

PE06-048

MAZDA

1-25-2007

APPENDIX 4

4C

No.

LAWSUITE 1

PICTURE

**SOUTHERN FARM BUREAU CASUALTY INSURANCE COMPANY
MISSISSIPPI FARM BUREAU MUTUAL INSURANCE COMPANY
MISSISSIPPI FARM BUREAU CASUALTY INSURANCE COMPANY
P. O. BOX 780 . BATESVILLE, MISSISSIPPI 38606-0780 . (601) 561-0116**

October 13, 2003

TO: Mazda North American Operations

FROM: Dennis Welch, CFI

OUR INSURED: [REDACTED]

CLAIM NO.: [REDACTED]

POLICY NO.: [REDACTED]

DATE OF LOSS: September 29, 2003

RECEIPT OF ASSIGNMENT:

Notification of this fire loss was received on October 3, 2003. Examination of the subject vehicle was conducted on October 8, 2003.

VEHICLE DESCRIPTION:

The insured vehicle is a 2003 Mazda Tribute sport utility vehicle, bearing vehicle identification number 4F2CZ06133K [REDACTED]. It is a four door, front wheel drive vehicle that is equipped with a six-cylinder gasoline engine, automatic transmission, air conditioning and numerous other features for driver and passenger comfort and convenience. This vehicle was like new, with less than 10,000 miles on the odometer.

EXTERIOR OBSERVATIONS:

This was a clean vehicle with no body damage. The paint and tires were in excellent condition. There was no broken glass. Exterior fire damage was noted on the rocker panels of both sides of this vehicle. Fire had burned away a portion of the plastic rocker molding below the left doors. Fire had also attacked the right rocker panel below the rear door. Combustion byproducts were on both right doors. Heat from the fire had melted the bottom of both plastic bumper covers.

Heavy fire damage was found on the underside of the floor pan forward of the fuel tank where combustible parts of the fuel vapor maintenance system burned. Fire had burned the fuel tank shield and fuel tank. The rear of the fuel tank was not burned. There was no damage by direct flame impingement to the front or rear suspension components.

One electrical conductor dangled from a small opening in the floor pan below the driver's seat back. This conductor appeared to have been connected to the fuel vapor maintenance system. The exhaust system components were in good condition. There was no sign of collision or other damage to the underbody, suspension, tires or aluminum wheels.

The fire scene in Desoto County was inspected. The location was on the left side of the southbound lanes of U.S. interstate 55 between the exits at Hernando and Nesbit, Mississippi. The resting place of the insured vehicle was outlined by pieces of melted plastic from the bumpers and rocker panels. The carbon canister of the fuel vapor maintenance system was located and retrieved. The plastic body of the rectangular canister was melted and charred externally. Undamaged plastic parts were inside it. Much of the carbon pellet material remained. The pellets were dry. There was no noticeable odor of gasoline.

RECEIVED
OCT 22 2003

INTERIOR OBSERVATIONS:

Fire had melted and burned the carpet behind and below the driver's seat. Much heavier fire damage was found under the left rear passenger seat. The carpet was badly charred over the access panel above the fuel tank. The burned fuel pump wiring was visible in the burned carpet.

The interior was lightly coated with combustion byproducts and ash. An oil change sticker was on the upper left corner of the windshield. The sticker indicated that the next oil change should be performed on 12-18-03 or 10,749 miles.

INTERVIEWS / INVESTIGATION:

This fire occurred at approximately 1:00 p.m. The driver was [REDACTED]. There were no passengers. [REDACTED] stated that there have been two oil changes for this vehicle since it was purchased, but no other service. She had experienced no problems with the vehicle prior to the fire. There had been no "check engine" light warnings. The vehicle had never been in any collision and never had to be towed.

[REDACTED] stated that on the day the fire occurred she was driving on interstate 55 toward her home when she heard an unusual sound, followed by a noise that she described as "bang!" She saw the fire behind her vehicle and stopped immediately. The fire was extinguished by local fire departments.

The service department at Gossett Mazda, Memphis, Tennessee advised that this vehicle received an oil change in August 2003. There was no other record of service for this vehicle at that dealership.

Kwik Kar, a fast oil change business in Southaven, Mississippi, advised that they changed the engine oil and oil filter on this vehicle on September 19, 2003. They did not perform any other work on the vehicle.

RECEIVED
OCT 22 2003

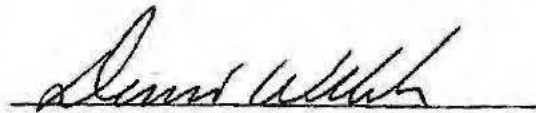
██████████ stated that she drove this vehicle the night before the fire. She filled the fuel tank. She said that she did not put more fuel into the tank after the nozzle on the gasoline pump automatically shut off. In other words, she did not "top off" the tank. She said that she never does that.

CONCLUSION:

The fire originated in the area of the fuel tank and fuel vapor maintenance system. There was no evidence that any damage to the vehicle preceded the ignition of gasoline vapor. There was no evidence of an external event that caused this fire. It is this investigator's opinion that a malfunction occurred in the fuel system of this vehicle and ignition of gasoline vapor resulted. The exact nature of the malfunction has not yet been determined because removal of the fuel tank and fuel pump module cannot take place until all parties involved have assembled for an inspection.

No disassembly of the vehicle was undertaken in order to completely examine the fuel pump module wiring and fuel lines not visible from beneath the vehicle. The wiring for the fuel pump is a suspected ignition source. The exhaust system has not been ruled out as a possible ignition source.

Photographs of the vehicle will remain in this investigator's possession during this investigation.


Dennis D. Welch, CFI

CC: Kirk McDaniel
Shelby Melvin
Mack Stallings
Randall Nevins

RECEIVED
OCT 22 2003

DATE: 11-18-04
TO: Tom Simmons
FROM: Dennis Welch
INSURED: [REDACTED]
CLAIM NO./
POLICY NO.: [REDACTED]
D/A: 9-29-04

After reviewing this subrogation file with [REDACTED] his past summer, I decided to take a fresh look at this vehicle. On July 15, I located the car on the lot at Southern Auto Salvage. I raised the hood to check the engine oil level. I noted no motor oil on the dipstick. I went down to the ground in front of the vehicle and took a look at the oil pan. The oil plug was in place, but I saw motor oil on the bottom of the pan. I looked closer and saw what appeared to be a hole in the engine block near the oil filter. I felt of the area and it did feel like there was a hole in the block. I then went to the office of the salvage yard and asked for assistance. They sent a man out on a large forklift. He raised the vehicle and I was able to clearly see the hole in the block near the oil filter—which was on the forward side of the engine. I then looked at the back side of the engine block and saw another, larger hole in the block. I noted that the holes in the back of the block was lined up with the exhaust pipe and catalytic converter. It was clear that the engine had sustained an internal malfunction. This resulted in damage to the block, loss of engine oil and ignition of the oil by the exhaust components.

I checked the oil filter and found that it was still tightly in place. The force of the expulsion of the chunk of engine block had forced the edge of the filter back a bit, exposing the filter gasket. The filter gasket appeared to be undamaged. It was a Pennzoil filter. I later checked with a Pennzoil lubrication service location to see if the proper oil filter was on the vehicle. It was the correct filter.

I wrote [REDACTED] a letter on July 21 about my findings. I spoke with Scot Spragins about this today. He needed an update because [REDACTED] is no longer employed at Scot's firm. Scot is apparently going to take over and handle this case against Mazda.

cc: Subrogation Dept.

PE06-048

MAZDA

1-25-2007

APPENDIX 4

4C

No.



Progressive MI Insurance Co

HUTCHINSON & PARADOSKI, P.C.
1001 WOODWARD, SUITE 1760
DETROIT, MICHIGAN 48226

MICHAEL J. HUTCHINSON
RONALD C. PARADOSKI
PHILIP R. REED
TIMOTHY P. SMITH
TARA S. CANNATELLA

TELEPHONE (313) 963-1860
FACSIMILE (313) 963-9065
EMAIL law@hutchinsonparadoski.com

Of Counsel
MARY JO DIEGEL

December 8, 2004

The Corporation Company
30600 Telegraph Road
Bingham Farms, MI 48025

RE: Progressive Michigan Insurance Company, et al. v. Mazda Motor of
America, Inc. [REDACTED]
Our File No.: [REDACTED]

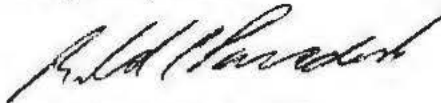
Dear Sir:

Please find enclosed Summons and Complaint on behalf of Mazda Motor of America, Inc. According to the Michigan Corporations Bureau, you are their resident agent. If this is incorrect, please advise.

Please advise your client that Progressive Insurance Company and my office attempted to resolve this matter with them prior to suit, but never received a return phone call or letter. Please ask them to contact me upon receipt and service of the Summons and Complaint.

Thank you for your cooperation in this regard.

Very Truly Yours



Ronald C. Paradoski
rparadoski@hutchinsonparadoski.com

RCP/lf
Enclosures
Resident Agent Let01

STATE OF MICHIGAN

40th

JUDICIAL DISTRICT
JUDICIAL CIRCUIT
COUNTY PROBATE

SUMMONS AND COMPLAINT

CASE NO.

Court address

Court telephone no.

Plaintiff name(s), address(es), and telephone no(s).

PROGRESSIVE MICHIGAN INSURANCE
COMPANY, AS Subrogor of JAMES
BORGESI, JR.

Plaintiff attorney, bar no., address, and telephone no.

RONALD C. PARADOSKI (p41426)
1001 Woodward, Ste. 1760
Detroit, MI 48226
(313) 963-1860

Defendant name(s), address(es), and telephone no(s).

MAZDA MOTOR OF AMERICA, INC.
Res. Agent: The Corporation
Company
30600 Telegraph Road
Bingham Farms, MI 48025

SUMMONS NOTICE TO THE DEFENDANT: In the name of the people of the State of Michigan you are notified:

1. You are being sued.
2. **YOU HAVE 21 DAYS** after receiving this summons to file an answer with the court and serve a copy on the other party or to take other lawful action (28 days if you were served by mail or you were served outside this state).
3. If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued 12/13/04 This summons expires 3/14/05 Court clerk Kathleen Lyke

*This summons is invalid unless served on or before its expiration date.

COMPLAINT Instruction: The following is information that is required to be in the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.

Family Division Cases

- ☐ There is no other pending or resolved action within the jurisdiction of the family division of circuit court involving the family or family members of the parties.
- ☐ An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.
- The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no. _____ Judge _____ Bar no. _____

General Civil Cases

- ☒ There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint/
- ☐ A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in _____ Court.
- The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no. _____ Judge _____ Bar no. _____

VENUE

Plaintiff(s) residence (include city, township, or village) Defendant(s) residence (include city, township, or village)
St. Clair Shores, MI Macomb County St. Clair Shores, MI Macomb County
Place where action arose or business conducted
St. Clair Shores, MI Macomb County

12/8/04

Date

Signature of attorney/plaintiff

If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you to fully participate in court proceedings, please contact the court immediately to make arrangements.

PROOF OF SERVICE**SUMMONS AND COMPLAINT**

Case No. _____

TO PROCESS SERVER: You are to serve the summons and complaint not later than 91 days from the date of filing. You must make and file your return with the court clerk. If you are unable to complete service you must return this original and all copies to the court clerk.

CERTIFICATE / AFFIDAVIT OF SERVICE / NON-SERVICE☐ **OFFICER CERTIFICATE**

OR

☐ **AFFIDAVIT OF PROCESS SERVER**

I certify that I am a sheriff, deputy sheriff, bailiff, appointed court officer, or attorney for a party [MCR 2.104(A)(2)], and that: (notary not required)

Being first duly sworn, I state that I am a legally competent adult who is not a party or an officer of a corporate party, and that: (notary required)

- ☐ I served personally a copy of the summons and complaint,
☐ I served by registered or certified mail (copy of return receipt attached) a copy of the summons and complaint,

together with _____

List all documents served with the Summons and Complaint

_____ on the defendant(s):

Defendant's name	Complete address(es) of service	Day, date, time

- ☐ I have personally attempted to serve the summons and complaint, together with any attachments on the following defendant(s) and have been unable to complete service.

Defendant's name	Complete address(es) of service	Day, date, time

Service fee	Miles traveled	Mileage fee	Total fee
\$		\$	\$

Signature _____

Title _____

Subscribed and sworn to before me on _____, _____ County, Michigan.
Date

My commission expires: _____ Signature: _____
Date Deputy court clerk/Notary public

ACKNOWLEDGMENT OF SERVICE

I acknowledge that I have received service of the summons and complaint, together with _____
Attachments

on _____

Day, date, time

on behalf of _____

Signature _____

STATE OF MICHIGAN
IN THE 40th DISTRICT COURT

PROGRESSIVE MICHIGAN INSURANCE
COMPANY, As Subrogor of
JAMES BORGESI, JR.,

Case No.:

Plaintiff,

vs.

MAZDA MOTOR OF AMERICA, INC.,

Defendant.

RONALD C. PARADOSKI (P41426)
Attorney for Plaintiff
1001 Woodward, Ste. 1760
Detroit, MI 48226
(313) 963-1860/Fax 963-9065

01 DEC 13 AM 9:42

COMPLAINT

1. That the Plaintiff, Progressive Michigan Insurance Company, is a Michigan corporation which does business within the State of Michigan and specifically conducts business within the City of St. Clair Shores, State of Michigan.
2. That [REDACTED] is a resident of St. Clair Shores, Michigan.
3. That the Defendant, Mazda Motor of America, Inc. is a California corporation, which does business within the City of St. Clair Shores, State of Michigan.
4. On September 13, 2002, the Plaintiff, Progressive Michigan Insurance Company, insured Plaintiff [REDACTED] with commercial coverage for the scope and course of his business as a towing company.

5. That on September 13, 2002, the Plaintiff, [REDACTED] was towing a vehicle at the request of Chase Financial when a fire occurred in the engine compartment as a result of defective wiring and/or electrical design.

6. That the subject motor vehicle which caught fire was being repossessed by Chase Financial and being towed to the Manheim Auction when the fire occurred. The subject vehicle was a 2001 Mazda Tribute 4 x 4, bearing vehicle identification number 4F2YU06141K [REDACTED] and Michigan license plate number [REDACTED]

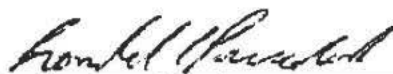
7. That the Defendant designed and manufactured the subject 2001 Mazda Tribute and placed it into the stream of commerce with a defective wiring design and/or defective wiring, which resulted in the above referred-to vehicle property damage loss.

8. That the subject fire which occurred when the vehicle was being towed by the Plaintiff, was due to defective wiring beneath the power distribution center, which resulted in the ignition of the wiring insulation and the ignition of combustibles in the area, resulting in fire damages in the amount of \$17,933.20.

9. That as a direct and proximate result of the defective wiring beneath the power distribution center in the subject 2001 Mazda, the Plaintiff's subrogee was caused to incur damages in the amount of \$17,933.20.

WHEREFORE, the Plaintiffs respectfully request this Honorable Court enter a Judgment on their behalf in the amount of \$17,933.20, together with court costs and reasonable attorney fees.

HUTCHINSON & PARADOSKI, P.C.



RONALD C. PARADOSKI P41426
Attorney for Plaintiffs

Complaint/It



THE NEW YORK
PUBLIC LIBRARY



09/20/2002 at 10:58 AM
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PROGRESSIVE INSURANCE COMPANIES
PLYMOUTH- 31456 ORG
46333 FIVE MILE ROAD #100
PLYMOUTH, MI 48170
(734)456-5700 Fax: (734)456-5751

ESTIMATE OF RECORD

Written by: MIKE ROBISCH- EXT. 5728 # 09/20/2002 10:58 AM
Adjuster: JEFFREY GIBBS- EXT. 5748 #

Insured: [REDACTED]
Owner: CHASE FINANCE
Address: UNK

Claim # [REDACTED]
Policy #

Date of Loss: 09/13/2002 at 10:30 AM

Type of Loss: Other

Day:
Evening:

Point of Impact: 24. Engine Burn

Inspect
Location:

OTHER

Repair TOTAL LOSS
Facility:

Days to Repair
License #

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

VIN: 4F2YU06141F [REDACTED]

Lic: [REDACTED]

MI Prod Date:

Odometer: 54615

09/20/2002 at 10:58 AM

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ESTIMATE OF RECORD

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

Air Conditioning	Rear Defogger	Tilt Wheel
Cruise Control	Intermittent Wipers	Theft Deterrent/Alarm
Rear Wiper	Tinted Glass	Body Side Moldings
Dual Mirrors	Luggage/Roof Rack	Electric Glass Sunroof
Clear Coat Paint	Power Steering	Power Brakes
Power Windows	Power Locks	Power Mirrors
AM Radio	FM Radio	Stereo
Search/Seek	CD Player	Driver Air Bag
Passenger Air Bag	Cloth Seats	Bucket Seats
Recline/Lounge Seats	Automatic Transmission	4 Wheel Drive
Overdrive	Aluminum/Alloy Wheels	

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
1		FRONT BUMPER					
2*	Repl	Bumper cover primed	1	245.50		1.1	<u>0.0</u>
3		GRILLE					
4	Repl	Grille hood molding	1	57.85		0.3	
5	Repl	Grille lower	1	201.30		0.4	
6	Repl	Reinforcement	1	28.95		Incl.	
7	Repl	Emblem	1	10.65		Incl.	
8		FRONT LAMPS					
9	Repl	RT Headlamp assy	1	160.80		0.3	
10		Aim headlamps				0.5	
11	Repl	LT Headlamp assy	1	160.80		0.3	
12		COOLING					
13	Repl	Upper tie bar	1	140.40	s	3.2	1.2
14	Repl	Radiator assy	1	399.25	m	1.8 M	
15	Repl	RT Mount bracket	1	10.85			
16	Repl	LT Mount bracket	1	10.85			
17	Repl	Upper hose	1	29.80	m	0.4 M	
18		Deduct for Overlap				-0.2 M	
19	Repl	Lower hose	1	25.95	m	0.5 M	
20		Deduct for Overlap				-0.3 M	

ESTIMATE OF RECORD

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
21	Repl	Reservoir	1	57.55	m	0.4	M
22	Repl	Fan assy	1	246.90	m	Incl.	
23	Repl	Serpentine belt	1	20.85	m	0.5	M
24	Repl	Water pump belt	1	8.50	m	0.6	M
25	Repl	Cooler line upper	1	21.85			
26	Repl	Cooler line lower	1	31.60			
27		AIR CONDITIONER & HEATER					
28	Repl	Condenser 3.0 liter	1	233.55	m	0.7	M
29		Evacuate & recharge			m	1.4	M
30	Repl	Accumulator	1	83.70	m	0.4	M
31	Repl	AC line comp to accumulator 3.0 liter	1	112.80	m	0.6	M
32	Repl	AC line cond to blower unit front	1	52.10	m	0.3	M
33		Deduct for Overlap				-0.2	M
34	Repl	Housing assy	1	215.75	m	2.5	M
35	Repl	Blower assy	1	53.60	m	1.2	M
36		HOOD					
37	Repl	Hood	1	326.50		1.8	2.8
38		Add for Clear Coat					1.1
39		Add for Underside(Complete)					1.4
40	Repl	RT Hinge	1	10.00		0.3	0.3
41	Repl	LT Hinge	1	10.00		0.3	0.3
42	Repl	Front seal	1	9.10	Incl.		
43	Repl	RT Side seal	1	18.10	Incl.		
44	Repl	LT Side seal	1	18.10	Incl.		
45	Repl	Rear seal	1	10.00	Incl.		
46	Repl	Insulator 3.0 liter	1	27.45		0.8	
47	Repl	Support rod 3.0 liter	1	8.95		0.2	
48	Repl	Release cable w/handle	1	27.35		0.8	
49	Repl	Latch	1	36.45		0.3	

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ESTIMATE OF RECORD

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

NO.	OP.	DESCRIPTION	QTY	EXT. PRICE	LABOR	PAINT
50		FENDER				
51	Repl	LT Fender w/flare	1	222.15	2.2	1.8
52		Overlap Major Adj. Panel				-0.4
53		Add for Clear Coat				0.3
54		Add for Edging				0.5
55		Deduct for Overlap			-0.3	
56	Repl	LT Splash shield	1	22.85	Incl.	
57	Repl	RT Splash shield	1	22.85	0.4	
58*	Repl	LT Molding w/flare & paint med gray	1	136.45	Incl.	<u>0.0</u>
59		ELECTRICAL				
60	Repl	Battery	1	79.95	0.3	
61	Repl	Battery tray 3.0 liter	1	20.25	0.2	
62	Repl	Battery holder	1	5.25		
63	Repl	Support bracket	1	17.45		
64	Repl	Battery cable auto trans 3.0 liter	1	33.30	m 1.3	M
65	Repl	Alternator 3.0 liter	1	468.05	m 1.4	M
66	Repl	Mount bracket 3.0 liter	1	33.10	0.3	
67	Repl	Starter 3.0 liter	1	429.45	m 1.1	M
68	Repl	ABS pump assy	1	203.55	m 1.7	M
69	Repl	ABS pump assy mount bracket	1	23.70		
70	Repl	Cruise servo 3.0 liter	1	188.80	m 0.5	M
71	Repl	Cruise servo bracket	1	11.20		
72	Repl	Control cable 3.0 liter	1	16.95	m 0.3	M
73	Repl	Control module	1	60.70		
74	Repl	Relay	1	8.10		
75		ENGINE / TRANSAXLE				
76	Repl	Air cleaner assy	1	136.45	m Incl.	
77	Repl	Air mass sensor	1	347.85	m 0.4	M
78	Repl	Outlet tube	1	14.10	0.2	

09/20/2002 at 10:58 AM

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ESTIMATE OF RECORD

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

NO.	OP.	DESCRIPTION	QTY	EXT. PRICE	LABOR	PAINT
79	Repl	Inlet tube	1	29.80	0.3	
80	Repl	R&I engine assy	1		m 7.2	M
N 81#	Repl	ENGINE ASSY LKQ +25%	1	2500.00		
82		EMISSION SYSTEM				
83	Repl	Vapor canister	1	56.45	m 0.4	M
84	Repl	Solenoid valve front	1	37.10	m 0.5	M
85	Repl	Solenoid valve rear	1	21.60	m 0.5	M
86		WHEELS				
87	Repl	LT/Front Wheel aluminum 16x7	1	134.90	m 0.3	
88		WINDSHIELD				
89*	Subl	Windshield plus kit	1	364.03	T	
90	Repl	Reveal molding upper	1	45.60		
91		COWL				
92	Repl	Booster assy	1	166.25	m 1.6	M
93	Repl	Master cylinder auto trans	1	95.35	m Incl.	
94	Repl	Sensor	1	9.60		
N 95#	Repl	wire harness assy	1	1500.00	6.0	M
96#	Subl	clean interior	1	200.00	X	
97#	Subl	deoderize interior	1	200.00	X	
Subtotals ==>				10986.88	48.0	9.3

Line 81 : recd price from lkq for est purpose would be nec to locate part

Line 95 : called local dealer for part price on harnes
main harness under hood

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ESTIMATE OF RECORD

2001 MAZD TRIBUTE 4X4 DX 6-3.0L-FI 4D UTV TAN Int:

Parts		10586.88
Body Labor	14.5 hrs @ \$ 32.00/hr	464.00
Paint Labor	9.3 hrs @ \$ 32.00/hr	297.60
Mechanical Labor	33.5 hrs @ \$ 65.00/hr	2177.50
Paint Supplies	9.3 hrs @ \$ 16.00/hr	148.80
Sublet/Misc.		400.00

SUBTOTAL		\$14074.78
Sales Tax	\$10735.68 @ 6.0000%	644.14

TOTAL COST OF REPAIRS		\$14718.92
ADJUSTMENTS:		
Deductible		0.00

TOTAL ADJUSTMENTS		\$ 0.00
NET COST OF REPAIRS		\$14718.92

XX

**LIFETIME GUARANTEE FOR
SHEET METAL AND PLASTIC BODY PARTS**

The replacement parts written on the estimate are intended to return your vehicle to its pre-loss condition with proper installation. After repair, if any sheet metal or plastic body part included in the estimate fails to return your vehicle to its pre-loss condition (assuming proper installation), in terms of form, fit, finish, durability or functionality, Progressive will arrange and pay for the replacement of the part, to the extent not covered by a manufacturer's or other warranty. This service will be performed at no cost to you (including associated repair and rental car costs). To obtain service under this Guarantee, call Progressive at 1-800-274-4641.

October 1, 2002

IN RE: Progressive Claim No. [REDACTED]
H&A File No. [REDACTED]

PREDICATION:

This report is predicated upon the request of [REDACTED] Progressive Claims Representative, to conduct an investigation into James Borgesi, with special reference to the fire loss of a 2001 Mazda, Tribute.

HERNDON
ASSOCIATES

Investigators/ Consultants

36135 Schoolcraft
Livonia, Michigan 48150
Fax: 734-591-0140

1 800 961-2909
walt@herndon-assoc.com
dan@herndon-assoc.com

P.O. Box 27
Boyne City, Michigan 49712
231 582-5543

Licensed in Michigan,
Ohio, Illinois and Arizona

www.herndon-assoc.com

SECRETARY OF STATE:

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

2001 MAZDA	4F2YU06141 [REDACTED]	20 STA-WAGON
ORIGINAL	[REDACTED]	
06/18/2001	[REDACTED]	26 A

[REDACTED]
FERNDALE [REDACTED]

CHASE MANHATTAN BANK USA NA
PO BOX 521006/15/2001
NEW HYDE PARK NY 11042

REGISTRATION INFORMATION:

[REDACTED]	PC-RENEWAL-
07/07/2003	[REDACTED]
MI SOS	

INSPECTION:

On September 23, 2002 at 2:30 p.m., this Investigator arrived at Manheim Auction in Flat Rock, to conduct an investigation into the fire loss of a 2001 Mazda, Tribute.

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

SEE ENCLOSED INVESTIGATION REPORT

IN RE:

Progressive Claim No. [REDACTED]
H&A File No. [REDACTED]
[REDACTED]

October 1, 2002

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

ORIGIN AND CAUSE INVESTIGATION:

On September 23, 2002 at 2:30 p.m., this Investigator arrived at Manheim auction in Flat Rock, to conduct an origin and cause investigation into the fire loss of a 2001 Mazda, Tribute, gray in color, vehicle identification number 4FWYU06141 [REDACTED]. Upon arriving at the facility, the vehicle is located and identified by its vehicle identification number found on the federal manufacturer's label on the driver's door post. Further, affixed to the rear was Michigan license plate [REDACTED].

Initial observations reveal evidence of a fire to have originated within the engine compartment, with the most severe damage present to the painted surface of the hood on the left or driver's side. The fire extends, lessening in degree toward the right or passenger's side.

The examination is now focused to the painted surface of the vehicle from approximately the bulkhead rearward, and there is no evidence of any direct fire impingement.

The examination is now focused to the fuel tank, fill tube and fuel cap, which are intact with no evidence of any fuel leakage. The examination of the underside of the vehicle reveals no evidence of any fire origin.

The examination is now focused to the cargo area, whereupon gaining entry, there is no evidence of any fire damage. The examination of the rear passenger compartment reveals no evidence of any fire damage. At this time, entry is gained into the front passenger compartment, where fire debris is present, however, was not caused from the fire extending into the passenger compartment. The examination of the underside of the dash reveals it is intact. The investigation further reveals the odometer is a digital odometer, and no mileage could be ascertained. At this time, after completing an examination of the passenger compartment, no evidence of any fire origin could be found.

The examination is now focused to the engine compartment, whereupon gaining entry, it is determined that the transmission fluid is full, brake fluid drained during the course of the fire, radiator drained during the course of the fire, and power steering fluid low and fire damaged. At this time, the oil dipstick plastic cap is melted into the tube and is not extracted.

IN RE:

Progressive Claims No. [REDACTED]
H&A File No. [REDACTED]
[REDACTED]

October 1, 2002

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The examination is now focused to the right or passenger's side of the engine compartment, where there is the remains of combustible hoses, plastic reservoirs and wiring insulation, all ruling out any fire as having originated on the right or passenger's side.

The examination is now focused to the front of the engine, where combustibles remain, to include plastics, wiring insulation and hoses, ruling out any fire as having originated within this area.

The examination is now focused to the bulkhead, where silencer pad is fire damaged, however, is high in nature and the wiring traveling to the computer within the engine compartment is void of insulation, however, no evidence of any electrical faulting could be found. Upon tracing this particular wiring harness, it travels over on the left or driver's side, is partially void of insulation, with no evidence of any electrical faulting.

The examination is now focused to the battery and battery cables, where the positive battery cable is partially void of insulation for approximately three to four inches, the insulation then becomes intact, and the plastic duct that covers the battery cable is fire damaged, however, the wiring insulation is intact. At this time, no evidence of any electrical faulting in the positive battery cable could be found. The examination of the ground cable reveals it is void of insulation and the remainder of the cable is melted into plastic on the inner left fender. At this time, the battery is removed, placed into the driver's floor area, and the battery tray is removed, and wiring beneath the battery tray is intact, and there is no evidence of any fire origin within this area.

The examination is now focused to the wiring that travels from the windshield wiper motor, it is void of insulation, brittle, and falls apart to the touch. The examination further reveals wiring in the underside of the power distribution center partially void of insulation. At this time, wiring is examined that is melted into the plastic on the inner left fender, and there is evidence of fusing of wiring and electrical faulting. The investigation continues, and upon tracing the wiring harness, it connects into a second harness that travels along the inner left fender. Upon examining the wiring harness along the inner left fender, it is void of insulation in areas, and there is evidence of overheating of the wiring insulation as evidenced by the bubbling of the insulation.

The investigation is now focused to a number of small wires found in the underside of the power distribution center, as well as lying on the shock tower, and a close examination reveals the wiring is void of insulation, brittle and falls apart to the touch.

IN RE: Progressive Claim No. [REDACTED]
H&A File No. [REDACTED]
[REDACTED]

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The examination is now focused to the brake booster, where the cast aluminum unit which houses the plastic brake fluid reservoir is intact at the booster, however, melted forward, indicating the fire is forward of the bulkhead.

The investigation is now focused to the underside of the engine on the left or driver's side, and there is no evidence of any fire origin.

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

TITLE INFORMATION:

A review of the title information indicates that this was an original purchase, transferred into the name of [REDACTED] of [REDACTED] Ferndale, Michigan on June 18, 2001. At the time of the transfer, the odometer showed 26 actual miles. The first secured interest is listed as Chase Manhattan Bank, USA, as of June 15, 2001. The license plate of [REDACTED] was not due to expire until July 7, 2003. The driver's license number listed on the registration was [REDACTED]

NATIONAL HIGHWAY TRAFFIC & SAFETY ADMINISTRATION:

A search of the National Highway Traffic & Safety Administration, recall database, produced six recalls pertaining to 2001 Mazda, Tribute trucks. A review of the recalls revealed none pertain to the fire in question.

A further search was conducted of the National Highway Traffic & Safety Administration, defect investigations database, which produced two records pertaining to 2001 Mazda, Tribute trucks. A review of the defect investigations revealed neither pertain to the fire in question.

ALL DATA SYSTEM:

A search of the All Data System produced six recalls pertaining to 2001 Mazda, Tribute trucks equipped with 3.0 liter engines. A review of the recalls revealed none pertain to the fire in question.

IN RE: Progressive Claim No. [REDACTED]
H&A File No. [REDACTED]
JAMES BORGESI

October 1, 2002
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INTERVIEW [REDACTED]

On September 25, 2002 at 3:05 p.m., Investigator Robert Persyn conducted an interview with James Borgesi, who owns a towing facility and was towing the vehicle on behalf of Chase Financial Services.

The fire was discovered on September 13, 2002 between 8:30 and 9:00 a.m. The location of the fire was on the freeway, southbound I-75 at mile marker 103. The insured stated he contacted 911, and a fire department responded, however, he is uncertain which fire department. The fire department arrived quickly and extinguished a fire involving the 2001 Mazda, Tribute. Further questioning revealed that at the time of the discovery of the fire, James Borgesi was towing the vehicle southbound on I-75 and the rear wheels were on the ground.

Just prior to the discovery of the fire, he did not experience any operability problems, did not detect any odors, however, heard what he described as a loud boom, with smoke emanating from the wheel well on the driver's side. The color of the smoke was gray. The fire was first observed emanating out the driver's side wheel well as well.

At the time of the discovery of the fire, the hood was closed and remained closed until the fire department arrived. All doors were closed and all windows were up at the time of the fire.

The insured went on to state that the vehicle was either a lease which was returned or a repossession. The vehicle was picked up at Equitable Services in Flint and he was advised to transport the vehicle to Manheim Auction in metro Detroit. The insured stated that his client was Manheim Metro Detroit Auto Auction.

The vehicle was picked up between 8:00 and 8:30 a.m. in a secured lot, and the keys were in the center console, the ignition was in the off position. Further questioning revealed that the vehicle is a front wheel drive vehicle and that the front wheels were not on the ground at the time of the fire. Further questioning revealed that after the fire had been extinguished, the vehicle was placed on a flatbed.

CONCLUSION:

Having completed an examination of the vehicle, conducted research pertaining to the vehicle in question, reviewed an interview obtained by the insured who was towing the vehicle on behalf of Chase Financial Services, and based on all of the information known at the time of the

IN RE:

Progressive Claim No. [REDACTED]

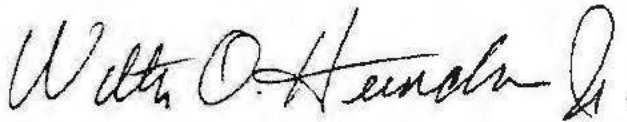
H&A File No. [REDACTED]
[REDACTED]

October 1, 2002

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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 originated within the engine compartment, specifically the driver's side engine compartment, where there is evidence of electrical faulting within wiring beneath the power distribution center sufficient to ignite the wiring insulation and immediate combustibles into open flame, with the fire extending, causing the damage present. The fire is deemed to be an accidental fire, electrical in nature.

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



Walter O. Herndon, Jr.

WOH/kb

VEHICLE FIRE INVESTIGATION

Fire Dept. _____

Incident No. _____

Date/Time Of Investigation 9-23-02 @ 2:30 PM

Vehicle Examined At MANHEIM AUCTION

Location At Time Of Fire 518 I-75 @ MILE MARKER #103

Alley ☐ Building ☐ Driveway/Garage ☐ Field ☐ Freeway ☐ Park ☐ Pk Lot ☐ Street ☐

Date Of Fire 9-23-02 Day FRIDAY Time of Call 8:30 Arrived 9:00 AM Clear _____

Description Of Vehicle

Title Holder: _____

Owner _____

Address _____, FERNDALE _____

Year 2001 Make MAZDA Model TRIBUTE

Color: (Top) GRAY (Bottom) GRAY

License Plate: _____

State MICH. Number _____ Expiration Date _____

Vehicle Identification Number: 4F2YU06141K

Lien Holder: CHASE MANHATTAN BK 6-1501

Insurance Company: PROGRESSIVE

Passenger Compartment (Interior)

1	Dashboard:	Intact ☒	Missing ☐	Partially Consumed ☐	Consumed ☐
2	Radio:	Intact ☒	Missing ☐	Aftermarket ☐	
3	Speakers:	Intact ☒	Missing ☐	Aftermarket ☐	
4	Bulkhead:	Intact ☒	Breached By Fire ☐		
5	Ignition:	Intact ☒	Missing ☐	On Position ☐	Off Position ☒
				Locked ☒	Thumb Assist Off ☐
	Tampered With/Intact ☐	Tampered With/Defeated ☐	Destroyed By Fire ☐	In Debris ☐	
6	Steering Column:	Intact/Locked ☒	Intact/Unlocked ☐	Tampered With/Intact ☐	
		Tampered With/Defeated ☐	Missing ☐	Destroyed By Fire ☐	
7	Gear Shift Selector (Column ☐ Floor ☒)	Locked ☒	Unlocked ☐	Destroyed By Fire ☐	
		Manual ☐			
8	Front Seat:	Intact ☒	Missing ☐	Partially Consumed ☐	Consumed ☐
9	Rear Seat:	Intact ☒	Missing ☐	Partially Consumed ☐	Consumed ☐ N/A ☐
10	Third Seat:	Intact ☐	Missing ☐	Partially Consumed ☐	Consumed ☐ N/A ☐
11	Glove Box:	Intact ☒	Partially Consumed ☐	Consumed ☐	
	Items In Glove Box _____				
	Owner's Manual ☐	Miscellaneous Papers ☐			
12	Center Console	Intact ☒	Partially Consumed ☐	Consumed ☐	N/A ☐
	Items In Center Console _____				



H.A. ASSOCIATES
Investigators/Consultants

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hlt@herndon-assoc.com
hlt@herndon-assoc.com

P.O. Box 27
Farmington, Michigan 49712
X 517-582-5543

Licensed in Michigan, Ohio
Illinois & Arizona

VEHICLE FIRE INVESTIGATION 2

Passenger Compartment (Interior) Cont.

13	Air Bags:					
	Steering Wheel:	Intact ☒	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☐
	Passenger Side Dash:	Intact ☒	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☐
	Right Rear:	Intact ☐	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☒
	Left Rear:	Intact ☐	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☒
	Side Air Bags (Driver):	Intact ☐	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☒
	Side Air Bags (Pass):	Intact ☐	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☒
	Headliner/Curtain:	Intact ☐	Missing ☐	Deployed ☐	Fire Damaged ☐	N/A ☒
14	Ignition Key:	None Found ☐	In Ignition ☒	At Scene ☐	In Debris ☐	
15	Odometer Reading: _____					
	Analog ☐	Digital ☒	Oil Change Sticker ☐	Vandalized ☐		
	Removed ☐	Destroyed By Fire ☐	Date: _____			
16	Title Information: (Date Of Transfer To Current Owner/Mileage)					
17	Personal Effects In Passenger Compartment					

Engine Compartment

18	Engine Accessibility:	Limited (Hood Jammed) ☐	Open ☒	Forced Open By Investigator ☐	
19	Engine:	Intact ☐	Missing ☐	Partially Stripped ☐	Fire Damaged ☒
20	Battery:	Intact ☐	Missing ☐	Fire Damaged ☒	
21	Aux Battery:	Intact ☐	Missing ☐	Fire Damaged ☐	N/A ☐
22	Radiator:	Intact ☐	Missing ☐	Fire Damaged ☒	
Fluid Levels - NOTE: D.B.F. = DRAINED BY FIRE					
23	Oil	Transmission	Radiator	Brake	Power Steering
	DIPSTICK READ	FULL			LOW/FINE
	D.B.F. ☐	D.B.F. ☐	D.B.F. ☒	D.B.F. ☒	D.B.F. ☐
24	Belts:	Intact ☐	Partially Consumed ☒	Consumed ☐	
25	Upper Hose:	Intact ☐	Partially Consumed ☒	Consumed ☐	
26	Lower Hose:	Intact ☐	Partially Consumed ☒	Consumed ☐	
27	Engine Parts Missing: 				
28	Anti-Theft System:	Factory ☐	Type: _____	Unknown ☐	
		Aftermarket ☐	Type: _____		
29	Additional Information:				

Exterior Examination

30	Tires:				
	Type	Custom Wheels/ Wheel Covers	% of Tread Wear	No. Of Lugs	Missing
LF	4 TIRES	4	25%	ALL	
LR					
RR					
RF					

VEHICLE FIRE INVESTIGATION 3

Door Cylinders (Locks)

31	Driver Door:	Intact	☒	Fire Damaged		Forced Entry	
32	Left Rear (sliding/cargo) Door(s):	Intact		Fire Damaged		Forced Entry	
33	Rear Cargo Door(s):	Intact		Fire Damaged		Forced Entry	
34	Right Rear (sliding/cargo) Door(s):	Intact		Fire Damaged		Forced Entry	
35	Passenger Door:	Intact		Fire Damaged		Forced Entry	

Trunk Compartment Examination

36	Pickup		Van		Utility Vehicle	☒	
37	Trunk Lock:	Intact		Locked		Open	
38	If Forced, By Whom?				Fire Damaged		Forced
39	Trunk Release:	Yes ☐	No ☐	Unknown ☐	Entry To Trunk:	Yes ☐	No ☐

Trunk Contents

40	Spare Tire:	Intact	☒	Missing		On Vehicle		Fire Damaged	
41	Tire Change Equipment:	Intact	☒	Missing	☐	At Scene	☐	Engine Compartment	☐
42	Other Contents/Personal Effects In Trunk Compartment/Cargo Area:								

Glass Condition

43	Windshield:	Intact	☒	Missing		Melted/Cracked By Heat	☒	Broken		In		Out	
44	Electric Windows:	Yes	☒	No	☐								
45	Driver's Window:	Intact	☒	Missing	☐	Melted/Cracked By Heat	☐	Broken	☐	In	☐	Out	☐
	Position:	Up	☒	Down	☐								
46	Left Rear Window:	Intact	☒	Missing	☐	Melted/Cracked By Heat	☐	Broken	☐	In	☐	Out	☐
	Position:	Up	☒	Down	☐	Stationary	☐	Moveable	☐				
47	Left Rear 3 rd Window:	Intact	☒	Missing	☐	Melted/Cracked By Heat	☐	Broken	☐	In	☐	Out	☐
	Position:	Stationary	☒	Moveable	☐								
48	Rear Window:	Intact	☒	Missing		Melted/Cracked By Heat		Broken		In		Out	
49	Right Rear 3 rd Window:	Intact	☒	Missing	☐	Melted/Cracked By Heat	☐	Broken	☐	In	☐	Out	☐
	Position:	Stationary	☒	Moveable	☐								
50	Right Rear Window:	Intact	☒	Missing	☐	Melted/Cracked By Heat	☐	Broken	☐	In	☐	Out	☐
	Position:	Up	☒	Down	☐	Stationary	☐	Moveable	☐				

VEHICLE FIRE INVESTIGATION 4

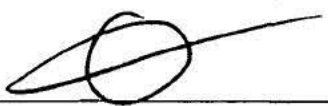
51	Passenger Window:	Intact ☒	Missing ☐	Melted/Cracked By Heat ☐	Broken ☐	In ☐	Out ☐
	Position:	Up ☐	Down ☒				
52	Sun Roof:	Open ☐	Missing ☐	Closed ☒	Fire Damaged ☐		
53	Convertible:	Up ☐	Missing ☐	Down ☐	Fire Damaged ☐		
54	T-Top:	On ☐	Missing ☐	Fire Damaged ☐			
55	Hard/Soft Top:	On ☐	Missing ☐	Fire Damaged ☐			

Under Vehicle

56	Gasoline ☒	Diesel ☐	Natural Gas ☐	Electric ☐	Hybrid ☐
57	1. Fuel Tank:	Intact ☒	Missing ☐	Fire Damaged ☐	
58	1. Fill Pipe:	Intact ☒	Missing ☐	Fire Damaged ☐	
59	1. Fuel Cap:	Intact ☒	Missing ☐	Fire Damaged ☐	
60	2. Fuel Tank:	Intact ☐	Missing ☐	Fire Damaged ☐	
61	2. Fill Pipe:	Intact ☐	Missing ☐	Fire Damaged ☐	
62	2. Fuel Cap:	Intact ☐	Missing ☐	Fire Damaged ☐	
63	Transmission Pan:	Intact ☒	Missing ☐	Leakage Noted Yes ☐	No ☒
64	Oil Pan:	Intact ☒	Missing ☐	Leakage Noted Yes ☐	No ☒

Areas	Open	Closed	Missing	Rust	Damage	Vandalized	Consumed
65 Front Bumper:							
66 Hood:		☒					
67 Grille:							
68 Left Fender:							
69 Driver's Door:		☒					
70 Left Rear (sliding/cargo) Door(s):		☒					
71 Left Quarter Panel:							
72 Trunk Lid/Tail Gate:							
73 Rear Cargo Door(s):		☒					
74 Rear Bumper:							
75 Roof:							
76 Right Quarter Panel:							
77 Right Rear (sliding/cargo) Door(s):		☒					
78 Passenger Door:		☒					
79 Right Fender:							

80	Body Condition:	Excellent ☐	Good ☒	Fair ☐	Poor ☐
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81	Evidence Confiscated:	
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Investigated By: 



1. A view of the Vehicle Identification Number identifying the 2001 Mazda, Tribute.

2. A view of the front passenger compartment.

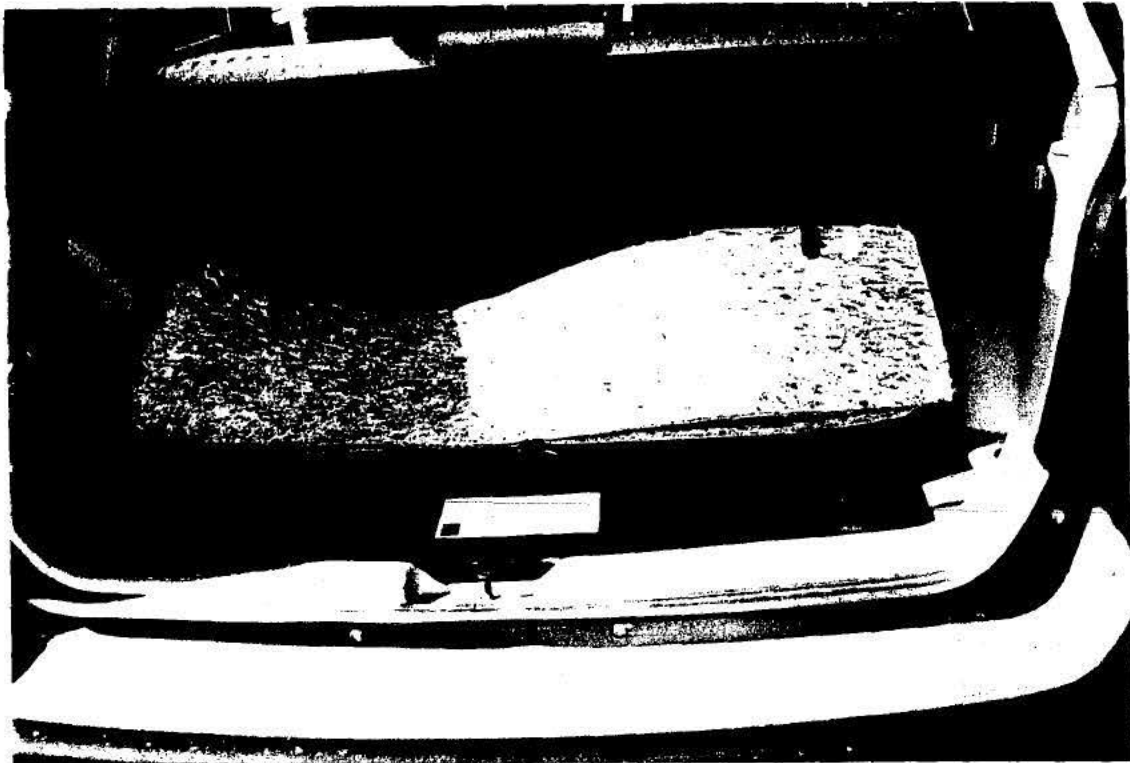




3. A view of the rear passenger compartment.

4. A view of the cargo area.

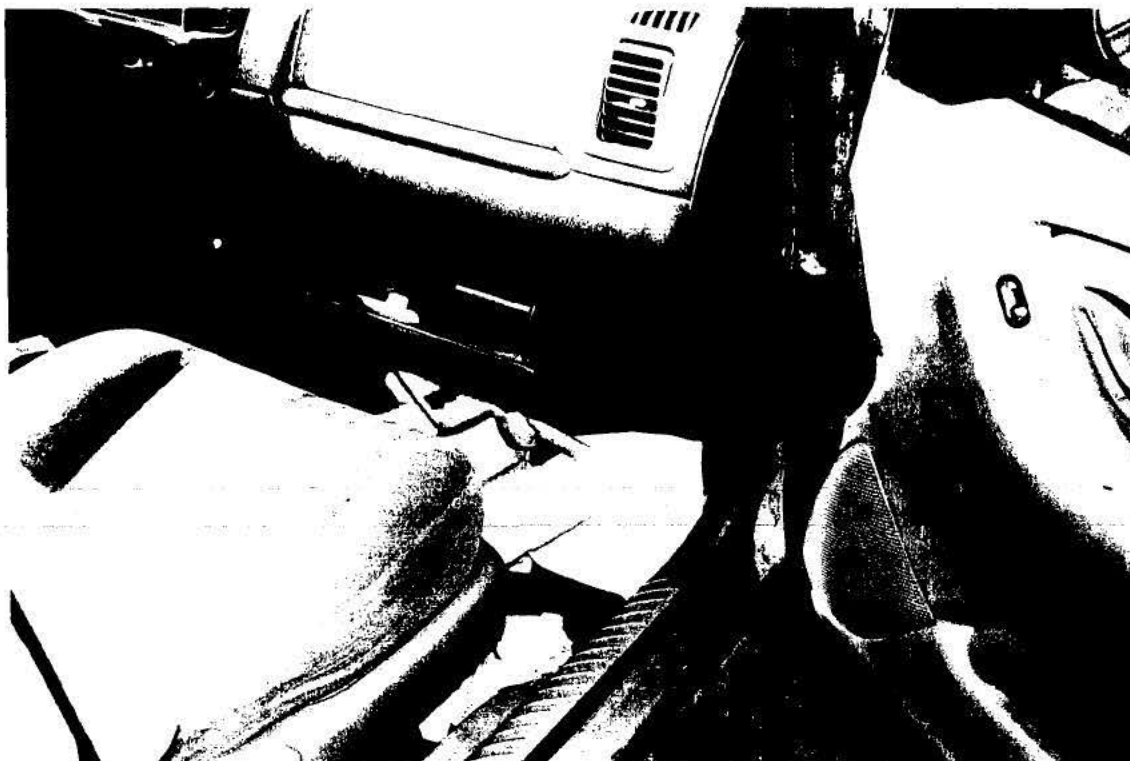




5. A view of the cover over the spare tire.

-
6. A view of the front passenger compartment with the key having been placed in the ignition.





7. A view of the right front floor area and glove box.

-
8. A view of the front of the vehicle with the burn pattern present on the left or driver's side extending to the right or passenger's side.





9. A view of the left front showing fire damage present to the painted surface of the left fender extending out the headlight assembly.

10. A view of the right front of the vehicle.





11. A view of the passenger's side of the vehicle from the front.

12. An overall view of the rear of the vehicle.





13. A view of the right rear of the vehicle.

14. A view of the left rear of the vehicle.





15. A view of the engine compartment from the left front.

16. A view of the engine compartment from the front.





17. A view of the engine compartment from the right front.

18. A view of the passenger's side of the engine compartment from the driver's side.





19. A view of the driver's side of the engine compartment from the passenger's side.

20. An overall view of the battery and power distribution center.





21. A view of the PCM removed from the bulkhead and photographed showing the connector at the PCM had not been consumed.

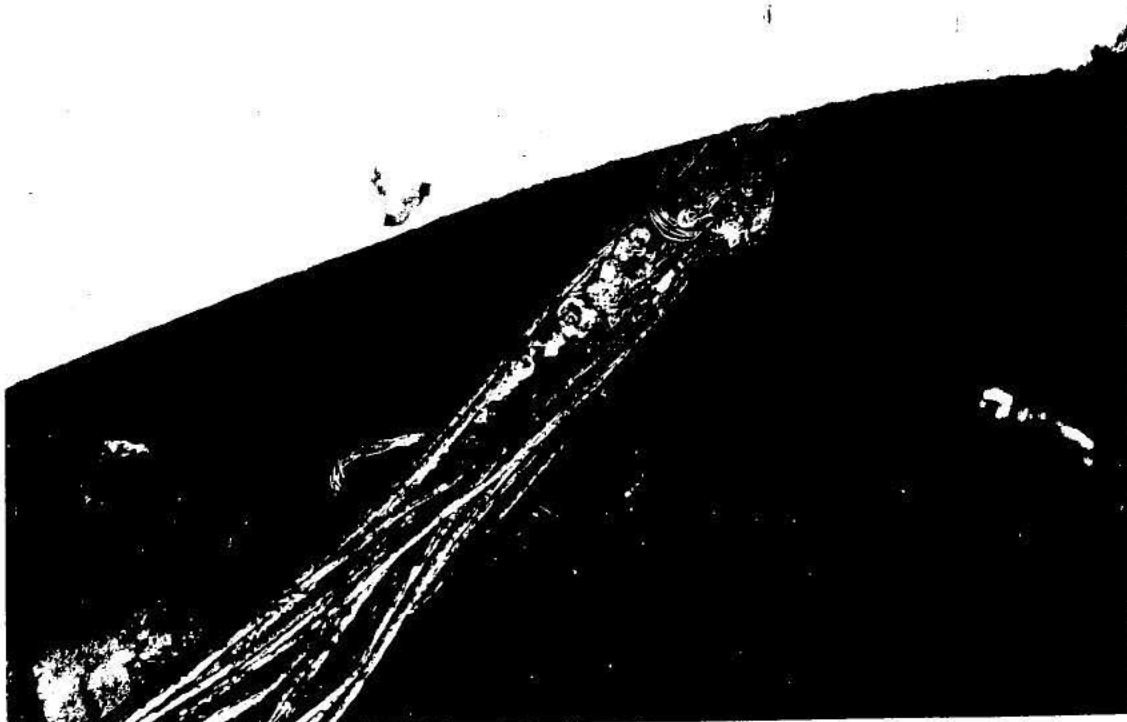
22. A view of wiring in the underside of the power distribution center with evidence of electrical faulting.





23. A view of wiring traveling to the windshield wiper motor void of insulation, brittle and falls apart to the touch.

-
24. A view of wiring insulation with evidence of overheating and bubbling of the plastic insulation.

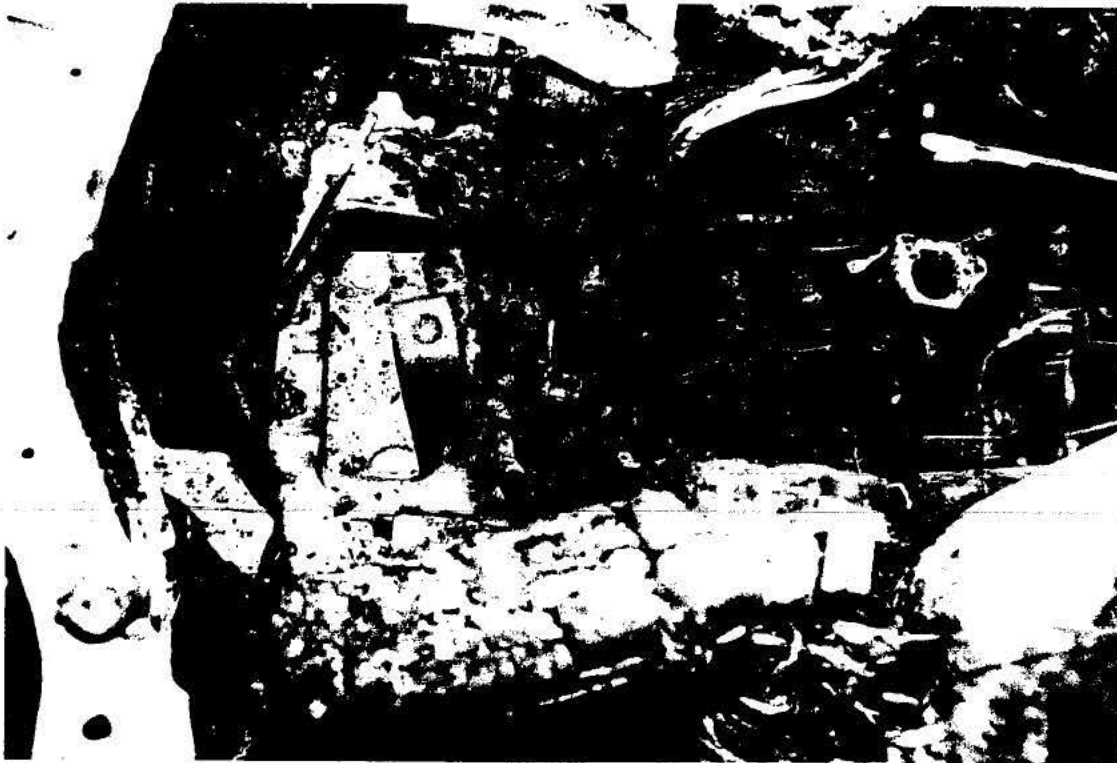




25. Another view of the wiring harness that travels along the inner left fender with evidence of overheating of the wiring insulation.

26. A view of the routing of the wiring harness that travels along the inner left fender.





27. A view of the remains of the battery tray with the battery removed.

28. A view of the wiring beneath the battery tray intact.





29. A view of wiring found in the underside of the power distribution center with evidence of electrical faulting.

30. A view of wiring found in the underside of the power distribution center with evidence of electrical faulting.





31. A close-up view of overheating of the wiring insulation on the harness that travels along the inner left fender.

32. Another view of the wiring with evidence of overheating of the wiring insulation that travels along the inner fender.





33. A view of wiring with evidence of fusing and melting of the copper wiring found in the underside of the power distribution center.

34. An overall view of the left or driver's side engine compartment as seen from the passenger's side.

