

ALERT

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SUBROGATION AND RECOVERY

News Concerning
Recent Subrogation and Recovery Issues



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Chevy Cruze Recall

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General Motors is recalling nearly all Chevy Cruze models built in the United States since the vehicle's introduction two years ago. The company knows of 30 fires caused by the problem, but no injuries have been reported, spokesman Alan Adler said. Flames engulfed and destroyed cars in two cases reported to federal safety officials.

"General Motors will recall 413,418 Chevrolet Cruzes in the United States for the 2011 and 2012 model years to modify the engine shield under the vehicle," read a statement released by the company. "This change will help prevent any liquids from being trapped in the engine compartment, where a fire could start and spread."

The fires can break out when fluids drip onto a hot plastic shield below the engine. The problem occurs mainly when oil is spilled and not properly cleaned up during changes, General Motors said Friday, June 29. The liquids, particularly motor oil, can become trapped by leaks or during oil changes. GM says it will modify the engine shield to keep the oil from becoming trapped.

The issue is slightly different in vehicles with manual transmissions, but they are also being recalled. Cruzes with worn-out manual transmissions also can leak fluid onto

the shields in rare cases, GM said. In addition, 61,000 of the recalled Cruzes are covered under another recall. GM says 249 of them have welds missing from a bracket that holds the tanks. Federal safety officials say the tanks could come loose in a crash, possibly leaking and causing fires. Dealers will secure brackets with fasteners. The fuel tank recall was the outgrowth of GM's internal safety testing, Adler said.

GM says the recall effects all Cruze's made at the Lordstown, Ohio plant until May of 2012. Vehicles built in other countries aren't affected. The Chevrolet Cruze is built and sold globally. This comes after the government launched an investigation into the Cruze in April. Some of the Cruze's being recalled will also have an inspection of welds on their fuel tanks. Owners will get instructions in a notice that GM will start mailing out July 11.

To discuss any questions you may have regarding the opinion discussed in this Alert, or how it may apply to your particular circumstances, please contact Gilbert S. Hernandez at ghernandez@cozen.com or 619.234.1700.

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