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A PROFESSIONAL CORPORATION

ONE HOUSTON CENTER 1221 MCKINNEY STREET SUITE 2900 HOUSTON, TX 77010-2011
832.214.3900 800.448.8501 832.214.3905 FAX www.cozen.com

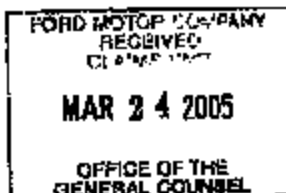
NEW YORK
NEWARK
SAN DIEGO
SAN FRANCISCO
SEATTLE
TRENTON
WASHINGTON, DC
WEST CONSHOHOCKEN
WICHITA
WILMINGTON

March 22, 2005

Jake Skaggs
Direct Phone 713-214-3926
jskaggs@cozen.com

VIA AIRMAIL
VIA FAX 313.390.2107

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



Re: Insured: [REDACTED]
Claim No.: [REDACTED]
Loss Location: [REDACTED] Spring, TX [REDACTED]
Date of Loss: 3/18/2005
Vehicle: 1999 Ford Expedition
VIN No.: TBD

To Whom It May Concern:

Please be advised that the law firm of Cozen O'Connor has been retained by Allstate Insurance Company to protect and pursue all subrogation rights with respect to the above-referenced loss. Please address all future correspondence to the attention of the undersigned.

It is our understanding that on March 18, 2005, a fire started in the garage at [REDACTED] residence. Our investigation revealed that the fire originated in the [REDACTED] 1999 Ford Expedition. At approximately 9:30 p.m. before the fire, the [REDACTED] returned to their house and parked their car inside the attached garage. At approximately 3:30 a.m. the fire started in the garage. As a result of the fire, the [REDACTED] residence incurred severe damage to its structure and its contents.

We have retained an engineer and cause and origin investigator. In order to mitigate our insureds' damages, we are planning to examine, secure and move the vehicle in question on April 1, 2005. Please contact the undersigned at 832.214.3916 immediately upon receipt of this letter to participate in a joint examination of the vehicle.

ER05-005-LC-1605

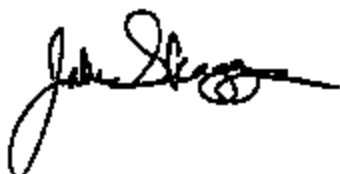
Ford Motor Company
March 22, 2005
Page 2

Please consider this letter our attempt to invite you and/or your representatives to examine the fire scene and vehicle. Time is obviously of the essence, as we need to begin the cleanup process and our insureds need to mitigate their damages. Please consider this letter our attempt to provide your company and/or its representatives with access to the loss site, and to avoid any future spoliation of evidence issues.

Thank you for your prompt responses.

Sincerely,

COZEN O'CONNOR



By: Jake Skaggs

JPS

cc: Leslie Crow (via email)



Office of the General Counsel

PRIVILEGED & CONFIDENTIAL

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

March 30, 2005

Cozen O'Connor
One Houston Center
1221 McKinney Street, Suite 2900
Houston, TX 77010-2011
ATTENTION: JAKE SKAGGS

Re: Claimant: [REDACTED]
D/O/E: 03-18-2005
Your Claim #: [REDACTED]

Dear Mr. Skaggs:

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

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

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

- 9. What was the city and state of occurrence: NA Spring, Texas
- 10. The 17 digit vehicle identification number: NA1FMRO17L7X1 [REDACTED]
- 11. What was the mileage at time of occurrence: Approximately 108,000 miles
- 12. What is the alleged defect:

At this time, based on a reasonable investigation, we believe that the fire was caused by a defective Speed Control Deactivation Switch. We reserve the right to amend or supplement this response as more information is discovered.

EA05-005-LC-1887

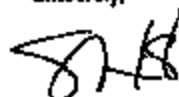
13. Has the alleged defective part been repaired or replaced? (circle one) Yes or No
14. What is the current location of the vehicle, and the alleged defective part(s)?
Bayou City Auction Pool, 16602 E. Hardy, Houston, TX 77032
Stock # 5867624
15. List all after market additions or modifications that were made to the vehicle:
None
16. Was the engine running? (circle one) Yes or No
17. Were the keys in the ignition? (circle one) Yes or No
18. Was this vehicle purchased new or used: New
If purchased used, provide the date of purchase, mileage at the time of purchase, and from whom the vehicle was purchased: _____

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

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

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

Sincerely,

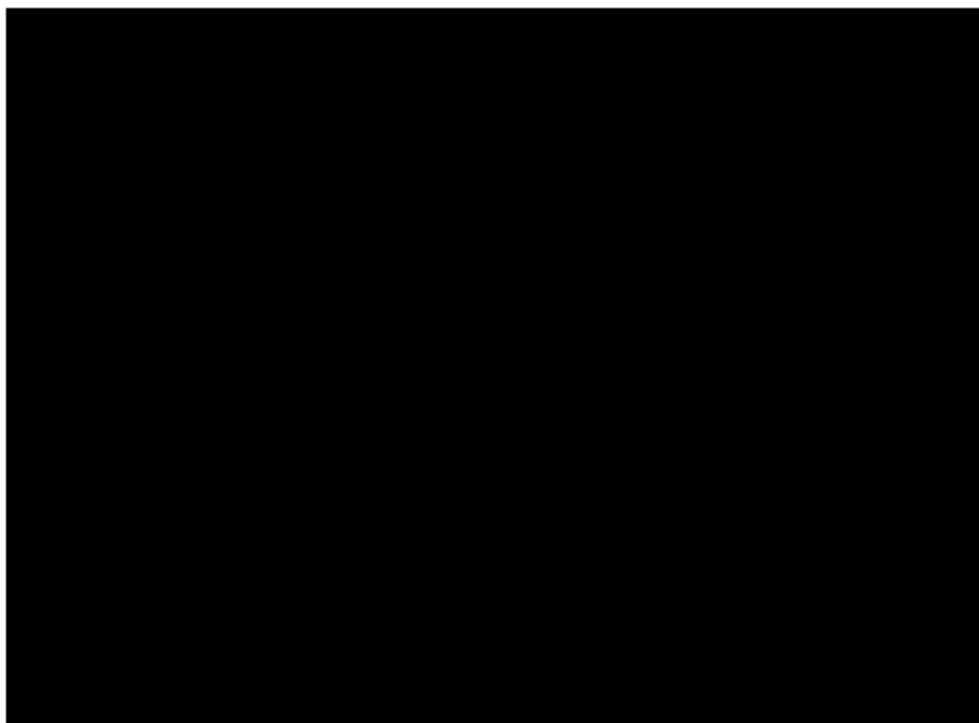


Shawn L. Norton
Claims Analyst /
Litigation Assistant

STATEMENT OF EVENTS

On or about March 18, 2005, our insured's wife [REDACTED] returned home at approximately 9:30 p.m. [REDACTED] was driving our insured's 1999 Ford Expedition. [REDACTED] parked the vehicle in her attached garage, turned off the engine, removed her keys and belongings and entered her home. Shortly thereafter, she went to bed. [REDACTED] was not home at this time. At approximately, 3:30 a.m., [REDACTED] recalls hearing a large popping sound. She awoke to investigate and, at the same time, her neighbor arrived to inform her that her house was on fire. [REDACTED] exited the dwelling.

It is my understanding that [REDACTED] replaced a fuse in the Expedition shortly before this incident occurred. [REDACTED] checked to make sure that the fuse had been properly replaced. Other than replacing the fuse, it is my understanding that the vehicle had only undergone regular maintenance. As our investigation is still ongoing, any information discovered regarding the type of maintenance performed on the car will be supplemented.



NUMBER:
37,460-0

8TH JUDICIAL DISTRICT COURT

WINN PARISH, LOUISIANA

VERSUS

FORD MOTOR COMPANY

PETITION FOR DAMAGES

NOW INTO COURT, through undersigned counsel, comes and appears the plaintiffs, [REDACTED] a foreign insurer licensed to do business in Louisiana and Gina Burnett, a resident of Winn Parish who respectfully represent and show:

I.

Made defendant in the above entitled action is Ford Motor Company, Inc., a foreign corporation licensed to do business in Louisiana who may be served through their agent for service of process, CT Corporation System, 8550 United Plaza Boulevard, Baton Rouge, Louisiana 70809.

II.

[REDACTED] were the owners of a 1997 Ford F150 XLT pickup truck, VIN 1FTRE17L8VM [REDACTED] This vehicle was insured by State Farm policy number [REDACTED]

III.

On November 10, 2001 Gina Burnett drove the truck to her church where she was working.

IV.

[REDACTED] parked the truck in the parking lot and went inside.

V.

Approximately an hour to two hours later, a fire erupted in the engine compartment of the F-150 pickup truck. It was unoccupied and parked at the time. The fire destroyed the vehicle to the extent that it was declared a total loss.

VI.

The plaintiffs show that the fire was caused by a defect in the cruise control module of the pickup truck which was the fault of the manufacturer, Ford Motor Company, for the following reasons, to-wit:

- a) Failure to design or manufacture an electrical system that would not catch fire while the vehicle was parked;
- b) Failure to design a cruise control system that would not catch fire when overheated;

VII.

Pursuant to the policy of insurance, State Farm Mutual Automobile Insurance Company paid for the total loss of the vehicle. The [REDACTED] assumed a deductible of \$50.00.

VIII.

The plaintiffs are legally subrogated to recover against the manufacturer, Ford Motor Company, for all damages caused by the fire.

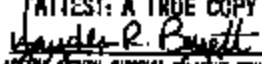
WHEREFORE, plaintiffs, State Farm Mutual Automobile Insurance Company and [REDACTED] pray that this petition be filed, and that after due proceedings had that judgment be rendered in of State Farm Mutual Automobile Insurance Company and Gina Burnett and against the defendant, Ford Motor Company, for all general and special damages pled, court costs, legal interest from the date of judicial demand until paid and all other appropriate relief in law and equity.

Respectfully submitted,
CORKERN & CREWS, L.L.C.
Attorneys at Law
Post Office Box 1036
Natchitoches, Louisiana 71456-1036

BY: 

JASON G. METHVIN, Attorney for
Plaintiffs
#23868

ATTEST: A TRUE COPY


LINDA R. BURNETT
CLERK OF DISTRICT COURT
EAST OF WARD, LOUISIANA

Office of the General Counsel

Ford Motor Company

Ford Motor Company
Parklane Towers West
Suite 300
Three Parklane Boulevard
Dearborn, Michigan 48126-2588

March 19, 2002

State Farm Insurance
PO BOX 11930
Monroe, Louisiana 71211-1930
ATTENTION: VENUS HAWKINS
2ND REQUEST

RE: Claimant: [REDACTED]
Claim Number: [REDACTED]
D/O/L: 11-10-2001

RECEIVED
MAR 25 A 11:35
MID-SOUTH
SUBROG. UNIT

Dear Ms. Hawkins:

Thank you for your recently submitted letter dated March 5, 2002. In order to assist us in evaluating your claim, we request that you provide us with the following information: (Please note that the information requested is in regard to the Ford manufactured vehicle.)

- ☒ 1. The date of incident and the city and state in which it occurred. *Winnfield, LA 11-10-01*
- ☒ 2. A complete description of the incident, including events which occurred prior to and subsequent to the loss. *Vehicle caught on fire while [REDACTED] was inside the church during*
- ☒ 3. A copy of the police and/or fire report.
- ☐ 4. For each person alleged injured: full name, date of birth, home address, marital status and name of spouse, social security number, occupation, a complete description of the injuries, the names and addresses of all treating physicians, and copies of all medical bills and reports. *UN-1FTEX17L8V [REDACTED]*
- ☐ 5. The vehicle year, model, and serial number. *1997 Ford F150 PIV.*
- ☐ 6. The mileage on the vehicle at the time of the incident.
- ☒ 7. Original color photographs of the vehicle's collision/fire damage & the alleged defective part(s), from several different angles.
- ☐ 8. Original color photographs of the inside of the vehicle showing the steering wheel, dash and roof areas.
- ☐ 9. Original color photographs of the accident scene showing the grade of the road.
- ☐ 10. What is the alleged defect?
- ☐ 11. Documentation to substantiate your defect allegation, including a copy of your expert's report and the expert's original color photographs.
- ☒ 12. Has the alleged defective part been repaired or replaced?
- ☒ 13. The present location of the alleged defective part and the vehicle. *State Farm*
- ☐ 14. The repair estimate, repair order, or your total loss worksheet for the vehicle's damage and any losses associated with this incident, and copies of draft payments.
- ☒ 15. A complete service history for the subject vehicle, including any tune-ups or oil changes. Please note they were not included with your submitted documentation of February 28, 2002.
- ☒ 16. List any after market additions or modifications that were made to the vehicle.

N/A

ER05-005-LC-1787

- ☐ 17. We will be pleased to conduct non-destructive testing on your alleged defective part should you choose to remove the part and assembly and ship it at your own expense. Please follow the directions listed in the attached shipping instructions.
- ☐ 18. Lost wage verification (if applicable).
- ☐ 19. Was the parking brake fully engaged?
- ☐ 20. What gear was the vehicle in at the time of the incident?
- ☒ 21. Was the engine running? **NO**
- ☒ 22. Were the keys in the ignition? **NO - I had them in my purse.**
- ☐ 23. Has any insurance company been advised of this incident? If so, please state the name, address, and telephone number of those insurance companies; their claim number; and the agent's name.
- ☐ 24. If an attorney has been retained by you to settle this claim, please include his/her name, telephone number, and address.
- ☒ 25. If this vehicle was purchased as used by the insured please provide: the date of purchase, mileage at the time of purchase, and from whom the vehicle was purchased.

No, I was the only driver & owner.

Once we are in receipt of the requested information, it will be reviewed and you will be notified of our decision concerning your claim. Should you not send all of the requested information and materials, we will assume that you are not interested in pursuing a claim and we will close our file.

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

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

Sincerely,



Shawn Norton
Claims Analyst

DNB-005-LC-1709

11-13-2001



END-888-LC-1718



EXOS-000-LC-1711



DNB-885-LC-1712



2005-005-LC-1713



ENG-000-LC-1714

DENNIS INVESTIGATIONS

December 10, 2001

INVOICE NO.: 01-219

Ms. Denise Futch
State Farm Insurance Company
P.O. Box 9210
Monroe, LA 71211

DEC 29 2001

MON DEC 3 2001

RE: D.I. File Number: 01-NOV-3491
Policy Number:
Claim Number:
Insured:
Date of Loss: Saturday, November 10, 2001
Approx. Noon
Investigation Date: Monday, December 3, 2001

PROFESSIONAL SERVICES RENDERED (INVESTIGATION)

Travel from Tyler, TX to Shreveport, LA & return. Examine burned vehicle and photograph. Interview with [REDACTED]

8.5 hours @ \$60.00 per hour \$510.00

PROFESSIONAL SERVICES RENDERED (REPORTING)

Review file. Prepare and Dictate Report. Review, Sequence, and Mount Photographs.

2.75 hours @ \$60.00 per hour \$165.00

TOTAL PROFESSIONAL SERVICES \$675.00

EXPENSES

Travel/Mileage - 176 miles @ \$0.43 per mile \$75.68
Photographs - 20 @ \$2.00 each (22 enclosed) \$40.00
Long Distance & Cell Phone Calls \$7.90

TOTAL EXPENSES \$123.58

SUBTOTAL \$796.58
SALES TAX (out of state) \$0.00

TOTAL AMOUNT DUE \$796.58

Tax ID #75-1805738

1617 GOLDEN ROAD • TYLER, TX 75701 • (903) 592-6900

DENNIS INVESTIGATIONS

REPORT NUMBER: ONE

REPORT DATE: DECEMBER 10, 2001

PREPARED FOR: STATE FARM INSURANCE COMPANY
P.O. BOX 8210
MONROE, LA 71211

ATTENTION: MS. DENISE FUTCH

INSURED:

LOCATION:

COPART, GREENWOOD RD.
SHREVEPORT, LA (VEHICLE EXAM)

DATE OF LOSS:

SATURDAY, NOVEMBER 10, 2001
APPROX. NOON

POLICY NUMBER:

CLAIM NUMBER:

18 0610 246

FILE NUMBER:

01-NOV-3491

DATE RECEIVED:

FRIDAY, NOVEMBER 30, 2001

DATE INVESTIGATED:

MONDAY, DECEMBER 3, 2001

PRIVILEGED AND CONFIDENTIAL

1617 GOLDEN ROAD • TYLER, TX 75701 • (903) 592-6900

EE85-005-LC-1718

INSURED: [REDACTED]
FILE NUMBER: 01-NOV-3491

DATE: DECEMBER 10, 2001

ASSIGNMENT

The assignment was received Friday, November 30, 2001, from Ms. Denise Futch with instructions to conduct an origin and cause fire investigation. The fire occurred Saturday, November 10, 2001, at approximately noon. The investigation into the origin and cause of this fire was commenced Monday, December 3, 2001.

DESCRIPTION OF VEHICLE

The risk was a 1997 Ford pick-up F-150 XLT. This vehicle was identified with VIN 1FTEX17L8ZN [REDACTED] and Louisiana license plate number [REDACTED]. This vehicle was powered with V-8 engine with an automatic transmission. The Ford pick-up was purchased new and displayed 150,627 miles on the odometer at the time the fire occurred.

VEHICLE EXAMINATION

The burned vehicle was examined Monday, December 3, 2001, starting at 11:40 a.m. This Ford pick-up was systematically photographed during the process of this examination. A survey of the damage revealed the entire engine compartment had been completely gutted by the fire. The aluminum hood had all but totally melted due to the intense heat. The windshield had been broken out by the heat and the top of the dash on the left side was partially melted. The interior of the cab received extensive damage from the heat, smoke and water.

A study was undertaken to establish the origin and cause of this fire. Closer examination revealed the most intense burning had occurred within the left side of the engine compartment. The left front tire was flat and there was a highly pronounced burn pattern on the fender. The electrical wiring and components throughout the engine compartment were closely examined. The electrical components which were mounted on the left fender well had received the most severe thermal deterioration. During the process of examining these components, a heat and burn pattern was observed on the cruise control module and deactivation switch. A cable extended from this component to the throttle linkage. Some of the electrical wiring extended from this component to an electrical connection on the firewall beneath the brake master cylinder. Removal of the inspection cover revealed the remains of a printed circuit board. This circuit board and the electrical wiring connection had been all but totally destroyed by the intense heat. It was obvious an electrical malfunction had occurred in the vicinity of the electrical connections and adjacent printed circuit board. The heat which was produced by this electrical malfunction ignited the surrounding combustible materials. The ensuing fire traveled within the area of the left fender well and eventually throughout the entire engine compartment. The examination

REPORT

-2-

DEC 10 2001

INSURED: [REDACTED]
FILE NUMBER: 01-NOV-3491

DATE: DECEMBER 10, 2001

of this burned vehicle and investigation did not establish any other reasonable cause for this fire. There was no evidence developed whatsoever which would indicated the cause of this fire was incendiary in nature.

SUMMARY REPORT

This 1997 Ford pick-up had been parked in the church parking lot by [REDACTED] short time prior to the occurrence of the fire. John Briscow saw the pick-up burning and went into the church to advise [REDACTED] that it was on fire. He grabbed a fire extinguisher and attempted to extinguish the blaze. The pick-up fire was reported to the Winnfield Fire Department. By the time firefighters arrived, the engine compartment was fully involved in fire and spreading into the cab through the broken windshield. By the time firefighters controlled and extinguished the fire the entire engine compartment had been completely gutted.

CONCLUSION

In conclusion, it is my professional opinion this fire was caused by an electrical malfunction within the cruise control module and the deactivation switch. The examination of this burned vehicle and investigation did not establish any other reasonable cause for this fire.

COMMENTS

I recommend this report be evaluated by your subrogation department.

If you should have any questions regarding this, or any other matter, please do not hesitate to contact us.

Sincerely,

Bob Dennis
DENNIS INVESTIGATIONS
BDJ

DEC 20 2001

Winnfield, IL

EN03-005-LP-1718

PHOTOGRAPHS

RECEIVED

DEC 20 2001

DATE: DECEMBER 10, 2001

NUMBER DT-NOV-3491

1997 Ford pick-up F-150 XLT shown from front.



No. 2

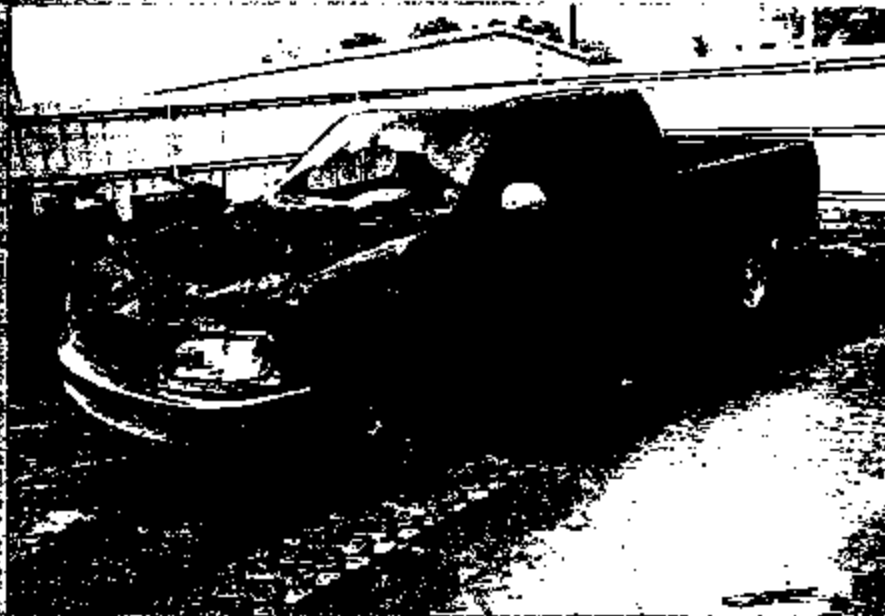
Vehicle shown from rear and right side.



DATE DECEMBER 10, 2001

FILE NUMBER: NOV-3491

No. 1: This pick-up shown from left side and front.



No. 2: Interior of cab shown through right door opening.



DATE DECEMBER 10, 2001

NOVEMBER 01 NOV 3491

Interior of cab shown through left door opening.



No. 5:

Close up view showing the engine compartment from the left front side.



NUMBER 01-NOV-3491

DATE DECEMBER 10, 2001

Close up view showing the engine compartment from the right side. Arrow shows the point where the fire originated.



No. 8:

Close up view showing the left fender well. Arrow shows the cruise control module and deactivation switch where the fire originated.



FILE NUMBER 01-NOV-3481

DATE DECEMBER 10, 2001

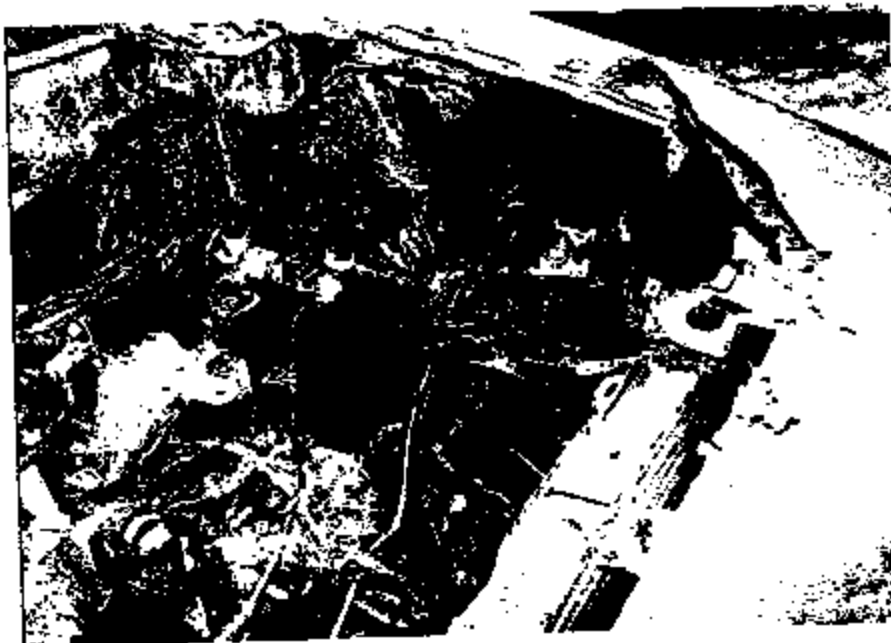
No. 9:

Close up view of the module where the fire originated.



No. 10:

Arrow shows the cruise control module and deactivation switch after it was partially removed.



DATE: DECEMBER 10, 2001

FILE NUMBER: 01 NOV 3491

Close up view showing the module where the fire originated.



No. 12:

Cruise control module and deactivation switch shown on contrasting background.



INSURED: [REDACTED]
FILE NUMBER: 01-NOV-3491

DATE: DECEMBER 10, 2001

No. 13: Close up view showing the module on a contrasting background.



No. 14: Arrow shows the highly pronounced burn pattern and electrical connections where the fire originated.



INSURED: [REDACTED]
FILE NUMBER: 01-NOV-3491

DATE: DECEMBER 10, 2001

No. 15: View of the module shown with the inspection cover removed. Arrow shows the all but totally destroyed printed circuit board.



No. 16: Close up view showing the point where the fire originated.



DATE: DECEMBER 10, 2001

FILE NUMBER: 01-NOV-3491

No. 12: Close up view showing the destruction to the printed circuit board and electrical connection where the fire originated.



No. 15:

Close up view with the arrow showing the point where this fire originated.



INSURED: [REDACTED]

FILE NUMBER: 01-NOV-3491

DATE: DECEMBER 10, 2001

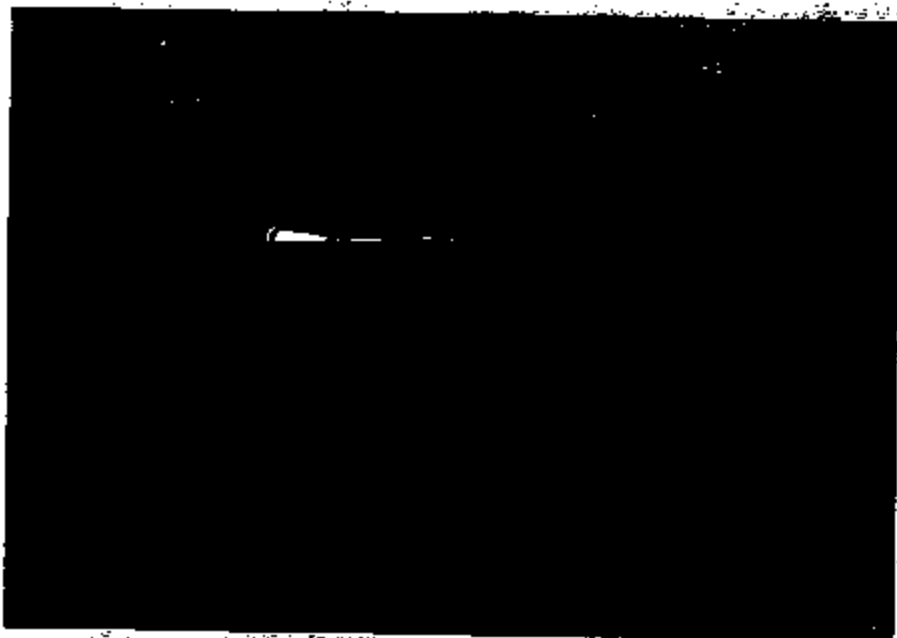
No. 19:

Cruise control module and deactivation switch was placed in a plastic bag and securely attached to the inner fender well.



No. 20:

Louisiana license plate number [REDACTED]



01-NOV-3491

ER05-005-LC-1729

INSURED: [REDACTED]
FILE NUMBER: 01-NOV-3481

DATE: DECEMBER 10, 2001

No. 21: VN 1FTEX17L8VN [REDACTED]

WGT 11,000 LBS 6250LB/ 2834KG
FRONT GRN 1250LB REAR GRN: 3500LB
16X7.0J WITH 1587KG WITH
P235/70R16SL TIRES P235/70R16SL TIRES
16X7.0J RIMS 16X7.0J RIMS
AT 221 kPa 32 PSI COLD AT 241 kPa 35 PSI COLD

THIS VEHICLE CONFORMS TO ALL APPLICABLE FEDERAL MOTOR
VEHICLE SAFETY STANDARDS IN EFFECT ON THE DATE OF
MANUFACTURE SHOWN ABOVE.

VIN: 1FTEX17L8VN [REDACTED]

F0384
70346

TYPE: TRUCK



EX. REG. IN CA INC. 23 1000

EX. REG. IN CA INC. 23 1000

UTC 07/00-1000/00-00

No. 22:

Close up view showing 150,627 miles on the odometer.

150627

DEC 2 9 2001

E005-005-LC-1730





EA65-885-LC-1732



EROS-005-1C-1733



ERG5-825-LC-1734

State Farm Insurance Companies



January 11, 2002

Auto Subrogation Unit
P.O. Box 11950
Monroe, Louisiana 71211
1-800-446-4525 Team 11
Fax 1-800-726-4283

Ford Motor Company
Manager Product Claims Dept.
Mr. Howard E Keys
Parklane Tower West
3 Parklane Blvd, Suite 400
Dearborn, MI 48126



RE: Claim Number: [REDACTED]
Date of Loss: November 10, 2001
Our Insured: [REDACTED]

Dear Mr. Keys:

This State Farm insured's vehicle, 1997 Ford F150 VIN 1FTEX17L8VM [REDACTED] was involved in a loss due to an electrical malfunction within the cruise control. We settled a claim with our insured in the amount of \$10,414.00, which includes our insured's deductible.

Our investigation revealed the cause of the loss was due to the following: an electrical malfunction within the cruise control

Enclosed is the documentation of State Farm's claim. We are holding the vehicle until we have concluded our claim with your company. You may contact me at the phone number below to make arrangements to inspect the vehicle.

Please consider this letter as our demand to Ford Motor Company for reimbursement of \$10,414.00.

EGG-003-LC-1735

- 1501627 (M)

- 11/10/01
- '97 F150
- VIN
- \$10,414.00
- Expt.

Page 2
January 11, 2002

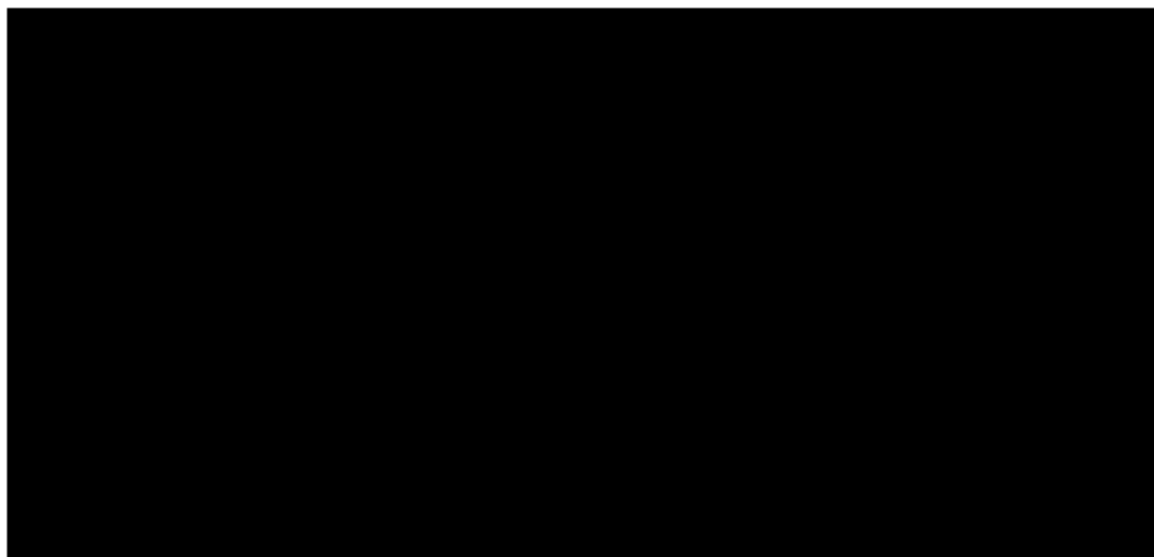
In order to assist you in evaluating and processing the subrogation claim we are asserting, we may provide nonpublic personal information about our customer. We are sharing this information to effect, administer, or enforce a transaction authorized by the consumer. However, you are neither authorized 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.

Sincerely,

Stephanie McDaniel
Claim Specialist
(888) 242-5470

State Farm Mutual Automobile Insurance Company

lf





SAFECO PROPERTY & CASUALTY INSURANCE COMPANIES

SAFECO Insurance Company of Illinois
Recovery Management
1315 N. Highway Drive
Fenton, MO 63026

Phone: (800) 332-3226
Fax: (888) 268-8840

www.safeco.com

Mailing address:
P O Box 461
St. Louis, MO 63166-9970

May 5, 2005

Ford Motor Company
Consumer Affairs
P O Box 6248 Md-3nc-b
Dearborn, MI 48126

Insured Name: [REDACTED]
Policy Number: [REDACTED]
Loss Date: January 18, 2005
Claim Number: 259005162008

To Whom It May Concern:

Our investigation to date indicates that you were the proximate cause of this loss. Under the terms of our insured's policy with us, we have become legally subrogated to the right to our insured to recover our damages. As such, we are seeking reimbursement from you for the damages we paid out on behalf of our insured.

At this time, we are seeking reimbursement in the amount of \$13,886.55. In addition, our insured incurred deductible and/or out-of-pocket expenses totaling \$100.00, bringing the total amount of the claim to \$13,986.55.

Our insured, [REDACTED] 1998 Lincoln Navigator 5LMFU28L8W [REDACTED] caught fire and burned in his driveway on 11/18/05 in Jackson, MS. The expert's inspection of the vehicle found that the fire started in the area of the cruise control. The vehicle is located at CoPart Auto Auctions 205 S. Rankin Industrial Dr. Florence, MS 39073 (601) 939-7941 under lot [REDACTED]. Please let us know if you need to inspect the salvage so that we can grant you permission to inspect with a Safeco representative present. I have enclosed a copy of the fire report, our expert's report, and the support of the evaluation of value and settlement.

May 5, 2005

It is our desire to resolve this matter in an amicable fashion. If you were insured at the time of this loss, please refer this matter to your insurance company so the claims adjuster can contact us directly. If you were uninsured at the time of the loss, please send your payment to the following address (please remember to put the claim number on your check):

**SAFECO Insurance Companies
St. Louis Branch Cashier (Subrogation)
PO BOX 461
St. Louis, MO 63166-9970**

If you are unable to pay the above amount within the next 14 days, please contact Maria Hecht at 800-332-3226 extension 483444 and she will assist you in any way that she can so that we can establish a reasonable repayment plan.

Sincerely,

Recovery Management
SAFECO Insurance Company of Illinois
(800) 332-3226 Fax: (888) 268-8840

EA05-005-LC-1730



EFI Global

Complex Issues - Solid Solutions

6848 Ridgewood Road
Suite D-308
Jackson, MS 39211
Tel: 601 938 1880
Fax: 601 938 7410
www.efiglobal.com

St. Louis Safeco

12 MAR 01 2005

Mail Received

FIRE INVESTIGATION

Report One and Final

INSURED: [REDACTED]
LOSS LOCATION: [REDACTED]
DATE OF LOSS: Jackson, Mississippi
January 18, 2005
CLIENT: Safeco Insurance
CLAIM NO: [REDACTED]
EFI File NO: 04201-00223

Report Date: February 27, 2005
Prepared For: Safeco Insurance
P.O. Box 481
St. Louis, MO 63168
Attention: Bobby Hannon

***THIS REPORT FURNISHED AS PRIVILEGED AND CONFIDENTIAL TO ADDRESSEE
RELEASE TO ANY OTHER COMPANY, CONCERN, OR INDIVIDUAL IS SOLELY THE
RESPONSIBILITY OF ADDRESSEE***

EA05-005-LC-1739

84261-00223

February 27, 2005

Insured: [REDACTED]

ASSIGNMENT

On February 2, 2005 this assignment was received from Bobby Harmon with Safeco Insurance. [REDACTED] requested that an origin and cause examination be conducted on the 1998 Lincoln Navigator owned by the insured, [REDACTED]. Mr. Harmon was particularly interested in determining if the cruise control pressure release switch was involved as an ignition source in this fire as there is or is going to be a recall issued on this particular brake component.

The examination was conducted on Friday February 4, 2005. Mr. Harmon was contacted via cellular telephone and given a verbal report of my findings.

ENCLOSURES

1. CD containing 38 digital photographs
2. 24 mounted digital photographs
3. Auto Examination check off sheet

DESCRIPTION OF PROPERTY

The risk is a 1998 Lincoln Navigator SUV, V.I.N. #5LMFU28L8WV [REDACTED]

FIRE SCENE EXAMINATION

A fire scene examination was conducted on February 4, 2005. This examination was conducted using a systematic approach working from the area of least damage to the area of greatest damage.

This examination was conducted at CoPart Auto Salvage and Auction in Florence, Mississippi where the risk is being stored. Upon arrival at CoPart, the salvage yard brought the vehicle to the office where the examination was conducted.

Examination of the exterior of the vehicle showed that body damage was confined to the left front fender and hood of the vehicle. The damage to the fender was caused when the fire in the engine compartment ignited the plastic interior of the fender and interior side of the left front tire. The fire in the engine compartment burned away most of the fiberglass hood on the driver's side of the vehicle with heavy damage to the remainder of the hood on the passenger side.

The fire burned up across the windshield, causing heavy damage in this area.

94201-00223

February 27, 2005

Insured: [REDACTED]

Examination of the interior of the vehicle shows only light elevated damage at the front of the passenger compartment in the area of the headliner. This damage was caused when the fire began to penetrate the windshield immediately prior to being extinguished. Light to moderate smoke damage is present throughout the rest of the vehicle's interior.

The engine compartment of the risk was the last area examined. The passenger side of the engine compartment was examined and found to have suffered elevated heat damage to the plastic and combustible components throughout this area with the burn patterns showing movement from the driver's side to the passenger side of the engine compartment. No ignition sources were found on the passenger side of the engine compartment.

The front of the engine compartment shows elevated heat and flame damage throughout the area with fire ventilation through the front end and grill of the risk. No accidental sources of ignition were found in the front of the engine compartment.

The driver's side of the engine compartment was then examined. The burn patterns on this side of the engine compartment show the area of heaviest burning to be located at the rear of the engine compartment in the area immediately in front of the brake master cylinder. The valve cover on this side of the engine has suffered heavy damage with the damage lessening as you move from the rear of the engine compartment towards the front. The burn pattern on the firewall shows fire movement from the brake master cylinder out and upward.

The front end of the brake fluid reservoir has burned off in the area where the cruise control pressure release switch was located. The remains of the pressure release switch were found lying immediately beneath where it was mounted, lying on the vehicle's frame. The pressure release switch shows the heaviest melting on the bottom of the switch where the contacts and filament are located.

INTERVIEW

On Friday, February 4, 2005 immediately prior to going to conduct this examination, Investigator Jean Frye with the Jackson Fire Department was contacted regarding her findings in this loss. Ms. Frye stated that she had spoken with Mrs. Crowell, who had last driven the vehicle. Ms. Frye stated that Mrs. Crowell had come home from running errands and had parked the vehicle in her driveway. Approximately 10 minutes after she had parked the vehicle, the fire was discovered by a passing motorist who called the fire department.

94281-01223

February 27, 2005

Insured: [REDACTED]

Ms. Frye determined that the fire originated in the engine compartment, on the drivers side, near the rear of the engine compartment. She stated that she determined that this was an electrical fire and determined that it was accidental in nature.

I let this conclude the interview with Ms. Frye.

DETERMINATION OF ORIGIN AND CAUSE

This fire originated in the cruise control pressure release switch. The cause of this fire was a crack in the filament at the bottom of the switch which allowed brake fluid to leak into the area where the contacts for the switch are located, allowing arcing across the contacts and igniting the brake fluid.

COMMENTS

This report will serve to close this investigation unless further instructions are received. If I can be of further assistance, or if additional information is required, please do not hesitate in contacting me.

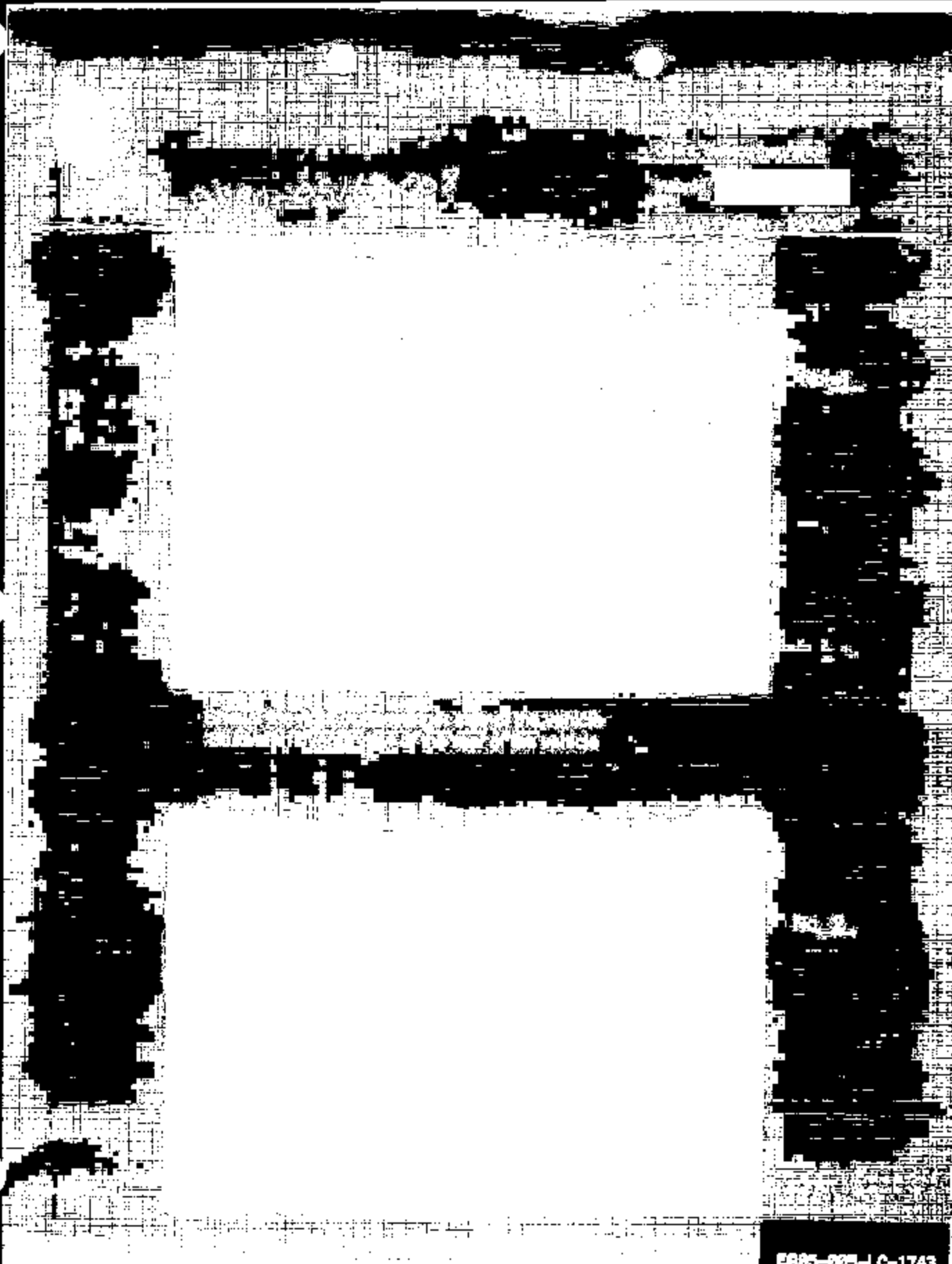


Norman "Van" Praeson, CFI
Brandon, Mississippi
(601) 956-1590

File [Closed]

NTP/h

CC Dave Berry, Jr., CFI, CFE *DB*
DISTRICT MANAGER, FIRE INVESTIGATIONS
Jackson, Mississippi
800-808-0701



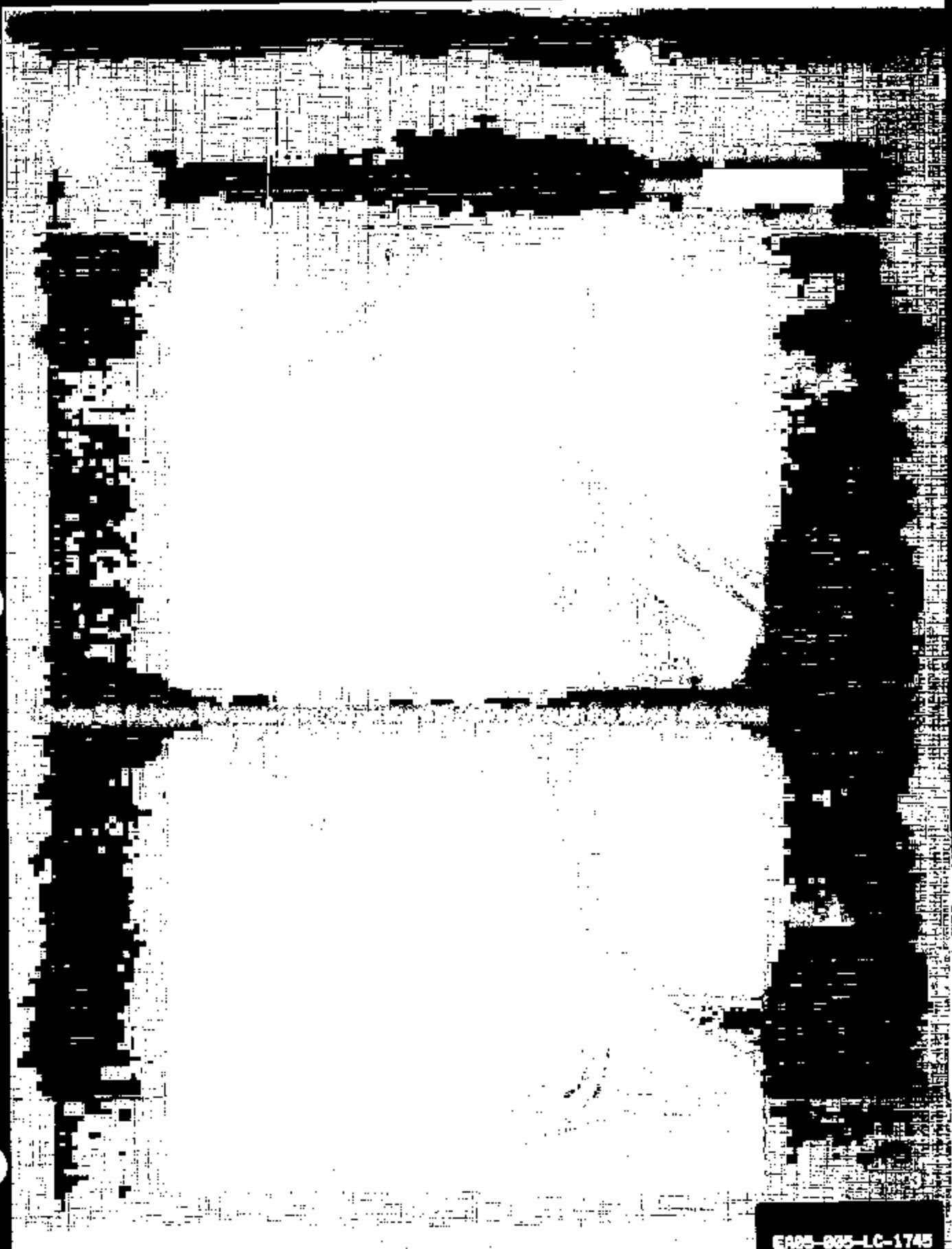
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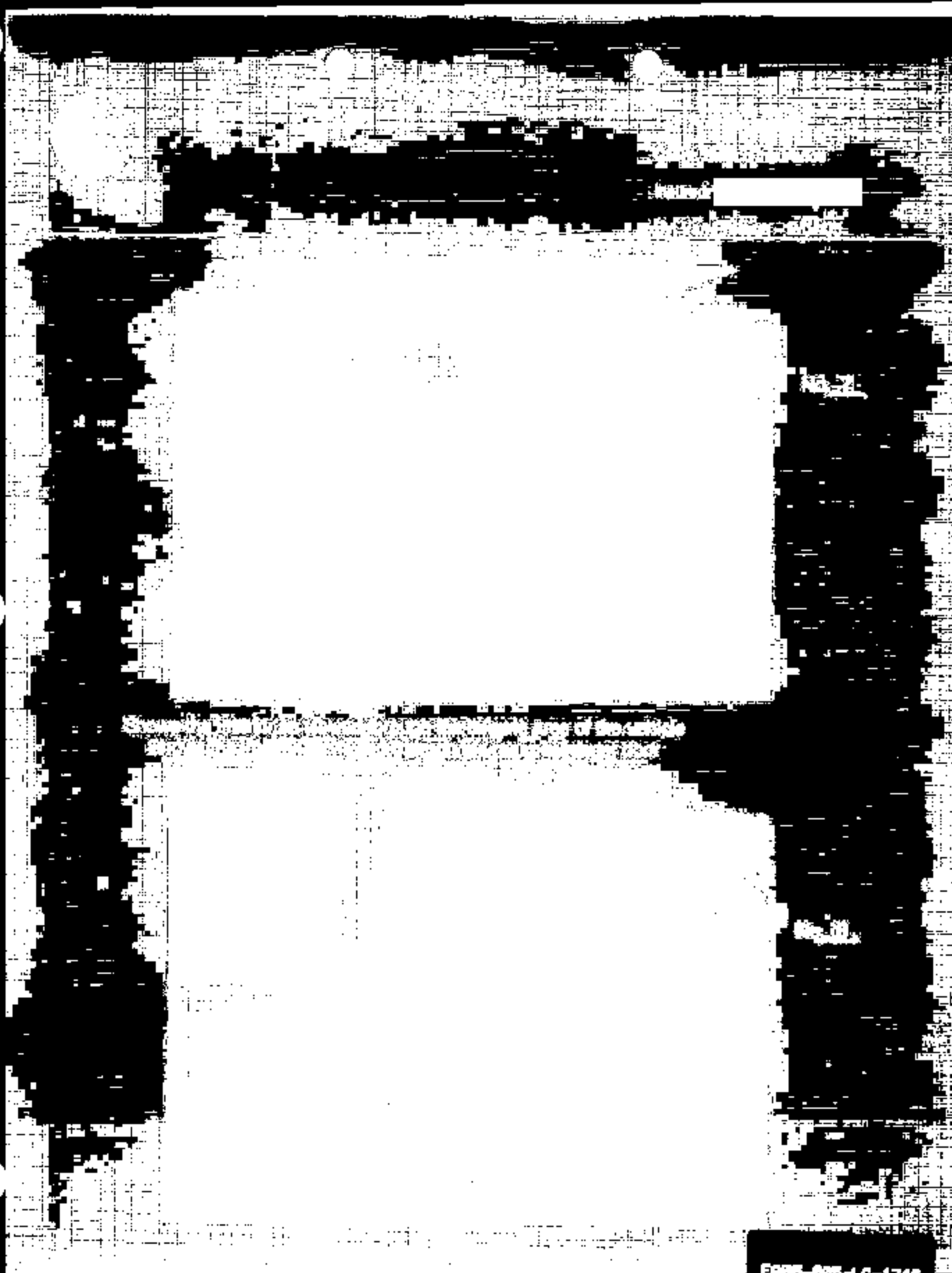
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No. 3

No. 4



EA95-035-LC-1745



ER95-005-LC-1748

Trans

65465

No. 18

No. 18

62-37

Last Handling Date/ Issue Status	Name/ Reason Desc	ISSUE LIST Vin/ Case No.	Model Year and Vehicle Line	Issue Type
1/31/2005 CLOSED	[REDACTED] LEGAL - ACCIDENT / FIRE	5LNFU28L8W [REDACTED] 1462730285	1998 NAVIGATOR	07

EM03-005-LC-1753

All Action Details for Issue

Print

VIN: 5LMFU28L8W Year: 1998 Model: NAVIGATOR Case: 1462730285
Name: Owner Status: Subsequent WSD: 1997-07-14
Symptom Desc: FIRE/SMOKE SCORCHED/BURNT Primary Phone:
Reason Desc: LEGAL - ACCIDENT / FIRE Secondary Phone:
Issue Type: 07 LEGAL Issue Status: CLOSED

Action: ADVISE CUST INFORMATION WILL BE SENT TO CONSUMER AFFAIRS - FIRE
Dealer: 10887 GRAY-DANIELS AUTO WORLD Origin Desc: US CONCERN CASE BASE
Odometer: 150000 MI Comm Type: PHONE
Analyst Name: ARUN VAID Analyst: AVAID
Action Date: 01/28/2005 Action Time: 12.51.12.538 Action Data: No

Comments CUSTOMER SAID: - THEVEH IS NOT AT THE DLR RIGHT NOW - VEH CAUGHT FIRE LAST MONTH AND WAS BURNT UP ON 01/19/2005- CUST DO HAVE A FIRE REPORT - CUST CONTACTED THE INSURANCE CO AND THEY ARE GOING TO PROCESS THE CLAIM - VEH CAUGHT FIRE DUE TO ELECTRICAL PROBLEM ON THE VEH - THE VEH WAS TOTALLED - CUST WANT TO KNOW IF THE VEH WAS INVOLVED IN THE RECALL FOR THE ELECTRICAL PROBLEMS - CUST FEELS THAT ITS FORD'S FAULT AND DO NOT WANT TO GO THROUGH THE INSURANCE CO FOR THE CLAIM. DEALER SAID: - NONECRIC ADVISED: - I WILL FORWARD THIS INFORMATION TO OUR CONSUMER AFFAIRS GROUP. SOMEBODY FROM CONSUMER AFFAIRS WILL CONTACT YOU IN 2 BUSINESS DAYS. PLEASE NOTIFY YOUR INSURANCE CARRIER AND REPORT THIS INCIDENT. - ADVISED THE CUST THAT THERE IS ONLY ONE RECALL ON THEVEH FOR TRAILOR HITCH 00805, NO OTHER RECALLS

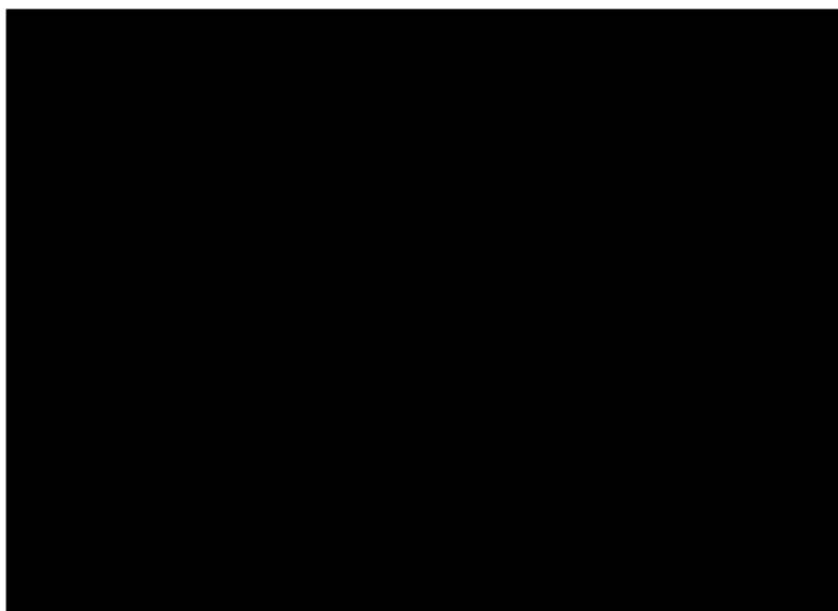
Action: SEND ACKNOWLEDGEMENT LETTER TO CUSTOMER
Dealer: 10887 GRAY-DANIELS AUTO WORLD Origin Desc: CONSUMER AFFAIRS - LITIGATION PREVENTION
Odometer: 150000 MI Comm Type: MAIL
Analyst Name: FONSECA, LOURDES Analyst: LFONSECA
NEARON (L.C.)
Action Date: 01/31/2005 Action Time: 14.55.10.738 Action Data: No

Comments CUSTOMER HAS TURNED MATTER OVER TO HER INS COMPANY. LPA WILL SEND SUBROGATION LETTER.

Action: REFER TO INSURANCE CARRIER - INSURANCE COMPANY ALREADY INVOLVED
Dealer: 10887 GRAY-DANIELS AUTO WORLD Origin Desc: CONSUMER AFFAIRS - LITIGATION PREVENTION
Odometer: 150000 MI Comm Type: MAIL
Analyst Name: FONSECA, LOURDES Analyst: LFONSECA
NEARON (L.C.)
Action Date: 01/31/2005 Action Time: 14.56.38.289 Action Data: No

Comments CUSTOMER HAS TURNED MATTER OVER TO HER INS COMPANY. LPA WILL SEND SUBROGATION LETTER.

E085-005-LC-1754





Nationwide® On Your Side™

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

Attn: Shawn Norton

Re: 63 claims relating to cruise control recall

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 mabbeto@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
Subrogation Manager

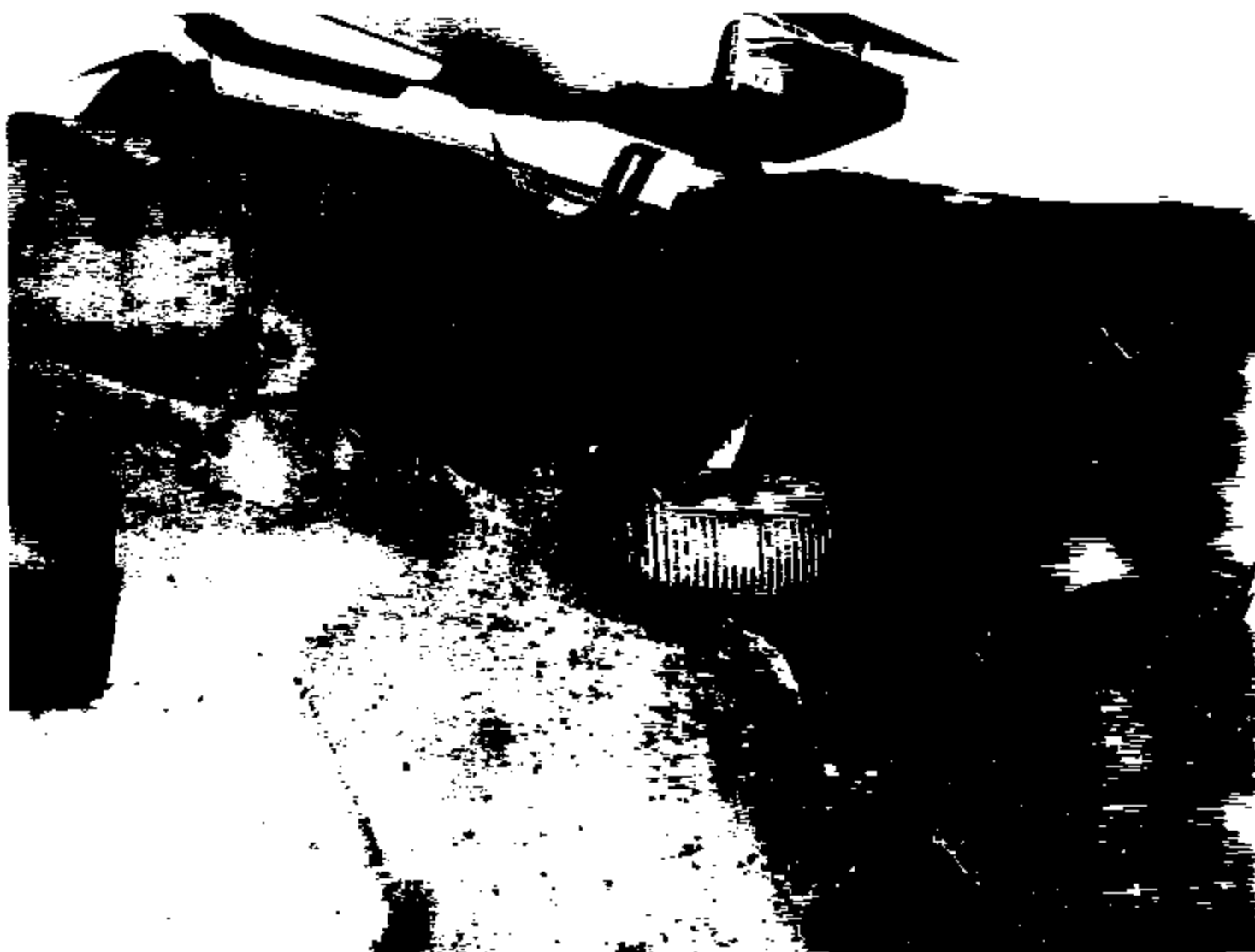
FORD MOTOR COMPANY
RECEIVED
MAY 13 2005



EA25-935-LC-1756



ERG-885-LC-1757



EROS-695-LC-1758





brake master

2025-005-10-1759



air cleaner



hood insulator

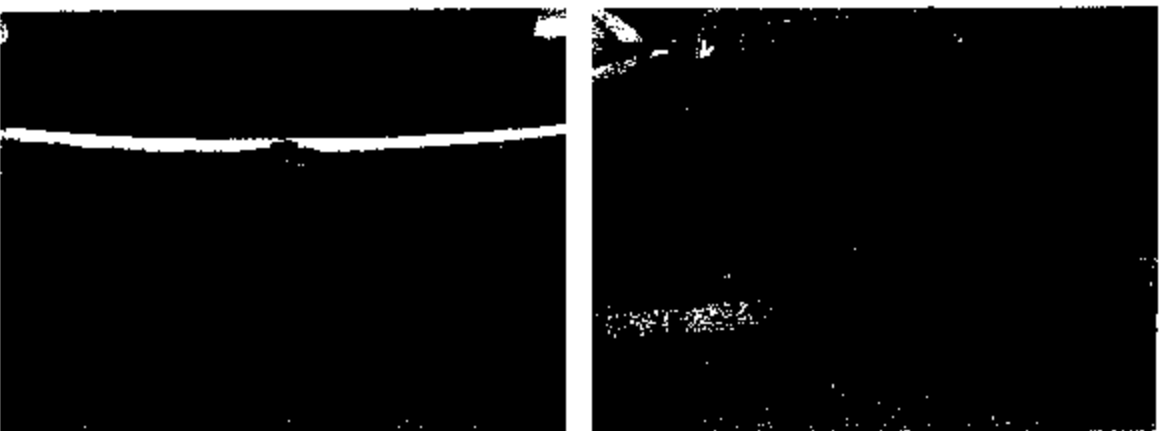


wiring harness

BR95-005-LC-1781



8905-909-LC-1762



DAOS-005-LC-1783

RECEIVED

FEB 25 2005

CHAMBERLAIN ♦ MCHANEY

ATTORNEYS AT LAW

Reply to: P. O. Box 684158
Austin, Texas 78768-4158
301 Congress Ave., 21st Floor
Austin, Texas 78701
(512) 474-9124
Fax (512) 474-8582

San Antonio Office:
310 South St. Mary's, Suite 1815
San Antonio, Texas 78205
(210) 227-3331
Fax (210) 227-3334

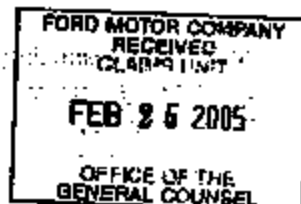
Writer's Email: cmc@chmc-law.com

February 16, 2005

Shawn L. Norton
Ford Motor Company
Parkline Towers West, Suite 300
Three Parkline Blvd.
Dearborn, Michigan 48126-2568

Certified Mail - Return Receipt
No. 7004 1160 0007 3117 7340

RE: Farmers Claim No. [REDACTED]
Insured: [REDACTED]
Your Claim No.: [REDACTED]
Date of Loss: May 12, 2004
Amount of Loss: \$4,090.57



Dear Mr. Norton:

By way of introduction, I am an attorney retained by Farmers Insurance Company to pursue its subrogation interest in connection with the above-referenced matter. My client has informed me that its investigation into the facts of the incident establishes that Ford Motor Company, was responsible for this incident and the resulting damage to [REDACTED] vehicle. The amount of loss above reflects property damage to [REDACTED] vehicle and includes a deductible.

It is my understanding that your investigation into this matter is ongoing. However, our investigation has shown that the fire originated near the speed control switch.

This letter is being written to give you the opportunity to resolve this matter without resorting to legal action against Ford Motor Company. Therefore, I would request that you contact me at your earliest convenience so that we may discuss this matter further. If I have not heard from you within 30 days from the date of this letter, I will file suit against Ford Motor Company.

ERG-225-LC-17B4

I look forward to your prompt reply.

Very truly yours,

A handwritten signature in cursive script, appearing to read "A. C. Welborn". The signature is fluid and extends to the right.

Amy C. Welborn



CHAMBERLAIN ♦ MCHANEY
ATTORNEYS AT LAW

Reply to: P. O. Box 684158
Austin, Texas 78768-4158
301 Congress Ave., 21st Floor
Austin, Texas 78701
(512) 474-9124
Fax (512) 474-8582

San Antonio Office:
310 South St. Mary's, Suite 1815
San Antonio, Texas 78205
(210) 227-3331
Fax (210) 227-3334

Writer's Email: awellborn@chmc-law.com

May 18, 2005

Shawn L. Norton
Ford Motor Company
Parkline Towers West
Suite 300
Three Parkline Blvd.
Dearborn, Michigan 48126-2568

Certified Mail – Return Receipt
No. 7004 1160 0006 5584 4716

RE: Farmers Claim No.: [REDACTED]
Insured: [REDACTED]
Your Claim No.: [REDACTED]
Date of Loss: March 14, 2005
Amount of Loss: \$11,933.00 ✓

Dear Mr. Norton:

By way of introduction, I am an attorney retained by Mid-Century Insurance Company of Texas to pursue its subrogation interest in connection with the above-referenced matter. My client has informed me that its investigation into the facts of the incident establishes that Ford Motor Company, was responsible for this incident and the resulting damage to [REDACTED] vehicle. The amount of loss above reflects property damage to [REDACTED] vehicle and includes a deductible.

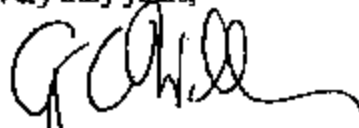
It is my understanding that your investigation into this matter is ongoing. However, I would direct your attention to the report of findings that was conducted on the vehicle which determined that the cruise control deactivation switch was the proximate cause of the fire. As you know, Ford has issued a recall on this very issue. I have enclosed a copy of the report for your review and consideration.

This letter is being written to give you the opportunity to resolve this matter without resorting to legal action against Ford Motor Company. Therefore, I would request that you contact me at your earliest convenience so that we may discuss this matter further. If I have not

heard from you within 30 days from the date of this letter, I will file suit against Ford Motor Company.

I look forward to your prompt reply.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Amy C. Welborn', with a long horizontal flourish extending to the right.

Amy C. Welborn

ACW/ymn
Enclosure



Advanced Investigative Concepts
Fire and Explosion Scene Analysis

Claim Number: 1006281188

Fire Investigation Report

Vehicle Fire

File Number: AIC-0640306-FAR

Prepared For:

Farmers Insurance Company

Insured:



Loss Description:

2001 Ford F150
VIN: 1FTZF17231N



Attention:

Ms. Debi Pope
Claim Representative
Farmers Insurance Company
2505 Hwy. 360 North, Suite 500
Grand Prairie, Texas 75060

March 18, 2005

David Mark Howell, C.F.I./C.F.E.I.
AIC Director / Senior Fire Consultant

Advanced Investigative Concepts
One Fox Hollow Run
Denton, Texas 76208

Telephone/Fax: (940) 321-1702
(800) 215-1953 PIN #03
E-mail: MarkHowell@centurytel.net

ENC-003-LC-1787

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B. Photographs	
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2. Photographs	
C. Fire Consultant Curriculum Vitae	
D. Fire Analysis & Photographs on CD (inside back cover)	

Section I

Introduction

Ms. Debi Pope, Claim Representative, representing Farmers Insurance Company, retained Advanced Investigative Concepts (AIC-Fire) on March 16, 2005 to determine the origin and cause of a vehicle fire loss that occurred on March 14, 2005.

The location of the 2001 Ford F-150, when examined, was the residence located at [REDACTED] in Lewisville, Texas.

AIC-Fire Senior Fire Consultant David Mark Howell, C.F.I. / C.F.E.I., conducted the vehicle examination on March 16, 2005.

Opinions and conclusions contained in this report are based on information available at the time of the investigation. In the future, if any other information, which could in any way impact or affect the conclusion contained herein becomes available, we will revise and amend our determination as deemed appropriate.

This report was prepared for the exclusive use of Farmers Insurance Company and is not intended for any other purpose.

Section II

Origin and Cause

The fire originated at the cruise control deactivation switch on the driver's side of the engine compartment in the 2001 Ford F-150. The fire was caused by a faulty cruise control deactivation switch.

Section III

Fire Analysis

On March 16, 2005, this investigator examined the fire-damaged vehicle of [REDACTED] the insured. The 2001 Ford F150 was located at 126 Meadow Place in Lewisville, Texas when inspected. The vehicle was damaged by fire on Monday, March 14, 2005.

Vehicle Analysis:

Examination, of the vehicle, was begun on the exterior (front) and continued clockwise systematically. The vehicle was examined on the interior from the least burned areas to the point of origin. Digital photography was used to document the damaged vehicle.

The front headlight assemblies and combustible grill were found intact. The combustible bumper covering and lower ground effects, located on the front of the vehicle, had not been damaged by the engine compartment fire. Texas license plate [REDACTED] was affixed to the front bumper. The aluminum hood, of the vehicle, had not been melted by the fire which had originated on the driver's side of the engine compartment. However, there was smoke damage noted around the engine compartment opening, on the windshield, and on the front fender of the truck (Photograph 1).

The passenger's side, of the vehicle, did not sustain damage from the fire. There was fire extinguisher powder found on the vehicle. The insured stated, in his interview, that someone at an apartment complex, located in Lewisville, Texas, had discovered the fire and extinguished it using a dry powder fire extinguisher. He did not know the name of the person who assisted him. The vehicle had Ford factory equipment wheels without the center caps. The tires were found to be used and in average condition. There was no fire damage noted to either the tires or the

wheels. The fire had not extended to the passenger's side of the vehicle. There was a tint on the passenger compartment windows which obscured the view of the interior. There was no fire or smoke damage noted to the interior surfaces of the glass (Photograph 2).

The bed, of the truck, appeared unremarkable. There was no fire damage noted to either the rear of the vehicle or the tailgate. The sliding glass window located on the rear of the cab was found in a condition similar to that of the passenger's side window. Texas license plate [REDACTED] was affixed to the rear bumper (Photograph 3).

The driver's side bed and driver's door appeared unremarkable. The tires and wheels matched those found on the passenger's side. There was an accumulation of smoke stains and soot noted to the driver's side of the hood and around the opening. Again, powder from the fire extinguisher was noted on the front of the vehicle (Photograph 4). The smoke damage was heaviest along the side and front edges on the driver's side of the hood (Photograph 5).

The passenger compartment, of the vehicle, was inspected and there was no fire damage found inside of the truck. The fuse panel located in the lower driver's side dash was inspected. There were no fuses found "blown" in the interior fuse panel (Photograph 6).

The fire damage was concentrated around the master cylinder located near the firewall on the driver's side of the engine compartment. All of the damage appeared to be at a relatively high level. The combustible materials had not been consumed because the fire was extinguished during its early stages. There was fire and heat damage found in the insulation on the underside of the hood which was located above the area of origin (Photograph 7).

The battery was located on the passenger's side of the engine compartment. The battery cables were still attached when this Investigator examined the vehicle.

There was no fire damage noted to the passenger's side of the engine compartment. There were no electrical faults noted to the cables or wiring in the area of the battery (Photograph 8).

The burn patterns found on the air filter attached to the intake manifold indicated that the fire had originated at the cruise control deactivation switch. The wires which serviced the switch were intact, but the insulation had been melted from them. The brake fluid reservoir was attached to two ports located on top of the brake master cylinder. The plastic reservoir and highly combustible brake fluid had been nearly consumed. The fuse/relay/electrical distribution box, located on the fender, sustained heavy fire damage to the side nearest the master cylinder which was located beside it (Photograph 9).

The top of the fuse/relay/electrical distribution box was removed and the fuses were examined. Again, fire damage was noted to the portion of the box located closest to the master cylinder. There were no fuses found to be blown inside the box (Photograph 10).

The cruise control deactivation switch, although heavily fire damaged, was still affixed to the brake master cylinder. It is this Investigator's opinion that a representative from Ford Motor Company should be allowed to examine the vehicle in as pristine a condition as possible. This vehicle is the subject of a National Highway Traffic Safety Administration recall campaign involving faulty cruise control deactivation switches. There was no destructive disassembly, of the evidence, undertaken due to spoliation of evidence concerns. All evidence was left intact with the vehicle (Photographs 11 and 12).

Interviews:

[REDACTED] the Insured, was interviewed on the day of the inspection. [REDACTED]

[REDACTED] said that he had filled up with gas, at a local service station located in The Colony, and driven the vehicle to an apartment complex located in Lewisville.

One of the residents at the apartment complex noticed the vehicle was smoking and assisted [REDACTED] by extinguishing the fire with his fire extinguisher [REDACTED] [REDACTED] said that he was unaware of the recent recall, involving his vehicle, and had not been notified. He said that he had not experienced any problems, with the cruise control, prior to the incident.

Conclusion:

In conclusion, based on the vehicle fire examination and witness statements, this investigator has determined the fire originated at the cruise control deactivation switch on the driver's side of the engine compartment in the 2001 Ford F-150. The fire was caused by a faulty cruise control deactivation switch.

Section IV

Overview

1. The fire-damaged vehicle was analyzed and photographed.
2. The insured was interviewed.
3. The National Highway Traffic Safety Administration recall information was reviewed.
4. The pertinent data was compiled and evaluated. This fire report was written after all available information was received and a determination of the origin and cause of the fire was made.

Advanced Investigative Concepts
AIC-0640306-FAR

Fire & Explosion Investigation Report
Claim No: [REDACTED]

Section V
Attachments

ERG-005-LC-177B

Section V
Attachment A
National Highway Traffic Safety Administration
Recall Information

Section V
Attachment B
Photographs

Photography Log

Photograph 1: Front of the 2001 Ford F-150

Photograph 2: Passenger's side of the vehicle

Photograph 3: Rear of the Ford pick-up

Photograph 4: Driver's side of the vehicle

Photograph 5: Fire and smoke damage; driver's side hood

Photograph 6: Interior of passenger compartment

Photograph 7: Engine compartment

Photograph 8: Battery located on passenger's side engine compartment

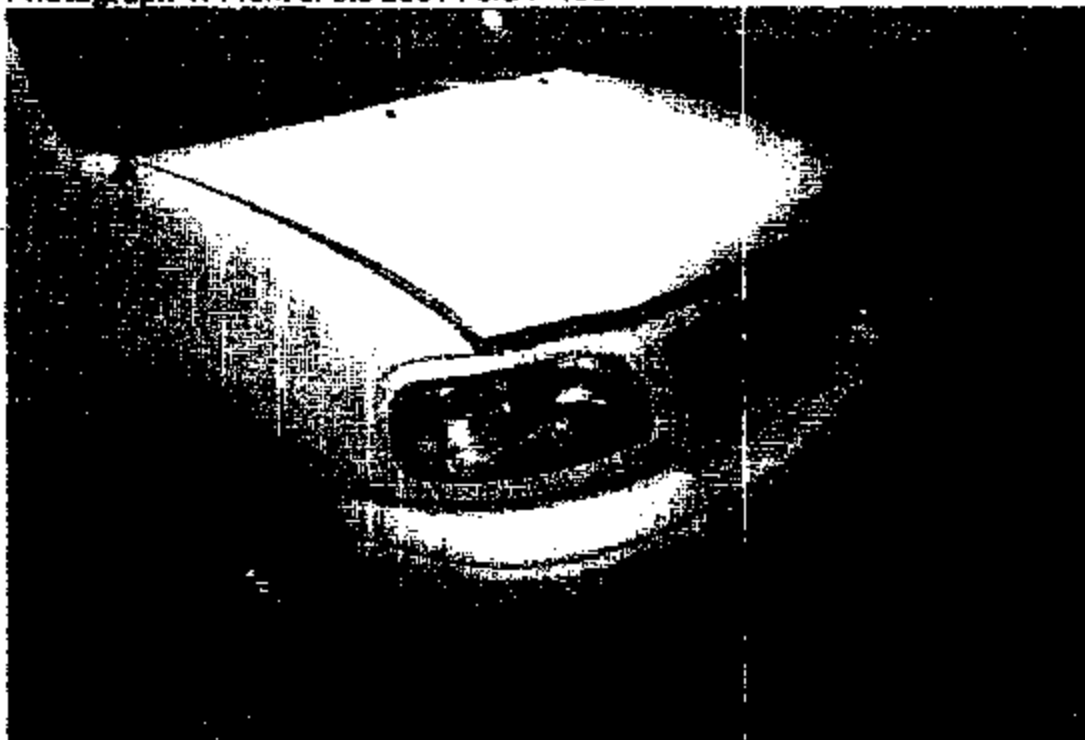
Photograph 9: Area of origin around brake master cylinder

Photograph 10: Fuses and relays in electrical distribution box

Photograph 11: Origin of fire at cruise control deactivation switch

Photograph 12: Close-up of fire damaged cruise control deactivation switch

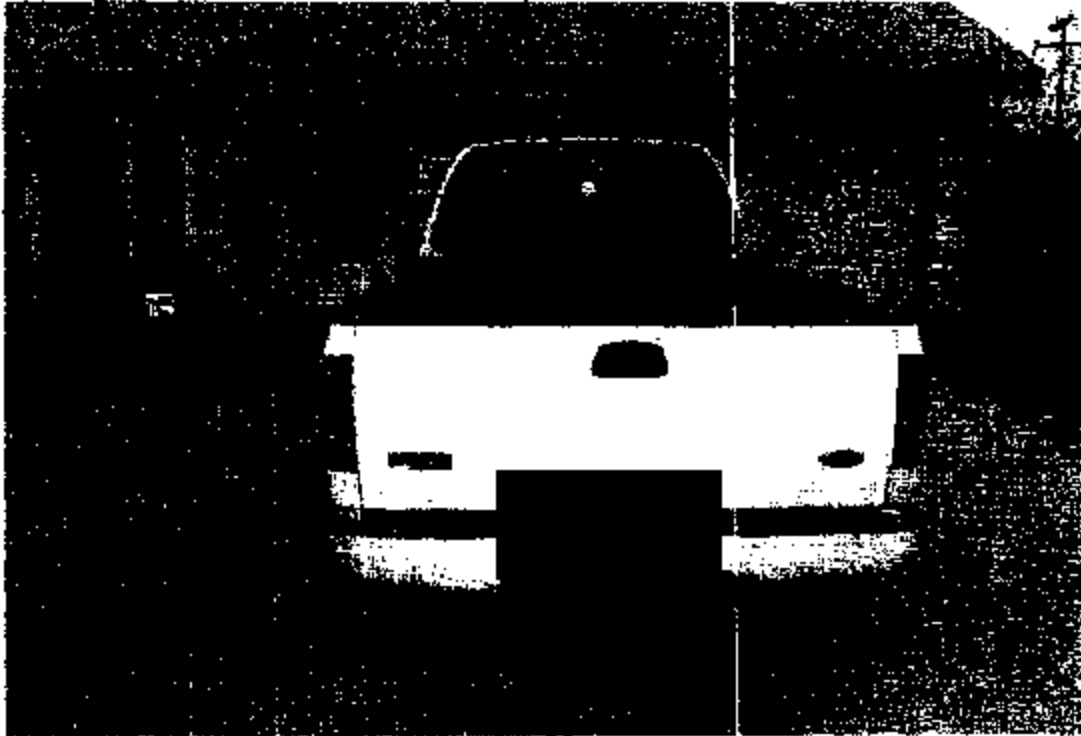
Photograph 1: Front of the 2001 Ford F-150



Photograph 2: Passenger's side of the vehicle



Photograph 3: Rear of the Ford pick-up



Photograph 4: Driver's side of the vehicle



Photograph 5: Fire and smoke damage; driver's side hood



Photograph 6: Interior of passenger compartment



Photograph 7: Engine compartment



Photograph 8: Battery located on passenger's side engine compartment



Photograph 9: Area of origin around brake master cylinder



Photograph 10: Fuses and relays in electrical distribution box

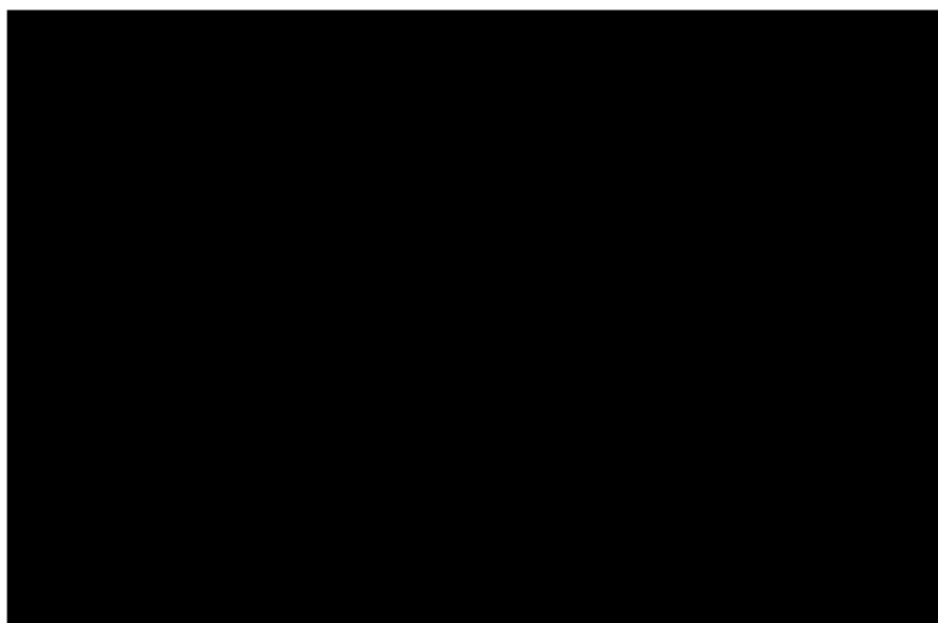


Photograph 11: Origin of fire at cruise control deactivation switch



Photograph 12: Close-up of fire damaged cruise control deactivation switch





APR 26 2006



FARMERS

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

04/20/2005

Ford Motor Company
Consumer Affairs
Attn: Shawn Norton
P O Box 6248/Mail Code MD-3NE-B
Dearborn, MI 48126



Re: Our Insured: [REDACTED]
Loss Date: 03/22/2005
Claim Number: [REDACTED]
Total Amount Owed: \$17,607.81

Dear Ms. Norton:

A review of the facts of the above loss indicates that your product failed and caused damage to our insured's property. We have made payment to our insured for these damages, and now seek reimbursement from you. **WE RESPECTFULLY ASK THAT YOU NOT RESPOND TO OUR REQUEST WITH A FORM LETTER.**

You will find this correspondence and its enclosures contain substantive information and support adequate for your firm to make a decision concerning your liability. ***The vehicle will be available for your inspection during the next 60 days. Afterwards, we will be required to attempt to sell the salvage.***

The entities in the stream of commerce, such as you, a manufacturer, are liable in both negligence and product liability. As you know, your obligation is to properly design and test, manufacture, and give appropriate instructions for installation and use of your product.

Your product did not meet the expectations of my insured, the consumer. Your product failed and caused the loss resulting in damages of 17,607.81. Attached are documents substantiating payment.

It is our desire to settle this claim without causing you the additional time and cost of litigation or arbitration. After reviewing the enclosed, please call me to discuss resolving this matter.

EA85-005-LC-1786

Sincerely,
Mid-Century Insurance Company of Texas

Scott Sheffield

Scott Sheffield
Auto Subrogation Representative
512-238-5739

ENCLOSURES

FIRE INCIDENT REPORTING SYSTEM

REPORT DATE:04/04/05 FIRE INCIDENT REPORT - 902F

PAGE 1

A INCIDENT EXP DATE DAY OF WEEK ALARM IN-SERVICE
5017152 0 03/22/05 TUESDAY 09:21:57 09:50:35

B TYPE HSR/BLK STREET SFX BLDG APT/SPACE ZIP+4 CENSUS TRACT
1 9427 VALLEY DALE 901 181708

C OCCUPANT NAME TELEPHONE

D OWNER NAME OWNER ADDRESS TELEPHONE

E METHOD OF ALARM FROM PUBLIC TYPE OF SITUATION FOUND
7 TELEPHONE TIE-LINE TO FIRE DEPT 13 VEHICLE FIRE

F TYPE OF ACTION TAKEN FIRE DIST SHIFT NBR ALARMS MUTUAL AID
1 EXTINGUISHMENT 4-0 C 0

G NBR OF FIRE SERVICE PERSONNEL: 3 NBR OF ENGINES: 1
NBR OF AERIAL APPARATUS: 0 NBR OF OTHER VEHICLES USED: 0

H NUMBER OF RELATED INJURIES NUMBER OF RELATED FATALITIES
FIRE SERVICE PERSONNEL: 0 OTHERS: 0 FIRE SERVICE PERSONNEL: 0 OTHERS: 0

I FIXED PROPERTY USE MOBILE PROPERTY USE
411 1-FAMILY DWELLING, YR-ROUND USE 11 AUTOMOBILE

J AREA OF FIRE ORIGIN: 83 ENG AREA/RUNNING GEAR/WHEEL AREA
LEVEL OF FIRE ORIGIN: 1 GRADE LEVEL TO 9 FEET ABOVE GRADE
TERMINATION STAGE: 1 HEAT TERMINATED OVERHEAT STAGE

K EQUIPMENT INVOLVED IN IGNITION: 66 INTERNAL COMBUSTION ENGINE
FORM OF HEAT IGNITION: 24 UNSPECIFIED SHORT CIRCUIT ARC

L TYPE OF MATERIAL IGNITED: 40 PLASTIC
FORM OF MATERIAL IGNITED: 61 ELECTRICAL WIRE, CABLE INSULATION
IGNITION FACTOR: 54 SHORT CIRCUIT, GROUND FAULT

M STRUCTURE TYPE:
CONSTRUCTION TYPE:
CONSTRUCTION METHOD:

N EXTENT OF FLAME DAMAGE:
EXTENT OF SMOKE DAMAGE:
EXTENT OF WATER DAMAGE:

O EXTENT OF FIRE CONTROL DAMAGE:
DETECTOR PERFORMANCE:
SPRINKLER PERFORMANCE:

P TYPE MATERIAL GENERATING MOST FLAME:
AVENUE OF FLAME TRAVEL:

Q TYPE MATERIAL GENERATING MOST SMOKE:
AVENUE OF SMOKE TRAVEL:

FIRE INCIDENT REPORTING SYSTEM

REPORT DATE:04/04/05

FIRE INCIDENT REPORT - 902F

PAGE 2

R METHOD OF EXTINGUISHMENT 2 MAKE-SHIFT AIDS.

X ESTIMATED STRUCTURE VALUE 20000 ESTIMATED CONTENTS VALUE 0
ESTIMATED STRUCTURE LOSS 15000 ESTIMATED CONTENTS LOSS 0

S ESTIMATED TOTAL DOLLAR LOSS 15000
PROPERTY DAMAGE CLASSIFICATION 4 10000 TO 24999 DOLLARS
TIME FROM ALARM TO AGENT APPLICATION 1 AGENT APPLIED BEFORE ALARM TO FD

T OFFICER IN CHARGE R AGUILAR DATE 03/22/05
POSITION OF OFFICER IN CHARGE LT

MEMBER MAKING REPORT AGUILAR, ROBERT T DATE 03/22/05
POSITION OF MEMBER MAKING REPORT LT

U MOBILE PROPERTY INVOLVED IN IGNITION
YEAR 01 MAKE FORD MODEL EXPEDITION
SERIAL NUMBER 1FMRU17W011 LICENSE NUMBER

V EQUIPMENT INVOLVED IN IGNITION
YEAR 01 MAKE FORD MODEL V-8
SERIAL NUMBER UNKNOWN VOLTAGE 12

----- ADDITIONAL COMMENTS -----

DISPATCHED TO VALLEY DALE AT CLIFF VALLEY FOR AN ODOR OF SMOKE; ARRIVED AT INTERSECTION AND NOTICED SOME SMOKE ON VALLEY DALE. WE FOUND A VEHICLE ON FIRE IN THE DRIVEWAY AT [REDACTED] NEIGHBORS WERE USING A GARDEN HOSE ON IT BEFORE OUR ARRIVAL. VEHICLE OWNER [REDACTED] WAS CALLED BY HIS WIFE [REDACTED] (WHO WAS ON SCENE). SHE STATED THAT THE CAR HAD NOT BEEN USED TODAY AND WHEN SHE TURNED IT OFF LAST NIGHT THAT SHE HEARD A SLIGHT HUMMING SOUND BUT DIDN'T KNOW WHERE IT WAS COMING FROM (PERHAPS A SYLINDROID OR ELECTRIC MOTOR ON THE VEHICLE DIDN'T TURN OFF); IT APPEARED THAT THE FIRE ORIGINATED UNDER THE HOOD AND PROBABLE ELECTRICAL SHORT. WE COMPLETED EXTINGUISHMENT WITH OUR RED LINE. HECTOR MADE THE SCENE AS WELL AS PD OFFICER JONES #862. NOTE: SLIGHT DAMAGE TO WEATHER STRIPPING ON GARAGE DOOR AND HOUSE NUMBERS ON GARAGE WALL.

FIRE INCIDENT REPORTING SYSTEM

REPORT DATE 03/22/05

FIRE INCIDENT REPORT

PAGE 3

RESPONDING
UNIT
EN441

U N I T S
TIME
DISPATCHED
09:22:19

TIME
ARRIVED
09:30:28

REMIT TO:
CITY OF SAN ANTONIO - FIRE PREVENTION
1901 S. ALAMO ST
SAN ANTONIO TX 78204
PHONE: 207-8410

INVOICE
3277286

AMT ENCLOSED

AMOUNT DUE 5.15
INVOICE DATE 4/4/2005
DUE DATE 4/04/2005

20-02-42668
CHOICE POINT
PO BOX 740167
ATLANTA, GA

PHONE: (000) 000-0000

FIRE RECORD SEARCH #05017152

INVOICE DATE	INVOICE	ACCOUNT	DUE DATE	OFFICE HOURS
4/4/2005	3277286	20-02-42668	4/04/2005	8:00 - 4:00

LINE	INDEX REF	DESCRIPTION	AMOUNT
1	013219-001	FIRE RECORD SEARCH	5.15



AGREEMENT DATES	SERVICE DATES	ORDINANCE	CONTRACT	DOCUMENT
ST:	04/03/2005			
END	04/03/2005			

INVOICE INFORMATION	INVOICE AMT	PAYMENTS RECV	TOTAL INV AMT DUE
	5.15	0.00	5.15

CUSTOMER INFORMATION	OTHER AMTS DUE	TOTAL CUST AMT DUE

CITY OF SAN ANTONIO
FIRE PREVENTION 1901 S. ALAMO ST SAN ANTONIO TX 78204

PAGE 1 OF 1



Unified

Investigations & Sciences, Inc.

223 E. Greenbriar Lane
Dallas, Texas 75203-1013
214-946-8989
Fax 214-946-8586

PRIVILEGED AND CONFIDENTIAL

March 31, 2005

First and Final Report

PREPARED FOR: Farmers Insurance Group
10475 Somerset Road, Building 3
San Antonio, Texas 78211

ATTENTION: Ms. Mary Oakes

INSURED: [REDACTED]

DATE OF LOSS: March 22, 2005

LOSS LOCATION: Not Reported

POLICY NUMBER: Not Reported

CLAIM NUMBER: [REDACTED]

UIS FILE NUMBER: TX01-06659

THIS REPORT FURNISHED AS PRIVILEGED AND CONFIDENTIAL TO ADDRESSEE, RELEASE TO ANY OTHER COMPANY,
CONCERN OR INDIVIDUAL IS THE SOLE RESPONSIBILITY OF ADDRESSEE.

EP05-005-LC-1782

Insured: [REDACTED]
UIS File No.: TX01-06659

ASSIGNMENT

The assignment was received on March 24, 2005, and the investigation commenced on March 29, 2005. Instructions were to conduct a vehicle examination.

The fire was accidental.

PRELIMINARY FINDINGS

Based on the examination of the vehicle, the origin of the fire was in the left rear of the engine compartment. The cause of the fire was the ignition of the brake pressure switch, igniting nearby materials.

RISK

The risk was a 2001 Ford Expedition SUV. The vehicle displayed Vehicle Identification Number 1FMRU17W01[REDACTED] and License Plate Number [REDACTED]. The vehicle was parked prior to the loss.

VEHICLE EXAMINATION

The vehicle was at Insurance Auto Auctions in San Antonio, Texas. The Stock Number was 1350399.

No other individuals were present during the examination.

The exterior of the vehicle displayed intensity and movement patterns in the engine compartment, indicating the fire origin in the left rear area of the compartment. Intensity and movement patterns in the area of origin displayed an intense fire after ignition. The fire vented through the left front wheel well. All other components normally found in a vehicle were present in the fire debris.

The windows were rolled "Up" at the time of the fire. Intensity and movement patterns throughout the vehicle indicated the fire, after ignition, traveled laterally towards the right side of the engine compartment. The firewall displayed intense oxidation patterns in the left rear of the firewall. Intensity and movement patterns were observed on the brake components.

The vehicle did not display any forced entry. Normal components were observed in the engine compartment. The remaining electrical system did not display any arcing or failures. The Number 13 fuse was closed in the passenger compartment fuse block. The fluid lines were tight. Most of the metal components in the left rear of the engine compartment were distorted or melted from impinged heat.

Insured: [REDACTED]

UIS File No.: TX01-06659

Components, hoses, belts, and wiring harness insulation in the engine compartment were melted and burned. The main wiring harness from the power distribution block in the engine compartment was brittle and fragile.

The hood of the vehicle was melted and distorted with movement patterns traveling from left to right. The radiator was melted. Hoses and other components displayed movement patterns from the left rear of the engine compartment to the right front of the engine compartment.

The fire, after ignition, vented from the left front wheel well burning the top of the tire. The fire violated the firewall in the wiring harness access and ignited the left dash area of the passenger compartment, breaking the left front windshield.

The passenger compartment contained the ignition keys.

COMMENTS

A verbal report was made to Mary Oakes with Farmers Insurance Group. Per her instructions, the file will close with this report. Should further investigation be requested, the file can easily be reopened.

EXHIBITS

1. Vehicle Inspection Report
2. 23 color photographs with Photograph Explanation Sheet
3. Photograph Negatives

Scott Leake
Special Investigator
Unified Investigations & Sciences, Inc.
210-659-8677 or 800-615-4840

Insured:

UIS File No.:

TX01-06659

PHOTOGRAPH EXPLANATION SHEET

1. Left side of vehicle
2. Windshield Stickers
3. Rear of vehicle
4. License Plate
5. Right side of vehicle
6. Right front of vehicle
7. Left front of passenger compartment
8. Left rear of passenger compartment
9. Rear of passenger compartment
10. Right rear of passenger compartment
11. Right front of passenger compartment
12. Vehicle Model Badge
13. Nader Sticker
14. Passenger compartment fuse block
15. Hood
16. Engine compartment
17. Left side of engine
18. Right side of engine
19. Intensity and movement patterns on engine hood rail
20. Intensity and movement patterns on brake components
21. Intensity and movement patterns on alternator case and hoses
22. Insulation on wiring harness
23. Intensity and movement patterns in area of origin

ISSUE LIST

Last Handling Date/ Issue Status	Name/ Reason Desc	Vin/ Case No.	Model Year and Vehicle Line	Issue Type
5/16/2001 CLOSED	GEORGE P BECKNELL ICCD - CUSTOMER INFORMATION ONLY	1FMRU17W01L [REDACTED] 1766551361	2001 EXPEDITION	Q2

ER05-005-LC-1795

All Action Details for Issue

Print

VIN: 1FMRU17W01 [REDACTED] Year: 2001 Model: EXPEDITION Case: 1766551361
Name: [REDACTED] Owner Status: Original WSD: 2001-04-02
Symptoms Desc: Primary Phone: [REDACTED]
Reason Desc: ICCD - CUSTOMER INFORMATION ONLY Secondary Phone: [REDACTED]
Issue Type: 02 INFORMATION Issue Status: CLOSED

Action: ICCD INFORMATION ONLY, NO ACTION REQUIRED

Dealer:

Origin Desc: ICCD

Odometer: 2500 MI

Comm Type: PHONE

Analyst Name: MANI JALILVAND

Analyst: MJALIL

Action Date: 05/16/2001

Action Time: 21.17.32.863

Action Data: Yes

Comments CUSTOMER SAYS: THE CUSTOMER IS VERY SATISFIED WITH THE VEHICLE. PER CUSTOMER, DEALER SAYS:
NONE CAC ADVISED: -ICCD SURVEY CONDUCTED ON MAY 16.01 AT:9:15 PM.

Data Element NameData Value

CUSTOMER TO SERVICE LATER? (Y/N)
IF YES, SPECIFY TIME FRAME
CUSTOMER TO CONTACT DEALER (Y/N)
IF NO, WHY?

N
N
N
N

EPCS-003-LO-1797

INSURED: [REDACTED]

HIS FILE #: TX01-08659



Photo #

1

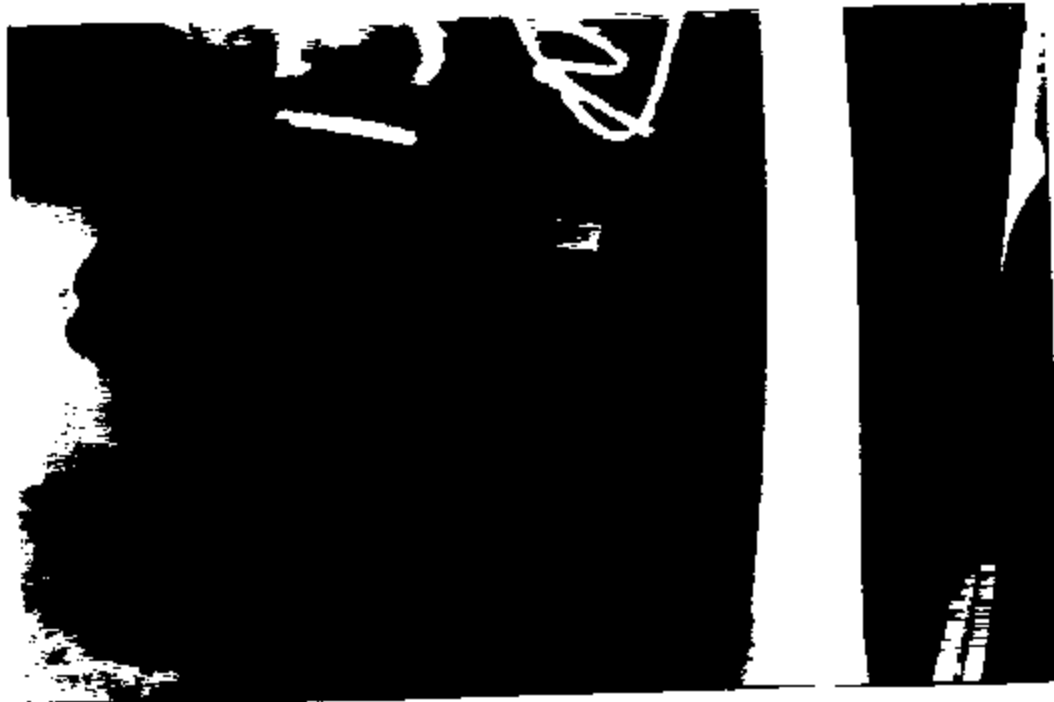


Photo #

2

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TN01-06650



Photo #

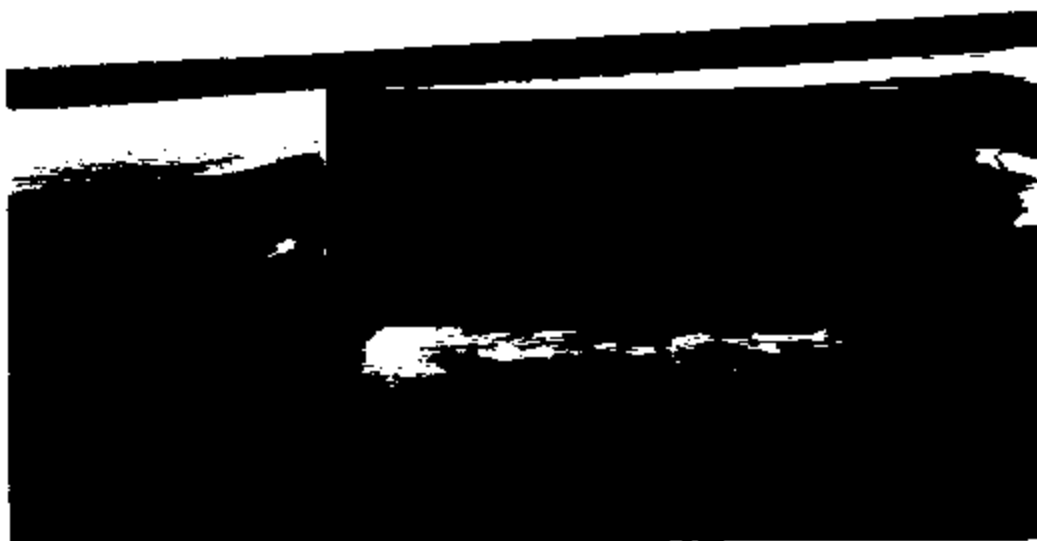


Photo #

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TX01-06659

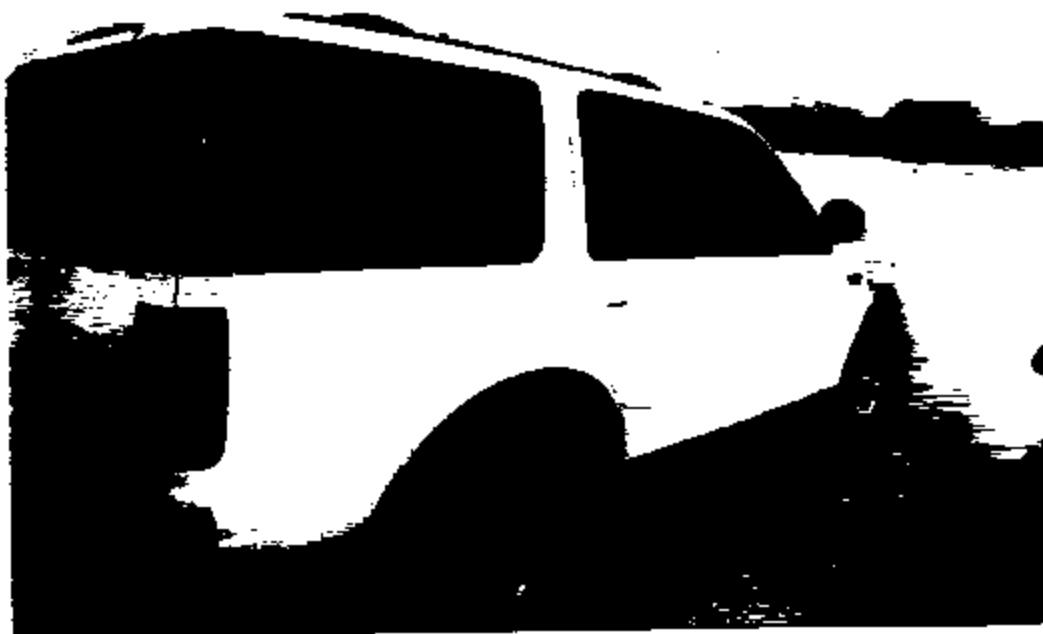


Photo #



Photo #

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TX01-46654



Photo #



Photo #

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

DIS FILE #: TX01-06629



Photo #



Photo #

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TX01-06659

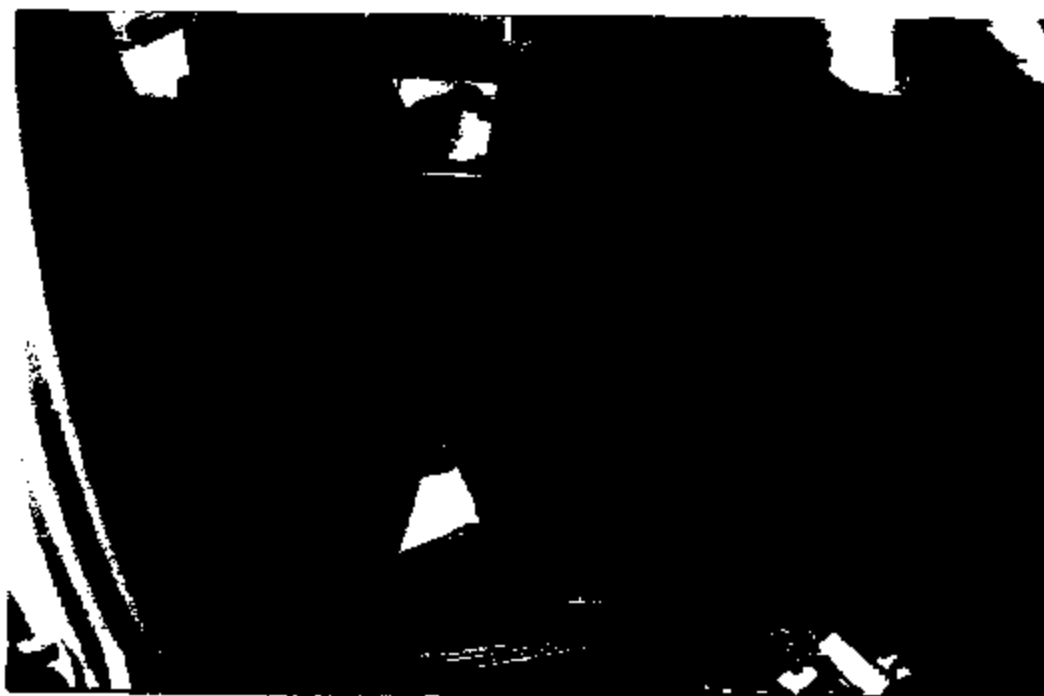


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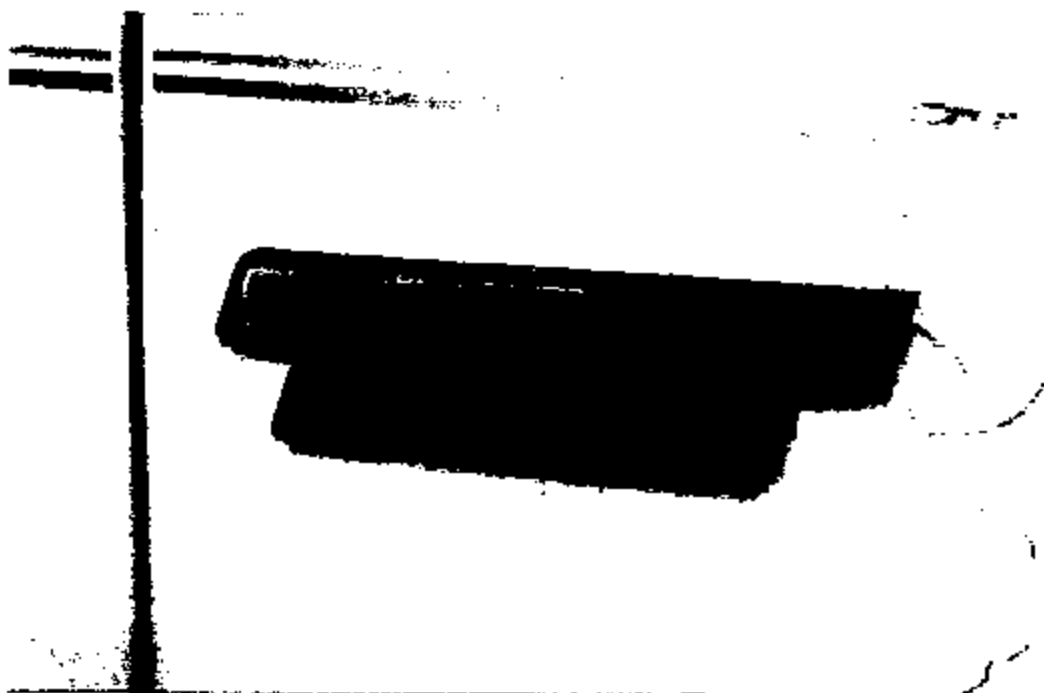


Photo #

12

Unified Investigations & Sciences, Inc.

INSURED:

UIS FILE #: UX01-06659



Photo #

THIS WARRANT COMPLIES TO ALL APPLICABLE FEDERAL, STATE AND LOCAL LAWS AND REGULATIONS IN EFFECT ON THE DATE OF THIS WARRANT. THE WARRANT IS VALID FOR THE PURPOSES OF THE WARRANT. THE WARRANT IS VALID FOR THE PURPOSES OF THE WARRANT. THE WARRANT IS VALID FOR THE PURPOSES OF THE WARRANT.

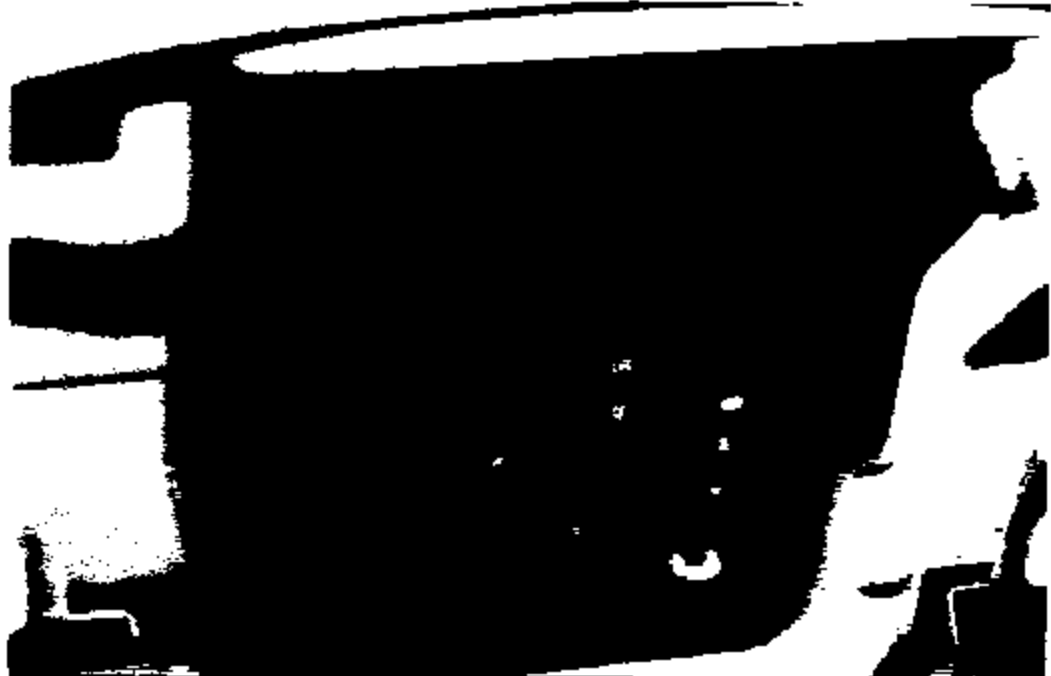


Photo #

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

DIS FILE #: TX01-06659



Photo #

15



Photo #

16

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

DIS FILE #: TX01-Q6659



Photo #

17



Photo #

18

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TX01-40659

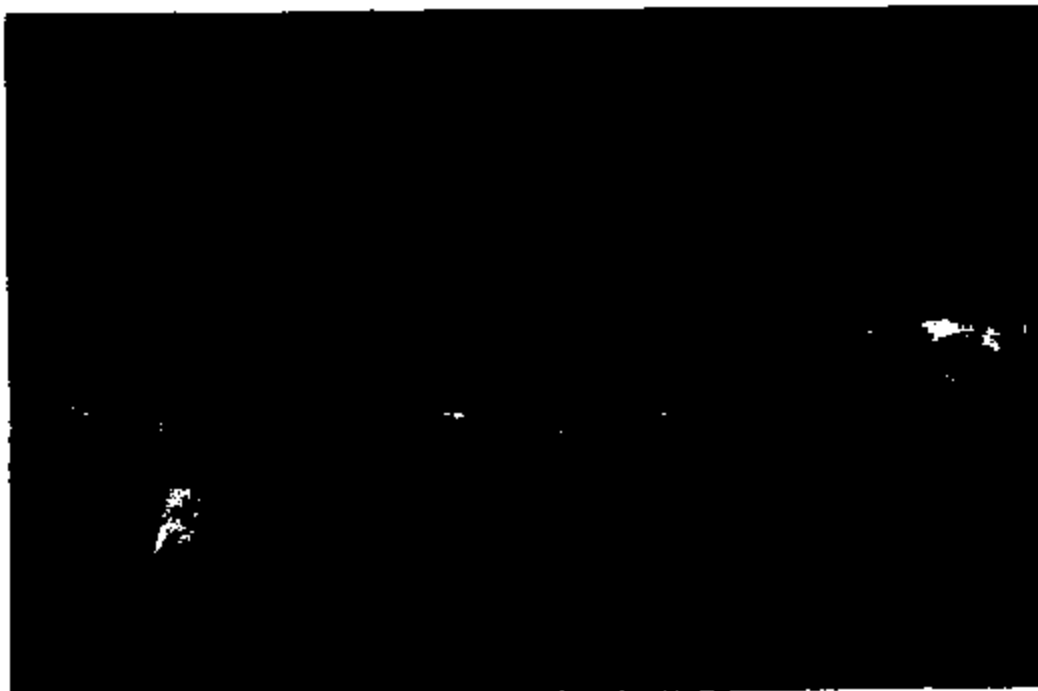


Photo #

17



Photo #

20

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

UIS FILE #: TX01-06659



Photo #

21



Photo #

22

Unified Investigations & Sciences, Inc.

INSURED: [REDACTED]

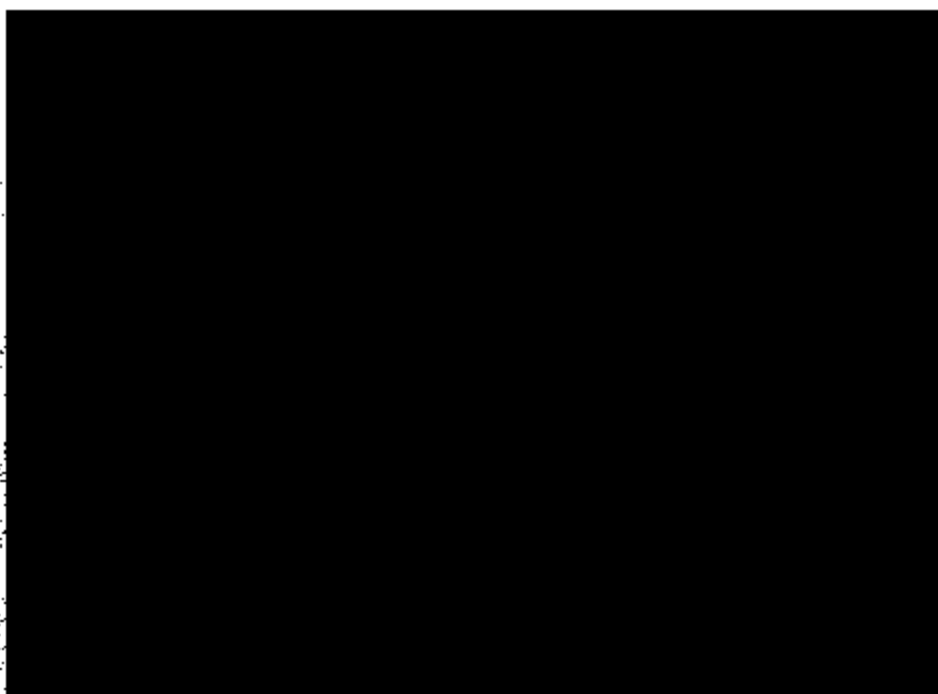
UIS FILE #: LX01-06050



Photo #

12

ER25-005-LC-1509





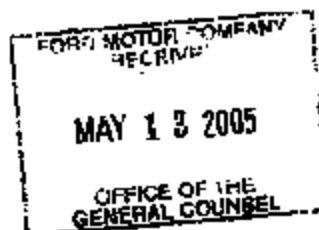
Nationwide®
On Your Side™

RECEIVED MAY 13 2005

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



Attn: Shawn Norton

Re: 63 claims relating to cruise control recall

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 these 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
Subrogation Manager

ENR5-005-LC-1810





EROS-003-LC-1812



EPSS-000-LC-1813



ERG5-005-LC-1814



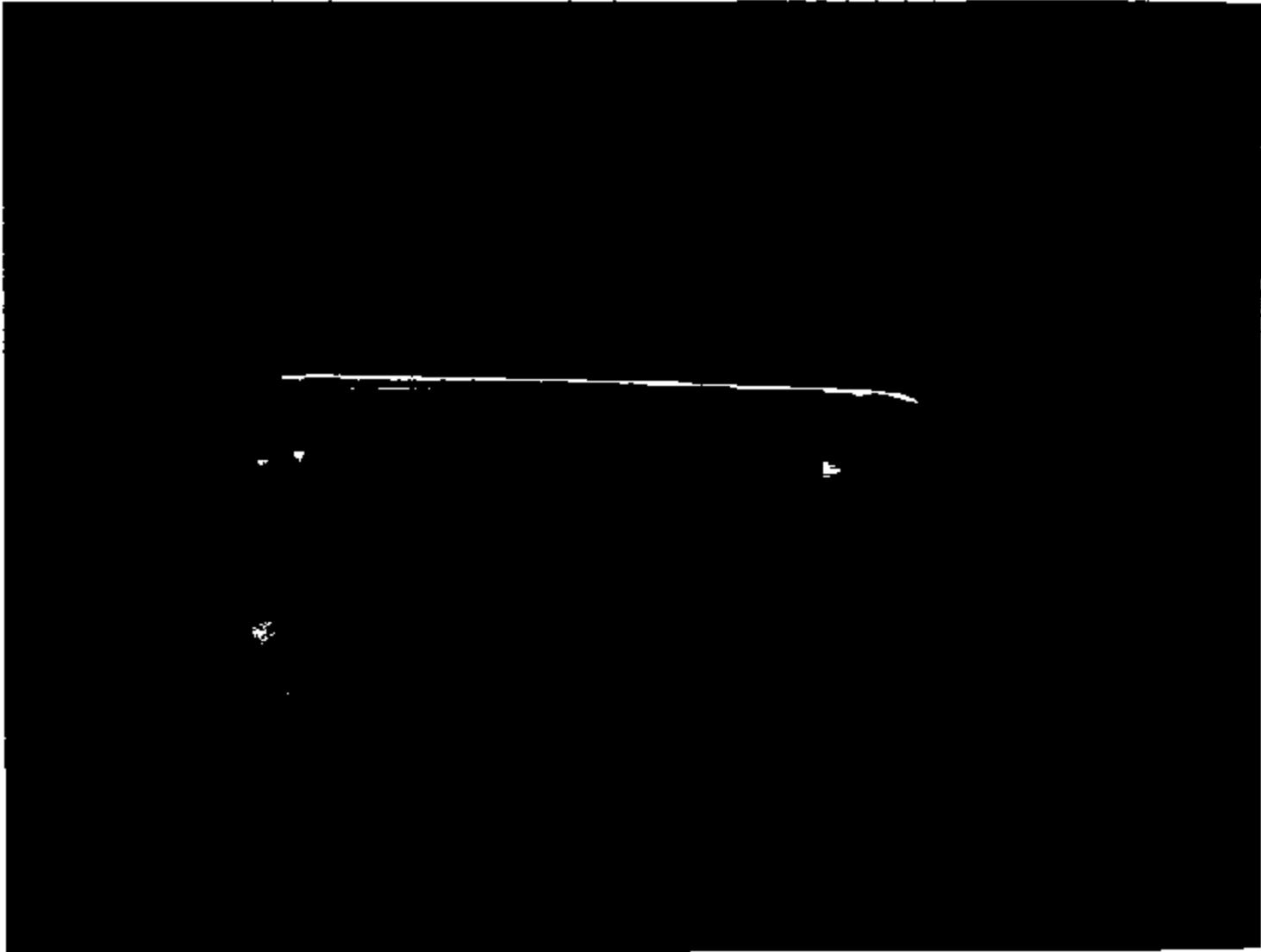
ENC-005-LC-1015



ERG5-685-LC-1816



ERG5-005-LC-1817

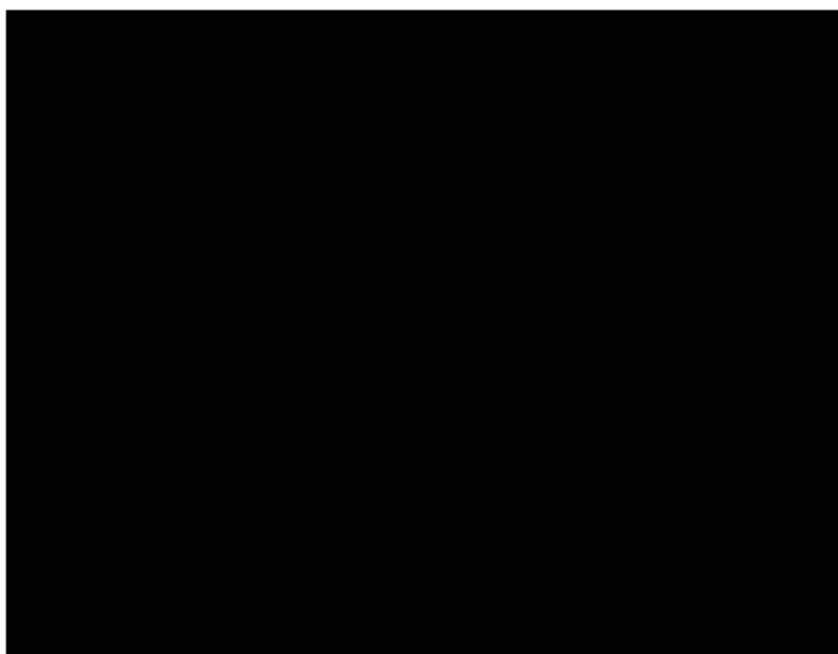




EA85-005-LC-1018



ERG-805-LC-1620



CAUSE NO. 05-05-10199-DUASTT

§ IN THE DISTRICT COURT

VS.

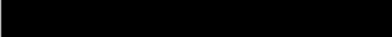
§ 365R JUDICIAL DISTRICT

FORD MOTOR COMPANY
AND CHAPARRAL FORD INC.

§ DIMMIT COUNTY, TEXAS

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE COURT:

 Plaintiffs, complains of Ford Motor Company, Defendant,
and for cause of action shows:

**I.
DISCOVERY LEVEL**

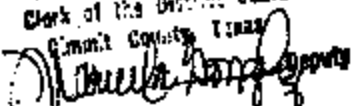
Plaintiffs plead that this cause should be assigned to Discovery Track Three pursuant to Rule 190.4 of the Texas Rules of Civil Procedure.

**II.
PARTIES**

Plaintiffs are individuals residing in Dimmit County, Texas.

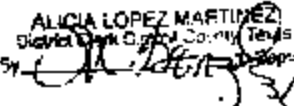
Defendant, Ford Motor Company, ("FORD") is a Michigan Corporation, doing business through its authorized agents in the State of Texas and may be served with process through its registered agent, CT Corporation Systems, 350 N. St. Paul St., Dallas, Texas 75201.

Defendant, Chaparral Ford Inc., ("CHAPARRAL FORD") is a Texas Corporation, doing business through its authorized agents in the State of Texas and may be served with process through its registered agent, Donald L. Dunford, 801 N. Teel, Devine, Texas 78016.

A True Copy of the original. I Certify.
this 11th day of May - 2005
ALICIA LOPEZ MARTINEZ
Clerk of the District Court
Dimmit County, Texas
By 

FILED FOR RECORD
At 8:30 O'clock 3 M

MAY 10 2005

ALICIA LOPEZ MARTINEZ
Clerk of the District Court
Dimmit County, Texas
By 

0005-0005-10-1021

III. JURISDICTION AND VENUE

The Court possesses jurisdiction because the amount in controversy is in excess of the minimum of the Court.

Venue is proper in Dimmit County pursuant to Section 15.001 and Section 15.002 of the Texas Civil Practice and Remedies Code because all or a substantial part of the events or omissions giving rise to the claim occurred in Dimmit County, Texas.

IV. UNDERLYING FACTS

On December 28, 2004, Plaintiff, [REDACTED] had driven the 1999 Ford Pickup to the local H.E.B. Dolores Vega returned home to her residence at [REDACTED] Carrizo Springs, Texas and parked the 1999 Ford Pickup in the carport, next to her house. Suddenly and without notice to, Plaintiff, [REDACTED] the vehicle caught fire. The fire quickly spread to the house. Plaintiff [REDACTED] ran to the neighbors house to use the phone. The Carrizo Springs Volunteer Fire Department responded, however, both the vehicle and house were completely destroyed.

V. PRODUCT LIABILITY

The Ford Pickup (Vin. #: 1FTRX17L4XK [REDACTED]) in question was originally designed, manufactured, and sold by Ford.

At the time the vehicle in question was sold, Ford was in the business of designing, manufacturing, and selling vehicles such as the one in question.

At the time the vehicle was designed, manufactured, and sold by Ford, it was defective in

design and unreasonably dangerous as designed. There was a safer alternative design other than the one used, which was economically and technologically feasible and would have prevented or significantly reduce the risk of the fire without substantially impairing the vehicle' utility.

Further, at the time the vehicle in question was sold, the defective design caused the product to unexpectedly fail to function in a manner reasonably expected by an ordinary consumer and user of a pickup truck. The defective and unreasonably dangerous design of the vehicle was the producing cause of the accident and the damages to Plaintiffs.

At the time the vehicle in question left the possession of Ford, it was defective in manufacture because it was an unreasonably dangerous product. The product was dangerous to an extent beyond that which would be contemplated by the ordinary user of the product with the ordinary knowledge common to the community as to the product's characteristics. The defective and unreasonably dangerous manufacture of the vehicle was a producing cause of the fire and damages to Plaintiffs' pickup truck and home.

At the time the vehicle in question left the possession of Ford, it did not have adequate warnings of the product's dangers that were known by, or should have been known by Ford. Defendant failed to give adequate instructions to avoid the danger associated with its product, such as its propensity to catch on fire. These failures rendered the product unreasonably dangerous as marketed. The marketing defect was a producing cause of the fire to the pickup truck and the damages of Plaintiffs.

At the time of the accident, the vehicle was in substantially the same condition as it was at the time it was placed into the stream of commerce. Nobody made any material alterations to the vehicle. At the time of the fire, the vehicle was in the same or substantially similar condition as

when it left the control of Ford.

VI. NEGLIGENCE

Ford committed acts of omission and commission, which collectively and severally constituted negligence, which were a proximate cause of the injuries to Plaintiff's damages.

Ford's acts of negligence include the following:

1. Negligently designing the vehicle to prevent it overheating, smoking or burning, which could result in an under the hood fire;
2. Negligently failing to test the vehicle to ensure the vehicle would not overheat, smoke, burn, or cause an under the hood fire;
3. Failing to adequately and timely train and assist dealers in the dangers associated with the vehicle's defect;
4. Failing to meet or exceed internal corporate guidelines;
5. Failing to comply with the standards of care applicable in the automotive industry insofar as providing reasonable protection to prevent it vehicles from overheating, smoking, burning or causing an under the hood fire.
6. Failing to notify consumer, as required by law, that a defect exist in the vehicle that relates to public safety which constitutes negligence per se, (49 USC Section 30118-30119; and
7. Negligently designing the speed control system, electrical system and/or the fuel injection system by failing to incorporate a non-defective electrical system and/or speed control system, that would have prevent Plaintiffs' vehicle from overheating, smoking, burning or causing an under the hood fire and prevent Plaintiffs' home from catching fire and burning to the ground, losing all their worldly possessions.

VII. WILLFUL ACTS OR OMISSIONS, GROSS NEGLIGENCE, AND MALICE

Ford committed willful acts or omissions, gross neglect, and /or malice, which were a proximate cause of Plaintiffs' damages, and for which Plaintiffs are entitled to recover punitive

damage, pursuant to §41.003(a)(2) and (3) of the Texas Civil Practice and Remedies Code and Article XVI, §26 of the Texas Constitution.

VIII. CAUSE OF ACTION AGAINST CHAPARRAL FORD, INC.

The 1999 F-150 Ford Truck in question was sold by Chaparral Ford, Inc. At the time the vehicle was sold, Chaparral Ford, Inc., was in the business of selling vehicles such as the Ford F-150 in question. In the normal course of its business, Chaparral Ford, Inc., routinely marketed vehicles, such as the Ford F-150, in such a manner that a reasonable person in the positions of the Plaintiffs would expect the used vehicle to present no greater risk or defect than a new vehicle. At the time the vehicle was sold, it was defective in design and unreasonably dangerous. The defects in design rendered the vehicle dangerously defective and unreasonably unsafe, and were proximate and producing causes of the vehicle and house fire in question, and Plaintiffs' damages. Accordingly, Defendant Chaparral Ford, Inc., is liable to Plaintiffs under the doctrine of strict liability.

IX. DAMAGES

Plaintiffs seek compensatory damages arising from the damages to their vehicle and home from Defendant to compensate them for the following elements of damages:

1. the fair market value for the 1999 Ford F-150;
2. the fair market value for their home which was destroyed by the fire caused by the defect in the 1999 Ford F-150;
3. the fair market value for their furniture, appliances, personal effects and other worldly possessions destroyed in the fire; and

4. past and future mental anguish.

**X.
PUNITIVE DAMAGES**

Because Ford is guilty of willful acts and omissions, gross neglect, and malice, it should have punitive damages assessed against it in an amount deemed appropriate by the jury.

**XI.
PRE-JUDGMENT AND POST JUDGMENT INTEREST**

Plaintiffs seek pre-judgment and post judgment interest as provided by law.

**XII.
JURY DEMAND**

Plaintiffs request a trial by jury.

**XIII.
CONDITIONS PRECEDENT**

Pursuant to Rule 54 of the Texas Rules of Civil Procedure, all conditions precedent to Plaintiffs' rights to recover herein and to Defendants' liability have been performed or have occurred.

**XIX.
DISCOVERY ATTACHED**

The following discovery is attached for the Defendant, Ford Motor Company:

1. Plaintiff's Request for Disclosure;
2. Plaintiff's First Set of Interrogatories;
3. Plaintiff's Request for Production; and
4. Request for Admissions.

The following discovery is attached for the Defendant, Chaparral Ford, Inc:

1. Plaintiffs' First Request for Production To Defendant Chaparral Ford, Inc; and
2. Plaintiffs' Rule 194 Request for Disclosure.

**XV.
PRAYER**

WHEREFORE, PREMISES CONSIDERED, Plaintiffs pray that Defendant be cited to appear and answer herein, that this cause be set for trial before a jury, and that Plaintiffs recover judgment of and from Defendants for their actual damages and exemplary damage from Defendants in such amount as the evidence may show and the jury may determine to be proper, together with pre-judgment interest and post-judgment interests, costs of suit, and such other and further relief to which Plaintiffs are justly entitled, wither at law or in equity.

Respectfully submitted,

Langley & Banack, Inc.

By: Daniel M. Gonzalez

Daniel M. Gonzalez

Attorney for Plaintiffs

State Bar No. 00784144

P.O. Drawer 218

Carrizo Springs, Texas 78834

Tele: (830) 876-2431

Fax: (830) 876-5451

MAY 10 2005

NO. 05 05-10199-DEVAH

 AND

 Plaintiffs,

V.

**FORD MOTOR COMPANY AND
 CHAPARRAL FORD, INC.**

Defendant.

IN THE DISTRICT COURT

365th
 JUDICIAL DISTRICT

DIMMIT COUNTY, TEXAS

ALICIA LOPEZ MARTINEZ
 Clerk of the District Court
 Dimmit County, Texas
 Deputy

PLAINTIFFS' REQUEST FOR ADMISSIONS

**TO: Ford Motor Company, and by its registered agent, CT Corporation Systems, 350 N. St.
 Paul St., Dallas, Texas 75201**

NOW COME _____ Plaintiffs in the above styled and numbered
 cause, and pursuant to Rule 198 of the Texas Rules of Civil Procedure, make the following Request
 for Admissions of Fact.

You are notified that Plaintiffs demand that within 50 days after the service of these requests,
 Defendant Ford Motor Company, specifically admit or deny the facts requested as set forth on
 Exhibit "A." A failure to specifically answer any request, or an evasive answer to any request, will
 be taken as an admission of truth of such request.

Respectfully submitted,

Langley & Banack, Inc.
 P.O. Drawer 218
 Carrizo Springs, Texas 78834
 Tele: (830) 876-2431
 Fax: (830) 876-5451

By: Daniel M. Gonzalez
 Daniel M. Gonzalez
 Texas Bar No. 00784144
 Attorney for Plaintiffs
 Jesus Vega and Dolores Vega

EACB-005-LC-1828

A True Copy of the original
 the 11th day of May, 2005
 ALICIA LOPEZ MARTINEZ
 Clerk of the District Court
 Dimmit County, Texas
 By: Daniel M. Gonzalez

CERTIFICATE OF SERVICE

I certify that on May 14th, 2005 a true and correct copy of Plaintiffs' Requests for Admissions was served by certified mail, return receipt requested on Ford Motor Company at

Daniel M. Gonzalez
Daniel M. Gonzalez