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Attorneys for claimant
Seneca Insurance Company, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____X
In re

Chapter 11

MOTORS LIQUIDATION COMPANY, *et al.*,
f/k/a General Motors Corp., *et al.*

Case No. 09-50026 (REG)

Debtors.

(Jointly Administered)

_____X

**CLAIMANT SENECA INSURANCE COMPANY, INC.'s
AFFIRMATION IN OPPOSITION TO DEBTORS'
242ND OMNIBUS OBJECTION TO CLAIMS**

TO THE HONORABLE ROBERT E. GERBER,
UNITED STATES BANKRUPTCY JUDGE:

Seneca Insurance Company, Inc. (“Seneca”), by its attorneys, Kahn & Goldberg, LLP, hereby submits this Affirmation in Opposition to the Debtors’ 242nd omnibus objection to claims pursuant to 11 U.S.C. §502(e)(1)(B) which seeks an Order of this Court disallowing and expunging claim no. 216 (among others) filed by Seneca in this proceeding. For the reasons stated herein, the Debtor’s objection as to Seneca’s claim should be denied in its entirety and Seneca’s claim in this proceeding should be allowed. Seneca should also be awarded costs and reasonable attorney’s fees for having to oppose

the Debtor's motion, which misapplies applicable law to Seneca's claim and fails to specifically address Seneca's proof of claim.

Background

1. Seneca Insurance Company, Inc. is a commercial and property insurance carrier licensed to sell policies in fifty states including the State of Illinois, and has its principal place of business at 160 Water Street, 16th Floor, New York, NY.
2. As of February 28, 2009, Seneca insured entities known as "Ronald B. Shipka, Enterprise Development", which owned the property located at 1301-29 West Fletcher, Chicago, IL (the "Premises"). *See* Declaration pages of Seneca policy no. SCC 2041267, annexed hereto as Exhibit A. The Premises is a high-rise residential building with ground floor retail and a basement parking garage.
3. The Seneca insurance policy insures Ronald B. Shipka and Enterprise Development (the "Insured" or "Subrogor") as owner of the Premises against property damages, loss and related expenses. *See* Exhibit A. Under the insurance policy between Seneca and its Insured, Seneca was obligated to pay any insurance claims submitted for damages to the Premises which are covered under the terms of the policy.
4. On or about February 28, 2009, a fire occurred at the Premises (the "fire"). *See* Property Loss Notice dated March 2, 2009, annexed hereto as Exhibit B; and Chicago Fire Incident Report dated February 28, 2009, annexed hereto as Exhibit C.
5. As a result of the fire, Seneca's Insured sustained extensive financial damages for the loss of property, and the cost of repair, replacement, cleaning services, etc. at the Premises. Subsequent to the fire, Seneca's Insured made an insurance claim to Seneca

for the damages to the Premises caused by the fire. Under the contract of insurance between Seneca and its Insured, Seneca paid the amount of \$166,948.93 on the insurance claim submitted for damages to the Premises as a result of the fire. As a result of Seneca's payment to its Insured, Seneca is subrogated to the extent to its payment, to the rights of its subrogor, and against all individuals and entities responsible for the loss and resulting damage. *See Allstate Ins. Co. v. Stein*, 1 N.Y.3d 416, 422 (2004); *In re Estate of Scott*, 567 N.E.2d 605 (Ill. App. Ct. 1991).

6. Seneca investigated the cause and origin of the fire at the Premises in order to preserve its subrogation rights. The cause and origin investigation conclusively established that a 2000 Pontiac GTP (VIN no. 1G2WR121XYF189524) (the "Vehicle") ignited shortly after being parked in the garage at the Premises, thereby causing fire and smoke damage to the Premises. The vehicle was owned by Megan McArthur, who resided in an upstairs apartment at the Premises. *See Reports of C. Roberts Consulting Engineers, Inc.*, annexed hereto as Exhibit D.

7. Specifically, Seneca's investigation revealed that the fire ignited in the front of the Vehicle's engine due to oil leakage through the Vehicle's valve cover gasket. *See Exhibit D*. In March 2008, General Motors Corp., which manufactured Pontiac vehicles, including the subject Vehicle, acknowledged that oil leakage of this type was a manufacturing defect subject to recall. Specifically, General Motors warned that certain Pontiac vehicles were susceptible to the oil leakage which would in turn ignite a fire. GM reported that this most often occurred on high-mileage vehicles shortly after they had been driven and parked (and thus hot), and that the fire is typically discovered within five to ten minutes after parking the vehicle. *See Recall Notice contained in Exhibit D*. Upon

information and belief, the Vehicle had been driven into the garage and parked just minutes before the fire ignited.

8. On June 1, 2009, the Debtor filed for bankruptcy relief under chapter 11 of Title 11 of the United States Code. On or about June 4, 2009, Seneca filed Proof of Claim no. 216 in this proceeding representing its claim against the Debtor for the damages paid under the insurance policy between it and its Insured for the fire damage to the Premises. *See* Proof of Claim no. 216, annexed hereto as Exhibit E.

The Debtor's Instant Motion to Expunge Seneca's Claim no. 216 Pursuant to 11 U.S.C. §502(e)(1)(B) Should Be Denied in Its Entirety

9. By omnibus motion dated August 19, 2011 (the "Motion"), the Debtor seeks to disallow and expunge a multitude of claims pursuant to 11 U.S.C. §502(e)(1)(B), including Seneca's claim no. 216. The Debtor's motion is a disingenuous attempt to paint ordinary tort claims, such as that asserted by Seneca, as being subject to disallowance pursuant to section 502(e)(1)(B).

10. Section 502(e)(1)(B) is not intended to disallow an ordinary subrogation claim asserted by a liability insurance carrier holding causes of action for negligence against a Debtor. In fact, section 502(e)(1)(B) was enacted "to prevent... competition between a creditor and [its] guarantor for limited proceeds of the estate." *See* H.R. Rep. No. 595, 95th Cong., 1st Sess. 354 (1977); S. Rep. No. 989, 95th Cong., 2d Sess. 65 (1978).

11. Section 502(e)(1)(B) is applicable to a debt owed by a debtor to a creditor which has been guaranteed by a third party. *See* Collier on Bankruptcy P 502.06 (2011). That treatise goes on to explain:

“Both the primary obligee and the guarantor have a claim against the debtor that arises from the same debt; the primary obligee has a right to payment from the debtor, and the guarantor has a contingent right to reimbursement or contribution from the debtor which may become noncontingent in the event that it fully satisfies the primary obligee's claim. By disallowing the guarantor's contingent claim for reimbursement or contribution, section 502(e)(1)(B) insures that the estate will not be liable to the primary obligor and the guarantor for the same debt.”

See Collier on Bankruptcy P 502.06 (2011) [internal citations omitted].

12. Seneca's claim is not derived from an obligee, guarantor or surety relationship.

Rather, Seneca's claim is an ordinary tort subrogation claim asserted by a property insurance carrier that acquired subrogation rights from its insured once it paid its insured for property damage under the terms of an insurance policy.

Seneca's Subrogation Claim Against the Debtor Does Not Meet the Three Elements For a Claim to Be Disallowed Under 11 U.S.C. §502(e)(1)(B)

13. By the terms of section 502(e)(1)(B), three elements must be met for a claim to be disallowed: (1) the party asserting the claim must be liable with the debtor on the claim of a third party; (2) the claim must be contingent at the time of its allowance or disallowance; and (3) the claim must be for reimbursement or contribution. In re Lyondell Chem. Co., 442 B.R. 236 (S.D.N.Y. 2011).

The First Element: The Debtor and Seneca Are Not Both Liable on the Claim of a Third Party

14. The Debtor and Seneca are not both liable on the claim of a third party. Nor do they share the same liability for the fire at the Premises. The Debtor's vehicle ignited the fire at the Premises. *See Exhibits B-D.* Thus, the Debtor is liable in negligence for the

resulting property damages. On the other hand, Seneca's only liability sounds in contract to its own insured, via the insurance policy. See Exhibit A. Seneca's liability, if it can even be called that, is entirely separate and distinct from the Debtor's liability for actually causing the fire.

15. Thus, there is no shared liability for purposes of section 502(e)(1)(B). In Dant & Russell, Inc. v. Burlington N.R.R. Co., 951 F.2d 246 (9th Cir. 1991), the Court reached the same result where a property owner's claim against debtor for environmental cleanup costs was not barred by section 502(e)(1) because the property owner was asserting private right of action against the debtor and was not liable with the debtor to the third-party creditor. Here, Seneca is similarly asserting a private right of action that it acquired under principles of subrogation when it paid a property damage claim submitted by its insured. See also In re Allegheny Int'l, Inc., 126 B.R. 919 (W.D.Pa 1991) [creditor's private right of action against debtor for environmental cleanup costs not disallowed because there was no shared liability with the debtor to a third-party creditor]; In re Chateaugay Corp., 154 B.R. 416, 420 (S.D.N.Y. 1993) [where retirement fund was liable to retirees, and debtor was liable to retirement fund, but not individual retirees, a shared liability did not exist and section 502(e)(1) did not apply.]

16. With respect to the fire at the Premises, Seneca "stands in the shoes" of its insured to seek repayment from the Debtor (via tort causes of action) whose product caused the loss to the insured which the insurer was obligated to cover. Jefferson Ins. Co. v. Travelers Indem. Co., 92 N.Y.2d 363, 373 (1998). Once Seneca makes payment on the insurance claim to its insured, and the insured's "shoes" are passed to Seneca (by way of equitable principles of subrogation as well as execution of a Subrogation Receipt, see

Exhibit F annexed hereto), the insured property owner, having been made whole, is completely divested of its claim against the wrongdoer tortfeasor (here, the Debtor vehicle manufacturer). The claim has since been passed to Seneca, which by paying its Insured's claim for property damage, has now ultimately bore the loss and may now pursue the wrongdoer / tortfeasor.

The Second Element: The Claim is Not Contingent

17. In order for a claim to be subject to disallowance under section 502(e)(1)(B), it must be "contingent at the time of its allowance or disallowance." In re Lyondell Chem. Co., 442 B.R. 236 (S.D.N.Y. 2011). A claim is contingent if "the debtor's legal duty to pay does not come into existence until triggered by the occurrence of a future event." Pearl-Phil GMT (Far East) Ltd. v. Caldor Corp., 266 B.R. 575, 580 (S.D.N.Y. 2001) *citing* Mazzeo v. US (In re Mazzeo), 131 F.3d 295, 303 (2nd Cir. 1997); *see also* In re GCO, 324 B.R. 459, 466 (S.D.N.Y. 2005) ["A claim is contingent where it has not yet accrued and ... is dependent upon some future event that may never happen."]

18. Seneca's claim is not contingent – there is no future event that could bear on its already existing claim. Seneca paid \$166,948.93 (including the insured's \$1,000 deductible) for the fire damage at the Premises. That amount was paid by two checks in August 2009 and June 2010. *See* Checks paid by Seneca to Ronald Shipka / Enterprise Development, annexed hereto as Exhibit G.

19. It may be true that at the time Seneca's proof of claim was filed (June 2009 – Exhibit E), it had not yet finally adjusted the insured's claim for the property damage. As of August 2009 the property damage portion of the claim had been adjusted and paid; and

the insured's business interruption claim was adjusted and paid as of June 2010. Thus, presently, the claim is not contingent. *See In re GCO, supra.*

The Third Element: The Claim is Not For Reimbursement or Contribution

20. Movant is again wrong by claiming that Seneca is co-liable with the Debtor on a third party's claim, and that Seneca is seeking reimbursement and/or contribution from Debtor with respect to the third party claim. As explained above, Seneca's claim sounds in subrogation, and Seneca "stands in the shoes" of its policyholder to whom Seneca paid amounts under an insurance policy for fire damage to the Premises. Jefferson Ins. Co. v. Travelers Indem. Co., supra. There is no contractual relationship between Seneca and the Debtor as to any third party claim. Seneca merely paid an insurance claim, and by doing so, acquired the rights of its policyholder to pursue the party ultimately liable for the fire damage at the Premises – in this case, the Debtor vehicle manufacturer.

21. Seneca's claim against the Debtor is one sounding in negligence and products liability, and has no relation to the types of contractual claims for reimbursement and contribution that section 502(e)(1)(B) is concerned with. Seneca is not a surety of the Debtor, and has no different rights against the Debtor than any other injured tort plaintiff with a claim against Debtor's estate. As this Honorable Court stated in a recent decision:

"In enacting the provision, Congress merely provided for disallowance of contingent claims for reimbursement filed by persons liable with the debtor. To be sure, the legislative history concerning §502(e) indicates that a principal purpose of the entire subsection is to prevent a double payment by the estate, and there can be no such double payment if the plaintiff fails to file a claim."

In re Chemtura Corp., 436 B.R. 286 (S.D.N.Y. 2010) *citing* In re Wedtech Corp., 85 B.R. 285, 290 (S.D.N.Y. 1988).

22. The reasoning stated in In re Chemtura Corp. applies here, where the underlying injured party (the Premises owner) has already been made whole for the fire loss by Seneca under the insurance policy between them. Seneca's Insured has not filed a claim against the Debtor's estate, and it has no right or basis to do so since it is now whole, and since it assigned its rights against the Debtor to Seneca. *See* Subrogation Receipt, Exhibit F. Disallowing Seneca's claim under section 502(e)(1)(B) is improper and would lead to the perverse result of barring recovery for the tort by Seneca, the insurance carrier which ultimately bore the loss.

**Seneca Should Be Awarded Costs
And Reasonable Attorney's Fees**

23. Seneca should be awarded costs and reasonable attorney's fees for having to oppose the Debtor's motion, which misapplies applicable law and fails to specifically address Seneca's proof of claim. While Seneca and your Affirmant are mindful of this Court's Order authorizing the Debtor to file omnibus objections to claims, the Debtor should perform some inquiry into the nature of an individual claim before including it in an omnibus motion and forcing the claimholder to expend time and resources defending a valid claim.

24. This Court has the power to award costs and reasonable attorney's fees under F.R.C.P. 54(d). Had the Debtor done even a cursory inquiry into Seneca's claim before including it in this omnibus motion, the Debtor might have learned that Seneca's claim is not one for reimbursement or contribution, is not contingent, and that the Debtor and Seneca do not share any liability to a third party.

Conclusion

WHEREFORE, for the reasons stated herein, including that Seneca is not co-liable with the Debtor on the claim of a third party, that Seneca's claim is not contingent, and that the claim is not one for reimbursement or contribution, the Debtor's motion to disallow Seneca's claim in this proceeding should be denied in its entirety; Seneca should be awarded costs and reasonable attorney's fees in opposing the instant motion; and this Court should grant such other and further relief as is deemed just and proper.

Dated: New York, New York
September 19, 2011

KAHN & GOLDBERG, LLP

s/ Eric Goldberg
Eric Goldberg, Esq.
708 Third Avenue, 19th Floor
New York, New York 10017
Telephone: (212) 687-5066
Facsimile: (212) 983-8415

Attorneys for Claimant
Seneca Insurance Company, Inc.

EXHIBIT A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number 3

POLICY NUMBER SCC 2041267	POLICY CHANGES EFFECTIVE 09/17/2008	COMPANY SENECA INSURANCE COMPANY, INC.
NAMED INSURED Ronald B. Shipka, Enterprise Development As Per Named Insured Endorsement & Meryl Lachman - Assoc. Underwriters 1701 Golf Rd., Tower 3, Ste. #700 Rolling Meadows, IL 60008		AUTHORIZED REPRESENTATIVE Frank Crystal & Co., Inc. Financial Square 32 Old Slip, 17th Fl. New York, NY 10005
COVERAGE PARTS AFFECTED Commercial Package		
CHANGES It is agreed that the following changes are made: 1) The Named Insured is amended, as per revised form # IL DS 00 (09/07) Named Insured Extension Schedule attached. 2) The Property Coverage & the General Liability Coverage are amended, as per revised forms # CP DS 00 (10/00) Commercial Property Coverage Part Declarations Page & # CG DS 01 (10/01) Commercial General Liability Declarations attached. E/R .614 R/P \$269.00		

Return Premium:

\$269.00

Authorized Representative Signature

IL 12 01 11 85

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Branch

NAMED INSURED EXTENSION SCHEDULE

POLICY NUMBER: SCC 2041267	EFFECTIVE DATE: 04/29/2008
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Ronald B. Shipka, Enterprise Development
Village II Building, LLC
Manufacturers Affiliated Trust Co. UT #5146
EDC Properties, LLC
EDC Management, Inc.
Roald B. Shipka, La Verne Shipka
The Shipka Family Insurance Trust For Ron Jr.
The Shipka Family Insurance Trust For John
Bank of Ravenswood UT #1032
Waveland & Pine Grove Building, LLC
LaSalle National Bank UT #10-18045-09
Buck-Sem Limited Liability Company
First Chicago Bank UT #25-8889
First Chicago Bank UT #25-8724
Belmont Apartments Partnership
Bank of Ravenswood UT #25-7899
Robert Merens & Henrieta Merens
932 Rush, LLC
LaSalle National Bank As Successor Trustee UT #01-4767
1301 West Fletcher Building, LLC
First Chicago Trust UT #25-8111
3900 N. Damen Building, LLC
Earl Malisoff
The Selwyn Malisoff Family Limited Partnership
2815-25 N. Sheffield Building, LLC
Cititown Associates
Howard Robinson
RJ Development Corporation
Ronald B. Shipka Jr.
John Shipka
Lincoln, Ashond & Belmont, LLC
The Shipka Family Gift Trust For John
Abrams Descendants Trust
EDC Properties, LLC, A Delaware LLC
EDC Investments, LLC, A Delaware LLC
EDC Development, LLC, A Delaware LLC
EDC Property Management, LLC, A Delaware LLC
EDC Management, Inc., An Illinois Corporation
One Door West Building, LLC

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS PAGE

POLICY NO. SCC 2041267

EFFECTIVE DATE 04/29/2008

"X" If Supplemental
Declarations Is Attached

NAMED INSURED

Ronald B. Shipka, Enterprise Development
As Per Named Insured Extension Schedule

DESCRIPTION OF PREMISES

Prem. No.	Bldg. No.	Location, Construction And Occupancy
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See Description of Premises Schedule

COVERAGES PROVIDED Insurance At The Described Premises Applies Only For Coverages For Which A Limit Of Insurance Is Shown

Prem. No.	Bldg. No.	Coverage	Limit Of Insurance	Covered Causes Of Loss	Coinsurance*
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See Coverages Provided Schedule

*If Extra Expense Coverage, Limits On Loss Payment

OPTIONAL COVERAGES Applicable Only When Entries Are Made In The Schedule Below

Prem. No.	Bldg. No.	Expiration Date	Agreed Value		Replacement Cost (X)		
			Cov.	Amount	Building	Pers. Prop.	Including Stock

See Optional Coverages Schedule

Inflation Guard (%)
Bldg. Prop. Pers. Prop.

*Monthly Limit Of Indemnity

Maximum Period Of Indemnity

*Extended Period Of Indemnity

*Applies to Business Income Only

MORTGAGEHOLDERS

Prem. No.	Bldg. No.	Mortgageholder Name And Mailing Address
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See Mortgageholders Schedule

DEDUCTIBLE

\$1,000

DESCRIPTION OF PREMISES

Prem. No.	Bldg. No.	Location, Construction And Occupancy
001	001	708-10 W. Oakdale Ave. BA 2932-42 N. Clark St. Cook Chicago, IL 60657 Masonry Non-Combustible Apartment
002	001	754-56 Wellington Ave. BA 3001-11 N. Halsted St. Cook Chicago, IL 60657 Joisted Masonry Apartment
003	001	3707-09 Pine Grove Ave. BA 650-52 Waveland Ave. Cook Chicago, IL 60657 Joisted Masonry Apartment
004	001	1051-55 W. Belmont Ave. BA 3159 N. Seminary Ave. Cook Chicago, IL 60657 Joisted Masonry Apartment
005	001	701 W. Buckingham Pl. Cook Chicago, IL 60657 Joisted Masonry Apartment
006	001	608-14 W. Belmont Ave. Cook Chicago, IL 60657 Joisted Masonry Apartment
007	001	932-936 1/2 N. Rush St. Cook Chicago, IL 60611 Joisted Masonry Apartment
008	001	1301-29 W. Fletcher St. Cook Chicago, IL 60657 Joisted Masonry Apartment
009	001	3900-10 N. Damen Ave. Cook Chicago, IL 60618 Joisted Masonry Apartment
010	001	2815-23 N. Sheffield Ave. B/A 957-59 Wolfram St. Cook Chicago, IL 60657 Joisted Masonry Apartment
011	001	517-519 N. Halsted St. Cook Chicago, IL 60622 Joisted Masonry Apartment

COVERAGES PROVIDED

Insurance At The Described Premises Applies Only For Coverages For Which A Limit Of Insurance Is Shown

Prem. No.	Bldg. No.	Coverage	Limit Of Insurance	Covered Causes Of Loss	Coinsurance*
001	001	Building	\$3,684,941	Special Form Including Theft	100%
		Personal Property of Insured	\$128,750	Special Form Including Theft	80%
		Business Income - Rental Value	\$708,000	Special Form Including Theft	80%
002	001	Building	\$2,494,800	Special Form Including Theft	100%
		Business Income - Rental Value	\$320,000	Special Form Including Theft	80%
003	001	Building	\$1,654,800	Special Form Including Theft	100%
		Business Income - Rental Value	\$183,000	Special Form Including Theft	80%
004	001	Building	\$3,820,000	Special Form Including Theft	100%
		Business Income - Rental Value	\$540,000	Special Form Including Theft	80%
005	001	Building	\$2,255,000	Special Form Including Theft	100%
		Business Income - Rental Value	\$289,000	Special Form Including Theft	80%
006	001	Building	\$4,177,950	Special Form Including Theft	100%
		Business Income - Rental Value	\$292,000	Special Form Including Theft	80%
007	001	Building	\$1,229,550	Special Form Including Theft	100%
		Business Income - Rental Value	\$645,000	Special Form Including Theft	80%
008	001	Building	\$10,500,000	Special Form Including Theft	100%
		Business Income - Rental Value	\$1,323,000	Special Form Including Theft	80%
009	001	Building	\$4,641,000	Special Form Including Theft	100%
		Business Income - Rental Value	\$467,000	Special Form Including Theft	80%
010	001	Building	\$6,720,000	Special Form Including Theft	100%
		Business Income - Rental Value	\$982,000	Special Form Including Theft	80%
011	001	Building	\$142,800	Special Form Including Theft	100%

OPTIONAL COVERAGES Applicable Only When Entries Are Made In The Schedule Below

Prem. Bldg.

No. No.

001	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$3,684,941 Replacement Cost Personal Property of Insured Replacement Cost Including Stock
002	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$2,494,800 Replacement Cost
003	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$1,654,800 Replacement Cost
004	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$3,820,000 Replacement Cost
005	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$2,255,000 Replacement Cost
006	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$4,177,950 Replacement Cost
007	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$1,229,550 Replacement Cost
008	001	Building Agreed Value Expiration Date: 04/29/2009 Amount: \$10,500,000 Replacement Cost

MORTGAGEHOLDERS

Prem. No.	Bldg. No.	Mortgageholder Name And Mailing Address
001	001	New Century Bank, ISAOA 363 W. Ontario St. Chicago, IL 60610
002	001	New Century Bank, ISAOA 363 W. Ontario St. Chicago, IL 60610
003	001	Capmark Finance, Inc. as Master Servicer for LaSalle Nat'l Bank, For Morgan Stanley Capital One, Inc., Comm. Mtg. Pass- Thru Cert. Series 1998-HF1, POB 1687 Horsham, PA 19044 Account: 400030243
004	001	Countrywide Commercial Real Estate Finance, Inc., ISAOA ATIMA, Attn: CFR Asset Mgt. 2701 N. Dallas Pkwy., Ste. #200 Dallas, TX 75230
005	001	Countrywide Commercial Real Estate Finance, Inc., ISAOA ATIMA, Attn: CFR Asset Mgt. 2701 N. Dallas Pkwy., Ste. #200 Dallas, TX 75230
006	001	Citibank (West) FSB, ISAOA POB 193924 San Francisco, CA 94119
007	001	Capmark Finance, Inc., as Master Servicer for LaSalle Nat'l Bank, For Morgan Stanley Capital One, Inc., Comm. Mtg. Pass- Thru Certs Series 1998-HF1, POB 1687 Horsham, PA 19044 Account: 400030283
008	001	Washington Mutual Bank, FA, ISAOA POB 391380 Solon, OH 44139 Account: 625629131
009	001	Key Bank Real Estate Capital, ATIMA 1717 Main St., #1000 Dallas, TX 75201 Account: 045000061
010	001	Washington Mutual Bank, FA, ISAOA POB 391380 Solon, OH 44139 Account: 625636991
013	001	Allstate Life Insurance % Cohen Finalcial 2 N. LaSalle St., #800 Chicago, IL 60602

FORMS APPLICABLE

To All Coverages:

- CP 03 20 (10-92)
- CP 10 40 (08-99)
- CP 10 65 (10-00)
- BE-23B (00)
- BE-23 (0)
- BE-23A (0)
- 17-164 (01-06)

To Specific Premises/Coverages:

Prem. No.	Bldg. No.	Coverages	Form Number
001	001	Building	CP 00 10 (04-02)
		Personal Property of Insured	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Personal Property of Insured	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
002	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
All Coverages	CP DS 00 (10-00)		
003	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
All Coverages	CP DS 00 (10-00)		
004	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
All Coverages	CP DS 00 (10-00)		
005	001	Building	CP 00 10 (04-02)

FORMS APPLICABLE**To All Coverages:****To Specific Premises/Coverages:**

Prem. No.	Bldg. No.	Coverages	Form Number
005	001	Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
006	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
007	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
008	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
009	001	Building	CP 00 10 (04-02)
		Business Income - Rental Value	CP 00 30 (04-02)
		All Coverages	CP 00 90 (07-88)
		All Coverages	CP 01 40 (07-06)
		All Coverages	CP 04 05 (04-02)
		Building	CP 04 05 (04-02)
		Building	CP 10 30 (04-02)
		Business Income - Rental Value	CP 10 30 (04-02)
		All Coverages	CP DS 00 (10-00)
010	001	Building	CP 00 10 (04-02)

EXHIBIT B

Date: 3/2/2009 Time: 12:00 PM To: 12124227541 @ 912124227541

Frank 2/3

RONASH

ACORD™ PROPERTY LOSS NOTICE		63148	DATE 03/02/09
PRODUCER	PHONE (A/C, No, Ext): 212 344-2444	MISCELLANEOUS INFO (Site & location code)	DATE OF LOSS AND TIME 02/28/09
Frank Crystal & Co., Inc. Financial Square 32 Old Slip New York, NY 10005		POLICY TYPE	AM PREVIOUSLY REPORTED
CODE:	SUR CODE:	COMPANY AND POLICY NUMBER	PH YES <input checked="" type="checkbox"/> NO
AGENCY CUSTOMER ID		CO: Seneca Insu/Com'l Packa	POLICY DATES
28700		POL: SCC2041267	EFF: 04/29/08
		FLOOD CO:	EXP: 04/29/09
		WIND CO:	EFF:
		POL:	EXP:
		POL:	EXP:

INSURED		CONTACT	CONTACT INSURED
NAME AND ADDRESS OF INSURED Ronald B. Shipka, Enterprise Meryl Lachman - Assoc. Rolling Meadows, IL 60008		DATE OF BIRTH	NAME AND ADDRESS OF INSURED Pasquale Guerra 773-617-7224 Maek Musick - Public Adjuster 773-407-9500
RESIDENCE PHONE (A/C, No)	BUSINESS PHONE (A/C, No, Ext)	SOC SEC # OR FEIN:	
NAME AND ADDRESS OF SPOUSE (IF APPLICABLE)		DATE OF BIRTH	RESIDENCE PHONE (A/C, No)
		SOC SEC # OR FEIN:	BUSINESS PHONE (A/C, No, Ext)
		WHERE TO CONTACT	WHEN TO CONTACT

LOSS

LOCATION OF LOSS: 1301 Fletcher, Chicago, IL 60657

POLICE OR FIRE DEPT TO WHICH REPORTED

KIND OF LOSS: FIRE LIGHTNING FLOOD WIND OTHER (specify)

PROBABLE AMOUNT ENTIRE LOSS

DESCRIPTION OF LOSS & DAMAGE (Use separate sheet, if necessary)
The insured reports that a vehicle allegedly caught fire in the garage as (See Attached Desc. of Loss & Damage Information.)

POLICY INFORMATION

MORTGAGEE
 NO MORTGAGEE

HOMEOWNER POLICIES SECTION (ONLY) (Complete for coverages A, B, C, D & additional coverages. For Homeowners Section II liability losses, use ACORD 3.)

A. DWELLING	B. OTHER STRUCTURES	C. PERSONAL PROPERTY	D. LOSS OF USE	DEDUCTIBLES	DESCRIBE ADDITIONAL COVERAGES PROVIDED
					9CCN001 3/2/09

COVERAGE A. EXCLUDES WIND

SUBJECT TO FORMS (insert form numbers and edition dates, special deductibles)

FIRE, ALLIED LINES & MULTI-PERIL POLICIES (Complete only those items involved in loss)

ITEM	SUBJECT OF INSURANCE	AMOUNT	% COINS	DEDUCTIBLE	COVERAGE AND/OR DESCRIPTION OF PROPERTY INSURED
	BLDG <input type="checkbox"/> CNTR	10,305,402		1,000	
	BLDG <input type="checkbox"/> CNTR	1,399,142			Rents
	BLDG <input type="checkbox"/> CNTR				

SUBJECT TO FORMS (insert form numbers and edition dates, special deductibles)

FLOOD POLICY	BUILDING: DEDUCTIBLE:	ZONE	PRE FIRM	DIFF IN ELEV	FORM TYPE	GENERAL DWELLING	CONDO
WIND POLICY	BUILDING: DEDUCTIBLE:	ZONE	POST FIRM				

REMARKS: OTHER INSURANCE (List companies, policy numbers, coverages & policy amounts) NY ONLY: PREVIOUS ADDRESS OF INSURED & WIFE'S MAIDEN NAME

CAT #	FICO #	ADJUSTER ASSIGNED	ADJUSTER #	DATE ASSIGNED
		Donald Knoll		
REPORTED BY: Insured	REPORTED TO: Donald Knoll	SIGNATURE OF INSURED	SIGNATURE OF PRODUCER	

EXHIBIT C

CHICAGO FIRE INCIDENT REPORTING SYSTEM

Fill in This Report
in your own words

A 10 **REPORT NUMBER** 11011 **INCIDENT NO.** 11011 **DAY** 2 **MONTH** 28 **YEAR** 09 **DAY OF WEEK** Sunday Monday Tuesday Wednesday Thursday Friday Saturday **REPORT TIME** 7:19 **INCIDENT TIME** 1909 **REPORT DATE** 2/28/09

B **SITUATION FOUND**

<input type="checkbox"/> 11 Structure fire	<input type="checkbox"/> 29 Overpressure Rupture	<input type="checkbox"/> 44 Power line down	<input type="checkbox"/> 54 Animal Precua	<input type="checkbox"/> 65 Steam, gas mist/ben for smoke
<input type="checkbox"/> 13 Vehicle fire	<input type="checkbox"/> 32 Emergency Medical call	<input type="checkbox"/> 45 Arming electric equipment	<input type="checkbox"/> 55 Ascid Police	<input type="checkbox"/> 71 Mysterious fates
<input type="checkbox"/> 14 Brush, grass, leaves	<input type="checkbox"/> 33 Locked-in trapped	<input type="checkbox"/> 46 Aircraft activity	<input type="checkbox"/> 56 Unauthorized burning	<input type="checkbox"/> 72 Bomb Scare
<input type="checkbox"/> 15 Trash, Rubbish	<input type="checkbox"/> 34 Search	<input type="checkbox"/> 47 Chemical spill	<input type="checkbox"/> 58 Other service calls	<input type="checkbox"/> 73 Alarm Malfunction
<input type="checkbox"/> 16 Explosion, No after fire	<input type="checkbox"/> 35 Extinction	<input type="checkbox"/> 48 Hazardous condition	<input type="checkbox"/> 59 Smoke scare	<input type="checkbox"/> 74 Unintentional false
<input type="checkbox"/> 17 Outside spill with fire	<input type="checkbox"/> 36 Rescue-Not classified	<input type="checkbox"/> 49 Water removal	<input type="checkbox"/> 60 Controlled burn	<input type="checkbox"/> 75 Unclassified
<input type="checkbox"/> 19 Other fires not classified	<input type="checkbox"/> 41 Spill, leak-No fire	<input type="checkbox"/> 53 Smoke removal	<input type="checkbox"/> 61 Other	

C **ACTION TAKEN**

<input type="checkbox"/> 1 Extinguish/contain	<input type="checkbox"/> 5 Stand by	<input type="checkbox"/> 9 Not classified
<input type="checkbox"/> 2 Rescue or Assistance	<input type="checkbox"/> 6 Salvage	<input type="checkbox"/> 0 Undetermined
<input type="checkbox"/> 3 Investigation only	<input type="checkbox"/> 7 Ambulance	
<input type="checkbox"/> 4 Remove Hazard		

C **FIXED PROPERTY USE (Occupancy)** LOFT / GARAGE **IGNITION FACTOR** 881

D **CONNECT ADDRESS (to be completed in all cases)** 301 W. FLETCHER

E **OCCUPANT NAME** LOFT / GARAGE **TELEPHONE** 778 **ROOM / SUITE**

F **OWNER NAME** LOFT / GARAGE **ADDRESS** 301 W. FLETCHER **TELEPHONE**

G **METHOD OF ALARM**

<input type="checkbox"/> 1 Telephone direct	<input type="checkbox"/> 4 Radio	<input type="checkbox"/> 8 Voice signal municipal alarm signal	<input type="checkbox"/> Engine Co	<input type="checkbox"/> SHIFT	<input type="checkbox"/> NO. ALARMS
<input type="checkbox"/> 2 Municipal alarm system	<input type="checkbox"/> 5 Verbal	<input type="checkbox"/> 9 Not classified above	<input type="checkbox"/> 778		
<input type="checkbox"/> 3 Private alarm system	<input type="checkbox"/> 6 No alarm recd.	<input type="checkbox"/> 0 Undetermined or not reported			
	<input type="checkbox"/> 7 Tie-line (911)				

H **NO. FIRE SERVICE PERSONNEL RESPONDED** 2 **NO. ENGINES RESPONDED** 2 **NO. AERIAL APPARATUS RESPONDED** 1 **NO. OTHER VEHICLES RESPONDED** 1

I **NUMBER OF INJURIES**

FIRE SERVICE	OTHER	NUMBER OF FATALITIES
<u>0</u>	<u>0</u>	FIRE SERVICE <u>0</u> OTHER <u>0</u>

J **COMPLEX** **MOBILE PROPERTY TYPE** (Complete Line 8) 881

K **AREA OF FIRE ORIGIN** 881 **EQUIPMENT INVOLVED IN IGNITION** (Complete Line 1) 881

L **FORM OF HEAT IGNITION** 881 **TYPE OF MATERIAL IGNITED** 881 **FORM OF MATERIAL IGNITED** 881

M **METHOD OF EXTINGUISHMENT**

<input checked="" type="checkbox"/> 1 Extinguished	<input type="checkbox"/> 2 Misting agent	<input type="checkbox"/> 5 Pre-connected hose/draft only	<input type="checkbox"/> 8 Master stream device
<input type="checkbox"/> 3 Portable extinguisher	<input type="checkbox"/> 6 Pre-connected hose/hydrant draft standpipe	<input type="checkbox"/> 9 Not classified above	<input type="checkbox"/> 0 Undetermined or not reported
<input type="checkbox"/> 4 Automatic ext. system	<input type="checkbox"/> 7 Hand-tied hose/hydrant draft standpipe		

N **LEVEL OF FIRE ORIGIN**

<input type="checkbox"/> 1 Grade level to 6 ft	<input type="checkbox"/> 4 Over 70 feet
<input type="checkbox"/> 2 6 to 10 feet	<input type="checkbox"/> 5 Objects in flight
<input type="checkbox"/> 3 10 to 20 feet	<input type="checkbox"/> 6 Below ground level
<input type="checkbox"/> 4 20 to 40 feet	<input type="checkbox"/> 7 Not classified above
<input type="checkbox"/> 5 40 to 70 feet	<input type="checkbox"/> 8 Undetermined

O **ESTIMATED TOTAL DOLLAR LOSS** 50,000 **NFIRS 1 LAYOUT 4** **DISCLAIMER: No representation is made, intended, or implied as to the validity or accuracy of information herein.**

N **Number of Stories**

<input type="checkbox"/> 1 1 story	<input type="checkbox"/> 4 5 to 6 stories	<input type="checkbox"/> 7 35 to 40 stories
<input type="checkbox"/> 2 2 story	<input type="checkbox"/> 5 7 to 12 stories	<input type="checkbox"/> 8 60 stories or more
<input type="checkbox"/> 3 3 to 4 stories	<input type="checkbox"/> 6 13 to 24 stories	<input type="checkbox"/> 9 Number of stories undetermined or not reported

O **CONSTRUCTION TYPE**

<input type="checkbox"/> 1 Fire resistive	<input type="checkbox"/> 6 Unprotected ordinary
<input type="checkbox"/> 2 Heavy timber	<input type="checkbox"/> 7 Protected wood frame
<input type="checkbox"/> 3 Protected noncombustible	<input type="checkbox"/> 8 Unprotected wood frame
<input type="checkbox"/> 4 Unprotected noncombustible	<input type="checkbox"/> 9 Not classified above
<input type="checkbox"/> 5 Protected ordinary	<input type="checkbox"/> 0 Undetermined or not reported

P **EXTENT OF DAMAGE**

1 Confined to this object of origin	1 <input type="checkbox"/>	1 <input type="checkbox"/>
2 Confined to part of room or area of origin	2 <input type="checkbox"/>	2 <input type="checkbox"/>
3 Confined to room of origin	3 <input type="checkbox"/>	3 <input type="checkbox"/>
4 Confined to fire-rated comp. of origin	4 <input type="checkbox"/>	4 <input type="checkbox"/>
5 Confined to floor of origin	5 <input type="checkbox"/>	5 <input type="checkbox"/>
6 Confined to structure of origin	6 <input type="checkbox"/>	6 <input type="checkbox"/>
7 Extended beyond structure of origin	7 <input type="checkbox"/>	7 <input type="checkbox"/>
8 No damage of this type (N/A)	8 <input type="checkbox"/>	8 <input type="checkbox"/>

Q **TYPE OF MATERIAL GENERATING MOST SMOKE** 881 **AVENUE OF SMOKE TRAVEL**

<input type="checkbox"/> 1 Any hanging duct	<input type="checkbox"/> 4 Driftwood	<input type="checkbox"/> 7 Usualy opening in floor
<input type="checkbox"/> 2 Corridor	<input type="checkbox"/> 5 Opening in construction	<input type="checkbox"/> 8 Not classified above
<input type="checkbox"/> 3 Elevator shaft	<input type="checkbox"/> 6 Usualy opening in wall	<input type="checkbox"/> 9 Undetermined or not reported
		<input type="checkbox"/> 0 No avenue of smoke travel (N/A)

R **FORM OF MATERIAL GENERATING MOST SMOKE** 881

S **30** **MODEL PROPERTY** **YEAR** **MAKE** **MODEL** **SERIAL NO.** **LEASING NO.**

T **40** **EQUIPMENT PROVIDED IN IGNITION** **YEAR** **MAKE** **MODEL** **SERIAL NO.**

U **MEMBER MAKING REPORT** Kurt W. [Signature] **DATE** 2/28/09

COMPLETE FOR ALL INCIDENTS

COMPLETE FOR ALL FIRES

COMPLETE IF STRUCTURE FIRE

EXHIBIT D

C. ROBERTS CONSULTING ENGINEERS, INC.

2090 Brush Grove Rd.
PO Box 118
ROCHELLE, ILLINOIS 61068-0118
<http://www.croberts.com>

Toll Free 877 556-3039
815 561-4445
fax 630 556-4409

Charles C. Roberts, Jr. Ph.D., P.E.

PRELIMINARY ANALYSIS OF A 2000 PONTIAC GTP

Insured: Ronald Shipka Enterprises
Claim Number: Seneca 9CCN001

REPORT TO:

Mr. Joe Mazzone
mazzoneinvestigation@prodigy.net
Mazzone & Assoc.
8150 West 111th St. Suite 10
Palos Hills IL 60465

Date of Report: March 17, 2009

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Charles C. Roberts, Jr. Ph.D., P.E.

INTRODUCTION

An inspection was performed on a 2000 Pontiac GTP located at 1301 W Fletcher in Chicago, Illinois. The purpose of the inspection was to obtain information so that an opinion could be offered on the probable cause of a fire that started in the vehicle. This report details the results of the inspection and an analysis.

INSPECTION

Figure 1 shows various views of the vehicle and the VIN plate. According to the vehicle owner, she parked the car at around 6:30 pm. The fire started at approximately 7pm.

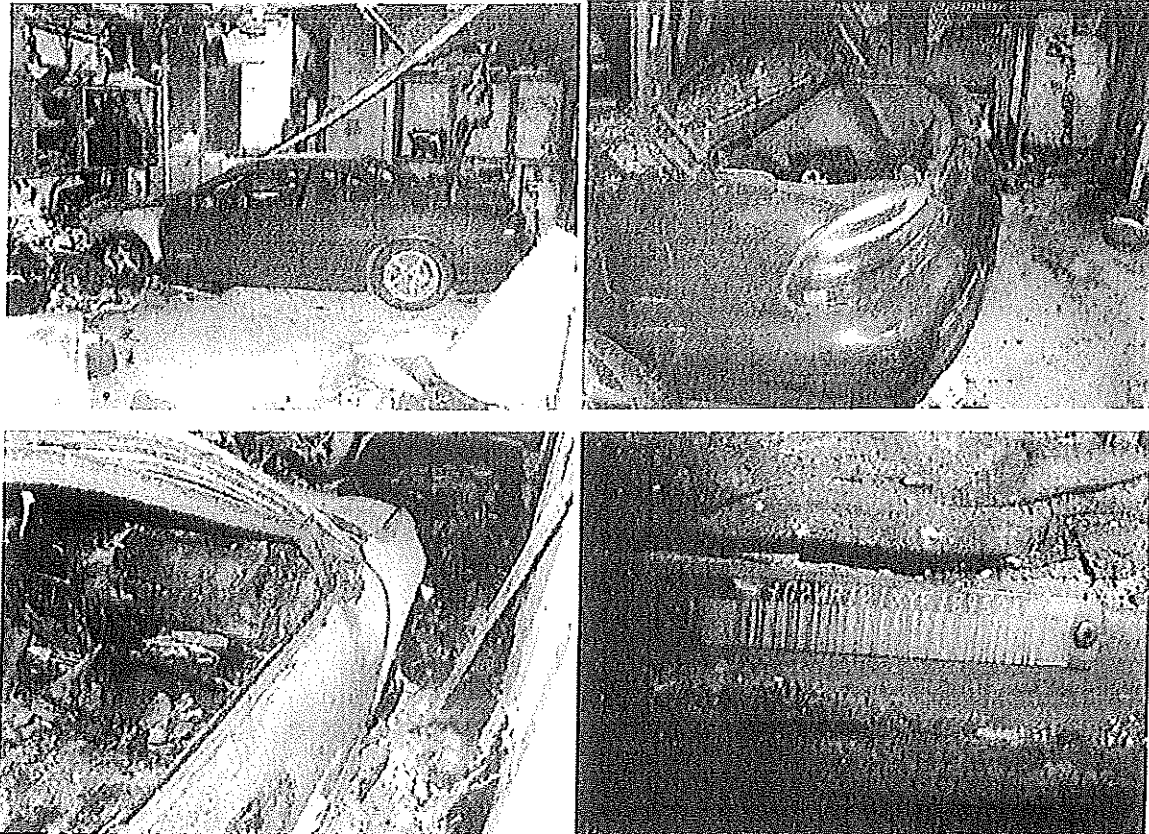


Figure 1

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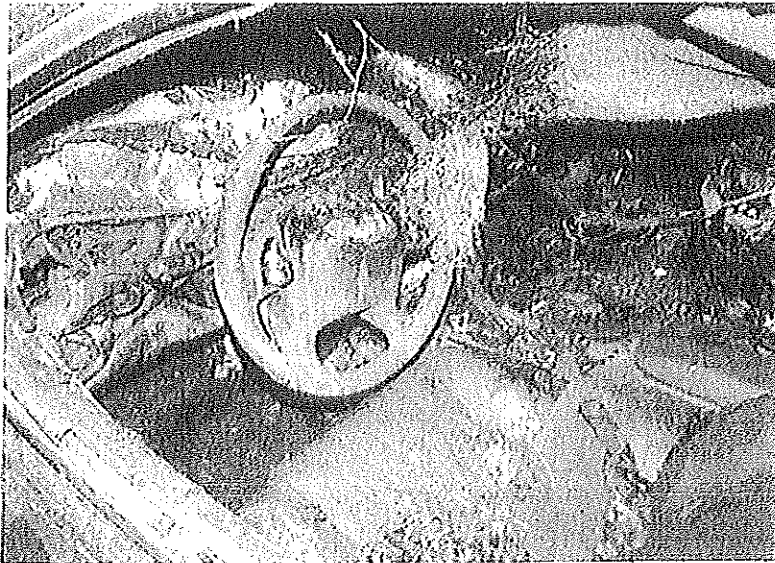


Figure 2

Figure 2 shows the occupant compartment which was in relatively good condition. Figure 3 shows a severely oxidized hood and front fenders, suggesting a fire origin in the engine compartment.



Figure 3

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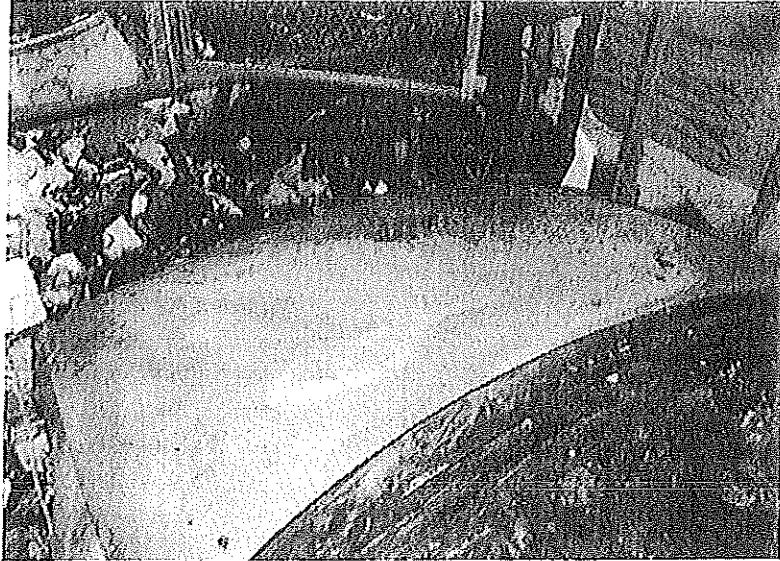


Figure 4

In Figure 4, the highest temperatures appear to be in the engine compartment toward the front of the vehicle. Figure 5 is a view of the front of the engine, showing severe damage.

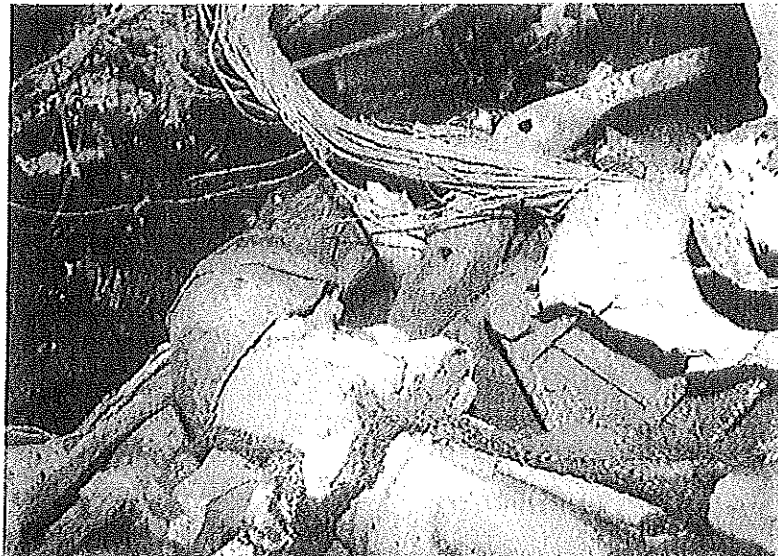


Figure 5

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Figure 6

Figure 6 shows the throttle body which is less thermally damaged. Figure 7 shows the badly damaged radiator, suggesting a fire origin near the front of the engine.

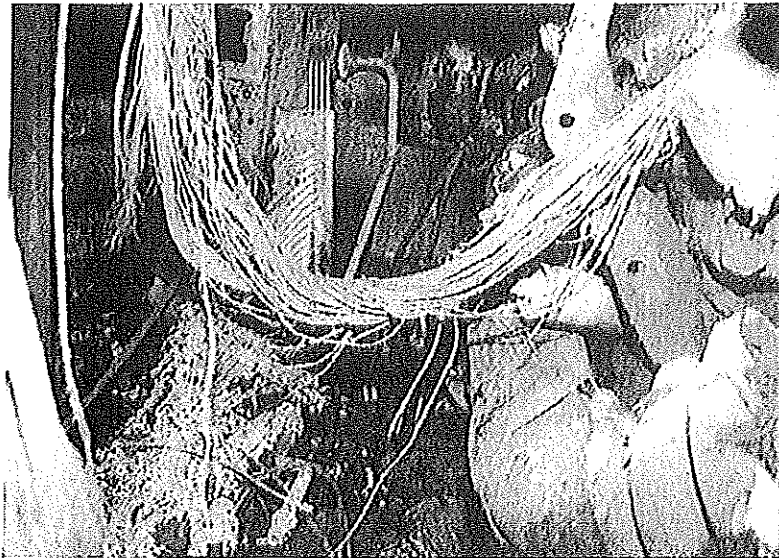


Figure 7

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Recall search on the specific VIN of this vehicle resulted in the following recall:

BY LETTER DATED MARCH 12, 2008, GENERAL MOTORS CORP. (GM) HAS NOTIFIED THE AGENCY THAT IT WILL CONDUCT A SAFETY RECALL (IDENTIFIED BY NHTSA RECALL NUMBER 08V-118) TO ADDRESS A DEFECT IN APPROXIMATELY 207,542 MODEL YEAR (MY) 1997-2003 BUICK REGAL GS AND PONTIAC GRAND PRIX GTP VEHICLES EQUIPPED WITH THE L67 SUPERCHARGED VERSION OF GM'S 3800 SERIES II V6 ENGINE. THE RECALLED REGAL GS VEHICLES WERE BUILT FROM AUGUST 1996 TO JUNE 2003 AND THE GRAND PRIX GTP FROM MARCH 1996 THROUGH JANUARY 2003. ACCORDING TO GM, OIL MAY ESCAPE PAST THE VALVE COVER GASKET ON THE FRONT CYLINDER BANK (CYLINDERS 1-3-5) AND DEPOSIT ONTO HOT EXHAUST SYSTEM COMPONENTS. UNDER CERTAIN CONDITIONS, IT IS POSSIBLE FOR THIS OIL TO IGNITE A SMALL PILOT FLAME, WHICH MAY SPREAD TO THE ADJACENT PLASTIC SPARK PLUG WIRE CHANNEL, THE SPARK PLUG WIRES THEMSELVES, THE PLASTIC ENGINE COVER, AND OTHER UNDER HOOD COMPONENTS. REPORTS INDICATE THIS MOST OFTEN OCCURS ON HIGHER-MILEAGE VEHICLES SHORTLY AFTER THE VEHICLE HAS BEEN DRIVEN AND THEN PARKED. TYPICALLY, THE FIRE WAS DISCOVERED WITHIN 5 TO 15 MINUTES AFTER THE VEHICLE WAS PARKED. DURING THIS TIME WINDOW, UNDER HOOD TEMPERATURES MAY BECOME ELEVATED. SUCH ELEVATED TEMPERATURES COMBINED WITH A LACK OF AIRFLOW THROUGH THE ENGINE COMPARTMENT MAY PERMIT A SMALL PILOT FLAME TO PROPAGATE AND IGNITE OTHER FUEL SOURCES. TO CORRECT THE SAFETY DEFECT, GM WILL INSTALL AN IMPROVED DESIGN FRONT VALVE COVER GASKET AND SPARK PLUG WIRE RETAINER.

The fire origin and circumstances of the fire development in this vehicle match the description of an oil leak having caused this fire.

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CONCLUSION

1. In my opinion, the probable cause of the fire in this vehicle is a result of the defect described in the recall mentioned above.
2. In my opinion, the vehicle manufacturer should be placed on notice as to the existence of this evidence before any destructive examination occurs.

Respectfully Submitted,



Charles C. Roberts, Jr., Ph.D., P.E.

CCR/lr



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Charles C. Roberts, Jr. Ph.D., P.E

ANALYSIS OF A 2000 PONTIAC GTP

Second Report

Insured: Ronald Shipka Enterprises

Claim Number: Seneca 9CCN001

REPORT TO:

Mr. Joe Mazzone
mazzoneinvestigation@prodigy.net
Mazzone & Assoc.
8150 West 111th St. Suite 10
Palos Hills IL 60465

Date of Report: April 23, 2009

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Charles C. Roberts, Jr. Ph.D., P.E.

INTRODUCTION

A second inspection was performed on a 2000 Pontiac GTP located at 1301 W Fletcher in Chicago, Illinois. The purpose of the second inspection was to obtain further information so that additional opinions could be offered on the probable cause of a fire that started in the vehicle. This report details the results of the inspection and analysis.

INSPECTION

Figure 1 is a view of the front of the vehicle prior to hood removal.

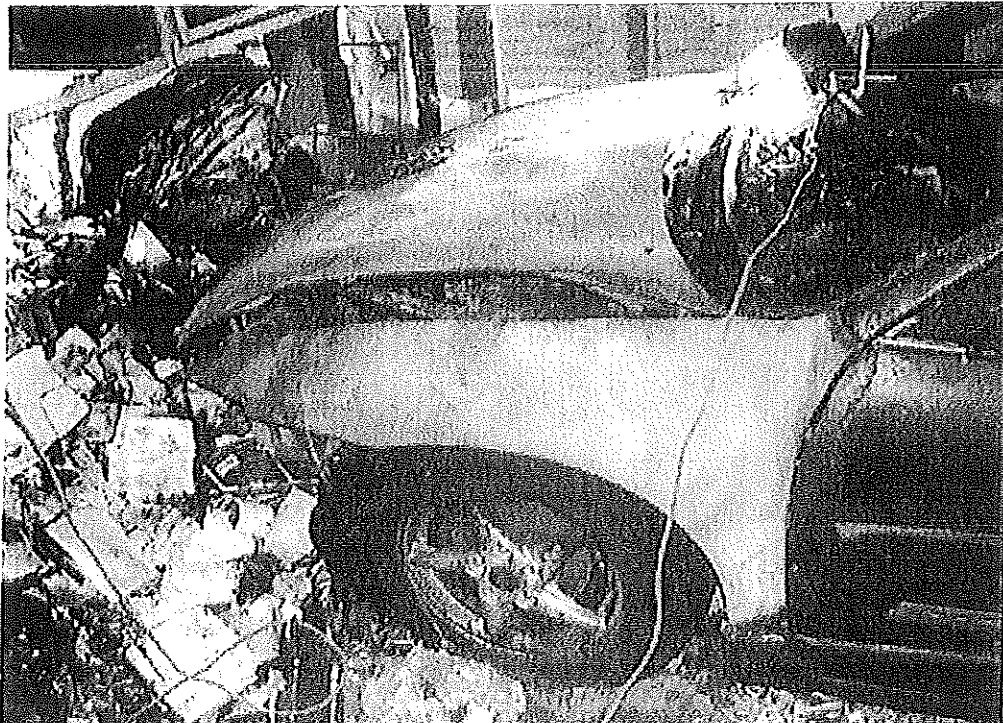


Figure 1

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Figure 2

Figures 2 and 3 show views of the engine compartment with the hood removed. The two hood hinge bolts were removed. The front striker on the hood latching mechanism was cut away.

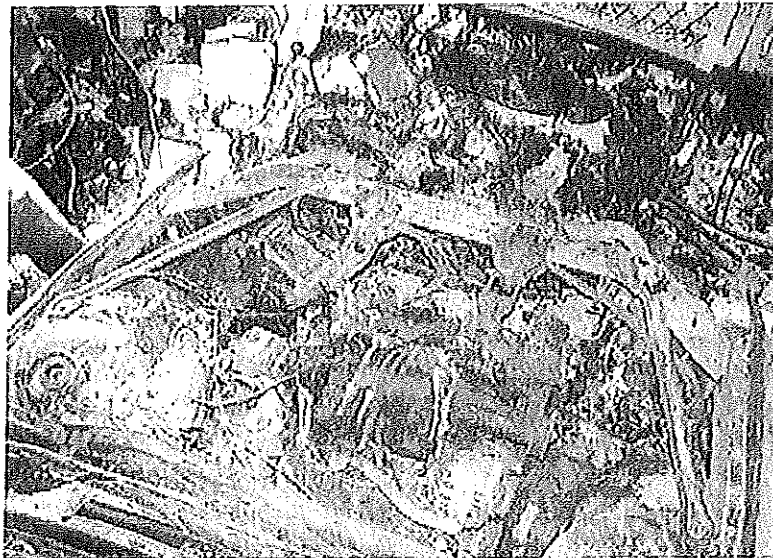


Figure 3

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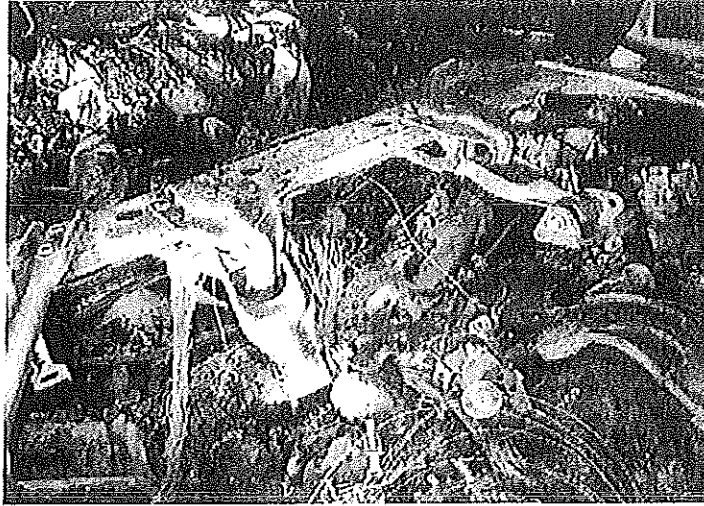


Figure 4

Figure 4 is a close-up of the fire origin area which is in front of the engine. The V pattern at the radiator suggests a fire origin at the front of the engine. Many of the polymer components at the back of the engine showed significantly less damage.

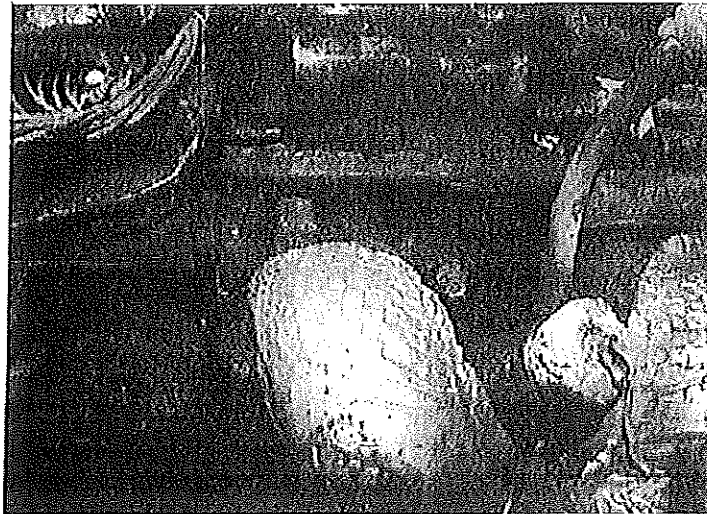


Figure 5

Figures 5 and 6 show views of the interface between the valve cover and the engine. This is the area where oil leakage occurs, according to the General Motors recall shown below. Thermal damage in this area is consistent with oil leakage through the valve cover gasket. Thermal damage inside the engine compartment is consistent with this recall.

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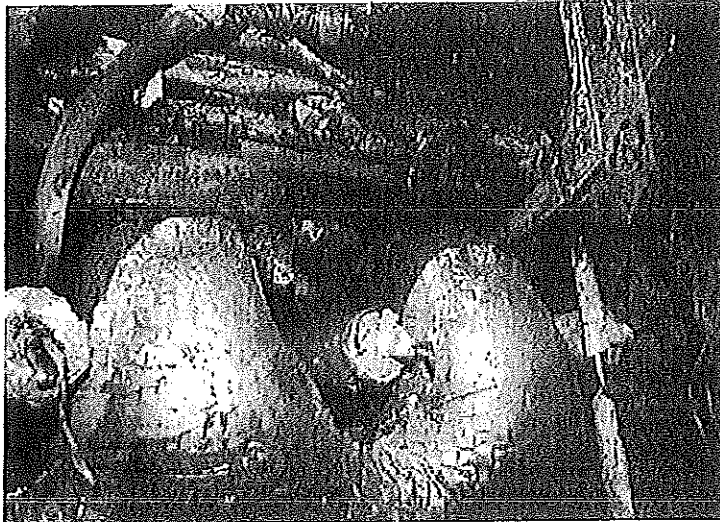


Figure 6

BY LETTER DATED MARCH 12, 2008, GENERAL MOTORS CORP. (GM) HAS NOTIFIED THE AGENCY THAT IT WILL CONDUCT A SAFETY RECALL (IDENTIFIED BY NHTSA RECALL NUMBER 08V-118) TO ADDRESS A DEFECT IN APPROXIMATELY 207,542 MODEL YEAR (MY) 1997-2003 BUICK REGAL GS AND PONTIAC GRAND PRIX GTP VEHICLES EQUIPPED WITH THE L67 SUPERCHARGED VERSION OF GM'S 3800 SERIES II V6 ENGINE. THE RECALLED REGAL GS VEHICLES WERE BUILT FROM AUGUST 1996 TO JUNE 2003 AND THE GRAND PRIX GTP FROM MARCH 1996 THROUGH JANUARY 2003. ACCORDING TO GM, OIL MAY ESCAPE PAST THE VALVE COVER GASKET ON THE FRONT CYLINDER BANK (CYLINDERS 1-3-5) AND DEPOSIT ONTO HOT EXHAUST SYSTEM COMPONENTS. UNDER CERTAIN CONDITIONS, IT IS POSSIBLE FOR THIS OIL TO IGNITE A SMALL PILOT FLAME, WHICH MAY SPREAD TO THE ADJACENT PLASTIC SPARK PLUG WIRE CHANNEL, THE SPARK PLUG WIRES THEMSELVES, THE PLASTIC ENGINE COVER, AND OTHER UNDER HOOD COMPONENTS. REPORTS INDICATE THIS MOST OFTEN OCCURS ON HIGHER-MILEAGE VEHICLES SHORTLY AFTER THE VEHICLE HAS BEEN DRIVEN AND THEN PARKED. TYPICALLY, THE FIRE WAS DISCOVERED WITHIN 5 TO 15 MINUTES AFTER THE VEHICLE WAS PARKED. DURING THIS TIME WINDOW, UNDER HOOD TEMPERATURES MAY BECOME ELEVATED. SUCH ELEVATED TEMPERATURES COMBINED WITH A LACK OF AIRFLOW THROUGH THE ENGINE COMPARTMENT MAY PERMIT A SMALL PILOT FLAME TO PROPAGATE AND IGNITE OTHER FUEL SOURCES. TO CORRECT THE SAFETY DEFECT, GM WILL INSTALL AN IMPROVED DESIGN FRONT VALVE COVER GASKET AND SPARK PLUG WIRE RETAINER.

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fax 815 562 9071

Charles C. Roberts, Jr. Ph.D., P.E.

CONCLUSION

1. In my opinion, the probable cause of the fire in this vehicle is engine oil leakage onto hot exhaust components.
2. In my opinion, the fire is a result of a defect described in the recall mentioned above.

Respectfully Submitted,



Charles C. Roberts, Jr., Ph.D., P.E.

CCR/ir

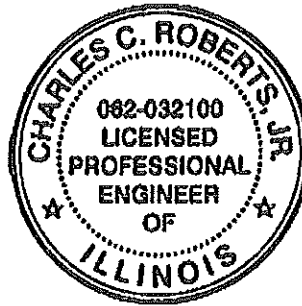


EXHIBIT E

D 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT Southern District of New York

PROOF OF CLAIM

Name of Debtor
General Motors Corporation

Case Number
09-50026

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property)
Seneca Insurance Company, Inc.

Check this box to indicate that this claim amends a previously filed claim

Name and address where notices should be sent
Eric Goldberg, Esq., Kahn & Goldberg, LLP
708 Third Avenue - 19th Floor
New York, NY 10017

FILED - 0216
USBC - SOUTHERN DISTRICT OF NEW YORK
GENERAL MOTORS
09-50026 (REG)

Court Claim Number _____
(If known)

Telephone number
(212) 687-5088

Filed on _____

Name and address where payment should be sent (if different from above)

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Telephone number

Check this box if you are the debtor or trustee in this case.

1 Amount of Claim as of Date Case Filed \$ 200,000.00
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.
If all or part of your claim is entitled to priority, complete item 5.
 Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

5 Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a) If any portion of your claim falls in one of the following categories, check the box and state the amount.
Specify the priority of the claim

2 Basis for Claim: automobile product liability
(See instruction #2 on reverse side)

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B)

3. Last four digits of any number by which creditor identifies debtor: N001

Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4)

3a Debtor may have scheduled account as: _____
(See instruction #3a on reverse side)

Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5)

4 Secured Claim (See instruction #4 on reverse side)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff Real Estate Motor Vehicle Other Describe.

Value of Property: \$ _____ Annual Interest Rate _____ %

Amount of mortgage and other charges as of time case filed included in secured claim.

If any \$ _____ Basis for perfection: _____

Amount of Secured Claim, \$ _____ Amount Unsecured \$ _____



Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7)

Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8)

Other - Specify applicable paragraph of 11 U.S.C. § 507(a)()

Amount entitled to priority

\$ _____

*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6 Credits The amount of all payments on this claim has been credited for the purpose of making this proof of claim

7 Documents Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side)

DO NOT SEND ORIGINAL DOCUMENTS ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING

If the documents are not available, please explain

Date: 6/14/09

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

[Signature] - Attorney For Seneca Insurance Company

FOR COURT USE ONLY

EXHIBIT F

RELEASE AND SUBROGATION RECEIPT

RECEIVED
of the Seneca Insurance Company of New York, New York

the sum of One Hundred Sixty Three Thousand Six Hundred Seventy Three and 93/100 ***** DOLLARS (\$163,673.93)

In full payment, release and discharge of all Actual Cash Value building claims (\$190,228.11 RCV loss, less \$26,554.18 recoverable depreciation and \$1,000.00 deductible) and demands of the undersigned against the said Company, arising from or connected with any loss or damage by reason of a fire loss at the building located at: 1301 W. Fletcher, Chicago, IL 60618, which loss or damage arose or occurred on or about the 28th day of February, 2009; and in full

payment, release and discharge of all Actual Cash Value building claims and demands against the said Company under the certain policy of insurance No. SCC 2041267 issued through the Frank Crystal Insurance Agency of the said Company.

In consideration of and to the extent of said payment the undersigned hereby subrogates said Company, to all of the rights, claims and interest which the undersigned may have against any party, person, persons, property or corporation liable for the loss mentioned above, and authorizes the said Company to sue, compromise, or settle in the undersigned's name or otherwise all such claims and to execute and sign releases and acquittances and endorse checks or drafts given in settlement of such claims in the name of the undersigned, with the same force and effect as if the undersigned executed or endorsed them.

Warranted no settlement has been made by the undersigned with any party, person, persons, property or corporation against whom a claim may lie, and no release has been given to anyone responsible for the loss, and that no such settlement will be made nor release given by the undersigned without the written consent of the said Company and the undersigned covenants and agrees to cooperate fully with said Company in the prosecution of such claims, and to procure and furnish all papers and documents, in the undersigned's possession, necessary in such proceedings and to attend court and testify if the Company deems such to be necessary but it is understood the undersigned is to be saved harmless from costs in such proceedings.

IN WITNESS WHEREOF, _____ ha _____ hereto set _____ hand _____ and seal _____ this _____ day
of _____

WITNESS: _____ (SEAL)



Ron Shipka, Sr.

Address

City

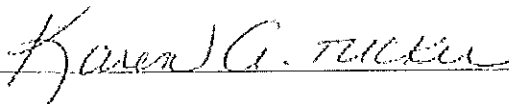
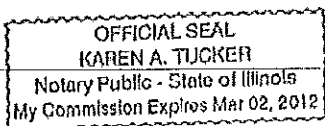
State

STATE OF ILLINOIS)
COUNTY OF COOK) SS:

On this 30th day of July, 2009, before me appeared,

to me personally known, and who acknowledged the execution of the foregoing instrument as _____ free act and deed,
for the consideration set forth therein.

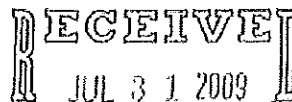
My Commission Expires _____



Notary Public.

FORM F-126 ADJUSTERS
SUPPLY CO'

650428.05



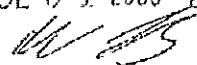
BY: 

EXHIBIT G



160 WATER STREET • NY, NY 10038

08/04/2009 01:46 PM

REFERENCE NO.

PAY TO THE ORDER OF

FOR

Ronald B Shipka, Enterprise Development, 1301 W Fletcher Bldg LLC First Chicago Trust U/T #25-8111 EDC Prop LLC, EDC Mgmt Inc, La Verne Shipka, The Shipka Family Gift Trust for Ron Jr, The Shipka Family Trust for John, Shipka Lifetime Marital Trust created Shipka 2001 Irrev WAMU F.A. ISAOA, A emergency Fire Board Up Inc, Laurnes Restoration Inc & Musick Loss Mgmt Inc

PAY \$163,673.93
One Hundred Sixty Three Thousand Six Hundred Seventy Three Dollars & Ninety Three Cents
DOLLARS

1-1 999
210

INSURED/CLAIMANT

DATE ISSUED

POLICY NUMBER

CLMT.

DATE OF LOSS

8/4/09

SOC20A1267

01 2/28/09

SENECA INSURANCE COMPANY, INC.
NOT VALID AFTER 90 DAYS
TWO SIGNATURES REQUIRED OVER \$2500

CLAIM #

9CCN001 (BLD) ACV Incl. EMS/Board Up/L Restoration)

THE BANK OF NEW YORK MELLON
NEW YORK, NY

AUTHORIZED SIGNATURE

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

⑈ 213005⑈ ⑆ 021000018⑆ ⑆ 8900153830⑈

213005

FP

SUP

PP

AGENT:

[]

[]



MAIL TO:

[Musick Loss Management Inc
3101 N. Western Ave.
Chicago, IL 60618]

70 /
8/9/09

THE ATTACHED CHECK IS IN PAYMENT OF THE LOSS EXPENSE SHOWN ABOVE.

CLAIM FILE COPY



160 WATER STREET • NY, NY 10038

06/04/2010 08:40 AM

REFERENCE NO.

PAY TO THE ORDER OF

Ronald B Shipka Enterprises Development, 1301 W Fletcher Bldg: LLC First Chicago Trust U/T #25-8111, EDC Properties LLC, EDC MGMT Inc, Ronald B. Shipka, Laverne Shipka, The Shipka Family Gift Trust for Ron Jr, The Shipka Family Trust For John, Shipka Lifetime Marital Trust Created Shipka 2001 Irrev Trust & Musik Loss MGMT Inc

1-1 210 999

FOR

PAY \$2,275.00

DOLLARS

INSURED/CLAIMANT

Two Thousand Two Hundred & Seventy Five Dollars & No Cents

DATE ISSUED

POLICY NUMBER

CLMT.

DATE OF LOSS

6/3/2010

SCC2041267

02/2/28/09

SENECA INSURANCE COMPANY, INC.

NOT VALID AFTER 90 DAYS TWO SIGNATURES REQUIRED OVER \$2500

[Handwritten Signature]

AUTHORIZED SIGNATURE

CLAIM #

9CCN001- BI/RV Final Payment

THE BANK OF NEW YORK MELLON NEW YORK, NY

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

⑈ 213316 ⑈ ⑆021000018⑆ ⑈ 8900153830⑈

213316

FP

SUP

PP

AGENT:

[]



MAIL TO:

Musick Loss MGMT Inc
3101 n Western Ave
Chicago, IL 60618

[]

THE ATTACHED CHECK IS IN PAYMENT OF THE LOSS EXPENSE SHOWN ABOVE.

CLAIM FILE COPY

SWORN STATEMENT IN PROOF OF LOSS
TO

\$1,823,000.00
Amount of Policy at Time of Loss

SCC 2041267
Policy Number

SENECA INSURANCE COMPANY

Date Issued: 04/29/09

Agency At: New York, NY

Date Expires: 04/29/09

Agent: Frank Crystal & Company

RECEIVED
JUL 31 2009

By the above indicated policy of insurance you insured

Ronald B. Shipka, Enterprise Development

BY: *[Signature]*

against loss by All Risks upon the property described according to the terms and conditions of said policy and all forms, endorsements, transfers and assignments attached thereto.

Time and Origin: A Fire loss occurred about _____ o'clock _____ M. on the 28th day of February, 2009. The cause and origin of said loss were: fire erupted from a Pontiac automobile belonging to a tenant parked in the building garage. The building is located at (Loc. #B) 1301-29 W. Fletcher, Chicago, IL 60657.

Property Involved in Claim: building and loss of rents.

Occupancy: The building described, or containing the property described, was occupied at the time of the loss as follows, and for no other purpose whatever: Residential apartment use

Title and Interest At the time of the loss the interest of your insured in the property described therein was: Owner

No other person or entity had any interest therein or encumbrance thereon, except: 1301 W. Fletcher building, L. L. C., First Chicago Trust U/T #25-8111, EDC Properties, L. L. C., EDC Management Inc., Ronald B. Shipka, La Verne Shipka, The Shipka Family Gift Trust for Ron Jr., The Shipka Family Trust for John, The Shipka Lifetime Marital Trust created Shipka 2001 Irrevocable Trust and Washington Mutual Bank, F. A. ISAOA and Music Loss Management, Inc.

Changes: Since the above policy was issued there has been no change in title, use or possession of said property except: None

The Total Insurance covering the described property including this policy and all other policies (whether valid or not), binders or agreements to insure was at time of loss:.....\$11,823,000.00

Full Replacement Cost of said property at time of loss: \$804,217.00

Full Cost of Repair or Replacement (Building loss only) \$ 190,228.11

Applicable Depreciation \$ (25,554.18)

X Actual Cash Value Loss..... Replacement Cost Loss..... \$ 164,673.93

Less deductibles and/or participation by the Insured \$ (1,000.00)

X Actual Cash Value Loss (building claim)..... Replacement Cost Loss..... \$ 163,673.93

Supplemental Claim, to be filed in accordance with the terms and conditions of the Replacement

Cost Coverage within 180 days from date of loss will

not exceed \$ 25,554.18

This loss did not originate by any act, design or procurement of the insured, or this subscriber; nothing has been done by or with the privity or consent of the insured or this subscriber to violate the conditions of the policy; no articles are mentioned herein or in annexed schedules but such as were in the building damaged or destroyed, belonging to and in possession of the insured at the time of loss; no property saved has been concealed and no attempt to deceive the company has been made. Any other information that may be required will be furnished and considered a part of this proof.

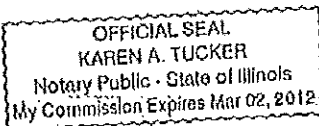
It is expressly understood and agreed that the furnishing of this blank to the insured, or the assistance of an adjuster, or any agent of the insurer in the making of this proof, is not a waiver of any rights of said insurer or of any of the conditions of this policy.

State of ILLINOIS Insured *[Signature]*

County of COOK By *[Signature]* (TITLE)

Subscribed and sworn to before me this 22 day of July 2009

[Signature] Notary Public



SWORN STATEMENT IN PROOF OF LOSS
TO

\$11,823,000.00
Amount of Policy at Time of Loss

SCC 2041267
Policy Number

SENECA INSURANCE COMPANY

Date Issued: 04/29/08

Agency At New York, NY

Date Expires: 04/29/09

Agent: Frank Crystal & Company

RECEIVED
MAY 25 2010

By the above indicated policy of insurance you insured

Ronald B. Shipka, Enterprise Development

BY: *[Signature]*
against loss by All Risks upon the property described according to the terms and conditions of said policy and all forms, endorsements, transfers and assignments attached thereto.

Time and Origin: A Fire loss occurred about _____ o'clock _____ M. on the 26th day of February, 2009. The cause and origin of said loss were: fire erupted from a Pontiac automobile belonging to a tenant parked in the building garage. The building is located at (Loc. #8) 1301-29 W. Fletcher, Chicago, IL 60667.

Property Involved in Claim: building and loss of rents.

Occupancy: The building described, or containing the property described, was occupied at the time of the loss as follows, and for no other purpose whatever: Residential apartment use

Title and Interest At the time of the loss the interest of your insured in the property described therein was: Owner

No other person or entity had any interest therein or encumbrance thereon, except: 1301 W. Fletcher building, L. L. C., First Chicago Trust U/T #25-8111, EDC Properties, L. L. C., EDC Management Inc., Ronald B. Shipka, La Verne Shipka, The Shipka Family Gift Trust for Ron Jr., The Shipka Family Trust for John, The Shipka Lifetime Marital Trust created Shipka 2001 Irrevocable Trust and Music Loss Management, Inc.

Changes: Since the above policy was issued there has been no change in title, use or possession of said property except: None

The Total Insurance covering the described property including this policy and all other policies (whether valid or not), binders or agreements to insure was at time of loss:.....\$11,823,000.00

Full Replacement Cost of said property at time of loss: \$884,217.00

Full Cost of Repair or Replacement (Loss of Rents only)..... \$ 2,275.00

Applicable Depreciation \$ N/A

X Actual Cash Value Loss (Loss of Rents only)..... Replacement Cost Loss \$ 2,275.00

Loss deductibles and/or participation by the insured \$ N/A

X Actual Cash Value Loss (Loss of Rents only)..... Replacement Cost Loss \$ 2,275.00

Supplemental Claim, to be filed in accordance with the terms and conditions of the Replacement

Cost Coverage within N/A days from date of loss will

not exceed \$ N/A

This loss did not originate by any act, design or procurement of the insured, or this subscriber; nothing has been done by or with the privity or consent of the insured or this subscriber to violate the conditions of the policy; no articles are mentioned herein or in annexed schedules but such as were in the building damaged or destroyed, belonging to and in possession of the insured at the time of loss; no property saved has been consigned and no attempt to deceive the company has been made. Any other information that may be required will be furnished and considered a part of this proof.

It is expressly understood and agreed that the furnishing of this blank to the insured or the assistance of an adjuster, or any agent of the insurer in the making of this proof, is not a waiver of any rights of said insurer or of any of the conditions of this policy.

State of ILLINOIS Insured
County of COOK * By *[Signature]* (TITLE)

Subscribed and sworn to before me this 10th day of May
[Signature] Notary Public

