

***CATASTROPHE
CAREER
SPECIALTIES LLC***

**OJT Catastrophe
Training Manual
(Property)**

Wind & Hail

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**The Newly Licensed Adjuster's Guide To Understanding Property (Wind / Hail) Claims
Settlement.**

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STORM TOOLS

RECOMMENDED SUPPLIES

16' & 28'-32' Ladders - Of appropriate load capacity (Type I = 250lbs, Type II = 225 lbs, Type III = 200 lbs) in good working order that have been stamped with a seal from the Underwriter's Laboratory

Laptop Computer & Printer – Even if Carrier provides a laptop and printer, it is a good idea to have your own along as well to take care of personal business

Fax / Copier – A huge time saver that will allow you to make copies in the field and send/receive a fax away from claims office

Hand Held Stapler- Much more efficient than desk style staplers for putting together claim files while in your vehicle/office. Most claim files, though primarily electronic, still require completion of a “paper light” file that will need to be turned in and later imaged to server. Staple all loose documents to folder to prevent them from slipping out

Multi-port Utility Power Adapter – To run computer, phone, etc...

A/C Power converter

Flashlight – Very valuable for attic and substructure inspections.

Pitch gauge – A necessity for determining “Steep”, “Extra Steep” & “Extreme Steep” repair allowances

Shingle Lifting Putty Knife – Utilized primarily to determine repairability of shingles

Two High Quality Steel Tape Measures – (With long stand-out capabilities) will greatly improve claims inspection efficiency. The life span of a tape measure is usually limited to 2-3 months of hard use

Utility Knife – For cutting out carpet samples

Small Wrecking Tool – For punching through damaged drywall to determine extent of damage to inner wall components

Trash Can – To be placed in vehicle to keep up with the flurry of trash generated. **NOTE: Use caution when disposing of data sensitive material.**

GPS – Absolute necessity for locating claims and decreasing road time

Clipboard w/ calculator – A hand held writing surface to hold claim, scope notes and allows you the benefit of calculating roofing area while actually on the roof

Appropriate Work Attire – A collared short sleeve storm shirt, khaki pants and appropriate roof climbing footwear. Cougar Paws brand footwear can greatly improve safety and efficiency of inspecting roofs

Small Cooler – To store drinks and meals on the go

Extra Fuel Containers – Finding fuel on a hurricane assignment can be quite challenging

Cash - Cash machines do not work w/o power and many shops in areas devastated by storms will only accept cash

Cell Phone, Two Hole Punch, Reliable Transportation, Roofing Chalk, Single & Two Story Ladders, 100 – 200ft Tape Measure, Measuring Wheel, Gloves, Rubber Boots, Sunscreen, Insect Repellent, Sunglasses, Hat, Rain Coat.....

Resources provided by some Carriers Include:

Access to Trainers and Technical Support

Basic Office Supplies

Digital Camera

Laptop w/ Estimatics Software

Magnetic Vehicle Signs

Office Space

Printer w/ Ink Cartridges

Roofing Chalk

Storm Shirts

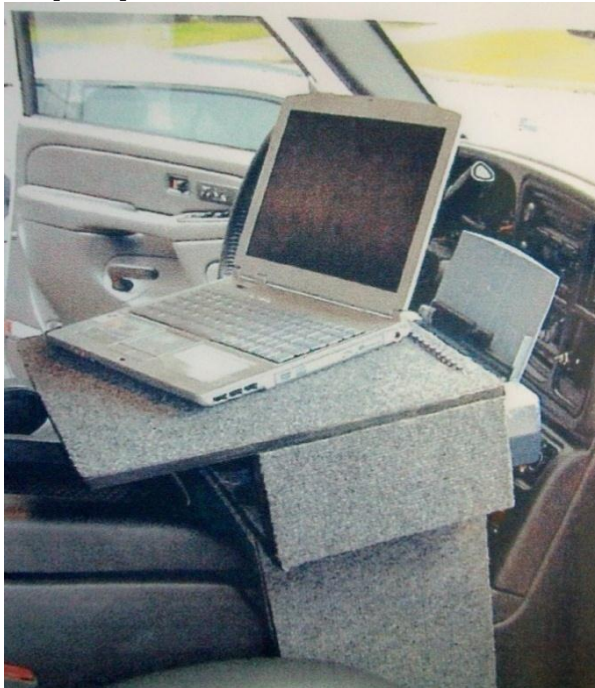
ADVANCED SUPPLIES / RESOURCES

Tools for building greater levels of efficiency and advanced levels of specialized production

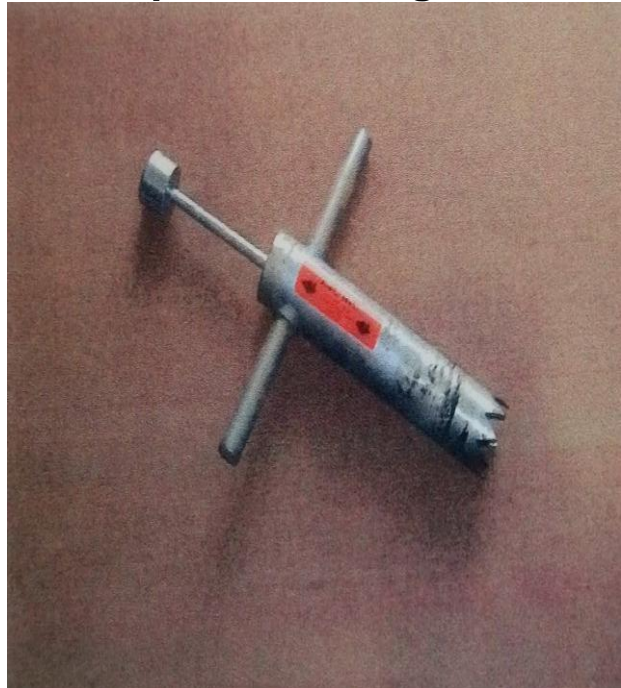
Utility Belt



Laptop & Printer Desk



Built-Up Roof Coring Tool



Pitched Roof Rope Access Equipment:

ROOF SPECIFIC ROPE ACCESS KITS

12/12 KIT

For Roof Access Up To 12/12 Pitch

- 200 ft BlueWater II Rope
- Rope Bag
- 4 Alum & 2 Steel Carabiners
- Universal Seat Harness
- 12 ft & 20 ft Anchor Slings
- Hand Ascender
- Rope Grab
- Progress Y Lanyard
- 8ft Dynamic Prusik Cord
- Ridge / Rope Protector
- Comet Ball Line Deployment Set

\$627.00 w/ Max Discount

YOU SAVE \$69.00!!!

CAUTION
 WEAR YOUR FALL PROTECTION

WARNING
 FALL PROTECTION REQUIRED IN THIS AREA

12 / 12 + KIT

For Roof Access Up To & Beyond 12/12 Pitch

- 200 ft BlueWater II Rope
- 50 ft Pivot Line
- Rope Bag
- 7 Aluminum Carabiners
- 2 Steel Carabiners
- Falcon Sit Harness
- Top Croil Chest Harness
- Tool Bag & Racking Clip
- 40 ft 1" Tubular Webbing
- 12 ft & 20 ft Anchor Slings
- Hand Ascender
- Petzl Rig Descender
- 24" Dynamic Lanyard
- 8ft Dynamic Prusik Cord
- Ridge / Rope Protector
- Comet Ball Deployment Set
- Ladder Max
- Everest Equipment Bag

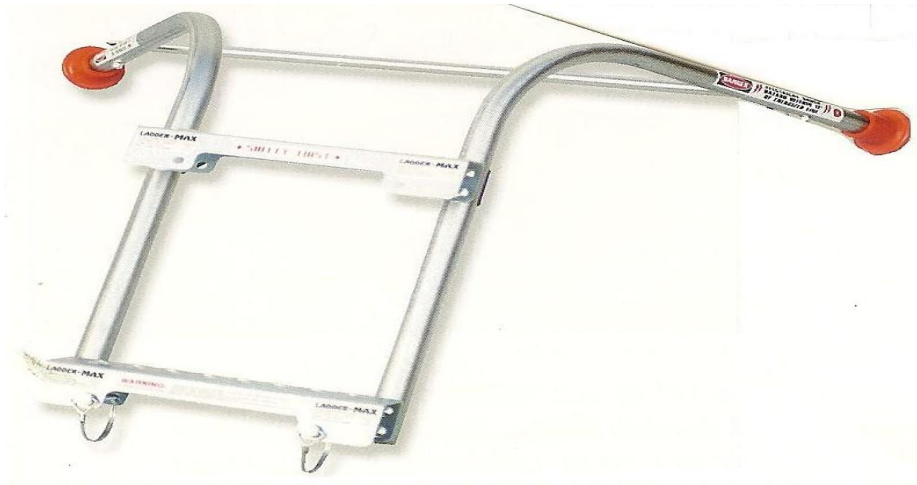
\$1192.00 w/ Max Discount

YOU SAVE \$133.00!!!

Ladder Racks



Ladder Stabilizer



Auxiliary Fuel Tanks



NOTE: Fuel is a valuable resource that we can often under-value in our everyday lives. Finding fuel at or simply while getting to a particular storm site can be quite challenging with potentially devastating consequences should you run out. Auxiliary fuel tanks will allow you to take advantage of abundant fuel supplies that exist well outside the path of the storm occurrence (particularly hurricane) evacuees. Providing enhanced fuel transport capabilities will enhance your work production, save time and limit fuel expenditures.

Additional Advanced Resources Include:

RVs / Travel Trailers, Generators, E-Fax Capabilities, Cell Boost Antennas, Laser Measuring Device / Disto, Roof Walking Shoes / “Cougar Paws”, Fax Machine, Copier, Scanner, Satellite Internet Service, 40 Ft Ladder...

SITE EXPECTATIONS

MINIMUM STORM SITE EXPECTATIONS

- ARRIVE ON TIME AND BE PREPARED TO REMAIN ON SITE AS LONG AS YOUR MANAGEMENT REQUIRES!
- Adhere to company work schedule and/or production requirements.
- Attend all meetings as required by management.
- Make your own housing arrangements, provide for all equipment not issued by Insurance carrier.
- Employ **ALL** measures necessary to prevent theft or damage to laptop computers furnished by carrier.
- Check and clear out your wire basket IN-BOX daily. Organize and save all incoming correspondence that you cannot commit to memory.
- Check and provide prompt response to all company e-mails.
- Make a voice to voice contact with a policyholder of every claim received ASAP.
- Return all messages ASAP.
- Maintain a professional attitude with all internal/ external customers and support personnel.
- Be accountable for correcting all errors in your work product.
- Keep track of and turn in accurate billing information.
- Appropriately destroy / dispose of all customer data sensitive documents
- Return all excess supplies provided by storm site prior

UNAPOKEN EXPECTATIONS

- Do not include the names of storm site personnel (managers, inspectors / trainers / other adjusters) in your claim file without their expressed permission.
- Be very careful with all Agents! Address and treat them as the policyholder with management privileges.
- No Team Adjusting! Claims are assigned to one adjuster who is solely responsible for claim correction and documentation. This does not mean you cannot assist; however, the splitting of claim files is a warning.
- Do not take part in any internal or external complaint. Your effectiveness is measured by your ability to work with the customer.
- Do not request or accept gifts or favors from customers.
- Maintain a professional appearance at all times, as you represent the company and the profession.
- Do not use company resources for personal use.

EXAMPLE OF A STORM SITE ORIENTATION MEETING

This information is intended to provide a feel for common issues addressed in the management of a catastrophe operation. Actual discussion topics will vary depending on carrier and zone of operation.

Please take note of the following **Cat HT** procedures:

Policyholders should be compensated for **their own labor** at the hour for removal of wind debris and \$5.15 per hour (minimum flood loss and removal of flood debris when policy coverage **we don't owe for any more than what it would have cost debris removal company to do the same job!** All skill at fair market rate.

Contact/Inspect Logs: Are to be updated on the 12:00 pm with NO EXCEPTIONS! All severity #1 claims must be submitted such within 12 hours of receiving claim!

NO FREE FORM LETTERS: All letters must be typed on the Writing Packet. If you have not yet received your copy with Tech assist to get a copy and review.

All estimates must be uploaded! For all wind crashes, you will be responsible for providing estimates.

Estimates for interior rework and replacement of All sheetrock and disinfectant/germicide allowed for coverage provision.

Please make every effort to complete work as soon as possible. Space is limited. Please contact ASAP. Rework must be completed by the person assigned.

Updates: All updates must be submitted by the person assigned. No exceptions.

***UNDERSTANDING
THE PEOPLE WHO
YOU ARE LIKELY
TO ENCOUNTER
ON YOUR FIRST
STORM ASSIGNMENT***

The storm claims industry can be a very large and intimidating picture to comprehend in a single glance as it encompasses many different people performing many different job descriptions for many different reasons. Narrowing your focus to only the very next step is often the best means for dealing with this overwhelming portrait of responsibility. Understanding the primary characteristics of the individual titles that you are certain to encounter will assist you in determining your own strategy for success.

PLEASE UNDERSTAND: *Corporate America is somewhat predisposed to promoting employees based on political skills with little consideration for practical ability or true career dedication. Spend several years in this industry and you too will certainly bear witness to this very fact. Your success as an adjuster will greatly depend on your ability to develop appropriate skills for dealing with difficult people.*

INSURANCE CARRIER TEAM MANAGERS / CLAIMS SUPERINTENDENT

This is your primary Insurance carrier contact person with whom you will be required to interface with from assignment of claims inventory all the way through to equipment check out. Claims managers will play a very large role in determining the overall success of each and every one of your storm claims assignments. As with people in general, claims management too are capable of a wide spectrum of characteristics ranging from true professionals who are competent and caring all the way to demoralizing narcissist with no regard for anyone's interests but their own. Unfortunately, you will have very little control over which manager you are ultimately assigned to.

Claim Management Facts:

- Most are paid salary not commission and therefore are susceptible of working out of a very different mindset than production paid workers. Do not assume that they will be pleased with Independent adjusters who turn in large amounts of completed claim files accurate or otherwise.
- Sometimes only recently forced into a management role with little or no management experience. Desperate times call for desperate measures therefore it is not all together uncommon for insurance carriers to advance the majority of

their staff adjusters into management positions to oversee the volume of independents they require for a large catastrophic occurrence.

- Most started out their insurance careers as front line adjusters however, may have very limited experience with property storm claims.
- Have very little control with respect to choosing independent adjusters who will be assigned to them yet normally a great deal of control over which independent will remain on assignment the longest.

Claim Manager MO at the positive end of the spectrum:

- Primarily focused on what the assignment requires to complete as efficiently as possible with the highest degree of Policyholder satisfaction
- Represents an open and available informational resource with approach for delivering the details of appropriate claim handling
- Reviews adjuster claim files as soon as they are turned in provides appropriate detailed feedback to the owning adjuster claim practice modifications that need to be made.
- Understands that tightly zoned claim assignments affect the policyholder, adjuster and management alike

Claim Manager MO at the negative end of the spectrum:

- Attained management status with a poor record of the merits of a sound work product.
- Primarily focused on making it through the day to provide any more effort than required
- Demonstrates very little (if any) efficiency in an individual adjuster's field of work
- Unable or unwilling to take responsibility for their actions
- Very skilled at their job
- Hopelessly biased in favor of their adjusters
- This approach is often used to cover up poor performance and clear the way for a new adjuster
- Inneficient
- d
-

***THE ASSESSMENT
AND APPLICATION
OF POLICY
COVERAGES***

THE DECLARATIONS PAGE

The question of coverage begins with the declarations page. The information contained on the declarations page sets the boundaries by which coverage will apply. This sheet of information that is sometimes referred to as the “dec page” is typically the only information provided with every new claim file and should be reviewed as soon as possible when received as it will reveal:

- A. The urgency/order the claim should be contacted & inspected –** Severity 1 claims will require immediate attention to verify extent of damages sustained, provide information on mitigating loss, assess the need for additional living expense allowance and schedule an inspection.
- B. Verify that the name of the assigned adjuster is correct –** to avoid completing work on another adjuster’s claim file.
- C. Verify date of loss and date the policy was in force.**
- D. Location of risk -** be careful (especially with Rental Dwelling Policies) as the risk address is not always the same as the mailing address.
- E. Type of policy in force –** take time to review the claim’s policy if you are not familiar with it.
- F. Prior storm claims that have been filed –** pull and review prior claim files to avoid duplication of payment for unresolved damage and document research findings in claim activity log.
- G. Name of mortgage company –** a list of mortgage companies that request draft recognition at dollar \$1 should be provided at induction. All other mortgage companies will normally only require draft recognition when loss exceeds \$7,500.
- H. Policy settlement dollar limits –** for Cov. A (Dwelling), Cov. B (Contents) and Cov. C (Additional Living Expense/ Loss of Rents).

- I. **Agent's remarks** – may contain special instructions for contacting the policyholder or family members / friends in charge of handling claim for the policyholder.

1

Route to: JJ Stamps

MOH Lloyds

Insured

Curr date: 2/15/04
tax id:

WILLIAM J. WORTHINGTON
3215 VALLEYVIEW WAY
HOUSTON, TEXAS 77066-5216

Home: (713) 444-8361 Work: (936) 689- 2216

11

printed: 09-08-03 1:32pm

rep: XJZP

yr blt	tran	cnty	yr iss
1974	NBBB	211	1994

agt name (BILL) agt phone

WILLIAM DOLAS (281

13

2

2

Claim histor

cat number	dol
C 43-D122-211	3/28/'
C 43-F233-995	6/'
C 43-Q612-312	'

14

3

claim number	policy number
43-C802-661	83-G6-2121-7

eff date: 09-15-03 exp date: 09-15-04

4

date of Loss	cat	sev	unit	deduct
01-15-04	KT	3	6V	1- 1%

5

Location

1904 DABBNER CT.
HOCKLEY, TX 77632

6

MORTGAGEE:

CHASE MANHATTAN
CORP ITS SUCCESSOR
ASSIGNS.

8

Policy type HC
pace: P 132.8

10

***CONTACTING
POLICYHOLDERS
&
SCHEDULING
APPOINTMENTS***

CONTACTS

Contacting all of the Policyholders listed on your claim inventory is one of the first required tasks you will be presented with and subsequently one of the first opportunities to make or avoid some painful errors. The number of claims on your assigned inventories frequently range from fifty to one hundred fifty policyholders, most of whom would like to schedule immediate inspections. Possibly the largest mistake you can make is one of over commitment.

Remember, contacts should fulfill the following primary objectives:

1) Introduction to the policyholder and assurance that their claim has been received and assigned.

- ❖ Most policyholders do not understand the communication delays and constraints that a catastrophic event can present. By the time you receive your inventory of claims, many of your policyholders will have already made several attempts to contact you to schedule an inspection.
- ❖ This is your chance to listen, show concern and empathy. Do not make promises that you are not completely sure that you can fulfill. Use this opportunity to establish the rapport and credibility you will need to see the claim through to completion.
- ❖ Provide your Policyholder with:
 1. Their claim number and encourage them to use it on all correspondence.
 2. Your name and voice mail number. Be careful about who you choose to give your cell number to.
 3. A rough estimate or window of time when you will be calling back to schedule your inspection. Make sure your policyholder knows that it is just a guess and then make every effort to exceed their expectations on the time frame you have set.

2) Investigation of claim damages to establish priority of inspection.

- ❖ Priority Claims:
 1. Claims that have sustained the most damage.
 2. Claims that represent the greatest risk to sustain further damage.
 3. Policyholders who are in need of additional living payment advance.

- ❖ Policyholders who insist on immediate claim status should be elevated to the status of priority. Ignoring requests or demands for attention will usually result in an official complaint or worse. Many times those who demand attention are actually in desperate need. We make every reasonable effort to inspect and settle claims as soon as possible.

3) Provide Claim information and

- ❖ Do not answer questions or give information without the understanding that this claim would be resolved. We could have been resolved by confirmation or denial. We have gathered and reviewed all information.

- ❖ Encourage and assist homeowners to mitigate damage.

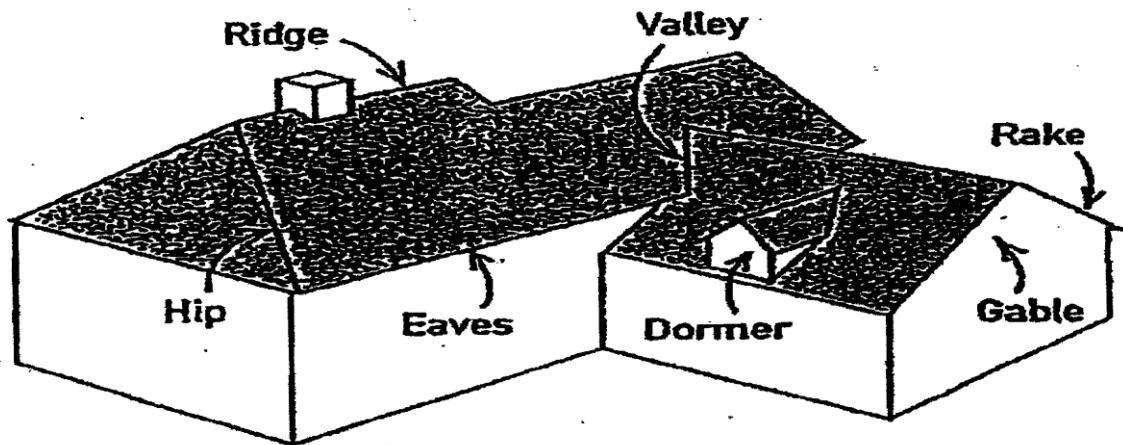
- ❖ Encourage policyholders to work with us to resolve their claims as quickly as possible.

Noti-
pr-

ROOFING

FACTS

Understanding Roofing Essentials



A roofing system is the first line of defense against storm damage and subsequently the most common building component to sustain damage in a high wind or hail event. An un-proportionally large percentage of a storm claims adjuster's job is roofing specific. Understanding how a roofing system is put together and works is a vital key to assessing roof problems and method of repair. While there is a strong correlation between roof damage and interior leaks, one does not automatically necessitate the other. Situations where roofs have sustained severe storm trauma and held up well enough to protect a building's interior are just as common as significant interior leaks without roof damage. Getting a firm grasp on this concept can be difficult for a new adjuster and frustrating at best for a policyholder who is being denied roofing repairs after making years of premium payments. Fact is that storm damage is just one of an infinite number of reasons for roofing system failure. Other examples of roofing failure not covered under a standard homeowners policy include manufacturing defect, wear, deterioration, mechanical breakdown, latent defect, inherent vice, corrosion, rot, insects or vermin. However, all leak claims will require the ability to accurately assess the source of a problem with an explanation of how repairs should be carried out.

Roofing Terms

Algae Discoloration: Fungus growth causing large dark discoloration marks. Usually most prevalent on the slopes that receive the least sunlight.

Architectural Shingles: Asphalt shingles having more than one layer to create extra thickness. Also known as three-dimensional or laminar shingles because they provide the look of visual depth.

Asphalt: A waterproofing agent applied to roofing materials during manufacture.

Asphalt Plastic Cement: An asphalt-based cement used for flashing materials. Also known as flashing cement or mastic.

Ballast: Gravel, stones or cement placed on top of roofing surfaces to provide sunscreen and hold roofing materials in place.

Base Flashing: Flashing attached to or resting on a vertical surface to prevent water onto the roof surface.

Base Sheet: A saturated or coated felt or membrane used as a base for some multi-layered roll or flat roofing systems.

Birdstop: Clay or cement pieces used to prevent birds from getting under the eave of a barrel tile roof system.

Bitumen: *bit-u-men*, a clear, solid, or viscous) cement-like material composed principally of asphalt, tars, pitch, and other hydrocarbons.

Blisters: Bubbles or blisters that form under roofing materials.

Brands: Airborne particles that can get under roofing materials.

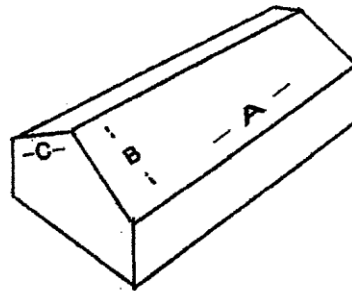
Built-up Roofing: Multiple layers of roofing materials.

Burn-through: A hole in the roofing material caused by a fire.

***CALCULATING
SURFACE
AREA***

Roofing Calculations

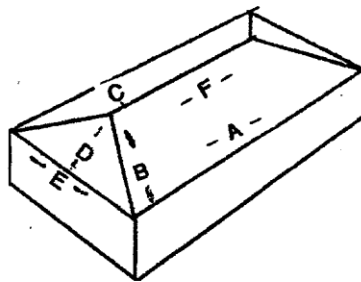
GABLE ROOF



$A \times B = \text{Front Slope}$

$A \times (B + C) = \text{RFG AREA}$

HIP ROOF

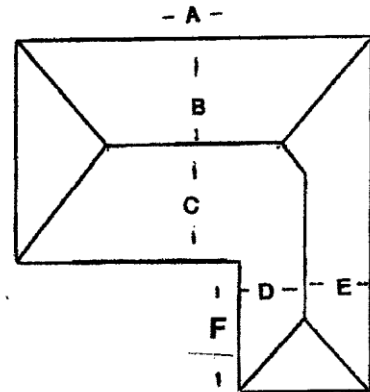
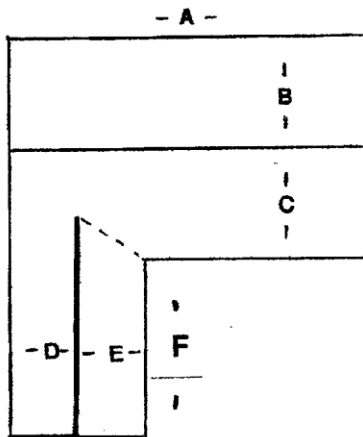


$A \times (B + C) = \text{RFG AREA}$

$\frac{1}{2}(A + F) \times B = \text{FRONT SLOPE}$

$\frac{1}{2}(D \times E) = \text{LEFT SLOPE}$

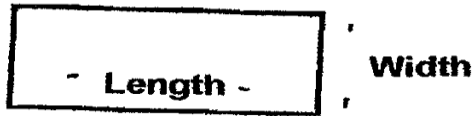
GABLE OR HIP EXTENSIONS



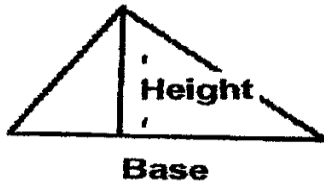
$A \times (B + C) + F \times (D + E) = \text{TOTAL ROOFING AREA}$

AREA OF IDENTIFIABLE SHAPES

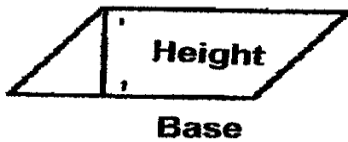
**RECTANGLE AREA =
L X W**



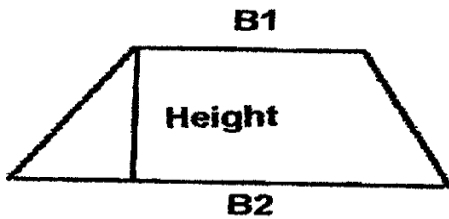
**TRIANGLE AREA =
 $\frac{1}{2}$ B X H**



**PARALLELOGRAM AREA =
B X H**

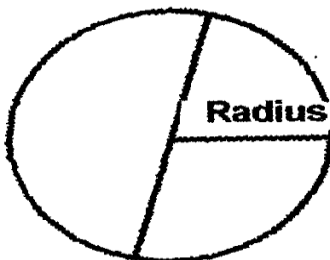


**TRAPEZOID AREA =
 $(B1 + B2) / 2 \times H$**



CIRCLE AREA =

$3.14 \times R^2$



Surface Area Calculations

There are many different methods of calculating roofing surface area ranging from overly simplified to the ridiculously complex. Experienced roofers know that all roof measurements should be:

1. **Accurate** – with diagrams that are related to the actual measurements obtained from the roof (not rounded up to the nearest inch).
2. **Incorporate a Method that is Applicable** – using an “up and over” method of measuring roof shapes (*triangle, trapezoid, rectangle*). Take the time to write out measurements.
3. **Efficient** – developed by a process that is a repetitive process.

Remember, the name of the method is not paid! Claims that are made by a manager who reviews the work.

The most accurate method for calculating the surface area of a roof is the “up and over” method. This method is the most accurate method for calculating the surface area of a roof.

BUILDING

SCOPE

SCOPE NOTES



Scope of loss is an overall account of damages applicable to the insured loss (*usually hand written on graph paper*). Scope notes should be organized, accurate and complete as they serve several purposes including:

- The means for transferring information needed to build a damage/repair estimate.
- Information necessary to address future repair issues without having to return to the loss site should the claim reopen. (i.e. discrepancies in roofing square allowances)
- Supporting facts / Information that justifies your estimate amounts to Carrier.

SCOPING GUIDELINES

General “guidelines”

EVERY POLICYHOLDER HAS A STORY TO TELL so give them the opportunity to explain what happened as they lead you or damaged property. Make quick notes of the damages to the property (i.e. mailbox, front gutter, left gate, ac, etc.) and the documentation that they have assembled for you (i.e. photos, etc.). Once they have completed their presentation, continue your investigation with your own work, including observation and discovery. This will include a visual inspection of the property with specific measurements and photos) dedicated to the investigation. Demonstrating a vigilant attitude towards the investigation will without question sell all parties to the merits of your decisions.

- Scope notes are most often written in pencil with a GOOD eraser
- Scope notes should include details that correspond to and describe the damage that occurred.
- Give your scope notes a specific location (e.g. north side of green house)
- Make sure to include a date and time in your scope notes

A

The Power of

“XACTIMATE”

**Includes Estimatrics
Price Lists For:
ROOFING / DRYWALL / PAINT**

This section is included to provide a basic understanding of “Xactimate” and its uses however, by itself will not provide all the details needed to use this form of estimating software on an actual job assignment. Numerous beneficial training products for this software can be obtained on line at WWW.XACTWARE.COM or contact Xactware @ 1 800 424-9229 to obtain information on additional training options.

NOTE: ACTUAL PRICES LISTED IN THIS MANUAL ARE NOT VALID FOR ANYTHING OTHER THAN TRAINING PURPOSES ONLY!

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UNDERSTANDING “XACTIMATE”

“Xactimate” is a form of property estimating software that is used by the Insurance claims Industry for many different reasons.

- 1) It's relatively easy to learn for most people requiring minimal instruction for primary use capabilities.
- 2) It's much more time efficient than writing estimates.
- 3) It provides the detail and consistent accuracy needed to base a settlement on.
- 4) It produces estimates with a professional appearance that is understood by the customer.
- 5) Has a very clean appearance and is easy to use. Most adjusters believe in estimates that are prepared using Xactimate.
- 6) Estimate information is easily accessible and can be used for many years.

NOTE TO NEW ADJUSTERS

When you are assigned the type of estimating software, it is important to be aware of the type of estimating software used by the insurance carrier. This is an important assignment.

Much of “Xactimate” is used continuously by adjusters to attest, stay in touch, and constructively. It would be a good idea for everyone to be familiar with it for every market.

ROOF INSPECTION

ROOFING INSPECTION GUIDELINES

***Please Note:** *These are simply “guidelines” for the fundamental understanding of how to create a roofing estimate as per current industry standards. Information on any deviations from such standards will typically be made during a Catastrophe site Orientation / Induction meeting. Furthermore, every claim should be handled on its own merits by taking into consideration the type& time of damage and appropriate method of repair.*

IDENTIFY - The type of roof, (Hip, Gable, Shed, Mansard) the type of shingle or surface (3-Tab composition, 30yr laminated composition, 40yr laminated composition, wood shingle, wood shake, metal, roll or bitumen) the number and types of material underlays .

IMPORTANT: *Multiple layers of shingled roofing (composition shingles over composition shingles OR composition shingles over wood shingles) are more susceptible to impact trauma and are typically more difficult to spot repair than single layered shingled roofing systems. Multi-layered roofing will also require additional consideration for removal allowances.*

EXAMINE – Complete a thorough investigation and form a logical conclusion. Every roof has a story so make sure you take the time to read it.!

REMEMBER: Inspection conclusions should be based on fact and not speculation!

- ALL ROOFS HAVE TRAUMA MARKS - Many trauma marks occur during installation from foot traffic, hammer drops etc... This is normal and not a covered loss under most policies so know the difference between “**Manufacturing Defect**” and storm damage.
- AGE / AGING MAKES A DIFFERENCE - While newer shingles tend to be quite resilient, older shingles are more easily damaged by the forces that impact it.
- ROOFING SYSTEMS ARE NEVER CREATED EQUAL - (even those that are identical with respect to age, material and installation process) Shade, care, wind currents, hail patterns,

pitch, and attic ventilation are just a few examples of construction details that significantly influence damage resiliency.

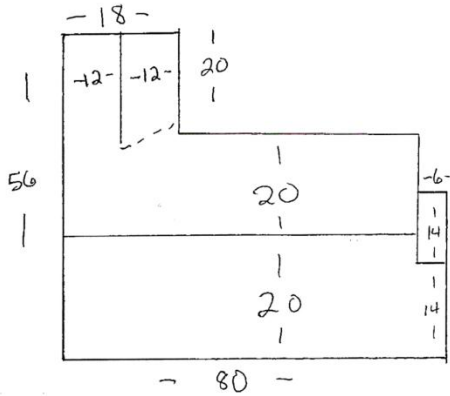
- **JUDGE EVERY ROOF ON ITS OWN MERITS** - as a rule and not by the damage or lack of damage to the surrounding it. However, do not discard common sense in the inspection process. Roofs that are situated in obvious areas of storm occurrence yet appear to have no storm damage merit a second and closer look.
- Hail damage will show up first on soft metal gutters. Composition shingles on ridge caps usually show hail damage before the shingles on flat on top of wood decking.
- Hail damage is always random and does not follow any pattern of impact. Patterns of damage normally associated with man-made damage or trauma or possibly even mechanical damage.
- Faded hail strikes are indicators of past damage likely unrelated to current damage. Faded hail strikes necessarily mean that the damage is old. In fact coverage should be checked. If a claim has been paid, the claimant has been in force. Proceed with caution.
- Mildewed shingles are a sign of water damage by damage to denting. **Marks** of abrasion and other damage.
-

“I”

***INSURANCE INDUSTRY
STANDARDS FOR
ESTIMATING ROOF
DAMAGE***

① Calculate Total Rfg. Area Rfg. Diagram #1

Roofing Diagram #1



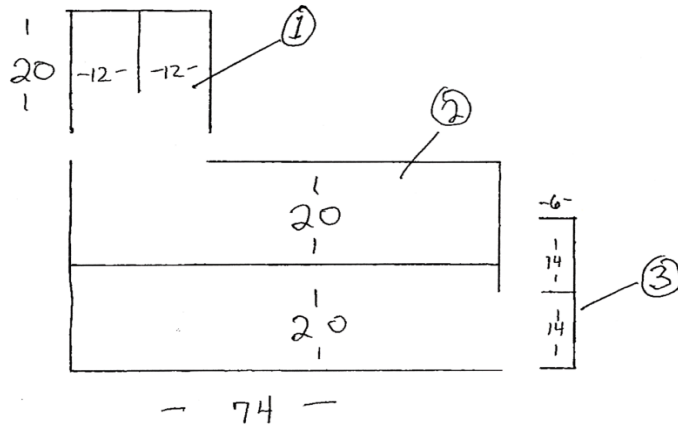
Type - 3 Tab Comp

Age - 10 yrs/20 yr life expectancy

Layers - 1

Condition - Fair

Diagram #1
Breakdown



$$\textcircled{1} 20 \times (12 + 12) =$$

$$\textcircled{2} 74 \times (20 + 20) =$$

$$\textcircled{3} 6 \times (14 + 14) =$$

ROOF CALCULATION ANSWER KEY (RFG. Diagram #1)

This diagram requires a minimum of three math problems to determine total roofing area. Break down diagram into separate identifiable rectangles to determine what equations are.

$$1) 20 \times 24 = 480$$

$$2) 74 \times 40 = 2960$$

$$3) 6 \times 28 = 168$$

Total 3608 Square Feet

X 1.1 Waste factor of 10% on Gable roofs!

3968.8 Square Feet or

39.69 Squares of roofing needed to replace rounded up to the next full bundle of shingles would be: **40 Squares.**

Removal = 36.08 Sq. & Replacement = 40 Sq.

NOTE: 20 yr. 3-Tab shingles only sold in 1/3 Square bundles weighing 60-80lbs per bundle or package, (the approx. amt. of weight one person can carry at a time), therefore the calculation of shingles needed to be purchased, after waste factor is added must be rounded up to .33Sq, .67Sq or 1.0 Sq of roofing!

Xactimate Grouping For Roof #1 Should Look Like This:

Remember: This page represents only one of several pages that make a full Xactimate estimate report.

DESCRIPTION	QUANTITY	UNIT COST	RC
-------------	----------	-----------	----

Enter Xactimate price list Cat (Category) Code **RFG** and **ARMV**

Double click on or manually write in **RFG** and **ARMV** to enter.

Remove Tear off, haul and dispose of composition shingles	36.08 SQ	40.38	
---	----------	-------	--

Enter Xactimate price list Cat (Category) Code **RFG** and **220**

Double click on or manually write in **RFG** and **220** to enter.

3 tab - 20 yr. - composition shingle roofing - incl. felt	40.00		
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NOTE: Depreciation of 50% withheld on initial (damaged) rfg.

Room Totals: ROOF # 1

This estimate
drip

Let's Discuss!

We Need To Talk!

RED
LETTER
ROOFING
ESTIMATE
REVIEW

SEE ME!!!

What Are You Thinking?

Big Problems!

Claim File Review Process

All completed claim settlement involves opinion that is based on:

- 1) The scope of damage
- 2) Interpretation of applicable policy coverage
- 3) The most appropriate process for completing repairs.
(To name just a few)

Most new claims adjusters learn fairly quickly that their opinions are never as valid as the Insurance Carrier's Claims Management staff. Understanding the claims management criteria for appropriate settlement details is all too often a process of trial and error that begins with the feedback from a single claim file that has been placed in a claim managers "in basket" for review.

WARNING: Claim managers do not always possess good or even adequate communication skills. Make every effort to learn / understand your claim file superintendent's criteria for appropriate claim settlement protocol prior to turning in any claim files for approval / payment authority! Understand that a more complete understanding of said criteria will

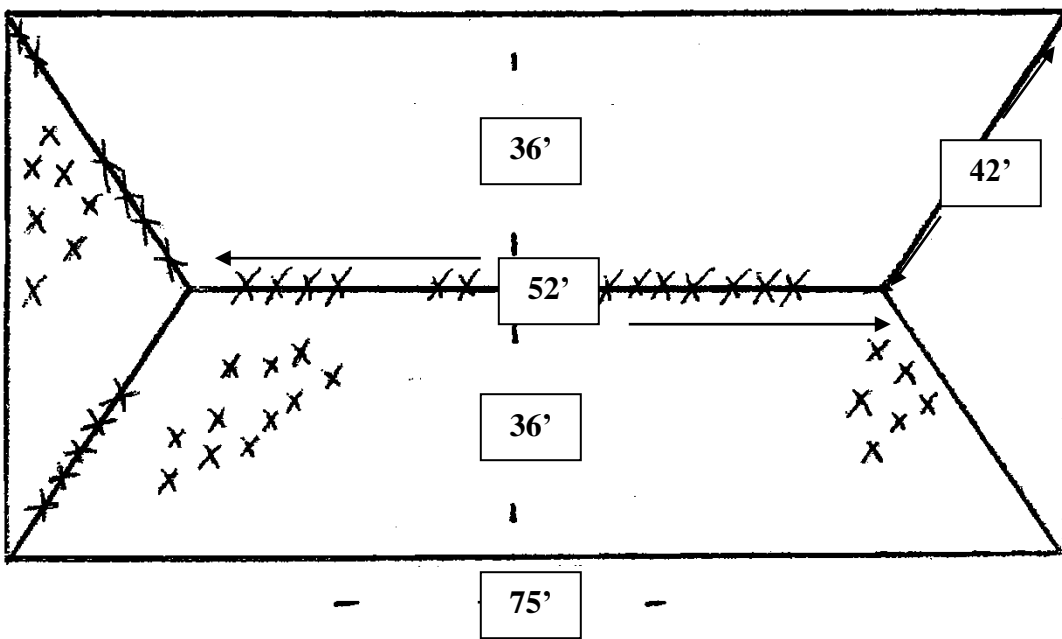
almost certainly require some “red ink” revisions based on the first few files that are turned in for review. Fewer files requiring revision will translate directly into less work required to fix your mistakes. **NEVER, NEVER, NEVER** submit more than just a few files for this initial review process. **REMEMBER:** *First we figure out the rules of the game and then we play it with all the passion and commitment of a professional athlete!*

ROOFING ESTIMATE REVIEW DETAILS

Diagram & Scope (Example #1)

Working Example # 1

TYPE – 3-Tab 20 yr Comp **AGE** – 2 Years old **LAYERS** - 1 **CONDITION** – New **PITCH** – 10/12



WIND DMG SCOPE NOTES

FRONT

- 24 Ridge Cap Shingles
- 17 Shingles (front slope)
- 7 Shingles (left slope)
- No storm dmg to right and rear slopes!

NOTE:

These examples are based on coverage provided for under a Standard purpose of demonstrating common ation presented is consistent with s not necessarily represent t'

Initial Roof Estimate (Example #1)

DESCRIPTION	QNTY	UNIT COST	RCV	DEPREC.	ACV
DWELLING					
3. R&R Ridgecap- composition shingles	24.00 EA	8.67	208.08	(16.01)	192.07
2. R&R 3-tab - 20 yr. - composition shingle roofing (per SHINGLE)	24.00 EA	13.72	329.28	(22.92)	306.36
Dwelling Totals:			537.36	38.93	498.43
Totals: ROOF #1			537.36	38.93	498.43
Area Dwelling Total:			537.36	38.93	498.43
Line Item Subtotals: COMPLETE_ESTIMATE			537.36	38.93	498.43
Adjustments for Base Service Charges					Adjustment
Roofer					271.71
Total Adjustments for Base Service Charges:					271.71
Line Item Totals: COMPLETE_ESTIMATE			809.07	38.93	770.14

Potential Problems With This Estimate:

1. Depreciation does not normally apply to simple repairs.
2. Provides no indication where damages were found or location that repairs are to take place.
3. Provides for exact number of wind damaged shingles and does not account for the possibility of trade repair process errors.
4. Does not account for extra time, labor or tools associated with steep access repairs.
5. Has allowed for the addition of a \$271.71 "Base Service Charge" even though line item repair allowances alone exceed the dollar amount required for a small roofing repair such as this one. (See Claims Mgmt on the specifics on how to handle "Base Svs Charges")

***INSURANCE
INDUSTRY
STANDARDS FOR
ESTIMATING
INTERIOR DAMAGE***

ESTIMATING INTERIOR DAMAGE REPAIRS

Interior leaks are common with wind/hail claims and if associated with or contributed to by a storm claim occurrence, repairs should be included in building estimate. Here are a few things to remember when estimating interior loss:

- 1) *Ask policyholder if they have any interior damage on your first phone contact with them and note this in activity log. Making every effort to include all storm damages on the first inspection will avoid wasting time on a second!*
- 2) *Begin inspection with the interior of home so you will know where to look on exterior for sources of leaks. **(Maintain an attitude of vigilance with respect to finding source of leak and protecting future interests of both customer and insuring company!)***
- 3) *Not all areas of interior leaks will require extensive repairs, some areas may only require cleaning.*
- 4) *Scope interior loss with good photos and an easily understandable diagram that includes some description of damage location within room.*
- 5) *Separate damages by room in building estimate.*
- 6) *Avoid overlooked damages: Incorporate order into your scoping routine by inspecting from floor to ceiling or ceiling to floor.*
- 7) *Include Scaffolding or ladder charges to access high ceilings or walls. Include debris removal for large losses.*
- 8) *Extend paint and flooring repairs to a **“Natural Break”**. (Paint – to doorway, change in color of paint or type of wall surface. Flooring – to doorway w/door or change in flooring surface.)*
- 9) *Back out material amounts for all openings of 24sf or larger! (Note: most single door openings total less than 24sf.)*
- 10) *No coverage for interior leaks w/o exterior storm damages under most **business** policies!*
- 11) *Thoroughly explain all repair techniques included on building estimate to policyholder!*

ESTIMATIC GUIDELINES

NOTE: These are simply “guidelines” which many estimators follow.

REMEMBER: every claim should be handled on its own merits and reasonableness given the type of damage and appropriate method of repair.

Carpet

- Use separate line items for removal and replacement in estimate.
- Carpet replacement will need to include waste which is calculated by using either a drop & fill method or a 15% waste factor. *(see attached example on this)*
- Carpet pad is removed and replaced at actual square foot amounts based on amount of pad damaged only. *(carpet pad can be pieced together and therefore does not require replacement to a natural break)*
- Carpet that is damaged in master bedroom may include the replacement of carpet in master closet and/or master bath.
- Damaged carpet that has been laid over hardwood flooring will typically require a settlement payment for replacing either hardwood flooring or carpet surface but not both.
- The price list allowance for carpet includes a nominal amount for moving contents. Additional content manipulation settlement allowances should be included for large items. *(i.e. water beds, pool tables, entertainment centers, china cabinets, etc.)*

Wood & Vinyl Flooring

- Use separate line items for removal and replacement in estimate.
- Removal is based on actual square foot amounts. *(back out fireplace, cabinets and tub areas of 24sf or larger)*
- Allow for the detach & reset of appliances on floor.
- Price list allowance for flooring includes some basic floor prep
- Vinyl flooring comes in 12ft rolls. Replacement will need to include waste which is calculated by using either a drop & fill method or a 15% waste factor. *(see attached example on this)*
- Vinyl tile replacement should include a 10% waste factor.