

Risk Management – CPLIC Claims Handling Guidelines

AUTO APPRAISAL STANDARDS

Listed below are guidelines for appraisal standards. These guidelines should be adhered to when possible and modified when necessary.

- 1) Review your assignment. Make sure you understand what your client expects and requests.
- 2) Follow your instructions. Make sure you read your assignment sheet, your guidelines for the particular client and follow their instructions. If you cannot adhere to your client's instructions, make sure you explain why.
- 3) Follow all local, state and federal laws.
- 4) Make sure you are licensed in the locality you are doing the work in. This should include appraisal licenses, adjusting licenses, business licenses, etc.
- 5) Dress appropriately. Remember, you are a representative of your client, your company and yourself. Presentation of yourself is important.
- 6) Use common sense on all claims practices.
- 7) When you locate your vehicle, do not be afraid to take additional photographs. Photographs can be very helpful in the event of any further action in the future. We would suggest photographs be taken as follows:
 - a) Four corner shots on all vehicles.
 - b) Shots of the interior and engine compartment on total losses.
 - c) Photographs that fully show the damage. These photographs could be close up, as well as far away.
 - d) Photographs of the ID plate.
 - e) Photographs of the odometer.
 - f) Photographs of old damage.
 - g) Use an engineer's tape to measure the height on the damage. This should be done on all vehicles.

Remember, digital photographs are inexpensive and easy to reproduce. They can be very valuable if they are needed.

- 8) Fully identify the vehicle or the equipment you are looking at. Identification should include the VIN, the odometer reading, all equipment and any- thing else that is unique or unusual.
- 9) Properly evaluate the condition of the vehicle. Look at the vehicle as a prospective buyer would. Include items, such as tire wear, interior wear, paint wear, engine oil leakage, etc.
- 10) Identify old damage. In some areas, additional estimates are required in order to deduct old damage. Full estimates on old damage should be written, if required by your state or your client.
- 11) Complete a detailed estimate. Look at the item clearly and itemize each and every item.
- 12) Apply appropriate depreciation or betterment.
- 13) If your client thinks you have taken too much betterment, it is easier to reduce the amount than to increase the same.
- 14) Send a copy of the estimate to all parties that are involved, if approved by your client. These parties should include, but not limited to, the insured or claimant, the repair facility and the client. We would suggest a copy of the estimate be kept in your office for review.
- 15) Properly calculate if it is more beneficial to repair an item than replace the same. Remember, replacements, depending on your locality and your client, can be new parts, after-market parts, like, kind and quality or remanufactured.
- 16) In preparing your estimate, consider paint less dent removal.
- 17) Obtain an agreed price with the repairer whenever possible.
- 18) Obtain copies of storage and tow bills and forward on to your client.
- 19) Obtain invoices for temporary repairs and comment on the same.

- 20) On borderline total losses, consider all the factors involved in the repairs. This could mean all the following factors are considered in a borderline total loss.
 - a. The repair cost.
 - b. The projected supplemental costs.
 - c. The projected rental expenses or loss of use.
 - d. Diminished value or loss of value, depending on your location.
 - e. The projected salvage value.

All these factors should be considered in determining whether the vehicle is a total loss or repairable.

- 21) Do not recommend any repair facilities. Always considering giving the insured or claimant the names of several local repair facilities, if requested. They could be the make's dealership and repair facilities in the local area.
- 22) Comply with all ethical standards of our industry.
- 23) Keep up with current trends.
- 24) Attend I-Car meetings, claims association meetings, or repair facilities training classes. Continuing education is very helpful.

Remember, at all times you are a representative of your client, your company and yourself. Act in a professional manner and dress accordingly.