICHAEL F. COLVIN
W. RANSOM PIPES
JANICE M. REEVES
JULIEN G. BARKS
DORIE M. ABADIE
*Admitted in TX

May 10, 2005

HANK S. HANNAH
(1951 - 1995)

Via Fax: (313) 845-4089 and
Certified Mail, Return-Receipt Requested

Ms. Shawn L. Norton
Ford Motor Company
Parklane Tower West, Suite 300
Three Parklane Boulevard
Dearborne, Michigan 48126-2568

Re: State Farm Claim #: [REDACTED]
Insureds: [REDACTED]
Location: [REDACTED]

Date of Loss:
Our File No.:

New Orleans, LA [REDACTED]
May 4, 2005

Dear Ms. Norton:

Please be advised that I have been retained by State Farm Fire & Casualty Company in connection with damages sustained as a result of a fire which occurred on May 4, 2005, at the residence of its insureds, John and Paula Borne in New Orleans, Louisiana. According to State Farm's investigation, the fire originated in a 1999 Ford Expedition, that was parked under the carport of the above mentioned residential dwelling. As a result of the fire, the residential dwelling and the vehicle sustained substantial property damage.

The remains of the vehicle have not yet been removed from the fire scene, which is located at the above-referenced address. However, I do expect that the vehicle will be removed from the fire scene by the early part of next week, and safe-guarded at a storage facility. If you wish to schedule an inspection of either the fire scene or the vehicle, please call me upon your immediate receipt of this correspondence, so that we may make the necessary arrangements.

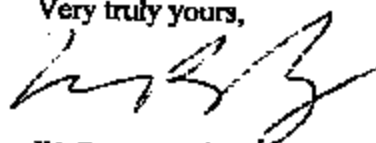
By way of this correspondence, State Farm Fire & Casualty Company is placing Ford Motor Company on immediate notice of this claim as they are seeking full reimbursement of payments made or to be made to or on behalf of its insureds, John and Paula Borne.

ER05-005-LC-5773

Ms. Shawn L. Norton
May 10, 2005
Page 2

If you have any questions or wish to discuss this matter further, please call.

Very truly yours,



W. Ransom Pipes

WRP/hh

cc: [REDACTED] (Claim No. [REDACTED])

ER05-005-LC-5774





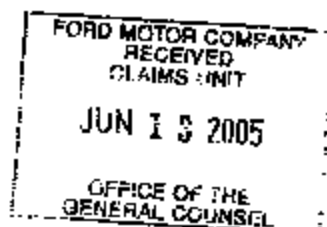
P.O. Box 2100
Bloomington, IL 61702-2100
Claims Subrogation Unit
RELATIONSHIP
CENTER

JUN 13 2005

June 7, 2005

2005 JUN 10 P 1:59

Ford Motor Company
Attn: Consumer Affairs Division
MD-3NE B
PO Box 6248
Dearborn, MI 48126



RE: Our Claim No.: [REDACTED] Reference # 970-2214
Our Insured: [REDACTED]
D/L: October 24, 2004
Amount of Damages: \$7,361.10 (includes \$500.00 deductible)

Dear Sir/Madam,

Please be advised that the above referenced file has been reassigned to me. COUNTRYSM Insurance & Financial Services is handling the above-referenced matter on behalf of Modern Service Insurance Company. Please address all future correspondence on this matter to me at:

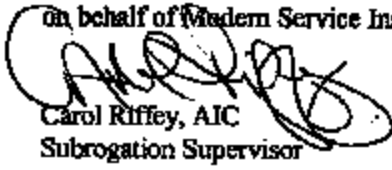
COUNTRYSM Insurance & Financial Services
Attn: Subrogation Unit
P.O. Box 2100
Bloomington, Illinois 61702.

If you are making payment on this matter, please make draft payable to MSI.

If you have any questions, please call me at 1-309-821-2958. My office hours are 6:00 a.m. to 2:30 p.m. CST Monday through Friday.

Sincerely,

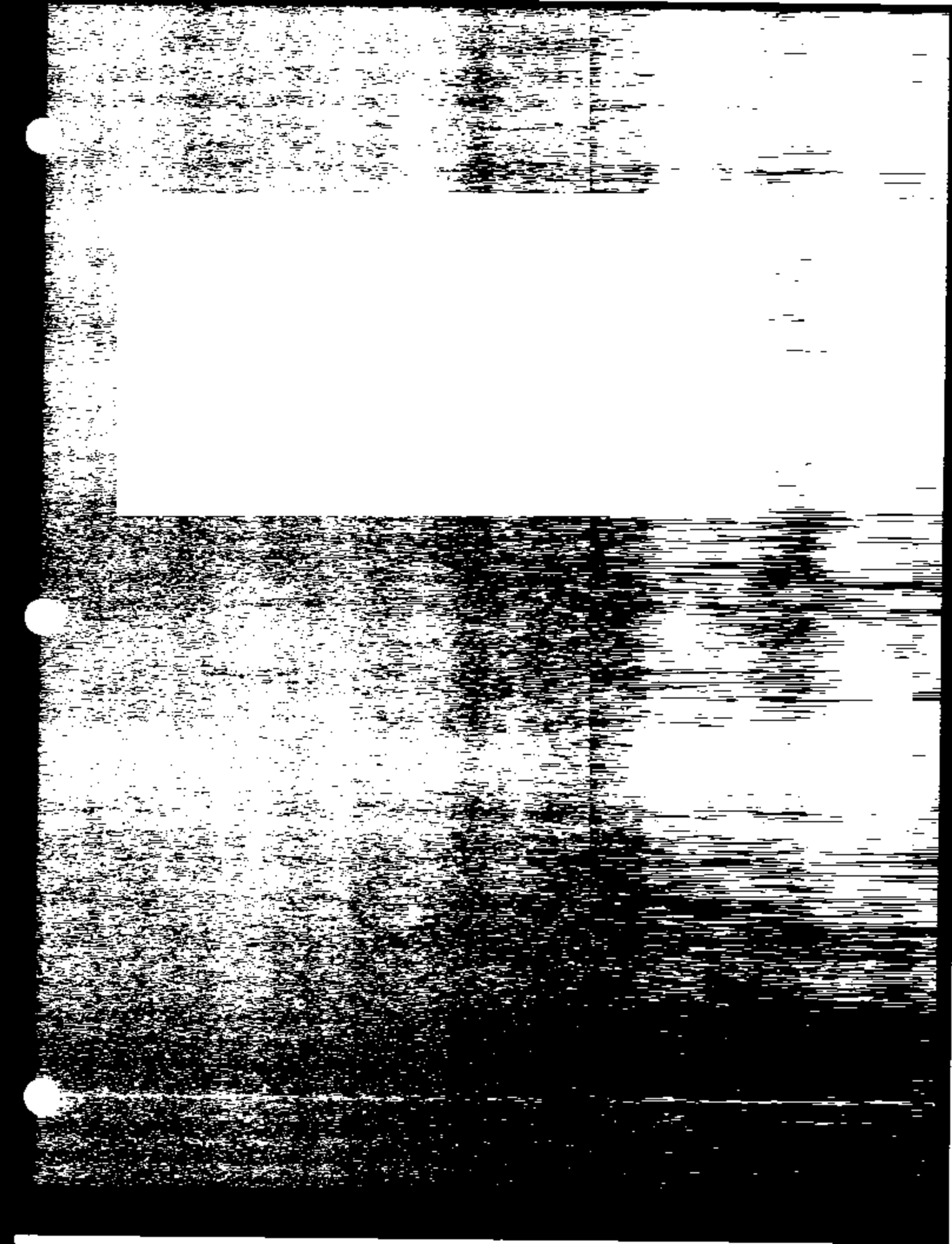
COUNTRY Insurance and Financial Services®
on behalf of Modern Service Insurance Company


Carol Riffey, AIC
Subrogation Supervisor

CSR/ko

Claims Administrator: COUNTRYSM Insurance & Financial Services
PO Box 2100, Bloomington, IL 61702-2100

Mutual Service Casualty Insurance Company | Modern Service Insurance Company | MSI Preferred Insurance Company



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

May 6, 2005

RE: DOL: April 12, 2005 Vehicle: 2001 F-150

Dear Shawn Norton:


I have been a Ford owner since 1979, at 15 years of age. First vehicle was a Ford F-150. Over the last 26 years I have always owned Fords. Currently I own the Ford 2001 Super Cab F-150 in question and a 2003 Ford Expedition.

I have always been satisfied and trusted Ford products. It is unfortunate that on April 13, 2005 my truck caught on fire due to a cruise control switch which, according to the insurance company's fire expert, was defective. I feel that Ford is responsible for my loss.

I do not wish to make a claim against my insurance company in fear my premiums will increase. I would have to make two claims on my insurance, one against my homeowners & one against my auto. In addition, my insurance will not cover the damage done to my neighbor's vinyl fence; this would be an out of pocket expense for me. Damage to the vehicle, garage, fence and other losses are estimated at \$35,000.00. I hope that we are able to settle this matter as soon as possible. My wife & I have three kids and are expecting our fourth. Our children are unable to play outside due to the glass and other debris from left by the fire.

Please contact me as soon as possible with a response. My biggest concern at this point is to remove the vehicle and have it replaced. Please contact me by phone at 985-804-6827 or by fax 985-580-2200. I hope my confidence in Ford will be restored by your actions.

Sincerely,



Etrol Bourgeois
600 Wortham Way
Houma, LA 70360

Last Handling Date/

Issue Status

4/18/2005

CLOSED

Name/

Reason Desc

LEGAL - ACCIDENT / FIRE

ISSUE LIST

Vin/

Case No.

1FTRW07W31KD

387B41055

Model Year and Vehicle Line

2001 F-SERIES

Issue Type

10

ERDS-005-LC-0777

4/21/2005

All Action Details for Issue

Print

VIN: 1FTRW07W31 [REDACTED] Year: 2001 Model: F-SERIES Case: 387841055
 Name: [REDACTED] Owner Status: Original WSD: 2000-05-06
 Symptom Desc: FIRE/SMOKE VISIBLE FLAME Primary Phone: [REDACTED]
 Reason Desc: LEGAL - ACCIDENT / FIRE Secondary Phone:
 Issue Type: 10 OGC Issue Status: CLOSED

Action: CONTACT ADVANCED TO OGC
 Dealer: 06468 TERREBONNEFORD Origin Desc: US CONCERN CASE BASE
 Odometer: 70000 MI Comm Type: PHONE
 Analyst Name: DONNA GERO Analyst: DGERO
 Action Date: 04/15/2005 Action Time: 10.11.01.183 Action Data: No

Comments CUSTOMER SAID: =THE VEH CAUGHT ON FIRE AND BURNED THE GARAGE ALSO=DAMAGE WAS DONE TO THE NEIGHBOUR'S FENCE ALSO= CONTACTED THE INSURANCE COMPANY BUT IS IS TAKING A LONG TIME TO ADDRESS AND HE DO NOT WANT HIS INSURANCE TO GO UP=THE DATE OF THE ACCIDENT WAS ON APRIL 13TH =THE FIRE STARTED IN FRONT OF HIS GARAGE.=FIRE DEPT REPORT WAS FILED= THE FIRE DARPMENT REPORT # IS NOT AVAIL AS YET= THE VEH IS NOT REPAIRABLE= CUST DID CONTACT THE INSURANCE COMPANY= CUST RECEIVED THE RECALL LETTER 05S28 BUT THE DLR COULD NOT TAKE HIM IN WHEN HE CONTACTED THE DLR.CRC ADVISED: I WILL FORWARD THIS INFORMATION TO THE FORD OGC DEPARTMENT. YOU WILL BE CONTACTED WITHIN 3-5 BUSINESS DAYS.

Action: CONTACT ADVANCED TO OGC
 Dealer: 06468 TERREBONNEFORD Origin Desc: US CONCERN CASE BASE
 Odometer: 70000 MI Comm Type: PHONE
 Analyst Name: DONNA GERO Analyst: DGERO
 Action Date: 04/18/2005 Action Time: 00.22.07.845 Action Data: No

Comments CUSTOMER SAID: =THE VEH CAUGHT ON FIRE AND BURNED THE GARAGE ALSO=DAMAGE WAS DONE TO THE NEIGHBOUR'S FENCE ALSO= CONTACTED THE INSURANCE COMPANY BUT IS IS TAKING A LONG TIME TO ADDRESS AND HE DO NOT WANT HIS INSURANCE TO GO UP=THE DATE OF THE ACCIDENT WAS ON APRIL 13TH =THE FIRE STARTED IN FRONT OF HIS GARAGE.=FIRE DEPT REPORT WAS FILED= THE FIRE DARPMENT REPORT # IS NOT AVAIL AS YET= THE VEH IS NOT REPAIRABLE= CUST DID CONTACT THE INSURANCE COMPANY= CUST RECEIVED THE RECALL LETTER 05S28 BUT THE DLR COULD NOT TAKE HIM IN WHEN HE CONTACTED THE DLR.CRC ADVISED: I WILL FORWARD THIS INFORMATION TO THE FORD OGC DEPARTMENT. YOU WILL BE CONTACTED WITHIN 3-5 BUSINESS DAYS.

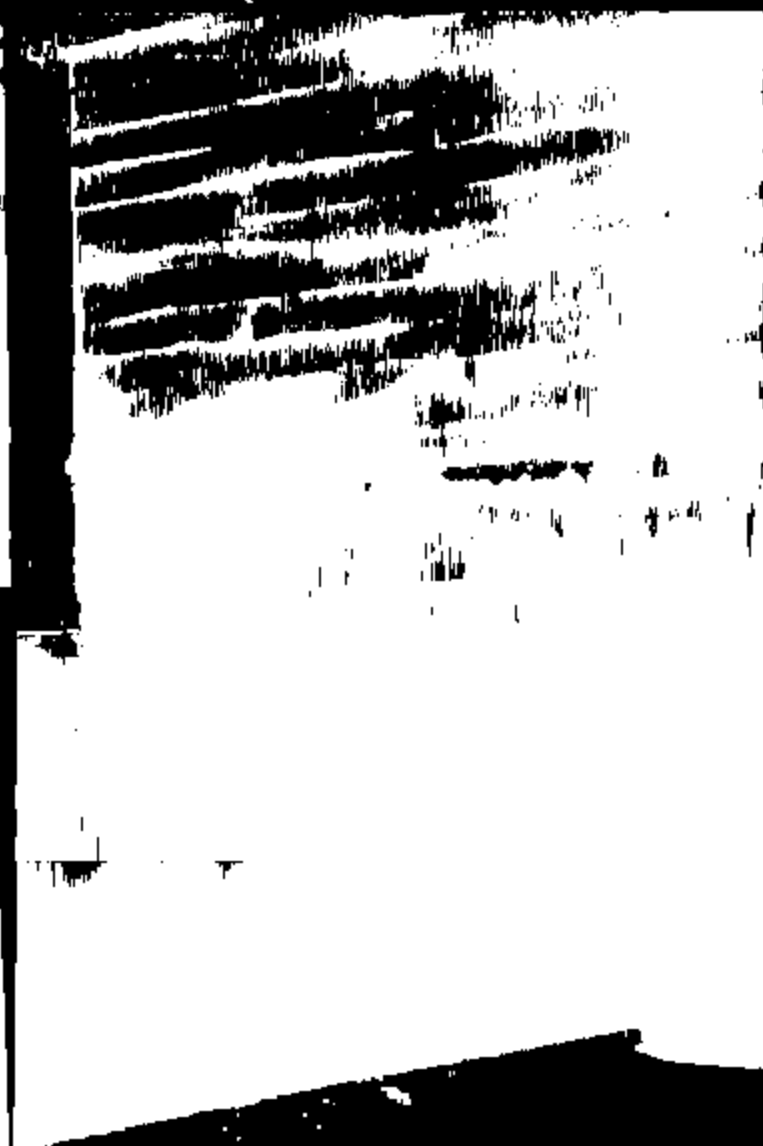
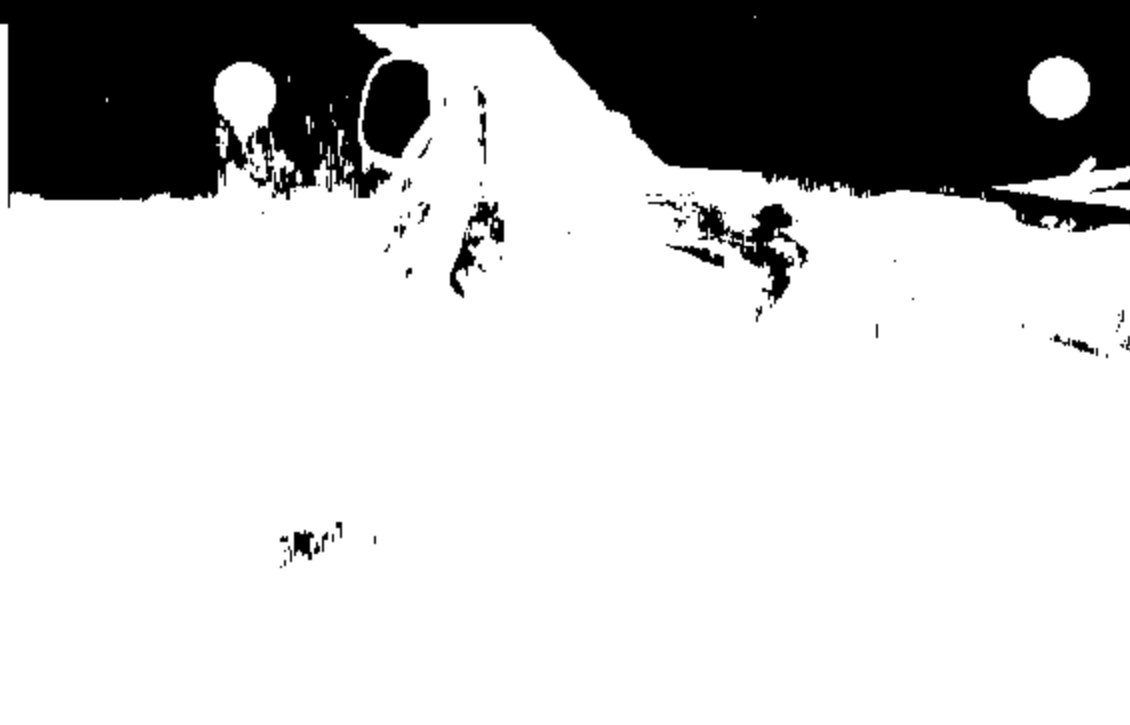
Action: CONTACT ADVANCED TO OGC
 Dealer: 06468 TERREBONNEFORD Origin Desc: US CONCERN CASE BASE
 Odometer: 70000 MI Comm Type: PHONE
 Analyst Name: DONNA GERO Analyst: DGERO
 Action Date: 04/18/2005 Action Time: 00.23.15.795 Action Data: No

Comments CUSTOMER SAID: =THE VEH CAUGHT ON FIRE AND BURNED THE GARAGE ALSO=DAMAGE WAS DONE TO THE NEIGHBOUR'S FENCE ALSO= CONTACTED THE INSURANCE COMPANY BUT IS IS TAKING A LONG TIME TO ADDRESS AND HE DO NOT WANT HIS INSURANCE TO GO UP=THE DATE OF THE ACCIDENT WAS ON APRIL 13TH =THE FIRE STARTED IN FRONT OF HIS GARAGE.=FIRE DEPT REPORT WAS FILED= THE FIRE DARPMENT REPORT # IS NOT AVAIL AS YET= THE VEH IS NOT REPAIRABLE= CUST DID CONTACT THE INSURANCE COMPANY= CUST RECEIVED THE RECALL LETTER 05S28 BUT THE DLR COULD NOT TAKE HIM IN WHEN HE CONTACTED THE DLR.CRC ADVISED: I WILL FORWARD THIS INFORMATION TO THE FORD OGC DEPARTMENT. YOU WILL BE CONTACTED WITHIN 3-5 BUSINESS DAYS.

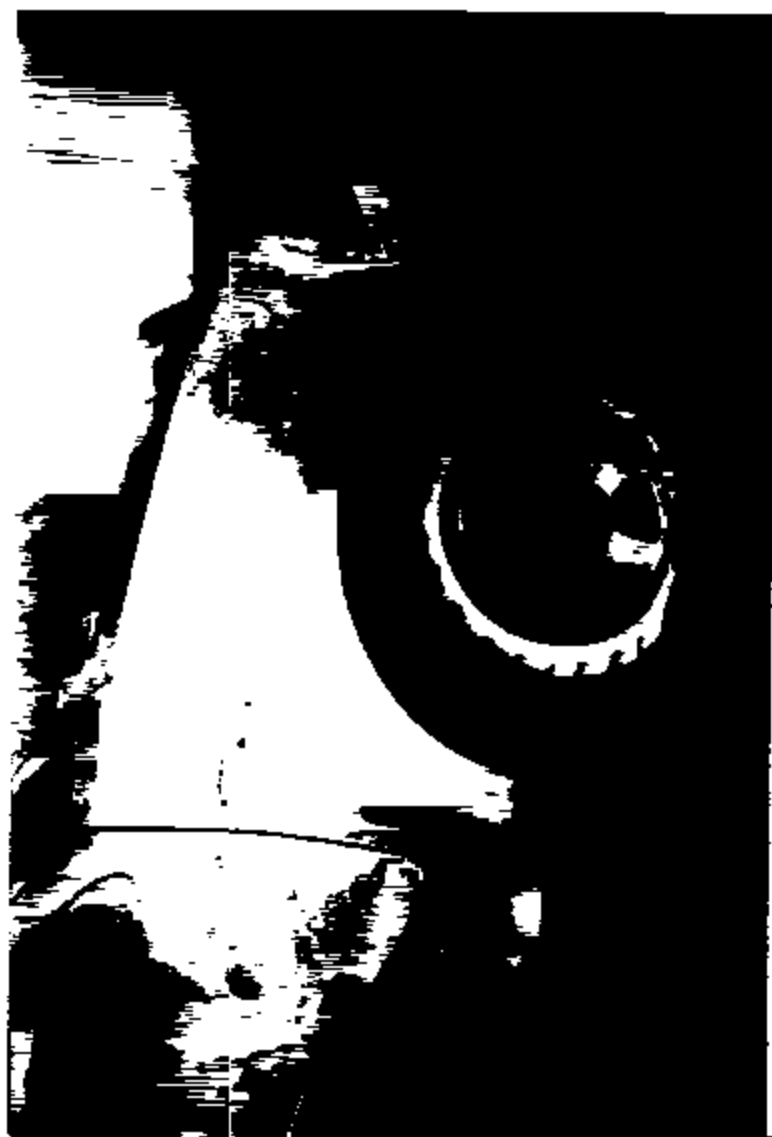
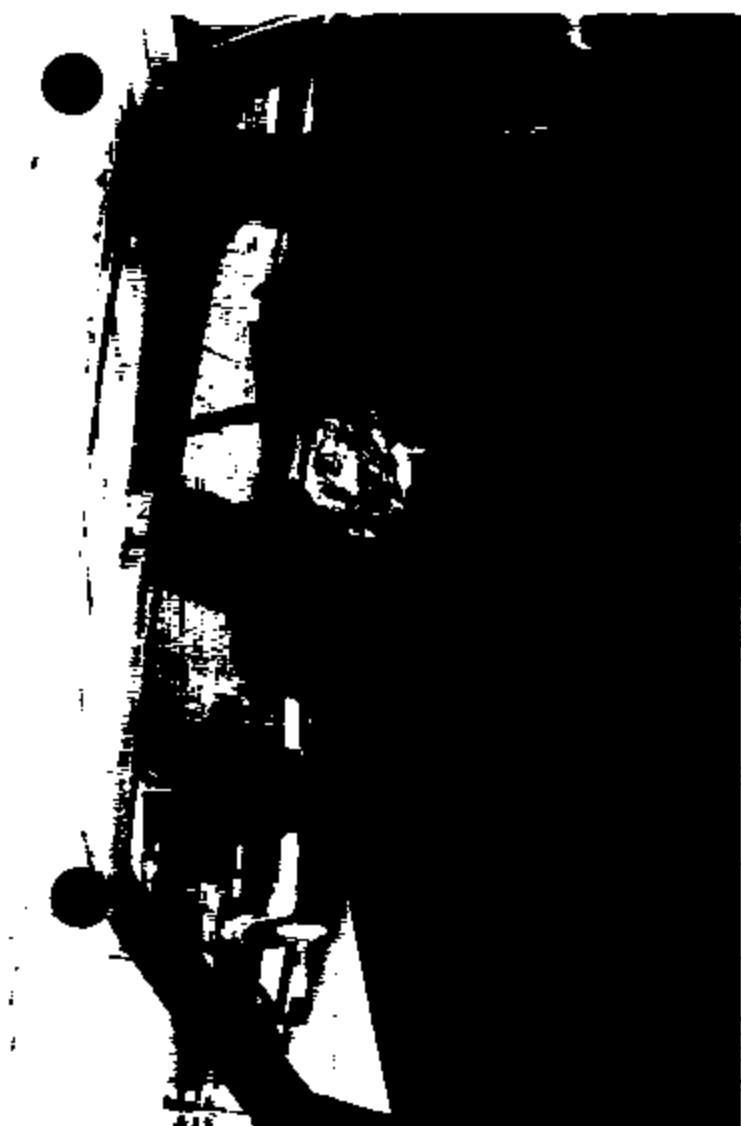
EAGS-003-4C-6778



EA03-083-LC-5779

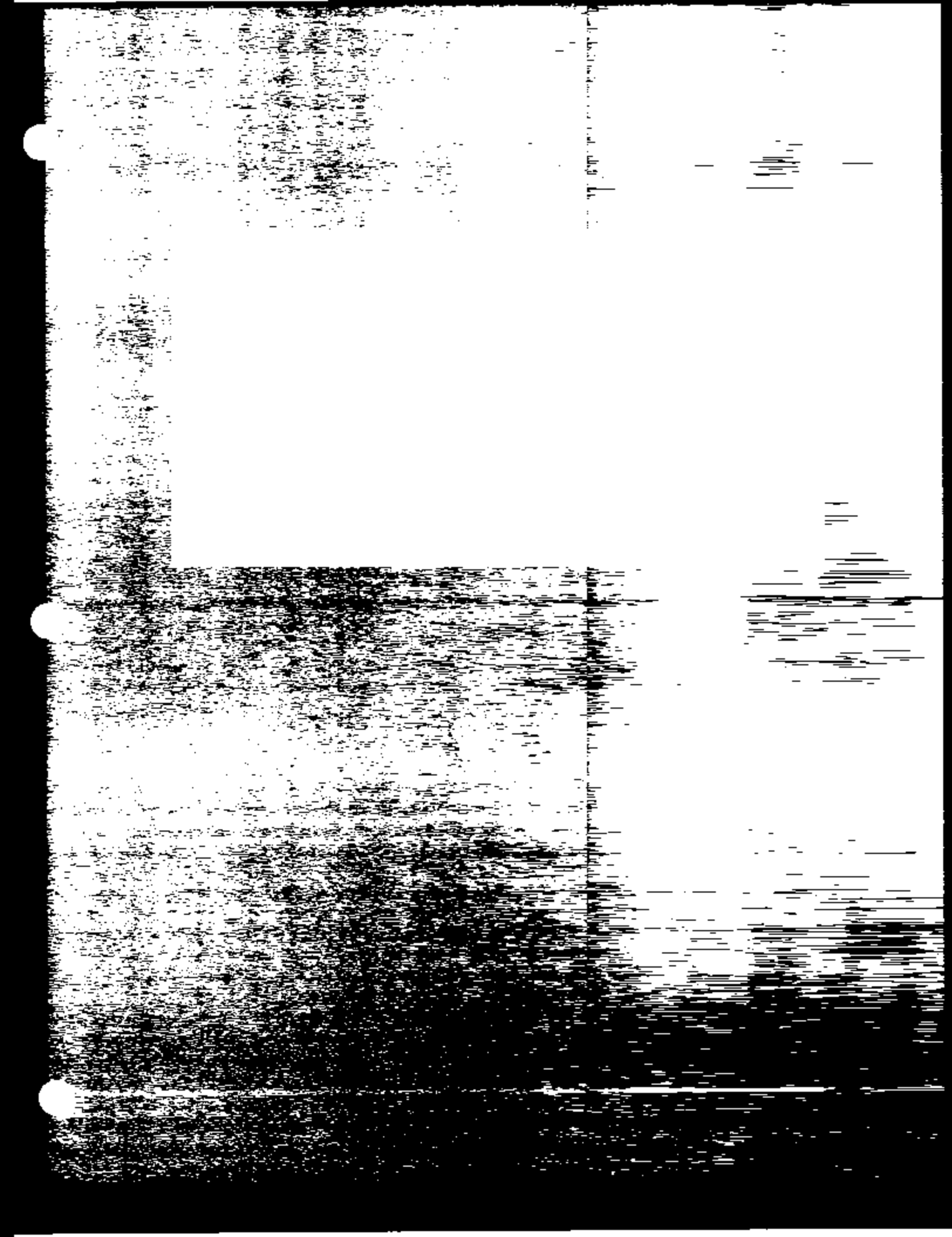


ENCLOSURE LC-6780





EX-100-10-6782



MAY 19 2005

MAY 19 2005

5/10/05

MAY 20 2005

Ford Motor Company
Office of General Counsel
Parklane Towers West
Three Parklane Blvd., Suite 400
Dearborn, MI 48126

Notice of Subrogation

RE: Claim Number: [REDACTED]
Date of Loss: 4/21/05
City/State of loss: Sulphur, LA
Insured: [REDACTED]
Vehicle: 2001 Ford F150 Pickup
VIN Number: 1FTRX17W11M [REDACTED]
Mileage: 74,693

Ford Motor Company,

This notice is to advise of a loss that occurred to our insured vehicle and/or property. The damage was caused by electrical failure involving the speed control deactivation switch, which is presently under a national safety recall in other Ford F150 vehicles.

Our investigation indicates that Ford is responsible for this loss. By virtue of our payment, we are entitled to recover from the responsible party. Please consider this letter as our demand to Ford for reimbursement of \$15,241.69.

Any settlement by Ford with State Farm's policyholder with respect to the above described design issue must not prejudice our rights, as subrogator, and shall not be released by the execution of a general release with such policyholder.

In order to assist you in evaluating and processing the subrogation claim we are asserting, we may provide nonpublic personal information about our customer. We are sharing this information to effect, administer, or enforce a transaction authorized by the consumer. However, you are neither authorized nor permitted to: (1) use the customer information we provide for any purpose other than to evaluate and process the subrogation claim or (2) disclose or share the customer information we provide for any purpose other than to evaluate and process the subrogation claim.

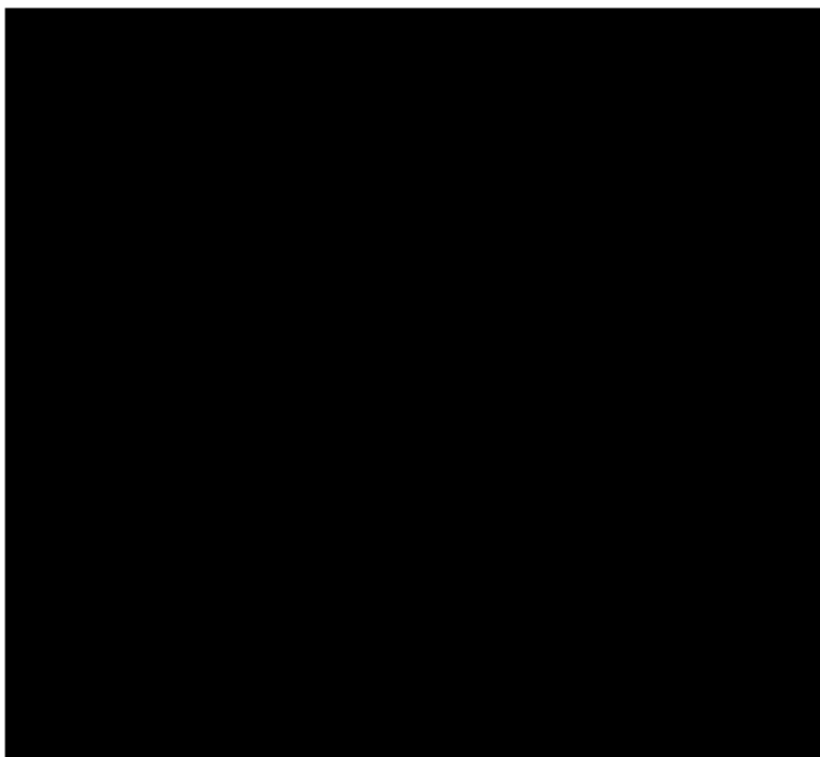
ER25-005-LC-6783

Your cooperation is appreciated. If you should have any questions, or would like to set up an appointment to inspect evidence/salvage, please feel free to contact me at (504) 731-7616 .

Sincerely,
Brandon Futch
Claim Representative
State Farm Mutual Automobile Insurance Company
834 South Clearview Parkway
Harahan, LA
70123

Enclosures

EA05-005-LC-5784



Market Claim Office
7120 North Maple Avenue, Suite 110
Pasadena, Ca 91101
(562) 432-3500
(800) 527-8101

Allstate

You're in good hands.

October 17, 2000

Claim Number: [REDACTED]

Our Insured: [REDACTED]

Date of loss: 11/03/99

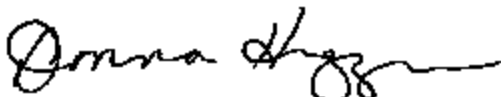
Ford Motor Company
Parklane Towers West, Ste. #300
Three Parklane Boulevard
Dearborn, MI 48126

Dear Mr. Norton:

The answers to your questionnaire are as follows:

1. The description of the loss is: short in fuse box. Vehicle repaired at Larry McLeod Ford in Coalinga.
2. See photos enclosed.
3. The alleged defect is the short in the fuse box.
4. Fire report enclosed.
5. For location of the defective part contact Larry McLeod Ford in Coalinga.
6. Larry McLeod Ford has the service history.

Sincerely,

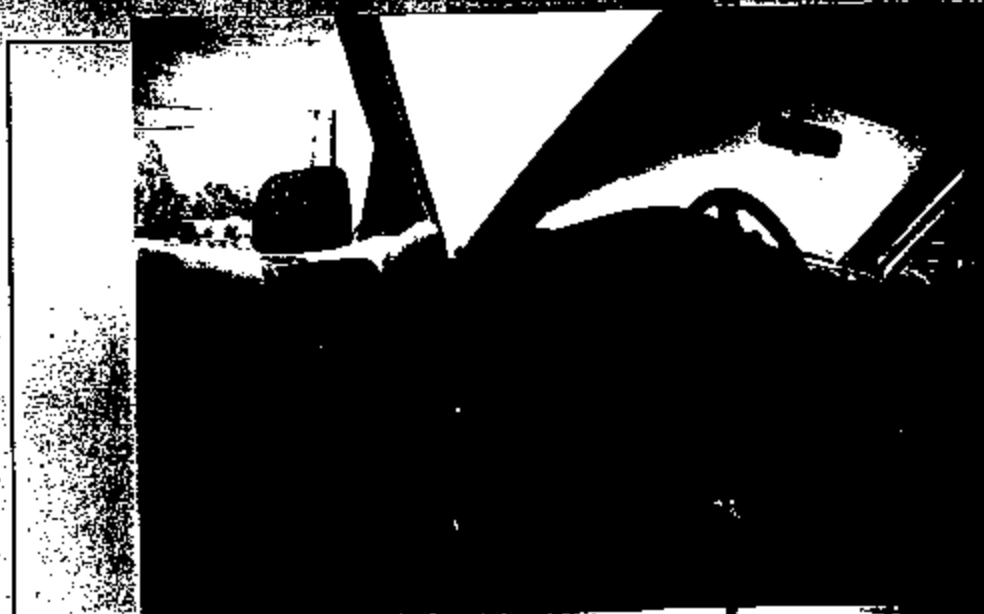


Donna M. Higgins
Allstate Property-Casualty Claim Service Organization

- no exp. rpt.
- no color ph.
- Paint location unknown
Dealer doesn't have it disposed

CLIP PHOTOGRAPH

RECORD



TAKEN

DATE

able?

Yes

No

PHOTO #

Negative available

DESCRIPTION

COMMENTS

SUBMITTED BY

CS14-2



DATE

ER65-085-LC-6782

BLIND PHOTOGRAPH

REPORT

FILE

DATE

TIME

BY

3/2/78



PHOTO # _____ TAKEN _____ DATE _____

Negative available? _____ Yes _____ No _____

DESCRIPTION _____

PHOTO # _____ TAKEN _____ DATE _____

Negative available? _____ Yes _____ No _____

DESCRIPTION _____

COMMENTS: _____

SUBMITTED BY: _____ NAME _____

CR14-2



ER05-805-LC-6783

CLAIM PHOTOGRAPH RECORD

Claim No. _____

Vehicle _____



PHOTO # _____ TAKEN _____ DATE _____

Negative available? ☐ Yes ☐ No

DESCRIPTION _____

PHOTO # _____ TA

Negative available?

DESCRIPTION _____



COMMENTS: _____

SUBMITTED BY: _____

Q142



EP05-005-LC-67B4

CLAIM PHOTOGRAPH

RECORD

CLAIM # _____

INVEST # _____

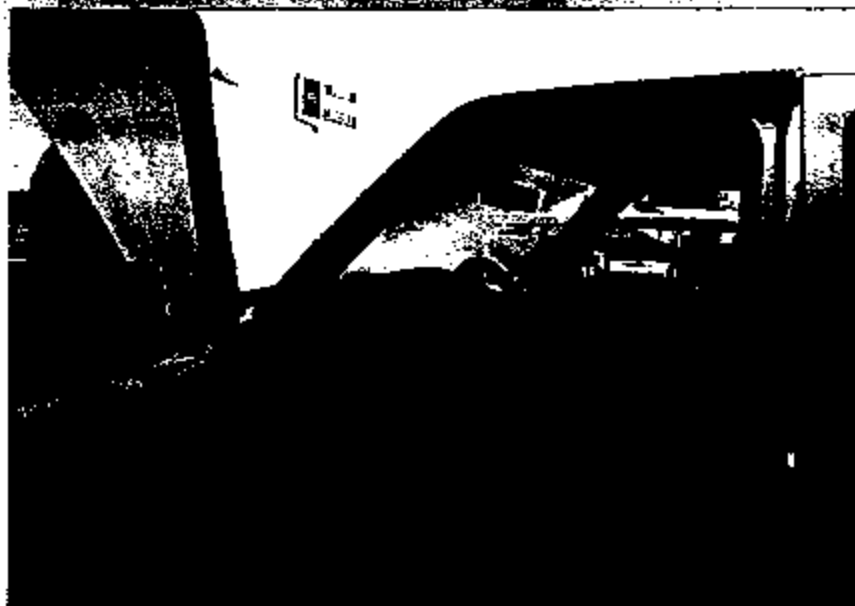


PHOTO # _____ TAKEN _____ DATE _____

Negative available? ☐ Yes ☐ No

DESCRIPTION _____

PHOTO # _____ TAKEN _____

Negative available? ☐ Yes ☐ No

DESCRIPTION _____

COMMENTS: _____

SUBMITTED BY: _____

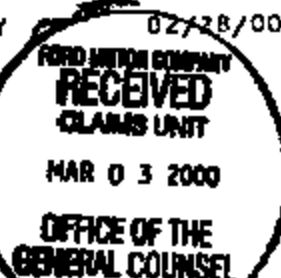
CR14-2



ER05-805-LC-5785

Allstate®

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY
P.O. BOX 168288
IRVING TX 75016
(800) 374-4246



FORD OFFICE OF GENERAL COUNCIL/PARK LANE TOWERS W
3 PARK LN BLVD 0300
DEARBORN MI 48126

OUR INVESTIGATION INDICATES THAT YOUR INSURED WAS RESPONSIBLE
FOR THIS LOSS.

SINCE WE HAVE ALREADY MADE A SETTLEMENT WITH OUR POLICYHOLDER,
THE CLAIM HAS BEEN ASSIGNED TO US. COPIES OF THE FINAL PAPERS
RELATING TO THE LOSS ARE ENCLOSED.

PLEASE ACCEPT THIS LETTER AS NOTICE OF OUR SUBROGATION CLAIM.
PLEASE FORWARD YOUR PAYMENT WITH OUR CLAIM NUMBER TO:

ALLSTATE PAYMENT PROCESSING CENTER
P.O. BOX 227257
DALLAS, TX, 75222-7257

DIRECT ANY OTHER CORRESPONDENCE TO THE ADDRESS AT THE TOP
OF THIS LETTER.

SINCERELY,

CUSTOMER SERVICE

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY

CBP:G

YOUR FILE NO. :
YOUR INSURED :
ADDRESS :

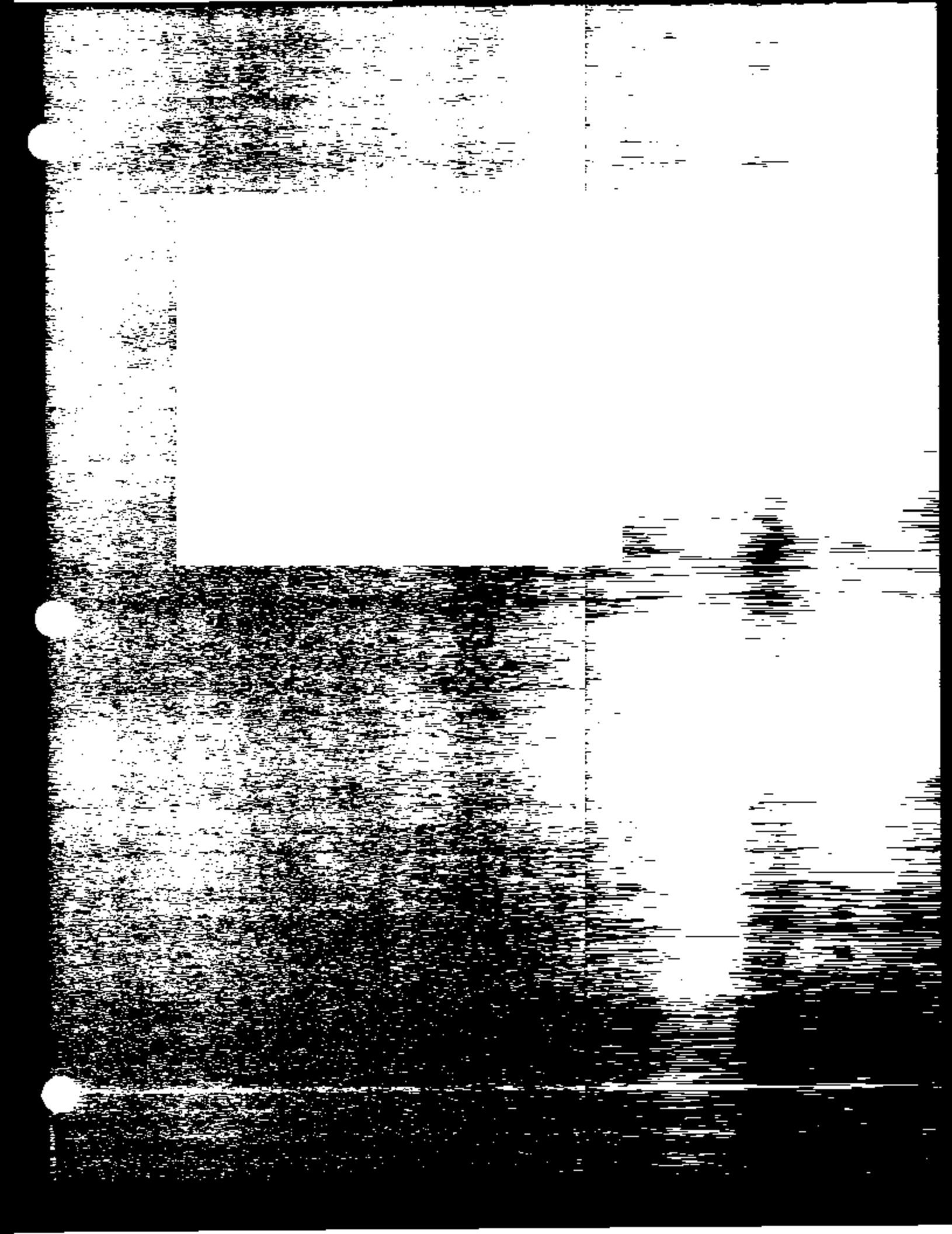
COALINGA CA

OUR CLAIM NO. :
OUR INSURED :
LOSS DATE : 11/03/99

LOCATION :
P/L SAN JOAQUIN PHARMACY SAN JOAQUIN CA

AMOUNT OF LOSS: \$7,594.01

EROS-805-LC-8798





Nationwide®
On Your Side™

RECEIVED MAY 10 2005

1/200

Nationwide Insurance • 110 Elwood Davis Road, North Syracuse, N.Y. 13212 • 315-453-3594

May 6, 2005

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

[Redacted]

Attn: Shawn Norton

DOZ ??

Re: [Redacted]

Dear Ms. Norton:

As you will recall you and I spoke 4 weeks ago. I am the manager of a centralized unit that has been handling subrogation claims Nationwide has involving automobile fires and possible defects since September, 2004. We also have been handling these claims for our affiliate company Allied since February, 2005. You have had discussions on several claims with my associates Kathie Styer, Lynn Ellis and Lynn Koenck. Our goal has been to establish a positive working relationship with your company, and to only submit claims to your company having merit.

Enclosed you will find supporting materials regarding 63 of our claims relating to the cruise control recall. We have provided a list of these claims, and supporting documents for each claim which are separated and in the same order as they appear on the list. These claims are for the eastern states in our operation. We are waiting for a report on our western states handled by Allied, and as soon as it is available I will send those to you for review. As we discussed during our phone call many of these claims were handled and closed prior to us being aware there was an issue with the cruise control. Therefore, on some of those claims we did not secure a cause an origin report, and the vehicles are no longer available. On all claims we have provided photographs and estimates that clearly document the area where the fire started.

I would appreciate discussing this with you or someone at Ford once you have received this and have had an opportunity to review. Please contact me by phone at 315-453-3594, by fax at 614-961-3180 or by EMAIL at mabbett@nationwide.com. We look forward to continue working with you and your team, building a strong working relationship, and working towards cost effective resolutions of claims for both of our companies.

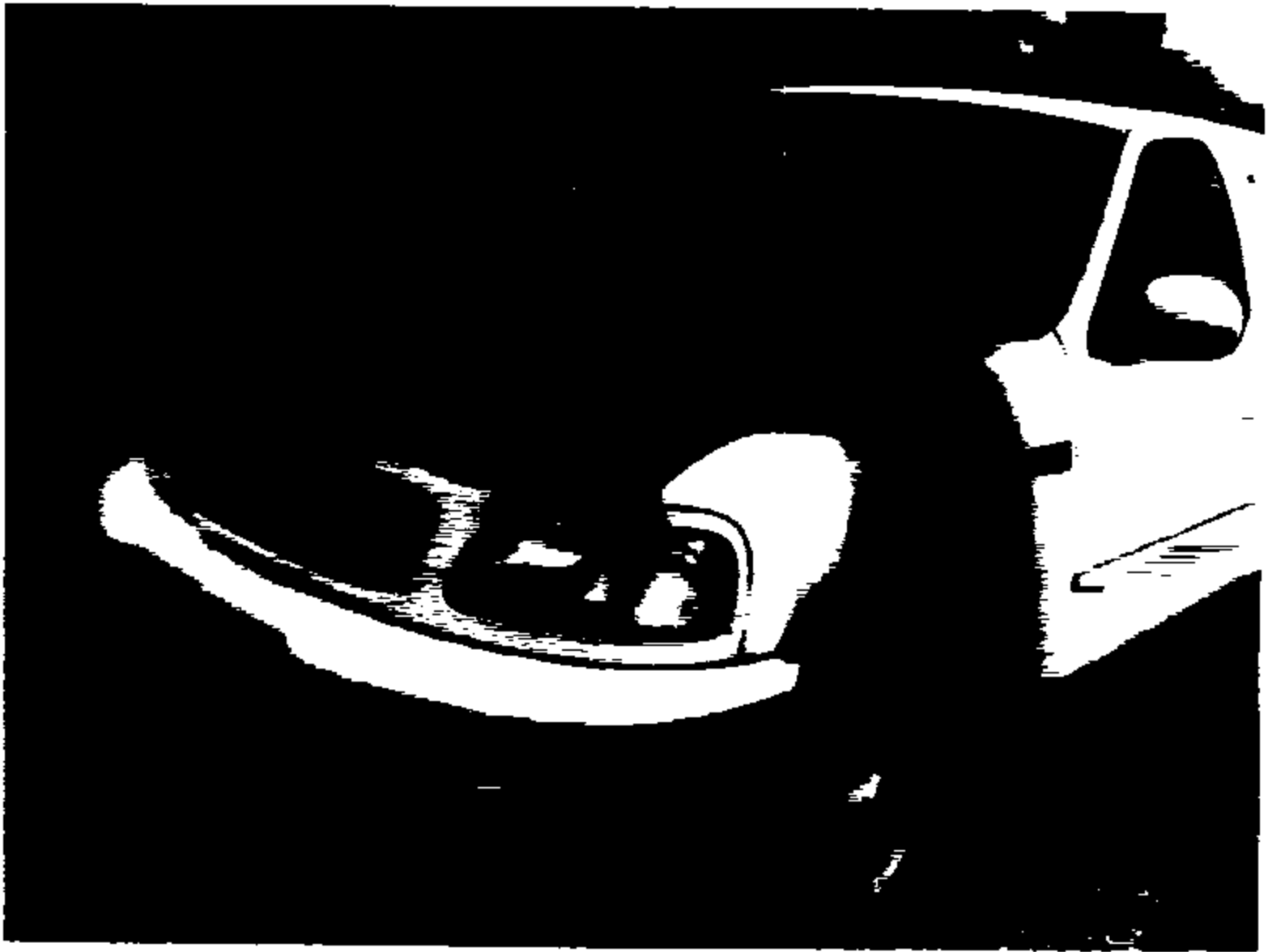
Sincerely,

Craig Mabbett
Craig Mabbett
Subrogation Manager

RECEIVED
MAY 10 2005



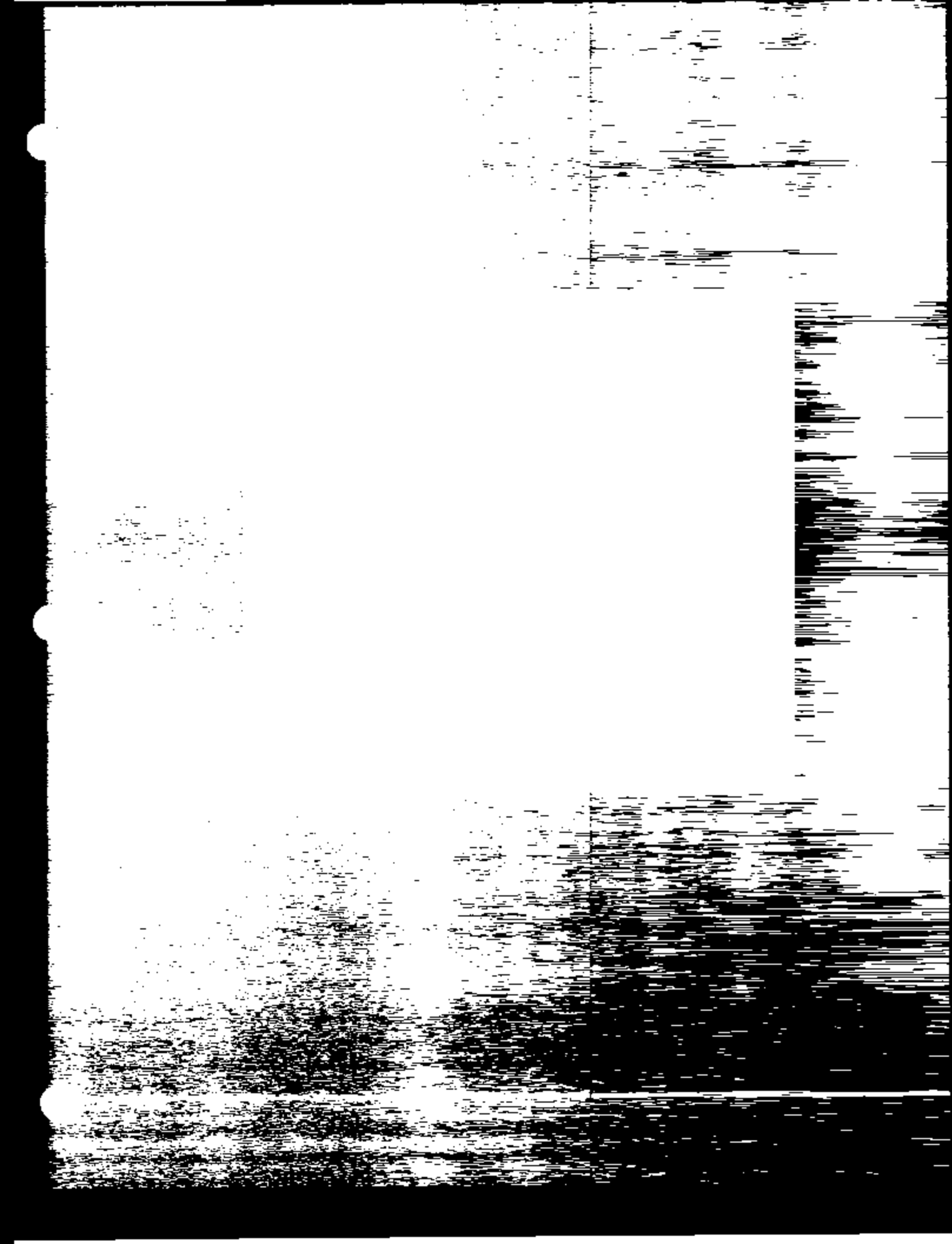
ER65-605-LC-8726







ERG5-005-LC-5881



APR 29 2005

BEGINNING OF CONTACT
04/27/2005

VOICE OF THE CUSTOMER TRACKING SYSTEM

08.00.04

| | | |
|--------------------------|-----------------------|----------------------|
| REGION: 72 SAN FRANCISCO | OGC ISSUE | CASE NBR: 1476211165 |
| VIN: 1FMZU74E0Y2 | ZONE: A1 | OPENED: 04/28/2005 |
| | ENGINE: E VEH TYPE: T | CLOSED: 04/26/2005 |

| | | |
|---|--------------------------------------|-----------------|
| LAST NAME: [REDACTED] | FIRST NAME: [REDACTED] | STATUS: CLOSED |
| TITLE: [REDACTED] | | MI: [REDACTED] |
| ADDRESS: [REDACTED] | | |
| CITY: SACRAMENTO | STATE: CA | ZIP: [REDACTED] |
| HOME PHONE: [REDACTED] | | |
| MODEL YEAR: 2000 | MODEL: EXPLORER EDDIE BAUER 4X4 4-DR | |
| MILEAGE: 73000 | | |
| DEALER NAME: FUTURE FORD | SALES CODE: F72205 | P & A: 07884 |
| REASON CODE: 0792 LEGAL - ACCIDENT / FIRE | | |
| SYMPTOMS: 704145 FIRE/SMOKE VISIBLE FLAME UNDERHOOD | | |

ORIGIN: CAC138 - US CONCERN CASE BASE COMMUNICATION: PHONE
 ACTION: 706 - CONTACT ADVANCED TO OGC
 DOCUMENT: ANALYST: ML AVERNE MCGARRELL LAVERNE

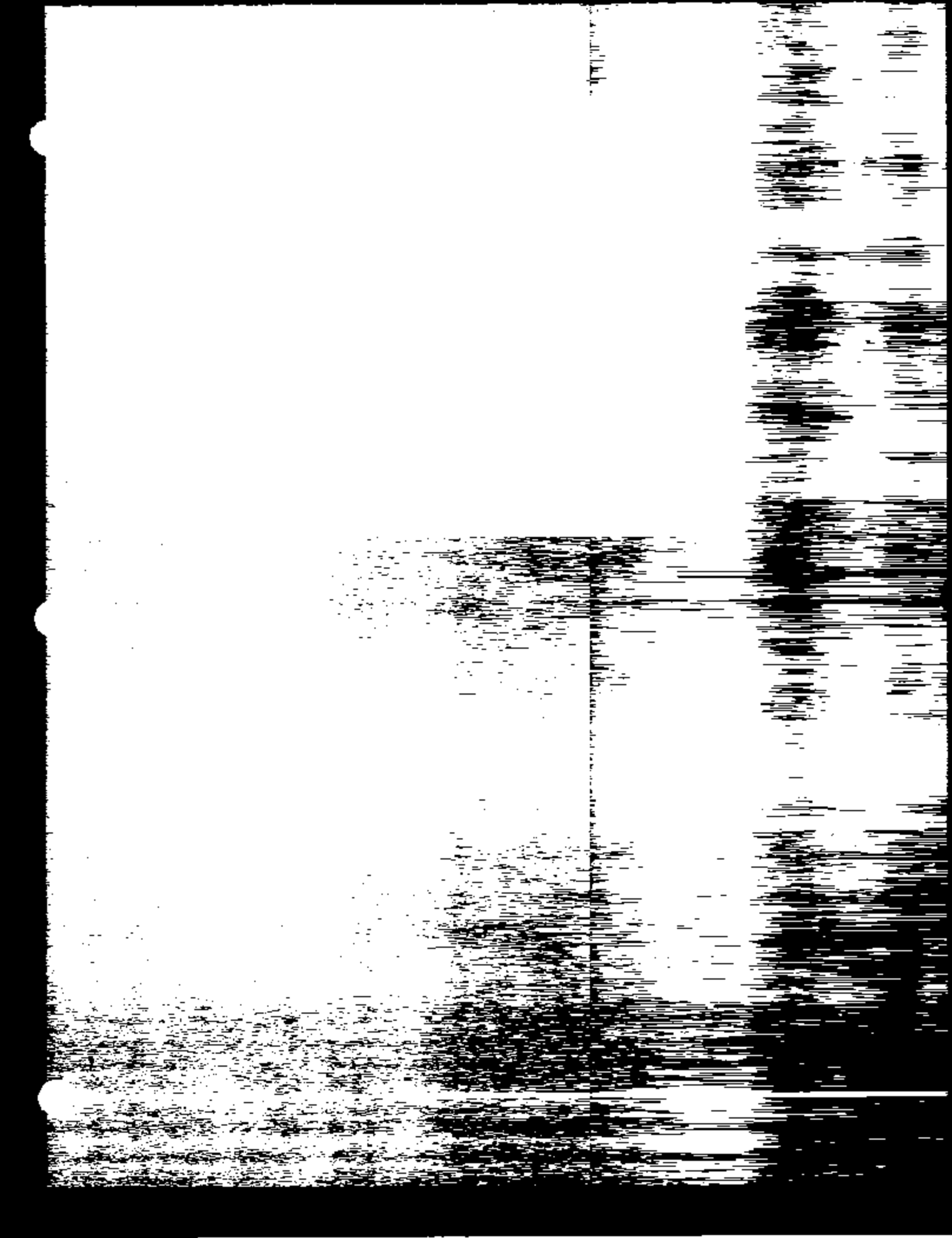
DATE: 04/28/2005 TIME: 13.13.40:
 ACTION DATA/COMMENTS:

CUSTOMER SAID: -THE VEH CAUGHT FIRE ON APRIL 20TH-NO INJURIE
 S-NO FIRE REPORT-THE INSURANCE COMPANY HAS BEEN CONTACTED BU
 T NO CLAIM PAID OR REPAIRS YET BUT THE VEH IS TOTALLED-THE F
 IRE STARTED UNDER THE HOOD AND DAMAGED THE DRIVEWAY AT THE P
 ARKING LOT AT HIS JOB WHICH HE HAS TO PAY FOR-THE VEH IS AT
 AN AUCTION YARD WHERE THE INSURANCE COMPANY TOOK IT -CUST WO
 UL D LIKE FORD TO LOOK INTO THIS IF THERE IS A RECALL OR WHAT
 COULD HAVE CAUSED THIS-DEALER SAID: NONECRC ADVISED: I WILL
 FORWARD THIS INFORMATION TO THE FORD OGC DEPARTMENT. YOU WIL
 L BE CONTACTED WITHIN 3-5 BUSINESS DAYS.

FORD MOTOR COMPANY
 RECEIVED
 CLAIMS DEPT

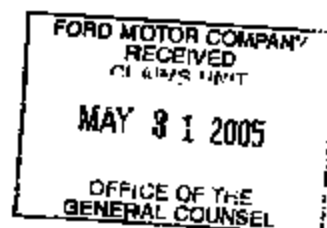
APR 29 2005

OFFICE L
 GENERAL COUN.



Wednesday, May 18, 2005

FORD MOTOR COMPANY
PARKLANE TOWERS WEST #300
3 PARKLANE BLVD.
DEARBORN, MI 48126



Re: PRODUCT DEFECT CAUSED VEHICLE FIRE AND RESULTING DAMAGES.

VIN: 1FMZU74B0YZ [REDACTED]

Year: 2000

Make: FORD

Model: EXPLORER

Our Insured: [REDACTED]

Address: [REDACTED] SACRAMENTO, CA [REDACTED]

Phone No.: [REDACTED]

Our Claim No: [REDACTED]

Date of Loss: 4-19-05

Damages: \$ 14,754.08

NOTICE OF SUBROGATION CLAIM

Please accept this letter as formal notice of our subrogation rights in regard to the above-captioned claim. Demand is hereby made upon you for payment of Progressive's damages and those of Progressive's insured.

Our investigation indicates damages to our insured's vehicle was a direct result of a manufacturer's defect or negligence on your behalf. Enclosed please find all supporting documentation.

Please acknowledge receipt of my subrogation demand and forward your payment of \$14,754.08 to my attention, payable to "Progressive West Insurance Company, as subrogee of [REDACTED] and mail to my attention at [REDACTED] Richmond Hts., OH [REDACTED]

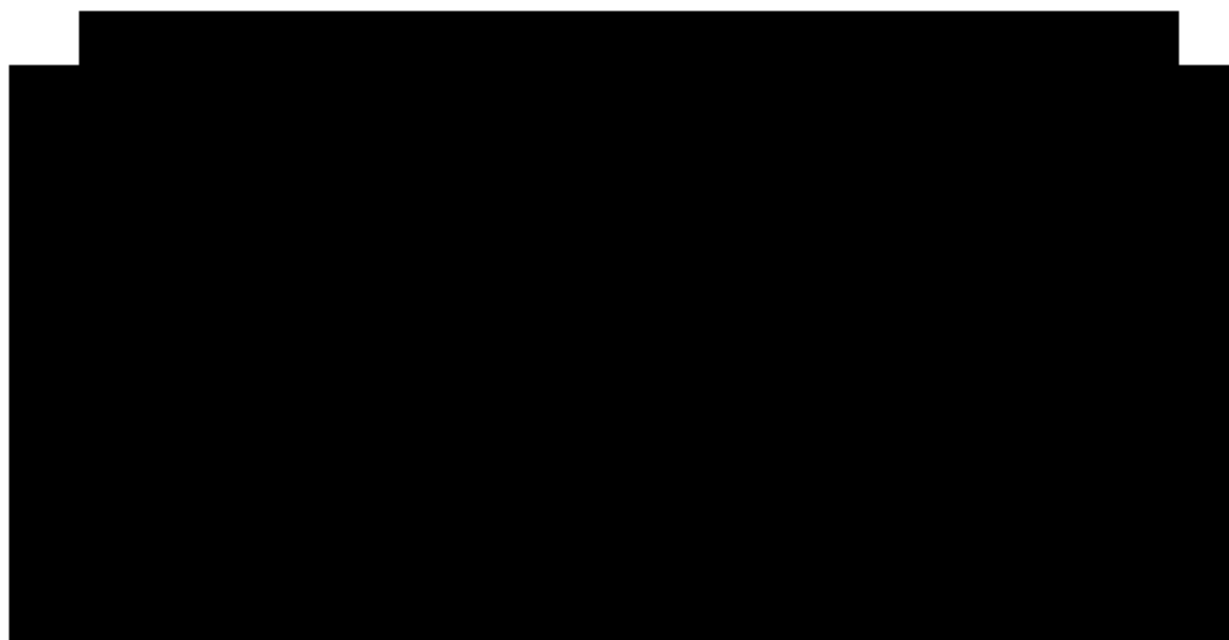
You can contact me at the number listed below should you need additional documentation or care to discuss this claim.

Thank you for your anticipated cooperation.

Progressive West Insurance Company

William P. Kienzl
Subrogation Representative
(440) 603-7967

EN05-005-LC-0003



THIS IS AN ARBITRATION CASE
ASSESSMENT OF DAMAGES HEARING
IS REQUIRED.

Weber Gallagher Simpson Stapleton Fires & Newby, LLP

By: John M. Clark, Esquire

Attorney Id No.: 72652

By: Matthew B. Wensberg, Esquire

Attorney Id No.: 83570

1811 Chestnut Street, Suite 600

Philadelphia, PA 19103

Telephone: 215-564-4597

Attorneys for Plaintiff, Allstate Insurance Company a/s/o Joseph Bartonefsky

P.O. Box 29500

Rosnoke, VA

Plaintiff(s)

v.

Ford Motor Company
a/k/a Ford Motor Credit Company
One American Road
Dearborn, MI 48122

Dumphy Ford - Subaru, Inc.
a/k/a Dumphy Motors, Inc.
7700 Frankford Avenue
Philadelphia, PA 19136

McCafferty Ford Company
1939 Lincoln Highway
Langhorne, PA 19047

Harry Auto Repairs
1132 East Columbia Avenue
Philadelphia, PA 19125
Defendant(s)

COURT OF COMMON PLEAS
PHILADELPHIA COUNTY

JULY TERM 2004
NO.: 003177

CIVIL ACTION COMPLAINT

COMPLAINT

ENB-005-L-C-0004

9. Defendant, Harry Auto Repairs ("Harry"), is a corporation organized pursuant to the laws of the Commonwealth of Pennsylvania and maintains a principle place of business at the above-captioned address.

10. At all times material, Defendant, Harry, was engaged in the business of marketing, repairing and selling automobiles.

11. Prior to July 31, 2002, [REDACTED] purchased a 2000 Ford F150 with a vehicle identification number of 1FTRX18L9YN [REDACTED] [REDACTED].

12. Prior to July 31, 2002, Defendant, Ford, was aware of a design and manufacturing defect in the aforementioned vehicle.

13. Prior to July 31, 2002, Defendant, Dunphy, sold the aforementioned vehicle to Baronofsky.

14. Prior to July 31, 2002, Defendants, McCafferty and Harry, performed repairs on the aforementioned vehicle.

15. On or about July 31, 2002, [REDACTED] was operating the aforementioned motor vehicle when it caught fire as a result of a fuel leak located at the right rear of the engine compartment, due to a manufacturer's design defect within the vehicle's engine system.

16. As a result of the aforementioned fire, same resulted in heat, smoke, and fire suppression efforts, which caused extensive damage to [REDACTED] personal property. Pursuant to the Policy, Plaintiff, Allstate, made payment for said damage.

17. The damages described above were directly and proximately caused by the Defendants, as further and more fully described below. As a result of the aforesaid payment and pursuant to the Policy and by operation of law, plaintiff is subrogated to the rights of its insured, Baronofsky, against all parties responsible for the occurrence of said damage.

Plaintiff, Allstate Insurance Company, as subrogee of [REDACTED] by and through undersigned counsel, avers:

1. Plaintiff, Allstate Insurance Company (hereinafter "Allstate"), is a business duly authorized to transact business in the Commonwealth of Pennsylvania. Allstate has a principal place of business at 3800 Electric Road, Roanoke, Virginia.

2. [REDACTED] is an adult individual residing at [REDACTED] Street, Philadelphia, PA [REDACTED] and, at all times material, was insured by Plaintiff, Allstate, pursuant to an automobile policy of insurance ("Policy").

3. Defendant, Ford Motor Company a/k/a Ford Motor Credit Company ("Ford"), is a corporation doing business in and around the County of Philadelphia, and maintaining a principle place of business at the above-captioned address.

4. At all times material, Defendant, Ford, was engaged in the business of designing, manufacturing, marketing, distributing, and/or selling automobiles.

5. Defendant, Dunphy Ford - Subaru, Inc. a/k/a Dunphy Motors, Inc. ("Dunphy"), is a corporation organized pursuant to the laws of the Commonwealth of Pennsylvania and maintains a principle place of business at the above-captioned address.

6. At all times material, Defendant, Dunphy, was engaged in the business of marketing, distributing, repairing and selling automobiles.

7. Defendant, McCafferty Ford Company, ("McCafferty"), is a corporation organized pursuant to the laws of the Commonwealth of Pennsylvania and maintains a principle place of business at the above-captioned address.

8. At all times material, Defendant, McCafferty, was engaged in the business of marketing, distributing, repairing and selling automobiles.

COUNT I

PLAINTIFF V. FORD - NEGLIGENCE

18. Plaintiff incorporates herein by reference paragraphs one through seventeen, as if same were fully set forth at length herein.

19. The aforementioned damages were the direct and proximate result of the negligence, carelessness, recklessness, and other liability producing conduct of Defendant, Ford, by and through its agents, servants, employees and workers, including, but not limited to, the following:

- a. failing to exercise reasonable care in designing, manufacturing, inspecting, selling and testing the Baronofsky vehicle and the components thereof;
- b. failing to adequately instruct and supervise its workers, servants, employees, and agents;
- c. failing to adequately warn plaintiff and others of the defect, which resulted from the failure to exercise reasonable care as set forth herein;
- d. failing to provide, establish, and follow proper and adequate controls;
- e. failing to conform with the prevailing industry and governmental specifications and standards;
- f. failing to provide, establish, implement, and follow proper and adequate controls so as to provide an automobile that was safe and adequate for the reasons for which it was purchased;

g. selling [REDACTED] a vehicle, and the components thereof, when the Defendant knew or should have known that the same were inadequate for the reasons purchased;

h. failing to ascertain by appropriate testings, the fire hazards, risks, and dangers caused by the Baronofsky vehicle, and components thereof;

i. failing to recall or withdraw from the market place the [REDACTED] vehicle despite actual or constructive knowledge of its defect and dangerous condition;

j. failing to adequately warn of the defects in the [REDACTED] vehicle, and or components thereof;

k. failing to properly incorporate, utilize, or otherwise include in for the [REDACTED] vehicle, appropriate devices, components, and assemblies for the safe protection of, and reaction to, the failure of hoses which carry flammable liquids in the engine compartment;

l. violating the applicable standards of care prescribed by statutes, rules, regulations, ordinances, codes, and industry customs.

m. otherwise careless, reckless and negligent conduct which will be revealed throughout discovery and trial.

20. As a result of the damages proximately caused by the negligence and other liability producing conduct of Defendant, Ford, plaintiff, Allstate, sustained and incurred the aforementioned damages and imposition of additional expenses.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/c [REDACTED] demands judgment in its favor and against Defendant, Ford Motor Company a/k/a Ford Motor

Credit Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT II

PLAINTIFF V. FORD - BREACH OF WARRANTY

21. Plaintiff incorporates herein by reference paragraphs one through twenty, as if the same were fully set forth at length herein.

22. Defendant, Ford, expressly and impliedly warranted that the subject vehicle and its components were of merchantable quality, fit for ordinary use, and fit for the particular use for which it was purchased by [REDACTED]

23. Defendant breached these warranties because the [REDACTED] vehicle was not of merchantable quality, fit for ordinary use, and was unfit for the particular use for which it was purchased.

24. As a result of the damages proximately caused by Defendant, Ford's breach of the aforementioned warranties, plaintiff, Allstate, sustained and incurred the aforementioned damage and the imposition of additional expenses.

25. Plaintiff, Allstate, has and have performed all conditions precedent to recovery based upon such breach.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/c [REDACTED] demands judgment in his favor and against Defendant, Ford Motor Company a/k/a Ford Motor Credit Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate under the circumstances.

COUNT III

PLAINTIFF V. FORD - STRICT LIABILITY

26. Plaintiff incorporates herein by reference paragraphs one through twenty-five, as if the same were fully set forth at length herein.

27. Defendant, Ford, is engaged and was engaged in the business of manufacturing, marketing, selling, and distributing, *inter alia*, the [REDACTED] vehicle.

28. Defendant, Ford, manufactured and sold the vehicle in a defective condition, unreasonably dangerous to [REDACTED] and his property.

29. Defendant, Ford, expected the [REDACTED] vehicle to, and the subject automobile did reach [REDACTED] without substantial change in the condition in which it was manufactured.

30. The aforementioned defects included, but was not limited to, the following:

- a. design;
- b. manufacturing;
- c. failure by Defendant to warn of the aforesaid design and manufacturing defects;
- d. failure by Defendant to properly instruct as to the appropriate installation and operating procedures for the safe use of the subject automobile and its components; and
- e. other defects which may be revealed throughout discovery and at trial.

31. As a result of the damages proximately caused by Defendant, Ford's breach of the aforementioned warranties, Plaintiff, Allstate, sustained and incurred damage and the imposition of additional expenses.

32. Defendant, Ford, is strictly liable to Plaintiff for its damages pursuant to §402A of Restatement (2d) of Torts, Restatement (3d) of Torts, and the applicable laws of the Commonwealth of Pennsylvania.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/o [REDACTED] demands judgment in its favor and against Defendant, Ford Motor Company a/k/a Ford Motor Credit Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT IV

PLAINTIFF V. DUNPHY - NEGLIGENCE

33. Plaintiff incorporates herein by reference paragraphs one through thirty-two, as if same were fully set forth at length herein.

34. The aforementioned damages were the direct and proximate result of the negligence, carelessness, recklessness, and other liability producing conduct of Defendant, Dunphy, by and through its agents, servants, employees and workers, including, but not limited to, the following:

- a. failing to exercise reasonable care in designing, manufacturing, inspecting, selling and testing the [REDACTED] vehicle and the components thereof;
- b. failing to adequately instruct and supervise its workers, servants, employees, and agents;
- c. failing to adequately warn plaintiff and others of the defect, which resulted from the failure to exercise reasonable care as set forth herein;

d. failing to provide, establish, and follow proper and adequate controls;

e. failing to conform with the prevailing industry and governmental specifications and standards;

f. failing to provide, establish, implement, and follow proper and adequate controls so as to provide an automobile that was safe and adequate for the reasons for which it was purchased;

g. selling [REDACTED] a vehicle, and the components thereof, when the Defendant knew or should have known that the same were inadequate for the reasons purchased;

h. failing to ascertain by appropriate testings, the fire hazards, risks, and dangers caused by the [REDACTED] vehicle, and components thereof;

i. failing to recall or withdraw from the market place the [REDACTED] vehicle despite actual or constructive knowledge of its defect and/or dangerous condition;

j. failing to adequately warn of the defects in the [REDACTED] vehicle, and or components thereof;

k. failing to properly incorporate, utilize, or otherwise include in for the [REDACTED] vehicle, appropriate devices; components, and assemblies for the safe protection of, and reaction to, the failure of hoses which carry flammable liquids in the engine compartment;

l. violating the applicable standards of care prescribed by statutes, rules, regulations, ordinances, codes, and industry customs.

throughout discovery and trial.

producing conduct of Defendant, Dunphy, plaintiff, Allstate, sustained and incurred the aforementioned damages and imposition of additional expenses.

demands judgment in its favor and against Defendant, Dumphy Ford-Subaru Inc. a/k/a Dumphy Motors, Inc., in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT V

PLAINTIFF V. DUNPHY - BREACH OF WARRANTY

36. Plaintiff incorporates herein by reference paragraphs one through thirty-five, as if same were fully set forth at length herein.

37. Defendant, Dunphy, expressly and impliedly warranted that the subject vehicle and its components were of merchantable quality, fit for ordinary use, and fit for the particular use for which it was purchased by [REDACTED]

38. Defendant breached these warranties because the [REDACTED] vehicle was not of merchantable quality, fit for ordinary use, and was unfit for the particular use for which it was purchased.

39. As a result of the damages proximately caused by Defendant, Dunphy's breach of the aforementioned warranties, plaintiff, Allstate, sustained and incurred the aforementioned damage and the imposition of additional expenses.

d. failure by Defendant to properly instruct as to the appropriate installation and operating procedures for the safe use of the subject automobile and its components; and

e. other relief which may be revealed throughout discovery and/or at trial.

46. As a result of the damages proximately caused by Defendant, Dunphy's breach of the aforementioned warranties, Plaintiff, Allstate, sustained and incurred damage and the imposition of additional expenses.

47. Dunphy Ford-Subaru Inc. a/k/a Dunphy Motors, Inc., is strictly liable to Plaintiff for its damages pursuant to §402A of Restatement (2d) of Torts, Restatement (3d) of Torts, and the applicable laws of the Commonwealth of Pennsylvania.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/c [REDACTED] demands judgment in its favor and against Defendant, Dunphy Ford-Subaru Inc. a/k/a Dunphy Motors, Inc., in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT VII

PLAINTIFF V. MCCAFFERTY - NEGLIGENCE

48. Plaintiff incorporates herein by reference paragraphs one through forty-seven, as if same were fully set forth at length herein.

49. The aforementioned damages were the direct and proximate result of the negligence, carelessness, recklessness, and other liability producing conduct of Defendant, McCafferty, by and through its agents, servants, employees and workers, including but not limited to, the following:

ENG-003-LC-6815

a. failing to exercise reasonable care in designing, manufacturing, inspecting, selling and testing the [REDACTED] vehicle and the components thereof;

b. failing to adequately instruct and supervise its workers, servants, employees, and agents;

c. failing to adequately warn plaintiff and others of the defect, which resulted from the failure to exercise reasonable care as set forth herein;

d. failing to provide, establish, and follow proper and adequate controls;

e. failing to conform with the prevailing industry and governmental specifications and standards;

f. failing to provide, establish, implement, and follow proper and adequate controls so as to provide an automobile that was safe and adequate for the reasons for which it was purchased;

g. selling [REDACTED] a vehicle, and the components thereof, when the Defendant knew or should have known that the same were inadequate for the reasons purchased;

h. failing to ascertain by appropriate testings, the fire hazards, risks, and dangers caused by the [REDACTED] vehicle, and components thereof;

i. failing to recall or withdraw from the market place the [REDACTED] vehicle despite actual or constructive knowledge of its defect and dangerous condition;

EX-103-1C-6816

j. failing to adequately warn of the defects in the [REDACTED] vehicle, and or components thereof;

k. failing to properly incorporate, utilize, or otherwise include in for the [REDACTED] vehicle, appropriate devices, components, and assemblies for the safe protection of, and reaction to, the failure of hoses which carry flammable liquids in the engine compartment;

l. violating the applicable standards of care prescribed by statutes, rules, regulations, ordinances, codes, and industry customs.

m. otherwise careless, reckless and negligent conduct which will be revealed throughout discovery and trial.

50. As a result of the damages proximately caused by the negligence and other liability producing conduct of Defendant, McCafferty, plaintiff, Allstate, sustained and incurred the aforementioned damages and imposition of additional expenses.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/o [REDACTED] demands judgment in its favor and against Defendant, McCafferty Ford Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT VIII

PLAINTIFF V. MCGAFFERTY FORD COMPANY - BREACH OF WARRANTY

51. Plaintiff incorporates herein by reference paragraphs one through fifty, as if same were fully set forth at length herein.

52. Defendant, McCafferty, expressly and impliedly warranted that the subject vehicle and its components were of merchantable quality, fit for ordinary use, and fit for the particular use for which it was purchased by [REDACTED].

53. Defendant breached these warranties because the [REDACTED] vehicle was not of merchantable quality, fit for ordinary use, and was unfit for the particular use for which it was purchased.

54. As a result of the damages proximately caused by Defendant, McCafferty's breach of the aforementioned warranties, plaintiff, Allstate, sustained and incurred the aforementioned damage and the imposition of additional expenses.

55. Plaintiff, Allstate, has and have performed all conditions precedent to recovery based upon such breach.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/o [REDACTED] demands judgment in his favor and against Defendant, McCafferty Ford Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate under the circumstances.

COUNT IX

PLAINTIFF V. MCCAFFERTY FORD COMPANY - STRICT LIABILITY

56. Plaintiff incorporates herein by reference paragraphs one through fifty-five, as if same were fully set forth at length herein.

57. Defendant, McCafferty, is engaged and was engaged in the business of manufacturing, marketing, selling, and distributing, *inter alia*, the [REDACTED] vehicle.

58. Defendant, McCafferty, manufactured and sold the vehicle in a defective condition, unreasonably dangerous to [REDACTED] and his property.

59. Defendant, Ford, expected the [REDACTED] vehicle to, and the subject automobile did, reach [REDACTED] without substantial change in the condition in which it was manufactured.

60. The aforementioned defects included, but was not limited to, the following

- a. design;
- b. manufacturing;
- c. failure by Defendant to warn of the aforesaid design and manufacturing defects;
- d. failure by Defendant to properly instruct as to the appropriate installation and operating procedures for the safe use of the subject automobile and its components; and
- e. other relief which may be revealed throughout discovery and at trial.

61. As a result of the damages proximately caused by Defendant, McCafferty's breach of the aforementioned warranties, Plaintiff, Allstate, sustained and incurred damage and the imposition of additional expenses.

62. McCafferty Ford Company is strictly liable to Plaintiff for its damages pursuant to §402A of Restatement (2d) of Torts, Restatement (3d) of Torts, and the applicable laws of the Commonwealth of Pennsylvania.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/c [REDACTED] demands judgment in its favor and against Defendant, McCafferty Ford Company, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

COUNT X

PLAINTIFF V. HARRY - NEGLIGENCE

63. Plaintiff incorporates herein by reference paragraphs one through sixty-two, as if same were fully set forth at length herein.

64. The aforementioned damages were the direct and proximate result of the negligence, carelessness, recklessness, and other liability producing conduct of Defendant, Harry, by and through its agents, servants, employees and workers, including, but not limited to, the following:

- a. failing to exercise reasonable care in designing, manufacturing, inspecting, selling and testing the [REDACTED] vehicle and the components thereof;
- b. failing to adequately instruct and supervise its workers, servants, employees, and agents;
- c. failing to adequately warn plaintiff and others of the defect, which resulted from the failure to exercise reasonable care as set forth herein;
- d. failing to provide, establish, and follow proper and adequate controls;
- e. failing to conform with the prevailing industry and governmental specifications and standards;
- f. failing to provide, establish, implement, and follow proper and adequate controls so as to provide an automobile that was safe and adequate for the reasons for which it was purchased;

EROS-085-LC-0020

g. selling [REDACTED] a vehicle, and the components thereof, when the Defendant knew or should have known that the same were inadequate for the reasons purchased;

h. failing to ascertain by appropriate testings, the fire hazards, risks, and dangers caused by the [REDACTED] vehicle, and components thereof;

i. failing to recall or withdraw from the market place the [REDACTED] vehicle despite actual or constructive knowledge of its defect and/or dangerous condition;

j. failing to adequately warn of the defects in the [REDACTED] vehicle, and or components thereof;

k. failing to properly incorporate, utilize, or otherwise include in for the [REDACTED] vehicle, appropriate devices, components, and assemblies for the safe protection of, and reaction to, the failure of hoses which carry flammable liquids in the engine compartment;

l. violating the applicable standards of care prescribed by statutes, rules, regulations, ordinances, codes, and industry customs.

m. otherwise careless, reckless and negligent conduct which will be revealed throughout discovery and trial.

65. As a result of the damages proximately caused by the negligence and other liability producing conduct of Defendant, Harry, plaintiff, Allstate, sustained and incurred the aforementioned damages and imposition of additional expenses.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/ [REDACTED] demands judgment in its favor and against Defendant, Harry Auto Repairs, in an amount not in

COUNT XII

PLAINTIFF V. HARRY AUTO REPAIRS -STRICT LIABILITY

71. Plaintiff incorporates herein by reference paragraphs one through seventy, as though the same were fully set forth at length.

72. Defendant, Harry, is engaged and was engaged in the business of manufacturing, marketing, selling, and distributing, *inter alia*, the [REDACTED] vehicle.

73. Defendant, Harry, manufactured and sold the vehicle in a defective condition, unreasonably dangerous to [REDACTED] and his property.

74. Defendant, Harry, expected the [REDACTED] vehicle to, and the subject automobile did, reach [REDACTED] without substantial change in the condition in which it was manufactured.

75. The aforementioned defects included, but was not limited to, the following

a. design;

b. manufacturing;

c. failure by Defendant to warn of the aforesaid design and

manufacturing defects;

d. failure by Defendant to properly instruct as to the appropriate

installation and operating procedures for the safe use of the subject

automobile and its components; and

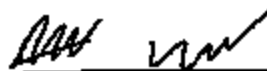
e. other relief which may be revealed throughout discovery and at trial.

76. As a result of the damages proximately caused by Defendant, Harry's breach of the aforementioned warranties, Plaintiff, Allstate, sustained and incurred damage and the imposition of additional expenses.

77. Harry Auto Repair is strictly liable to Plaintiff for its damages pursuant to §402A of Restatement (2d) of Torts, Restatement (3d) of Torts, and the applicable laws of the Commonwealth of Pennsylvania.

WHEREFORE, Plaintiff, Allstate Insurance Company a/s/o [REDACTED] demands judgment in its favor and against Defendant, Harry Auto Repair, in an amount not in excess of Fifty Thousand Dollars (\$50,000.00), plus interest, costs of suit, attorney fees, delay damages, and such other relief as this Court deems appropriate.

WEBER GALLAGHER SIMPSON
STAPLETON FIRES & NEWBY, LLP



John M. Clark, Esquire
Matthew B. Weisberg, Esquire
Attorneys for Plaintiff,
Allstate Insurance Company
a/s/o Joseph Baronofsky

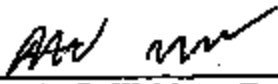
Dated: November 30, 2004

EX-005-005-LC-0024

VERIFICATION

I verify that the statements made in the foregoing Complaint are true and correct to the best of my knowledge and belief. I understand that false statements made herein are subject to the penalties of 18 Pa.C.S. § 4904, relating to unsworn falsification to authorities. I sign this verification on behalf of my client as she is presently outside the jurisdiction of the court and is not presently available to sign within the time allowed for the filing of this pleading.

**WEBER GALLAGHER SIMPSON
STAPLETON FIRES & NEWBY, LLP**


Matthew B. Weisberg, Esquire
Attorney for Plaintiff,
Allstate Insurance Company
a/s/o Joseph Baronofsky

EA03-015-LC-0123

WEBER GALLAGHER
SIMPSON STAPLETON
FIRES & NEWBY LLP

John M. Clark, Esquire

Direct Dial: 215-584-4597
Email: jclark@wglaw.com

August 9, 2004

VIA CERTIFIED & REGULAR MAIL
7003 1010 0003 7469 2382
Ford Motor Company
P.O. Box 1904
Deerborn, MI 48121

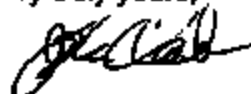
RE: [REDACTED] v. Ford Motor Company, et al
Philadelphia C.C.P., July Term 2004, No. 003177

To Whom It May Concern:

Please be advised that this office represents Allstate Insurance Company with regard to the above referenced matter. Pursuant to Pennsylvania Rules of Civil Procedure, enclosed herewith is a filed Writ of Summons in connection to same.

Please contact the undersigned if you require additional information. Otherwise, I thank you for your courtesies.

Very truly yours,



John M. Clark, Esquire
Attorney for Plaintiff

JMC/lab
Enclosure

PHILADELPHIA PITTSBURGH NEWARK HARRISBURG READING SCRANTON CHERRY HILL

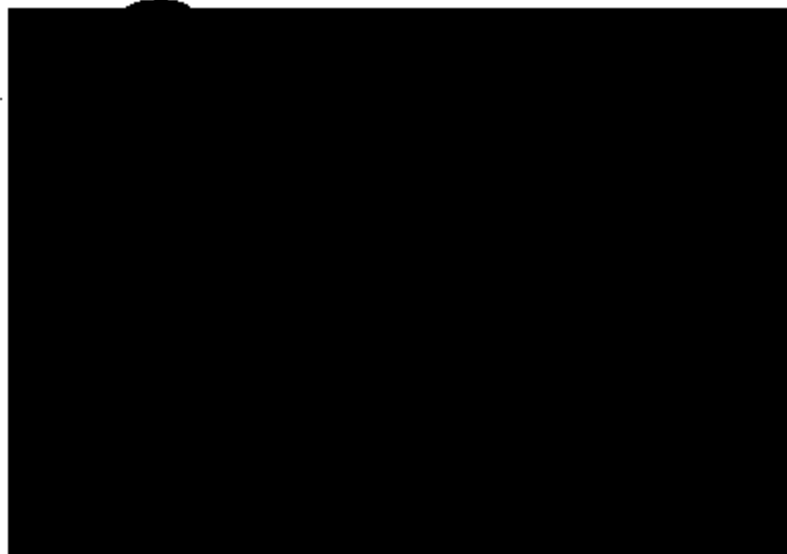
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OFFICE OF THE
GENERAL COUNSEL

04 AUG 26 P 4:31

LITIGATION
PRACTICE GROUP

EP05-003-LC-0626



December 31, 2003

Charge
E. Tett

IN RE: Liberty Mutual Claim No. [REDACTED]
H&A File No. 03-2458VF
Date Received: December 1, 2003
[REDACTED]

PREDICATION:

This report is predicated upon the request of Ms. Evelyn Tett, Liberty Mutual Claims Representative, to conduct an investigation into [REDACTED] with special reference to the fire loss of a 2000 Ford, Explorer.

SECRETARY OF STATE:

Through the Secretary of State, the following information was obtained:

2000 FORD 1FMZU83P6YZ [REDACTED]
30 STA-WAGON TRANSPER
10/23/2002 189N7950136 EXPLORER 29485 A

[REDACTED]
SAULT SAINTE MARIE [REDACTED]

HOUSEHOLD AUTOMOTIVE FINANCE CORP
PO BOX 17902 10/22/2002
SAN DIEGO CA 92177

REGISTRATION INFORMATION:

VRL434 PC-RENEWAL-
09/08/2004 B-650-368-778-699
MI SOS

INSPECTION:

On December 2, 2003 at 11:10 a.m., this investigator arrived at 1130 North Brassier in Sugar Island, Michigan, to conduct an investigation into the fire loss of a 2000 Ford, Explorer.

Once at the scene, a close inspection provided the following information:

SEE ENCLOSED INVESTIGATION REPORT

IN RE: Liberty Mutual Claim No. [REDACTED]
H&A File No. 03-2458VF
[REDACTED]

December 31, 2003

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Prior to leaving the scene, several 35mm color photographs were taken and are enclosed.

ORIGIN AND CAUSE INVESTIGATION:

On December 2, 2003 at 11:10 a.m., this Investigator arrived at [REDACTED] in Sugar Island, Sault Sainte Marie, Michigan, to conduct an origin and cause investigation into the fire loss of a 2000 Ford, Explorer, Vehicle Identification Number 1FMZU83P6YZ [REDACTED]. Upon arriving at camp, the vehicle is located in the driveway, facing eastbound, and at this time, the vehicle identification number located in the area of the windshield and dash has been destroyed by the fire. It should be noted that Michigan license plate number [REDACTED] is found fire damaged between the rear cargo door and rear bumper.

Initial observations reveal that the vehicle is snow filled at this time. Upon removal of the snow, it is apparent that the fire originated within the engine compartment. The examination reveals fire impingement to all painted surfaces of the vehicle, with some paint still present on the hood in the middle closest the front radiator support. At this time, there is melting to all four cast aluminum wheels on the inside, with the melting much more pronounced to both front custom wheels.

The investigation is now focused to the fuel tank, fill tube and fuel cap, where all are fire damaged. The examination of the undercarriage reveals fire damage which can be attributed to the venting of the fuel tank/fill tube.

The inspection is now focused to the rear cargo area, where fire damage is present throughout same. The investigation reveals combustible flooring still present within the rear cargo area, and upon cleaning out same, a pair of jumper cables is noted. The inspection continues, and wiring along the left or driver's side rear fender reveals it is partially void of insulation, with some areas of charred wiring insulation still present. The inspection further reveals relays within this area, which are also fire damaged. Upon tracing this wiring forward, wiring is found laying over the left rear seat headrest area, which reveals evidence of secondary electrical faulting. The investigation continues, and upon lifting the metal section which separates the rear seat from the cargo area, combustible flooring is still present. Upon prying same up, the underside of the flooring is fire damaged, indicating that this is radiated heat damage from the undercarriage due to the venting of the fuel tank/fill tube. The inspection of the right or passenger's side of the rear cargo area reveals wiring which is void of insulation, however, no evidence of any electrical failure can be found and attributed to the cause of the fire. At this time, no evidence of any fire origin within the rear cargo area could be found.

IN RE: Liberty Mutual Claim No. [REDACTED]
H&A File No. 03-2458VF
[REDACTED]

December 31, 2003

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The inspection continues and is focused to the rear passenger compartment. The examination of both rear seats reveals total consumption of the cushion and seat material. The examination further reveals wiring underneath both seats which is partially void of insulation, however, there is no evidence of any electrical failure or fire origin.

The examination of both rear floor areas reveals the remains of the carpeting, padding and floor mats, and there is no evidence of any fire origin. Further, the remains of charred papers are noted in the right rear floor area. The examination of both rear door panels reveals both have been consumed. The examination of the wiring for both rear doors reveals exposure fire damage and no evidence of any fire origin.

The examination is now focused to the front passenger compartment. The examination of both front seats reveals all cushion and seat material to have been consumed. The inspection further reveals all combustibles from the center console area have been consumed, however, wiring traveling forward of the center console location over the transmission hump reveals evidence of charred wiring insulation still present. The examination of the floor areas reveals combustibles still present within both floor areas, and there is no evidence of any fire origin. The examination further reveals the remains of charred papers in the right front floor area, and the wiring for the right front door which still reveals charred wiring insulation and factory wrapping present. The examination of the driver door wiring reveals exposure fire damage and no evidence of any fire origin.

The examination continues and is focused to the dashboard area, where the combustible dashboard has been consumed. The examination, however, does reveal combustibles still present in the area of the instrument cluster on the left or driver's side. The examination of the main wiring loom which travels from the left or driver's side to the right or passenger's side reveals areas of factory wrapping and charred wiring insulation still present, and there is no evidence of any fire origin within this area. Upon tracing this wiring harness to the right or passenger's side, the wiring becomes void of insulation closest the openings through the bulkhead. The investigation continues, and located in the center dashboard area are combustibles in the immediate area of the wiring for the heater and air conditioning controls. The inspection further reveals combustibles surrounding the factory radio, to include the plug connections for same and at this time, no evidence of any electrical failure within the dashboard could be found and attributed to the cause of the fire.

The investigation is now focused to the engine compartment. The inspection of the cowl area reveals that the left or driver's side cast aluminum wiper mount reveals the fire damage is more

IN RE: Liberty Mutual Claim No. [REDACTED]
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[REDACTED]

December 31, 2003

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pronounced than the one on the right or passenger's side which is still connected to the wiper arm and wiper blade.

A subsequent check of the fluid levels reveals no oil registering on the transmission fluid dipstick and at this time, the oil dipstick is frozen in the tube. The examination further reveals all other fluids are either empty or drained during the course of the fire.

The inspection is now focused to the right or passenger's side of the engine compartment. The examination reveals air filter element still present in the right front. The examination of the wiring along the right fender reveals wiring which is void of insulation. The inspection further reveals fusing to one of the ground wires grounded to the right fender with an eyelet. The examination continues and is focused to the right or passenger's side of the engine, where spark plug boots and wires remain, with the fire to the front spark plug boots more pronounced lessening in degree extending toward the rear. The examination of the right rear lower section of the engine reveals the starter is fire damaged, the starter cable is void of insulation closest the starter, however, maintains integrity. Upon tracing this cable as it travels through the tie down brackets in the front of the engine to the left or driver's side in the area of the battery, fusing is noted.

The examination continues and is focused to the alternator which is melted out of the bracket and fallen onto the ground during the course of the fire. Upon retrieving same, aluminum casing is still present surrounding the alternator. The examination of the alternator cable reveals that it is void of insulation, however, upon tracing same over toward the area of the battery, there is no evidence of any fire origin.

The inspection is now focused to the front of the engine, where both upper and lower radiator hoses have been consumed from the clamps. The inspection further reveals both metal transmission cooler lines are still connected to the radiator on the left or driver's side. The examination also reveals melting to both the air conditioning condenser and radiator.

The investigation is focused to the rear of the engine. The examination of the rear of the engine reveals the wiring loom which travels closest the bulkhead is void of insulation, however, plug connections are still present, and there is no evidence of any electrical failure or fire origin within this area.

The inspection is now focused to the top of the engine, where melting is noted to the plenum, more pronounced on the left or driver's side. The examination of both fuel rails reveals both are fire damaged and the combustible balance tube has been consumed from the rear of the fuel rails.

IN RE: Liberty Mutual Claim No. [REDACTED]
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[REDACTED]

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The inspection further reveals both fuel line connections are basically intact, both retainer clips are present and there is no evidence of fuel leakage that can be attributed to the cause of the fire.

The inspection is now focused to the left front, where the power steering pump is fire damaged, and the power steering hoses have been consumed. The examination reveals cast aluminum still present around the power steering pump and at this time, the air conditioning compressor has melted and fallen during the course of the fire. Directly beneath same is the oil filter, which is fire damaged, however, some remains of paint is noted.

The inspection is now focused to the left or driver's side of the engine compartment, specifically the power distribution center. The examination reveals the power distribution center has fallen to the ground during the course of the fire. Upon retrieving same, fire damage is present, however, some remains of the material is still present which covers the relays.

The investigation is now focused to the battery which is located in the left front of the engine compartment. The investigation reveals that the battery has fallen from the battery tray during the course of the fire. Upon retrieving same, it is heavily fire damaged, exposing the plates. The examination of the battery cables reveals that upon tracing the cable which travels from the positive battery terminal clamp over to the power distribution center, evidence of electrical faulting is noted. The inspection further reveals evidence of fusing to the ground cable.

At this time, after completing the above inspection and examination, it was the opinion of this Investigator that the fire originated within the engine compartment on the left or driver's side and at this time, the investigation continues.

It should be noted that prior to leaving the facility, the battery, power distribution center, alternator and alternator cable were put in bags, labeled as evidence, placed into the rear cargo area and photographed in order to prevent same from being lost.

RE-INSPECTION OF VEHICLE:

On December 22, 2003 at 10:00 a.m., this Investigator arrived at Insurance Auto Auction in Romulus, in order to reexamine the vehicle. Upon arrival, the vehicle was located inside the heated facility, where all snow was melted out. The passenger compartment was re-photographed and no evidence of any fire origin within the passenger compartment was found.

IN RE: Liberty Mutual Claim No. [REDACTED]
H&A File No. 03-2458VF
[REDACTED]

December 31, 2003

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The examination of the engine compartment reveals melting to the cast aluminum components at the front of the engine, to include melting to the bottom of the air conditioning compressor. The examination of the oil filter reveals it has melted from the engine, however, some paint remains and there is no evidence of any fire origin.

A subsequent check of the fluid levels reveals no transmission fluid registering on the dipstick. The examination of the oil reveals that upon retrieval of the oil dipstick, the oil is overfull and contaminated with water due to fire extinguishment.

At this time, the vehicle is removed from the facility and elevated into the air. The examination of the underside reveals it is fire damaged, to include melting of the transfer case, which can be attributed to the venting of the fuel tank/fill tube. The examination of the oil pan, oil drain plug and transmission pan reveals all are basically intact and there is no evidence of any fluid leakage within these areas that could be found and attributed to the cause of the fire. The examination does reveal evidence of charring to the exhaust system. The inspection further reveals fire damage to the metal transmission cooler lines and the combustible hoses which connect same to the transmission cooler have been consumed.

At this time, it is the opinion of this Investigator that the fire originated within the engine on the left or driver's side, in the ignition of transmission fluid which was expelled from the transmission cooler lines, and at this time, the investigation continues.

EXEMPLAR VEHICLE:

While at the salvage facility, this Investigator examined an exemplar 2000 Ford Explorer. The examination of the transmission cooler lines reveals that the transmission cooler lines were leaking on the exemplar vehicle and the cooling fan shroud is wet with transmission fluid. Photographs of the exemplar vehicle were taken and are enclosed.

TITLE INFORMATION:

A review of the title information indicates that the 2000 Ford Explorer was transferred into the name of [REDACTED] of [REDACTED] in Sault Sainte Marie as of October 23, 2002, at which time the odometer read 29,485 actual miles. Household Automotive Finance Corporation is the first secured interest. Michigan license plate [REDACTED] registered to the vehicle is not due to expire until September 8, 2004.

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[REDACTED]

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NICH VINASSIST:

A review of the NICH Vinassist indicates that the 2000 Ford, Explorer XLT, all wheel drive four door, is equipped with a 5 liter, V8 engine, and was assembled in St. Louis: Hazelwood, Missouri.

NATIONAL HIGHWAY TRAFFIC & SAFETY ADMINISTRATION:

A search of the National Highway Traffic & Safety Administration, for 2000 Ford, Explorer vehicles produced nine recalls. Upon reviewing same, none pertain to the fire in question.

A further search of the National Highway Traffic & Safety Administration, Defect Investigations Database, produced three records pertaining to said vehicles. Upon reviewing same, none pertain to the fire in question.

ALL DATA SYSTEM:

A search of the All Data System for 2000 Ford Explorer, four wheel drive trucks equipped with 5 liter, V8 engines produced one campaign and ten recalls. Upon reviewing same, none pertain to the fire in question.

A further search produced eleven superceded bulletins and a number of technical service bulletins. Of interest is Technical Services Bulletin #00-9-1 dated May 2000 entitled Automatic Transmission Cooler—Fluid Leaks at Radiator. A review of this technical service bulletin indicates that a problem with some Ford vehicles include 2000 Ford Explorers, where transmission fluid may leak between the radiator, transmission oil cooler and transmission oil cooler fitting, which may result in the residue of transmission fluid on the radiator tank around the transmission oil cooler fitting. This may be caused by insufficient thread sealer on the transmission oil cooler fitting. The action to correct same indicates install o-ring W705181-S onto the transmission oil cooler fitting. The o-ring is designed to seal the leak and reduce the possibility of transmission fluid leakage. (See enclosed documents.)

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SUGAR ISLAND FIRE DEPARTMENT:

Correspondence has been forwarded to the Sugar Island Fire Department requesting a copy of their fire incident report pertaining to the vehicle. Upon receipt of the report, it will be forwarded to the Claims Representative.

OWNER INTERVIEW:

On December 1, 2003 at 2:50 p.m., Investigator Robert Persyn conducted an interview with [REDACTED] who is the titleholder, named insured and operator of the vehicle at the time of the fire. The insured indicated that she is the only driver of the vehicle. The insured further stated that the check engine light had been on for approximately the last three weeks.

The date of the fire was November 18, 2003 at approximately 10:00 a.m. The weather conditions were rainy, and the insured could not recall the direction of the wind. The location of the fire was at 1130 North Brassier Road in Sugar Island.

The insured stated she contacted 911, at which time the Sugar Island Fire Department responded and extinguished the fire in 15 to 20 minutes.

The 2000 Ford, Explorer is equipped with a V8 engine, and was purchased used from Danny Sullivan Used Cars in Romulus, Michigan. At the time of the purchase, the remainder of the factory warranty was in effect, and no extended warranty was obtained. Since ownership, no warranty work has been performed, and no service work excluding oil changes has been performed.

At the time of the fire, the fuel tank was approximately one-quarter full, and the insured indicates that the only fluids she checks in the vehicle is oil.

The last parties to have entered the engine compartment prior to the fire would have been Quaker State Quick Lube in Sault Sainte Marie to perform an oil change one week prior to the fire. Oil changes are secured every 3,000 miles and in between oil changes, no fluids are ever added.

Prior to the fire, the insured was not experiencing any mechanical problems with the vehicle, however, reiterated that the check engine light was on and she had an appointment with the Ford dealer in Sault Sainte Marie to correct same.

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The mileage at the time of the purchase was between 23,000 and 29,000 miles, and the mileage at the time of the fire loss was approximately 45,000 miles.

Since ownership of the vehicle, she has not experienced any problems with animals building nests or chewing wires within the engine compartment. She has received one recall after the fire loss, which pertained to the seatbelt.

Since ownership of the vehicle, no aftermarket accessories have been added, and all wiring is factory. The vehicle is equipped with a factory keyless entry and alarm system, and the insured utilizes a portable cellular telephone in the vehicle, however, did not have a permanently installed hands-free unit. Further questioning revealed that the vehicle has not been involved in an accident since ownership, and the vehicle is not wired for a trailer.

Prior to the fire, the vehicle had been driven for 45 minutes, and was parked idling for 10 to 15 minutes. At the time of the loss, the headlights, heater, radio and wipers were being utilized, and all accessories in the vehicle functioned properly.

Prior to the fire, the insured was unaware of any fluid leaks, did not experience any operability problems, did not detect any odors or hear any noises. She did, however, reiterate that the check engine light had been on for the past three weeks.

In a short scenario, the insured stated that the vehicle was parked idling for 10 to 15 minutes, she came out, got in the vehicle, backed up, then realized she forgot her purse. She went back inside, came out about one minute later, and observed white smoke emanating from the driver front wheel well. At this time, she observed orange flames coming from the same area. At this time, she contacted 911, at which time the Sugar Island Fire Department responded and extinguished the fire.

No one opened the hood prior to the arrival of the fire department. Further, no doors were open during the fire, and all windows were in the up position. No one photographed the vehicle at the time of the fire. The insured indicated that the firemen believed the probable cause was a fuel leak, however, she has no idea as to the cause of the fire.

No other vehicles or property were damaged as a result of the fire, and no other fire investigators have contacted the insured.

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No items were removed from the fire scene, and the insured indicated that she had CDs, a flashlight and wax in the vehicle. At this time, no further information could be obtained, and the interview was terminated.

PERFORMANCE PLUS QUICK OIL CHANGE:


This investigator obtained a copy of the last oil change receipt dated October 24, 2003. According to the invoice, an oil change, air filter and car wash were performed. The mileage on the vehicle was 44,434. The invoice further indicates a new drain plug and gasket were installed, and the transfer case was overfull by two quarts, and two quarts of fluid were removed. This invoice was found not to pertain to the fire in question. (See enclosed invoice.)

CONCLUSION:

Having completed an examination of the vehicle, reviewed an interview with the insured who last operated the vehicle and witnessed the fire, conducted research pertaining to the vehicle, reviewed the last oil change invoice, and based upon all of the information known at the time of the preparation of this report, it is the opinion of this investigator that the fire was accidental in nature. It is further the opinion of this investigator that the fire originated within the engine compartment on the left or driver's side, where transmission fluid was expelled from the transmission cooler lines onto hot surfaces of the exhaust system, and upon ignition, the fire extended upward and outward, causing the damage present. The fire is deemed to be an accidental fire.

It should be noted that a technical service bulletin exists pertaining to transmission fluid leakage at the radiator. Further, an exemplar vehicle was examined and there was evidence of transmission fluid leakage from the transmission cooler lines on the exemplar vehicle.

At this time, all requests for services have been completed, we are closing our file and forwarding our report and photographs for your review.



Devin C. Jordan

DCJ/kp

Fire report Sugar Island Township Fire Department

Date of fire: 11-18-03

Location: N Brasser Rd ¼ mile N of McKerchie Trail , no address listed for fire location.

Time of fire call 9:22 am

Time department on scene: 9:49-10:49

Weather conditions: Heavy rain with west winds and 40 degrees.

Type of fire: Car fire, Ford Pickup

Owner: [REDACTED]

Address: Unknown

Loss: Total

How Extinguished: 250 feet of 1 ½ hose and 200 gallons of water.

Narrative: Owner had gone out to start car in morning and let warm up and returned to house. Upon return noticed fir and called 911.

Submitted by: Frank Handzick, Fire Chief
6401 E 1 ½ mile
Sault Ste Marie MI 49783

(906) 632-3979