

“How We Expose” Sections B, C, D

B

- Citizens Managed Repair Brochure. Call Citizens First. Example of Citizens Promising IICRC Compliance to Tallahassee.

C

- Citizens Contractor Connection Contract Excerpts with Comments.

D

- Attorney Questions for MRP/PV Dry-Out Contractors



Section B

CITIZENS MRP Promises

Promises Made. Promises Broken.

- In Section B you will see an example of a Carrier that says they are industry standard compliant but admits they have no knowledge of what is compliant or not compliant.
- This goes for all Carriers.
- They ALL promise compliance with Industry Standards but NEVER comply.
- They only pay their preferred vendors/ MRP Contractors for low cost, illegal, non-compliant work.

**BROKEN
PROMISES**

QUESTIONS TO ASK CITIZENS ABOUT PV/MRP WORK

The screenshot shows the Citizens website with a top navigation bar including 'Insurance', 'Claims', 'Storms', 'Learning', 'News', and 'About Us'. A prominent banner reads 'Have a Claim? Call 866.411.2742 Call Citizens First'. Below this, there are sections for 'Claims', 'Call Citizens First', and 'Spotlight'. A 'Policy Changes' section is highlighted, focusing on 'Personal Lines Claims'. It includes a 'Report a Claim' button and a 'General Information' section with a link to a brochure: 'Brochure: Reporting a Claim in 4 Easy Steps'.

A vertical banner with a dark background. At the top, it says 'Call Citizens First 866.411.2742 24/7 to report a claim'. Below this, there are four colored boxes representing different services: 'Pipes' (green), 'Storms' (purple), 'Water' (blue), and 'Fire' (orange). Each box has a small image related to the service. The Citizens logo is at the bottom.

A horizontal banner with a blue header and a white body. The header says 'Call Citizens First' with phone icons on either side. The body contains the text: 'Your safety is Citizens' first priority. Make sure you and your family are safe and your property is secure. If your property is unsafe, do not try to enter your home. You can report a claim to Citizens 24/7, even before you know the full extent of damage. There is no cost to report a claim. Citizens will work with you to make sure any covered damage is repaired quickly and correctly.' Below this, it says 'Call Citizens First 866.411.2742 24 hours a day, seven days a week' and 'postage info here'. The Citizens logo and social media icons are also present. At the bottom, the number '866.411.2742' is displayed in large green text.

A vertical banner with a blue background. It says 'Call Citizens First' in large white text. Below, it reads: 'Customers can report a claim 24/7 with Citizens' toll-free Claims hotline 866.411.2742'. The Citizens logo is at the bottom.

A vertical banner with a blue background. It says 'Comuníquese con Citizens Primero' in large white text. Below, it reads: 'Los clientes pueden reportar un reclamo las 24 horas al día, los 7 días de la semana llamando a la línea directa de reclamos gratuita de Citizens al 866.411.2742'. The Citizens logo is at the bottom.

A vertical banner with a dark background. It says 'Call Citizens First' in white text. Below, it reads: 'Don't wait to report your claim. We're available 24/7 at 866.411.2742'. The background image shows a hand holding a smartphone.

A vertical banner with a black background. It says 'Reporting a Claim in Four Easy Steps' in white and yellow text. A large yellow number '4' is in the center, with a white telephone handset icon overlaid on it. The Citizens logo is at the bottom.

A vertical banner with a black background. It says 'Reportando un Reclamo en Cuatro Pasos Fáciles' in white and yellow text. A large yellow number '4' is in the center, with a white telephone handset icon overlaid on it. The Citizens logo is at the bottom.

Questions to Ask Citizens and/or MRP Contractors About Citizens' MRP Brochure

Damage to your home can happen anytime – rain or shine. When it does, you want fast, personal and professional service to protect and restore one of your most valuable assets. Citizens is committed to providing this service and expertise to you in your time of need.

Sudden water damage?

Water is a leading cause of damage in reported property claims throughout Florida. Citizens has two programs available to help you on the road to recovery when your home has water damage caused by accidental discharge or overflow of water or steam from plumbing, heating, air conditioning, automatic fire protective sprinkler systems or household appliances. Your Citizens representative will be here to answer your questions and guide you through the process, from start to finish.

Citizens' Managed Repair Program

The Citizens Managed Repair Program offers valuable services to qualified customers whose homes have been damaged by water not related to weather. Emergency Water Removal Services provides water removal services to protect a policyholder's home from further damage caused by a water loss not caused by weather. The Managed Repair Contractor Network Program provides permanent repair services for the covered loss to return the customer's home to its pre-loss condition up to policy limits. Permanent repairs could include flooring, insulation, drywall, paint and cabinetry.

Free Emergency Water Removal Services Program

Swift action to protect your home from further damage is crucial following a water loss. Citizens offers free water removal and drying services following eligible water losses. Call Citizens First to report your claim. We quickly determine whether this valuable service is available for your loss, and if you participate in this program, your policy deductible does not apply for this completely free service.



Managed Repair Contractor Network Program

Citizens has a network of approved contractors who can handle permanent repairs for covered damages to your home, such as flooring, insulation, drywall, paint and cabinetry. You work with local contractors who are vetted, licensed, insured, and have agreed to meet Citizens' high standards for customer service. After January 1, 2019, any approved work is guaranteed by the contractor for five years. Your policy deductible applies for the covered permanent repairs.



Need to report a claim?

Call Citizens First
866.411.2742

Report it online via myPolicy
at www.citizensfla.com,
24 hours a day, seven days a week

This brochure is for informational purposes. In the event of any inconsistency between this brochure and your insurance policy, the terms of the insurance policy control.

La versión en español está disponible en
<https://www.citizensfla.com/brochures>.



Citizens Property Insurance Corporation
866.411.2742
www.citizensfla.com

09/19

Using Citizens' Managed Repair Program



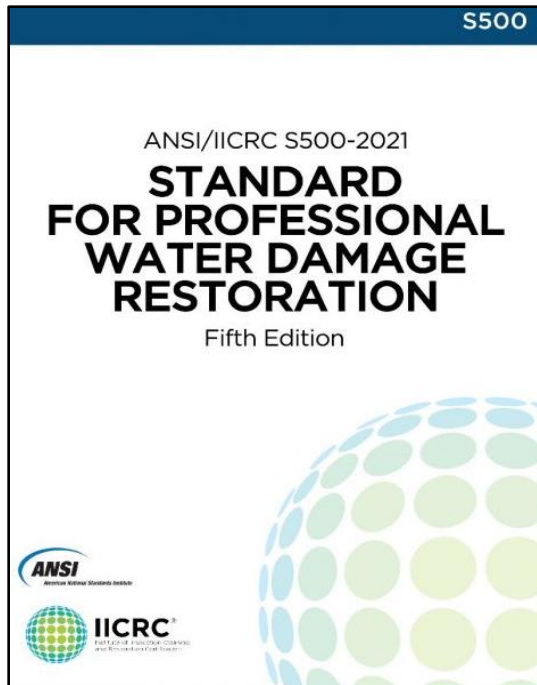
From the Citizens Managed Repair Network Brochure

Managed Repair Contractor Network Program

Citizens has a network of approved contractors who can handle permanent repairs for covered damages to your home, such as flooring, insulation, drywall, paint and cabinetry. You work with local contractors who are vetted, licensed, insured, and have agreed to meet Citizens' high standards for customer service. After January 1, 2019, any approved work is guaranteed by the contractor for five years. Your policy deductible applies for the covered permanent repairs.

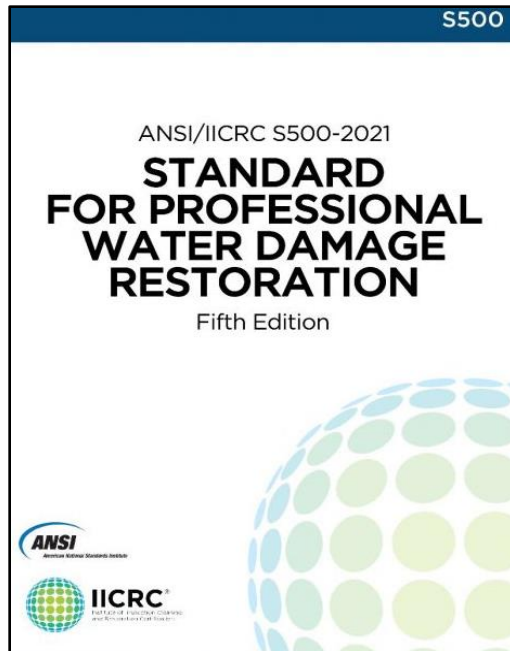
- **Ask for a copy of the contractor license, water damage training, and insurance for water damage work.**
- **Ask for a copy of this Citizens Standard for Customer Service.**

Per Industry Standard?



- **Was the Water Damage Restoration work per Industry Standard?**
- **Ask the contractor to provide a written statement that the work was done per Industry Standard.**

Per Industry Standard?



- **Was any Mold Remediation done?**
- **If so, ask for a written statement that the work was performed per Industry Standard.**
- **Mold work requires State Licensed mold contractors.**
- **Ask for copies of their licenses.**

Let's See This 5-Year Guarantee.

Managed Repair Contractor Network Program

Citizens has a network of approved contractors who can handle permanent repairs for covered damages to your home, such as flooring, insulation, drywall, paint and cabinetry. You work with local contractors who are vetted, licensed, insured, and have agreed to meet Citizens' high standards for customer service. After January 1, 2019, any approved work is guaranteed by the contractor for five years. Your policy deductible applies for the covered permanent repairs.

Does the Guarantee state:

- **No mold/moisture left in walls.**
- **No elevated mold in air.**
- **Work was performed per current Industry Standard?**
- **Work was legal per both Federal and State Laws.**
- **Contractors had Workers Comp & Environmental Insurance?**
- **No illegal biocides**

What Training Does Adjuster Have in Water Damage & Mold Inspections?

3



Inspection

After dry out is complete, a Citizens adjuster inspects your property and determines the cause of loss.

- **Who determines dry-out complete? Was there a post dry-out inspection performed per Industry Standard?**
- **Is the Adjuster qualified to make such determinations?**

What Training Does Adjuster Have in Water Damage & Mold Inspections?

3



Inspection

After dry out is complete, a Citizens adjuster inspects your property and determines the cause of loss. In this example, your loss is covered, and the contractor writes a repair estimate for permanent repairs. If you have used our Emergency Water Removal Services, the mitigation contractor and the adjuster discuss the estimate and come to an agreement on the covered permanent repairs. The estimate for repairs will be reviewed with you before work begins.

- Did you get a copy of this estimate?
- Did you review?
- **Did the estimate include work performed per Industry Standard.**
- **Did it include post mitigation inspection to prove the work was properly performed?**

Promises Made. Let's See The Proof.

4



Managed Repair Contractor Network

While discussing the estimate for repairs, your Citizens adjuster lets you know about the Managed Repair Contractor Network Program (Contractor Network Program). Having repairs made through the Contractor Network Program connects you with local contractors who provide a five-year workmanship guarantee on covered repairs made after January 1, 2019. After choosing to participate in the Contractor Network Program, you sign the work authorization and pay your policy deductible.

- Ask for proof of five-year workmanship warranty.
- Is there a mold-free warranty?
- Work complied with Industry Standard Warranty?
- Work complied with State and Federal Biocide Laws?

Homeowner is NO Expert. Ask to Hire An Expert.

6




Completion and Satisfaction

Once repairs are complete, you should ask your contractor to walk through everything with you to make sure the repairs have been completed to your satisfaction. Your contractor will ask you to sign a *Certificate of Satisfaction*.

Homeowner is no expert.

Homeowner should ask the Carrier to pay for the Homeowner to hire an Independent 3rd party Florida Licensed Inspection Professional to perform a Q/A inspection and make sure the work is complete and per Industry Standard.



CITIZENS PROMISING COMPLIANCE

Promises Made. Promises Broken.

- Citizens Insurance says they are industry standard compliant but admits they have no knowledge of what is compliant or not compliant.
- This goes for all Carriers.
- They ALL promise compliance with Industry Standards but NEVER comply.
- They only pay their preferred vendors/ MRP Contractors for low cost, often illegal, non-compliant work.

**BROKEN
PROMISES**



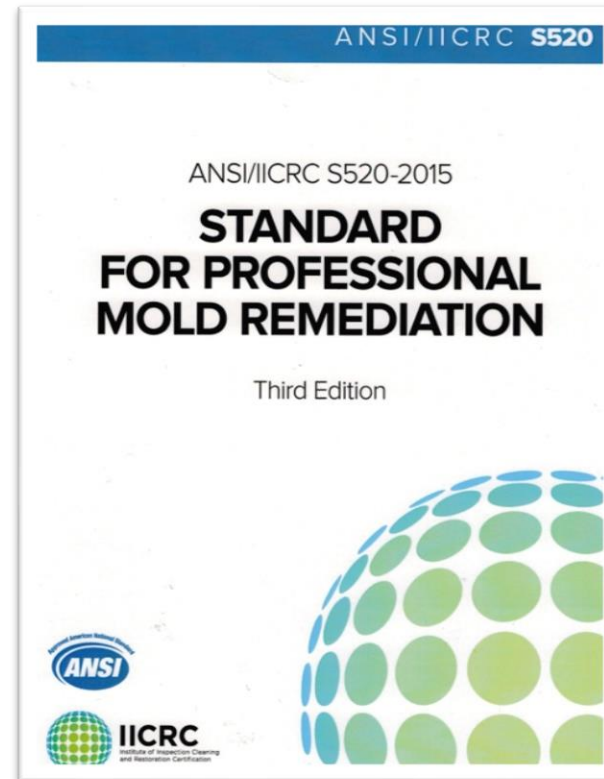
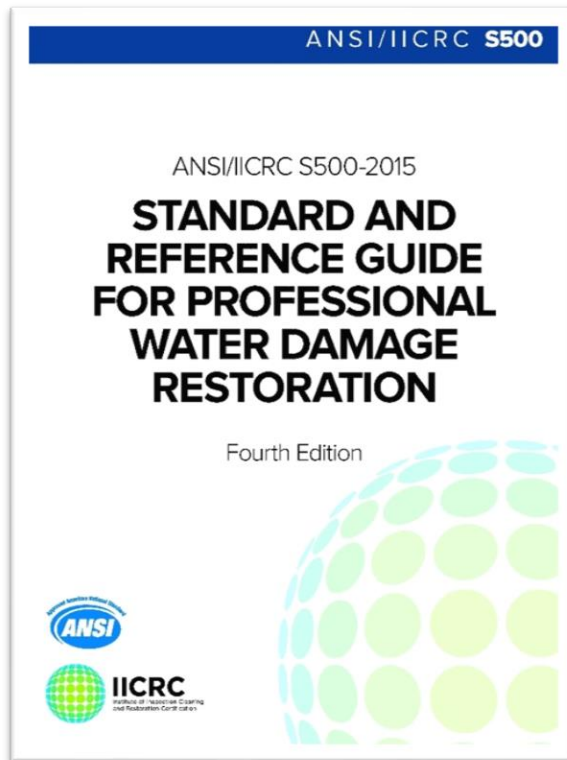
**CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM**



- Educate Consumers and Stakeholders
 - Call Citizens First Campaign
 - Messaging at committee and board meetings, business events, agent associations, legislative meetings, direct mail campaign, FPERN co-sponsor for 2016 hurricane season
- Claims Center of Excellence
 - Dedicated to AOB and water damage
 - Three in-house teams assigned to South Florida
- Optimize the Product
 - Policy language to encourage appraisal
 - Policy form changes which address prompt reporting of loss/reasonable emergency measures and requirements for permanent repair
- Contractor Repair Program
- SIU strengthened to 33 staff
- Water mitigation bill review for **conformity with IICRC standards**

Conformity with IICRC industry standards. These would be the current ANSI-Approved IICRC S500-2015 Water Damage Restoration Standard and the current ANSI-Approved IICRC S500-2015 Mold Remediation Standard.

ANSI = American National Standards Institute.



ANSI-Approved. There is one ANSI-Approved Standard for Water Damage. And one Standard for Mold.



CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM

3.2. Reviews and Reports. As requested by Citizens through Work Assignment, Vendor will perform a comprehensive review of a Third Party Estimate and assess whether it reflects services that are reasonable and customary, and in adherence to IICRC standards, practices and guidelines for water mitigation and mold remediation, (an

Adherence to IICRC is promised for Citizens' Water Damage Mitigation Program.



**CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM**

- 1.5 “IICRC” means Institute of Inspection Cleaning and Restoration Certification.
- 1.6 “JWR Certification” means the IICRC certification for Journeyman Water Restorer.
- 1.7 “MRS Certification” means the IICRC certification for Mold Removal Specialist.
- 1.8 “MWR Certification” means the IICRC certification for Master Water Restorer.
- 1.9 “WRT Certification” means the IICRC certification for Water Damage Restoration Technician.

Adherence to IICRC is promised for Citizens’ Water Damage Mitigation Program.



CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM

3.3.2. All reviews will follow IICRC, Xactimate and industry standards in conjunction with scientific drying methodologies and professional standards and practices and will conform to applicable state laws, administrative regulations and provisions of the Florida Department of Financial Services.

Adherence to IICRC is promised for Citizens' Water Damage Mitigation Program



**CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM**

3.3.2. All reviews will follow IICRC, Xactimate and industry standards in conjunction with scientific drying methodologies and professional standards and practices and will conform to applicable state laws, administrative regulations and provisions of the Florida Department of Financial Services.

Adherence to Xactimate is promised for Citizens' Water Damage Mitigation Program.



CONTINGENT AGREEMENT FOR
WATER MITIGATION ESTIMATE REVIEW PROGRAM

3.3.2. All reviews will follow IICRC, Xactimate and industry standards in conjunction with scientific drying methodologies and professional standards and practices and will conform to applicable state laws, administrative regulations and provisions of the Florida Department of Financial Services.

Adherence to State Laws is promised for Citizens' Water Damage Mitigation Program.

- Educate Consumers and Stakeholders
 - Call Citizens First Campaign
 - Messaging at committee and board meetings, business events, agent associations, legislative meetings, direct mail campaign, FPERN co-sponsor for 2016 hurricane season
- Claims Center of Excellence
 - Dedicated to AOB and water damage
 - Three in-house teams assigned to South Florida
- Optimize the Product
 - Policy language to encourage appraisal
 - Policy form changes which address prompt reporting of loss/reasonable emergency measures and requirements for permanent repair
- Contractor Repair Program
- SIU strengthened to 33 staff
- Water mitigation bill review for **conformity with IICRC standards**

Adherence to IICRC is promised for Citizens' Water Damage Mitigation Program

Promises Made. Promises Broken.

Adherence to IICRC and State and Federal Law is promised for Citizens' Water Damage Mitigation Program. Never happens.

But as a Florida Government created entity. Citizens is immune to BAD Faith.

In Florida ALL other Insurance Carriers have also committed to follow Industry Standards and Florida Law. Never happens. But they are not immune to Bad Faith.



Section C

Contract Between CPIC and Contractor Connection

CPIC AGREEMENT FOR CONTRACTOR MANAGED REPAIR PROGRAM

Highlights and comments by Gary Rosen, Ph.D. 12-27-21 Draft

1.29. "Inspection Report" means a report produced through the Estimating System by a CAIS Network Contractor, which is subject to Citizens' approval, for the purpose of documenting their assessment of the scope and estimated cost of damages.

Comment: Ask for a copy. See if IICRC compliant. Document non-compliance.

7.1. Compliance Standards. Emergency Water Mitigation Services and Repair Services must be performed in accordance with any and all applicable and then- current federal, state (such as the Florida Building Code) or local codes, regulations or ordinances pertaining to zoning, construction or permitting.

Comment: If >10 sq ft of mold, requires remediation per FLA law. Law does not distinguish between surface mold, pre-existing mold, or mold with walls, ceilings, or behind cabinets or in AC ducting. Ask for proof of compliance. Proof impossible to provide without an IICRC compliant intrusive water damage inspection which is not allowed by this CPIC / Contractor Connection agreement.

7.3. Quality Inspections: Reimbursements. During performance of, or after completion of, Emergency Water Mitigation Services and/or Repair Services, Citizens has the right without prior notice, to conduct quality inspections to determine adherence to Best Practices and Guidelines. The inspections may include reviewing CAIS Network Contractor estimates, reviewing the performance of Emergency Water Mitigation Services and/or Repair Services, and reviewing the accuracy of the scope of Emergency Water Mitigation Services and/or Repair Services completed.

Comment: Ask for a copy of the report. See if IICRC compliant. Document non- compliance. Ask for a copy of Citizens' guidelines for Quality Inspections.

7.5.2. [Compliance]. Crawford is responsible for requiring that Emergency Water Mitigation Services are performed within the actual scope of damages and in accordance with all applicable industry standards and regulations, including the then-current IICRC S500 Standards for water damage restoration.

Comment: Ask for a copy of the report. See if IICRC compliant. Document non-compliance. Ask for a copy of Citizens' guidelines for Compliance.

7.6.1. [Inspection Report.] For each Repair Services Program Assignment, CAIS Network Contractor shall provide an inspection report (the "Inspection Report," as further described herein)

Ask for a copy of the report. See if IICRC compliant. Document non-compliance. Ask for a copy of Citizens' guidelines for Inspection Report.

11.7. [Compensation] Perform work in excess of three-thousand U.S. dollars (\$3,000) in compensation for Emergency Water Mitigation Services actually performed;

Comment: Ask for proof that an IICRC compliant Restoration including Assessment can be performed for this amount.

1.1 Workers' Compensation, regardless of the state of hire, in at least the minimum statutory limits required by the state of Florida, and Employers' Liability with limits of -- per accident;

Comment: Ask for a copy of the Worker's Comp policy with proof that it covers all the people working and that it is suitable for the work performed. Otherwise illegal work.

5. Contractor's Pollution Liability with per occurrence for those providing Emergency Water Mitigation Services (and additional services as may be designated by Citizens) in addition to or in lieu of Excess General Liability and which shall insure the full scope of Emergency Water Mitigation Services for losses as a result of exposure to fungus, mold, bacteria, asbestos, lead, and silica.

Comment: Ask for a copy of the policy. Ask for proof of coverage that it covers the people working and that it is suitable for the work performed. Otherwise, illegal work.

Estimate Upload Timelines- (Page 51) upload completed *Xactimate* Sketch, Estimate, Photographs and any additional documentation (i.e., drying logs):

- Mold, lead, asbestos or biohazards are present at the loss location
 - Provide an *XactAnalysis* note if there is any deviation of the above

Comment: Ask for this additional documentation. See if IICRC compliant. Document non-compliance. Ask for a copy of Citizens' guidelines for such additional documentation related to mold.

Work Authorizations (page 51)

o Permanent repair / replacement of non-salvageable tear-out items to facilitate structural drying for Emergency Water Mitigation services will be subject to the applicable policy deductible and conditions and reflected in the Work Authorization

Comment: IICRC requires intrusive inspection. Citizens does not allow compliance under the no deductible policy for EWM services.

Payments / Deductible. (page 52). If Emergency Water Mitigation Services are dispatched by *CITIZENS*, the customer will not be subject to their policy deductible or costs for *services* related only to water extraction and dry-out.

Comment: Incentive to not find mold. And to not perform an IICRC compliant inspection. ICRC Water Damage Restoration standard is not the drying standard it is the restoration standard which includes removal of mold before drying and requires intrusive inspection to rule out any preexisting mold.

Comment: IICRC Water Damage Restoration standard is not the drying standard it is the restoration standard which includes removal of mold before drying and requires intrusive inspection to rule out any preexisting mold.

Emergency Water Mitigation Services (p. 53) on this program are governed by stringent policy and endorsement conditions to be conveyed by the handling Adjuster as follows:

- Dollar Threshold -A limit of 1% of Coverage A, to a maximum of \$3000, is available without Adjuster pre-approval to facilitate the structural drying of the reported loss
- \$0 Deductible - There is a \$0 deductible applied to Emergency Water Mitigation Services
- Adjuster Pre-Approval -The CAIS Network Contractor must request authority and provide documentation of authorities granted in *XactAnalysis* notes for:
 - Any Emergency Water Mitigation Services in excess of the 1% of Coverage A or the \$3,000 endorsement threshold
 - Structural drying exceeding three (3) calendar days

Comment: Only allows Structural (Surface only) Drying and not IICRC compliant drying. Max of 3 days. Not allowed by IICRC. You finish when work is proven done. IICRC requires post dry-out inspection to make sure work done right with no resultant residual moisture or mold. Or if legal by FLA mold law. >10 sq ft of mold.

Expert Mitigation Fee Reviews (p 53). - *CITIZENS* is under contract with a professional CAIS Network Contractor to perform objective expert analysis of Emergency Water Mitigation and Mold Remediation Services with the following program conditions:

- As requested, *CITIZENS* will seek a comprehensive review of CAIS Network Contractor estimates for reasonable and customary industry standards and practices and adherence to IICRC guidelines.
- The outcome report provides a line-by-line comparison with identification of water or mold remediation standards supporting any deviation from the original estimate

Comment: Ask for a copy of the two items above. If there has been biocide use, ask for proof that the contractor complied with IICRC / State and Federal Right to Know documentation.

Negative Air Scrubbers (Page 54) - are normally prohibited on Category 2 (contaminated grey water) and Category 3 (sewage, chemical toxins) losses.

Comment: Required for ICRC compliance if water event is Cat 2 or Cat 3. IICRC requires remediate Cat 2/3 before drying.

Remediation ("Fungi", Wet or Dry Rot, Yeast or Bacteria) (P55)

-If mold, mildew and / or rot is present, the CAIS Network Contractor should notify the handling Adjuster to inform the customer of their duties to mitigate any further damage. CAIS Network Contractor should also consider the

following:

- If mold related to the cause of loss is limited, it can be normally handled through the Emergency Water Mitigation Service processes and procedures
- If formal mold remediation protocols must be followed, based on the severity determined by a Certified Mold Specialist, factor Xactimate line items following IICRC water remediation protocol guidelines, broken out separately from any items unrelated to the mold remediation.

Comment:

- How is it customer duty to mitigate mold and not Carrier or representative?
- What is mold related to the loss being "limited"? Ask for definition. IICRC has no such concept. If mold, do not dry. Remediate.
- Ask for a copy of the definition of a Certified Mold Specialist. Does not exist in either IICRC or FLA Mold Law.
- Ask for such a break down.



**AGREEMENT FOR
CONTRACTOR MANAGED REPAIR PROGRAM**

This Agreement ("Agreement") is between CITIZENS PROPERTY INSURANCE CORPORATION ("Citizens"), a legislatively created Florida governmental entity, having its principal place of business at 2101 Maryland Circle, Tallahassee, Florida 32303, and CRAWFORD & COMPANY, through its division, CONTRACTOR CONNECTION ("Crawford") having its principal place of business at 10550 Deerwood Park Boulevard, Suite 100 Jacksonville, Florida 32256. Citizens and Crawford shall each be known as a "Party," and collectively shall be known as the "Parties."

Recitals and Overview

On September 9, 2015, Citizens issued an Invitation to Negotiate No. 15-0011 for Contractor Repair Services Program (the "Solicitation"). Crawford's response to the Solicitation was accepted by Citizens, subject to the terms set forth in this Agreement.

Crawford will manage and credential a network of independent general contractors (the "CAIS Network Contractors", as further defined herein) to provide a variety of emergency mitigation and repair services as a part of Citizens' Contractor Managed Repair Program ("CMRP") established by Citizens. Crawford is tasked with oversight, management, training, and quality assurance monitoring of the CAIS Network Contractors that provide certain emergency and repair services (as more specifically described herein) in support of the CMRP. This includes the administration of the credentialing process by Crawford utilizing the Citizens credentialing system, the acceptance of assignments using the systems of Citizens ("Assignments," as further described herein), and the submission of information and data to manage the administrative, emergency mitigation, and repair services provided by, as the case may be, Crawford and the CAIS Network Contractors within the systems of Citizens.

Terms of Agreement

In consideration of the mutual promises and restrictions stated in this Agreement, the Parties acknowledge and agree as follows:

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. "Administrative Services" means all necessary administrative activities performed by Crawford to ensure its successful performance of this Agreement, including recruiting, credentialing, program training, Program Assignment management, quality assurance, dispute resolution, Workmanship Warranty enforcement, and performance monitoring.
 - 1.2. "Assignment" means the assignment by Citizens to Crawford (named the "Parent Entity" in CAIS) in order to administer and provide Emergency Water Mitigation Services and/or Repair Services. Once an Assignment is directed by Crawford to a CAIS Credentialed Network Contractor, the Assignment becomes a "Program Assignment" as further described in Section 1.33.

- 1.26. "Firm Principal" means the individual from their respective firm who has immediate supervisory responsibilities over either the Crawford Primary Business Contact or the CAIS Network Contractor Primary Business Contact.
- 1.27. "GAM" means the Generic Assignment Module component of CAIS through which Crawford receives Assignments.
- 1.28. "IICRC" means the Institute of Inspection, Cleaning and Restoration Certification which is a certification and standard setting non-profit organization for the inspection, cleaning, and restoration industries.
- 1.29. "Inspection Report" means a report produced through the Estimating System by a CAIS Network Contractor, which is subject to Citizens' approval, for the purpose of documenting their assessment of the scope and estimated cost of damages.
- 1.30. "Non-CAIS Credentialed Resources" means those persons, entities, or companies retained by a CAIS Network Contractor as an independent contractor to provide certain Emergency Water Mitigation Services and/or Repair Services.
- 1.31. "Parent Entity" means the term used within CAIS to identify Crawford.
- 1.32. "Policyholder" means an insured named in the declarations page of the applicable Citizens' insurance policy.
- 1.33. "Program Assignment" means the placement of an Assignment with a CAIS Network Contractor who is selected by Crawford to perform the Assignment. Upon receipt of the Assignment by the CAIS Network Contractor, the Assignment becomes a Program Assignment.
- 1.34. "Project Supervisor" means an individual member of the CAIS Credentialed Designee Group who is identified by the CAIS Network Contractor upon the receipt of each Program Assignment to provide oversight and ensure the successful completion of the Program Assignment and who will: (a) be responsible for the oversight and management of a Program Assignment; (b) serve as the main representative of the CAIS Network Contractor for a Program Assignment; and, (c) serve as the point of contact tasked with communicating all required information to the Citizens' adjuster assigned to the associated claim.
- 1.35. "Property" shall mean, as the case may be, the commercial or residential building, dwelling, structure, or property insured by Citizens on behalf of a Policyholder. A Property shall also mean the physical location of a Program Assignment.
- 1.36. "Referral Confirmation Letter" means that communication sent by Citizens to a Policyholder which outlines the Workmanship Warranty.
- 1.37. "Repair Services" means all permanent repair activities, performed by a CAIS Network Contractor in response to a Program Assignment or as otherwise requested by Citizens, associated with the reasonable and necessary structural and cosmetic repairs required to bring a Property to its pre-loss condition. Repair Services include but are not limited to Board Up/Tarp Services, and Tree Removal Services. Repair Services are subject to the review and approval by Citizens.
- 1.38. "Tree Removal Services" means all activities, performed by a qualified CAIS Network Contractor, associated with emergency tree removal limited to extracting fallen trees, branches, or limbs from a Property for the sole purpose of preventing the continued or further influx of water or other outside elements into the Property and only when required for the CAIS Network Contractor to perform Repair Services; provided, however, that such activities shall not include: (a) cosmetic activities; (b) removal of tree debris from the beyond the Property; or, (c) disposal of tree debris.

writing, a CAIS Network Contractor providing Emergency Water Mitigation Services shall be limited to a maximum of three-thousand U.S. dollars (\$3,000) in compensation for Emergency Water Mitigation Services actually performed and Citizens shall compensate a CAIS Network Contractor up to such maximum regardless of: (a) whether the loss is a covered loss; or, (b) the Policyholder's ability to pay any deductible due.

7. **Performance of Emergency Water Mitigation Services and Repair Services.** Crawford shall comply, and shall require CAIS Network Contractors to comply, with the requirements of this Section. Citizens may elect, at its sole discretion, to modify any Emergency Water Mitigation Services and Repair Services requirements or services standard herein.

7.1. **Compliance Standards.** Emergency Water Mitigation Services and Repair Services must be performed in accordance with any and all applicable and then-current federal, state (such as the Florida Building Code) or local codes, regulations or ordinances pertaining to zoning, construction or permitting.

7.2. **Monitoring of Performance by Citizens.** As part of Citizens oversight of performance of Emergency Water Mitigation Services and Repair Services, Citizens may require Crawford and any CAIS Network Contractor to participate in meetings, teleconferences, or training to discuss, assess, and calibrate the performance of such services.

7.3. **Quality Inspections; Reimbursements.** During performance of, or after completion of, Emergency Water Mitigation Services and/or Repair Services, Citizens has the right without prior notice, to conduct quality inspections to determine adherence to Best Practices and Guidelines. The inspections may include reviewing CAIS Network Contractor estimates, reviewing the performance of Emergency Water Mitigation Services and/or Repair Services, and reviewing the accuracy of the scope of Emergency Water Mitigation Services and/or Repair Services completed. Any report produced by Citizens as a result of an inspection will be provided to Crawford, who must provide the report to the CAIS Network Contractor, who may initiate any rebuttal per the Best Practices and Guidelines. Where Citizens determines, as a result of its inspection, that there has been a failure to adhere to Best Practices and Guidelines, such discrepancy and the corrective action, such as monetary reimbursement, desired by Citizens will be detailed in an inspection report. If the corrective action desired by Citizens includes monetary reimbursement and monetary value of the non-adherence exceeds two-hundred and fifty U.S. dollars (\$250) for Emergency Water Mitigation Services or five-hundred U.S. dollars (\$500) for Repair Services, Crawford shall further notify the CAIS Network Contractor that [REDACTED]. Any such reimbursement shall not limit any of Citizens' other rights or remedies under this Agreement. Upon Citizens' final determination of the value of non-adherence, [REDACTED].

7.4. **Monitoring of Performance by Crawford.** As a part of ensuring that CAIS Network Contractors adhere to the applicable requirements of this Agreement, standards of performance herein, Best Practices and Guidelines, Crawford's Emergency Services Contractor Instructions, Crawford's Managed Repair Contractor Instructions, and any contracts by and between Crawford and the CAIS Network Contractors, Crawford shall:

7.4.1. Monitor CAIS Network Contractor performance by tracking and measuring the quality of Repair Services and/or Emergency Water Mitigation Services through [REDACTED];

7.4.2. Utilize any system provided by Citizens to additionally monitor performance by the

CAIS Network Contractors; and,

7.4.3. Conduct monthly customer satisfaction surveys, on [REDACTED] of prior months [REDACTED] Program Assignments, and sharing results of completed customer satisfaction surveys at a Program Assignment level with Citizens on a monthly basis.

7.5. **Emergency Water Mitigation Services Standards.** In addition to all of the other requirements and standards of this Agreement, Crawford shall require that all CAIS Network Contractors conform to the following standards when providing Emergency Water Mitigation Services:

7.5.1. For each Emergency Water Mitigation Services Program Assignment, the CAIS Network Contractor shall provide [REDACTED] to return the Property to its pre-loss condition for Citizens' review and approval. Such estimate shall be performed utilizing the Estimating System. For each Program Assignment, the CAIS Network Contractor shall photograph, as set forth herein, the Property and shall provide to Citizens, using the method described in the Best Practices and Guidelines, still photographs in a digital format.

7.5.2. Crawford is responsible for requiring that Emergency Water Mitigation Services are performed within the actual scope of damages and in accordance with all applicable industry standards and regulations, including the then-current IICRC S500 Standards for water damage restoration.

7.5.3. For each Emergency Water Mitigation Program Assignment, the CAIS Network Contractor shall provide to Citizens, using the method described in the Best Practices and Guidelines, dry out logs that include [REDACTED] at a minimum and that illustrate the effectiveness and results of the Emergency Water Mitigation Services being performed at the Property. The CAIS Network Contractor shall also prepare a [REDACTED] to support any drying goals established. The [REDACTED] must be provided to Citizens within [REDACTED] of completion of the Program Assignment.

7.5.4. Upon Citizens' request and using the format described in the Best Practices and Guidelines, the CAIS Network Contractor will provide a periodic status or activity updates to Citizens.

7.6. **Repair Services Standards.** In addition to all of the other requirements and standards of this Agreement, Crawford shall require that all CAIS Network Contractors conform to the following standards when providing Repair Services:

7.6.1. For each Repair Services Program Assignment, CAIS Network Contractor shall provide an inspection report (the "Inspection Report," as further described herein) with supporting documentation using the method described in the Best Practices and Guidelines, to Crawford within [REDACTED] of the initial inspection, such initial inspection being completed within [REDACTED] of Program Assignment acceptance. Crawford must review and validate the Inspection Report prior to forwarding the report to Citizens. The Inspection Report shall contain [REDACTED]. All estimates must comply with the Best Practices and Guidelines.

7.6.2. For each Repair Service Program Assignment, Crawford shall require that all required status updates and project milestones are documented in the method described by the Best Practices and Guidelines.

8. **Completion of Program Assignments.** A Program Assignment shall be considered complete

- 11.4. As further described in this Agreement, enter into any agreement for additional services with the Policyholder until the Program Assignment has been completed;
 - 11.5. Place liens on the Property related to the Emergency Water Mitigation Services and/or Repair Services for which Citizens is obligated to pay;
 - 11.6. For Emergency Water Mitigation Services, perform any additional work outside of the Program Assignment unless otherwise previously approved by Citizens in writing, regardless of whether in scope or kind, except as reasonable and necessary according to the circumstances surrounding the loss;
 - 11.7. Perform work in excess of three-thousand U.S. dollars (\$3,000) in compensation for Emergency Water Mitigation Services actually performed;
 - 11.8. For Repair Services, commence any construction or rebuild services; and,
 - 11.9. Request or accept any amount of money from the Policyholder relating to Emergency Water Mitigation Services and/or Repair Services other than any deductible due for permanent repairs from Policyholder which shall be collected by the CAIS Network Contractor prior to beginning any Emergency Water Mitigation Services and/or Repair Services.
12. **Additional Crawford Duties and Responsibilities.** In addition to all other duties and responsibilities of Crawford described in this Agreement, Crawford shall also have the following duties and responsibilities:
- 12.1. Services Overview. In support of the CMRP, Crawford shall provide Administrative Services and all other services necessary for Crawford's successful performance of this Agreement.

(c) monitor and manage each CAIS Network Contractor's compliance with the requirements of this Agreement.
 - 12.2. Crawford Primary Business Contact Responsibilities. The Crawford Primary Business Contact will be responsible for facilitating Crawford's successful performance of this Agreement, including: (a) addressing issues related to the CMRP in general or with a specific CAIS Network Contractor; (b) ensuring CMRP quality standards are met; (c) reviewing CAIS Network Contractor performance and determining ways to improve performance; (d) serving as Crawford's representative for all invoicing/payment and performance related matters; (e) facilitating resolution of any dispute between the Parties to the best of his or her ability; and, (f) being available to meet with Citizens staff as deemed reasonably necessary.
 - 12.3. Recruitment of Prospective CAIS Network Contractors. To ensure that necessary Emergency Water Mitigation Services and Repair Services are successfully provided in locations required by Citizens, Crawford will actively seek to identify and recruit general contractors to become CAIS Network Contractors. Such identification and recruitment shall include Crawford: (a) coordinating with Citizens to identify locations within Florida

EXHIBIT B

MANAGED NETWORK VENDOR PROGRAM BEST CLAIMS PRACTICES & ESTIMATING GUIDELINES



assigned to the service and also the [REDACTED] should the customer need to escalate a matter above the Project Supervisor. [REDACTED] should include all contact information including email and cell phone numbers

Work Authorizations

- o Work Authorization(s) utilized for this program may not contain any language relative to Power of Attorney authorizations, which would allow the CAIS Network Contractor to execute payment or other documents on behalf of the customer. **This is strictly prohibited**
- o Permanent repair / replacement of non-salvageable tear-out items to facilitate structural drying for Emergency Water Mitigation services will be subject to the applicable policy deductible and conditions and reflected in the Work Authorization
 - o It is important that this is conveyed to the Insured or their Representative by the CAIS Network Contractor with mutual understanding and agreement
- o Work Authorization(s) should not be executed by the customer until the damage estimate is *Client-Approved* by the *CITIZENS'* handling Adjuster
 - o **This does not apply to Emergency Water Mitigation Services dispatched through the program on behalf of *CITIZENS***

Estimate Upload Timelines - Upload completed *Xactimate* Sketch, Estimate, Photographs and any additional supporting documentation (i.e., drying logs):

- Within [REDACTED] of job completion for Emergency Water Mitigation Service estimates
- Within [REDACTED] of site inspection for Managed Repair Service estimates
- Zero-dollar or incomplete estimates are prohibited in an attempt to achieve the aforementioned upload time thresholds, except in these circumstances:
 - o The inspection delay is caused by the customer
 - o **Mold, lead, asbestos or biohazards are present at the loss location**
 - **Provide an *XactAnalysis* note if there is any deviation of the above**

Travel Charges - The estimate should not include any line items relating to travel charges.

- The geographic area the CAIS Network Contractor chooses to render service is done so without consideration for travel compensation
 - o Such soft-costs are included in the *Xactimate* Labor Assumptions
 - o In the event that there are circumstances out of your control that would necessitate a travel charge to be included in the estimate, a detailed *Xactimate* note should support the charge

Recovery – Salvage - The CAIS Network Contractor is responsible for assisting the handling Adjuster with:

- Preserving and documenting evidence with photographs as well as obtaining all information necessary for the pursuit of recovery (subrogation) when a 3rd party may be legally liable for the cause of loss (supply line, appliance malfunction, etc.)
 - o Ensure that the evidence chain-of-custody is conveyed to the handling Adjuster
- Recognizing salvage potential of any property or material related to the loss that may have value
 - o Assist the handling Adjuster with taking possession of salvage items if buy-back options are rejected by the customer

Handling Supplements – Supplements must be submitted within three (3) calendar days of recognition, pending *Client Approval* by *CITIZENS* for items agreed upon in advance, or where damages were hidden from view during the CAIS Network Contractor's original inspection.

- Photographs should support supplemental line items
- Supplement(s) should be supported with *Xactimate* Line Item notes
- Supplement(s) should be broken out from the original estimate by **applying bold print** to the supplemental line item(s) in the applicable room(s) accompanied with an *Xactimate* Line Item note
- *CITIZENS* may refuse payment for any supplemental item(s) that were not *Client-Approved*

Releasing Estimates - It is the duty of the handling Adjuster to provide the *Client-Approved* estimate to the customer; however, at the customer's direct request, a CAIS Network Contractor may produce only a *Client-Approved* copy of the estimate

Payments / Deductibles - Unless otherwise noted, all applicable insurance policy deductibles should be applied to the Estimate for the repairs of the loss-related damages

- o If Emergency Water Mitigation Services are dispatched by *CITIZENS*, the customer will not be subject to their policy deductible or costs for services related only to water extraction and dry-out. **Certain conditions apply. See sub-section for *Emergency Water Mitigation Service Handling Standards* for additional details**
- o Overhead & Profit, if applicable, will be withheld until receipt of the customer's signed Certificate of Satisfaction
- o All payments will be jointly issued to the CAIS Network Contractor, the Insured and any Additional Insured's named on the policy

Repairs Not Performed / Not Completed – It is the responsibility of the CAIS Network Contractor to ensure all work is completed in accordance with the Scope / Technical Estimate. From time-to-time, some labor and materials reflected in the Technical Estimate may be offset in exchange for upgrades on other materials or work performed by the customer

- *XactAnalysis* notes should reflect this and any change orders or credits due the customer

XactAnalysis – will be the communication conduit and document repository between the CAIS Network Contractor and the handling Adjuster. The CAIS Network Contractor should utilize *XactAnalysis* to convey:

- All notes regarding:
 - o Customer contact and inquiries
 - o Appropriate timestamps for job start / job completed
 - o Handling Adjuster interaction / communications
 - o Work delays with rationale of the cause(s)
 - o Exchanges for upgrades, change orders, etc.
- Estimates / Photographs / Documents:
 - o Are to be uploaded according to the referenced timelines and labeled appropriately
 - o Documents, Sub-bids and other supporting correspondence should be uploaded and labeled appropriately

Article V. EMERGENCY WATER MITIGATION SERVICE HANDLING

STANDARDS

Industry Standard – It is important for the CAIS Network Contractor follow the [REDACTED] to ensure the appropriate standard of care is maintained throughout the Emergency Water Mitigation Services process.

CITIZENS' Policy Endorsement Conditions – Emergency Water Mitigation Services on this program are governed by stringent policy and endorsement conditions to be conveyed by the handling Adjuster as follows:

- **Dollar Threshold** – A limit of 1% of Coverage A, to a maximum of \$3000, is available without Adjuster pre-approval to facilitate the structural drying of the reported loss
- **\$0 Deductible** – There is a \$0 deductible applied to Emergency Water Mitigation Services
- **Adjuster Pre-Approval** – The CAIS Network Contractor must request authority and provide documentation of authorities granted in *XactAnalysis* notes for:
 - Any Emergency Water Mitigation Services in excess of the 1% of Coverage A or the \$3,000 endorsement threshold
 - Structural drying exceeding three (3) calendar days
- **Permanent Repair / Replacement of Non-Salvageable Tear-out Items** – Will be subject to the applicable policy deductible and conditions. It is very important for the CAIS Network Contractor to include this in the Work Authorization and convey to the Insured or their Representative with a mutual understanding (See **Work Authorizations** Subsection)

Supporting Documentation – should be uploaded with the *Xactimate* estimate to include:

- Psychometric chart
- Daily drying logs
- Photographs supporting:
 - Damages
 - Demolition
 - Mitigation equipment placement

Expert Mitigation Fee Reviews – *CITIZENS* is under contract with a professional CAIS Network Contractor to perform objective expert analysis of Emergency Water Mitigation and Mold Remediation Services with the following program conditions:

- As requested, *CITIZENS* will seek a comprehensive review of CAIS Network Contractor estimates for reasonable and customary industry standards and practices and adherence to *IICRC* guidelines
- The outcome report provides a line-by-line comparison with identification of water or mold remediation standards supporting any deviation from the original estimate
- CAIS Network Contractor is expected to assist the peer reviewer should they make inquiries regarding the services rendered
- Any disputes should be resolved with the handling Adjuster and never involve the customer under any circumstances

XactAnalysis Timestamps – are required to validate job-start and end times.

Service Fees – In addition to the *WTR* line itemizations in *Xactimate*, the following protocols should be considered:

- **Emergency Water Mitigation Service During Normal Business Hours** – Utilizing *Xactimate* codes *WTR / TMP ESRVD* shall be limited to those Assignments where the CAIS Network Contractor receives the assignment between the hours of 8:00 a.m. – 5:00 p.m., local time, Monday-Friday
 - **Emergency Water Mitigation Service After Normal Business Hours** – Utilizing *Xactimate* codes *WTR / TMP ESRV* shall be limited to those Assignments where CAIS Network Contractor receives the assignment between the hours of 5:01 p.m. and 7:59 a.m., local time, Monday-Friday, all of Saturday and Sunday or in observance of a holiday when the CAIS Network Contractor's business would be otherwise closed
 - **Equipment Setup and Takedown** – *Xactimate* codes *WTR EQ / EQA* are the hourly labor codes utilized to setup, inspect, move and adjust, monitor and / or takedown and remove structural drying equipment. The following should be considered:
 - Travel time billing to / from the loss is prohibited
 - Setup should factor and support the number of persons required, depending on the job size / severity
 - Monitoring / takedown can normally be administered by one (1) technician and should be billed accordingly
 - Equipment takedown should be administered during normal business hours unless reasonable rationale is provided to support after-hours charges
 - Setup, monitoring and takedown charges should be broken out separately in the estimate
 - **Equipment Monitoring** – is billed at one (1) hour per trip for normal jobs
 - Travel time billing to / from the loss is prohibited
 - Contact the handling Adjuster for approval on larger jobs requiring additional monitoring
 - **Equipment Decontamination** – Charges are permissible for Category 2 (contaminated grey water) and Category 3 (sewage, chemical toxins) losses
 - **O & P for Emergency Skilled Trades** – Overhead & Profit (O & P) is not permissible for Emergency Water Mitigation Services; however, from time-to-time the services of skilled trade(s) persons may be required to be coordinated by the CAIS Network Contractor
 - Such services would include an Electrician to restore power, an HVAC Technician to restore heating and / or air conditioning or a Plumber to stop a leak, restore water or natural gas service
 - O & P is permissible only for the skilled trade(s) required to facilitate Emergency Water Mitigation Services
- Drying Equipment – Extraction Standards**
- **Dehumidifiers** – should be based on the room size, moisture levels, *IICRC* recommendations, etc., utilizing *Xactimate* codes *WTR DHM, DHM>, DHM>>*
 - The CAIS Network Contractor should not default to using X-large dehumidifier(s) if the job doesn't entail the need because that is the only size they stock
 - **Air Movers** – should be based on square footage and the appropriate air mover type utilized
 - **Wood Floor Extraction Mats** – should only be utilized in instances where it would be reasonable and customary to save hardwoods and subfloors, and further attempts to avoid sanding and refinishing
 - If evidence suggests these outcomes would not likely be achieved, tear-out and traditional drying with fans and dehumidifiers should be considered
 - **Negative Air Scrubbers** – are normally prohibited on *Category 2* (contaminated grey water) and *Category 3* (sewage, chemical toxins) losses

Remediation ("Fungi", Wet or Dry Rot, Yeast or Bacteria) - If mold, mildew and / or rot is present, the CAIS Network Contractor should notify the handling Adjuster to inform the customer of their duties to mitigate any further damage. CAIS Network Contractor should also consider the following:

- If mold related to the cause of loss is limited, it can be normally handled through the Emergency Water Mitigation Service processes and procedures
- If formal mold remediation protocols must be followed, based on the severity determined by a Certified Mold Specialist, factor *Xactimate* line items following IICRC water remediation protocol guidelines, broken out separately from any items unrelated to the mold remediation
- The handling Adjuster should convey any coverage limits, conditions, exclusions specific to mold remediation

Remediation (Asbestos and / or Lead Paint) - Asbestos and lead paint claims should be evaluated on a claim-by-claim basis. CAIS Network Contractor should notify the handling Adjuster and request authority to follow recommended protocols. Please consider the following:

- Homes built prior to 1978 may have the potential to contain lead. If these hazards are discovered as part of a covered cause of loss, the remediation, containment and disposal should be factored as mandated by governmental authority to facilitate repairs
- All testing reports and related invoices should be uploaded to *XactAnalysis* documents. Consider *Xactimate* line item codes *HMR ASBTS / LEADS*
- *HMR HEPAVAL* for light HEPA vacuuming for the affected area involving the containment

Article VI. SCOPE

The agreed scope of the loss should establish both covered and non-covered damages. Supporting photographs and Sketch diagrams are to be imported with the *Xactimate* estimate. The Estimate should be well-documented with *Xactimate* Line Item Notes to support the scope rationale, where applicable.

Photographs - are used to record damage, or lack thereof, and support the cause of loss. Photographs should be clear, not blurry, be annotated, detailed and include:

- Date taken and by whom
- All available exterior elevations
 - Front elevation with address verification is the only requirement for condominium risks
- Verification of the address
- Support of the damages including damage close-up and room overviews
- Undamaged areas relevant to the location of the direct physical damage; i.e., undamaged cabinet faces, continuous surfaces, etc.
- Correct labeling, correlating to the *Xactimate* Sketch
- Roof slopes and pitch for applicable causes of loss including:
 - Roof layers, drip edges, gutters, vents, jacks

Diagrams - Are required in *Xactimate* Sketch and should follow the roof and / or risk floor plan relevant to the damages found and / or reported. **Pod (individual box) diagramming is prohibited.** Sketch diagram should include:

- Measurements +/- 3" of actual dimensions
 - Include ceiling height adjustments when appropriate
- Doors, openings, Reference Areas and Reference Blocks 32 SF or greater with the area under, behind, above factored out appropriately
 - Reference Areas / Blocks include tub and tile surrounds, cabinets and built-ins, etc.
- Point of origin notated
- Exterior elevations when relevant to the loss or damage

Article VII. TECHNICAL ESTIMATE

CITIZENS currently utilizes the *Xactimate* Estimating Program to assist in the preparation of property damage estimates. After the inspection / assessment of Dwelling and / or Building losses, the completed undisputed damage estimate with photographs and Sketch should be uploaded as follows. Reasonable rationale should support any delay if these requirement(s) cannot be met. (i.e., awaiting expert report). All estimates from the CAIS Network Contractors should be written in a line item format and categorized into individual rooms with no 'lump sum' categories.

- Within [REDACTED] of job completion for Emergency Water Mitigation Service estimates
- Within [REDACTED] of site inspection for Managed Repair Service estimates
- Within [REDACTED] for Large Loss estimates greater than (>) \$50,000

Structure Estimations - It is recommended and preferred that all *Xactimate* material and line item descriptions not be manipulated, changed or revised. If a line item description is determined to be ambiguous, it is recommended that an *Xactimate* note is entered to support the line item. Please consider the following when preparing an *Xactimate* estimate:

- **Price List** - Utilize the default *Xactimate Assignment Received Price List* aligned to the appropriate risk zip code
 - Reopens and / or supplements may require a more current price list for new and / or adjusted line items aligned to the period of time that evolved from the time of the initial estimate
- **Repair vs. Replace** - The estimate should include labor and materials relevant to the direct physical damage incurred
 - Adjustments should be considered between reparability vs. replacement. The CAIS Network Contractor should use care with regard to the potential for undamaged items, duplication of items and overlap of estimate items
 - **Material Quality** - It is vital that the CAIS Network Contractor review line item definitions for each quality style to determine the closest matching replacement product
 - Material grade ratings utilized, other than Average grade, should be explained in the *Xactimate* notes and / or supported with photographs
- **Labor Hours** - *Xactimate* line items normally include the labor assumptions built into the unit cost price. Factoring additional labor hours for these line items is normally prohibited
 - If an exception is warranted, the CAIS Network Contractor should provide supports via an *Xactimate* note and photographs
 - Utilize *Xactimate* line item descriptions to determine the labor assumptions included in the trade

Remediation ("Fungi", Wet or Dry Rot, Yeast or Bacteria) - If mold, mildew and / or rot is present, the CAIS Network Contractor should notify the handling Adjuster to inform the customer of their duties to mitigate any further damage. CAIS Network Contractor should also consider the following:

- If mold related to the cause of loss is limited, it can be normally handled through the Emergency Water Mitigation Service processes and procedures
- If formal mold remediation protocols must be followed, based on the severity determined by a Certified Mold Specialist, factor *Xactimate* line items following IICRC water remediation protocol guidelines, broken out separately from any items unrelated to the mold remediation
- The handling Adjuster should convey any coverage limits, conditions, exclusions specific to mold remediation

Remediation (Asbestos and / or Lead Paint) - Asbestos and lead paint claims should be evaluated on a claim-by-claim basis. CAIS Network Contractor should notify the handling Adjuster and request authority to follow recommended protocols. Please consider the following:

- Homes built prior to 1978 may have the potential to contain lead. If these hazards are discovered as part of a covered cause of loss, the remediation, containment and disposal should be factored as mandated by governmental authority to facilitate repairs
- All testing reports and related invoices should be uploaded to *XactAnalysis* documents. Consider *Xactimate* line item codes *HMR ASBTS / LEADS*
- *HMR HEPAVAL* for light HEPA vacuuming for the affected area involving the containment

Article VI. SCOPE

The agreed scope of the loss should establish both covered and non-covered damages. Supporting photographs and Sketch diagrams are to be imported with the *Xactimate* estimate. The Estimate should be well-documented with *Xactimate* Line Item Notes to support the scope rationale, where applicable.

Photographs - are used to record damage, or lack thereof, and support the cause of loss. Photographs should be clear, not blurry, be annotated, detailed and include:

- Date taken and by whom
- All available exterior elevations
 - Front elevation with address verification is the only requirement for condominium risks
- Verification of the address
- Support of the damages including damage close-up and room overviews
- Undamaged areas relevant to the location of the direct physical damage; i.e., undamaged cabinet faces, continuous surfaces, etc.
- Correct labeling, correlating to the *Xactimate* Sketch
- Roof slopes and pitch for applicable causes of loss including:
 - Roof layers, drip edges, gutters, vents, jacks

Diagrams - Are required in *Xactimate* Sketch and should follow the roof and / or risk floor plan relevant to the damages found and / or reported. **Pod (individual box) diagramming is prohibited.** Sketch diagram should include:

- CAIS Network Contractor should support the rationale of all Contents claim handling with photographs of packed boxes prior to sealing to support labor hours, capturing the contents within and include the name of the involved room

• Contents Cleaning:

- Use *Xactimate* Line Items in the *CEL, CGN, CHF, CLM, CLN* categories to itemize for furnishings and related items per involved room
- For smaller items use *CGN BRIC* factored per-item to clean miscellaneous bric-a-brac / knick-knacks
- If use of additional labor hours becomes necessary, factor the equivalent trade labor *Xactimate* Line Items, supported by rationale in an *Xactimate* note

• Non-Salvageable Personal Property:

- Determine with the handling Adjuster if an internal Content Unit Referral was established
- Itemize a list of non-salvageable items utilizing a spreadsheet in the following manner to be uploaded into *XactAnalysis* documents:

Item #	Quantity	Item / Description	Make / Model #	Room Involved
1				
2				
3				
4				

• Pack-outs:

- If the loss involves moving the contents out of the structure and into a Pod or offsite storage facility or warehouse, factor the *Xactimate* Line Items using:
 - *CPS LAB* broken out room-by-room for large furnishings. Rationale for the hourly charges should be supported in an *Xactimate* note
 - The *CPS* category by box size such as *CPS BXBLE* on a per-box basis for the box, packaging tape, labor to evaluate, pack and inventory smaller personal property items
 - *CPS STOPC, TR, STOR*, etc., to factor for the Pod, transportation method and offsite facility rental
- Factoring supervisory labor hours such as *CPS LABS* is highly discouraged and should be utilized only in circumstances where the Supervisor is working in tandem with the laborers and assisting them with their tasks
- Time sheets for all *CPS LAB / LABS* codes should be uploaded into *XactAnalysis* to support the use of related *Xactimate* line items

Estimate Components

- **Overhead and Profit** - should be considered when the coordination of repairs by a CAIS Network Contractor as a General Contractor would reasonably be required:
 - **O & P should be calculated as 10% overhead and 10% profit, not cumulative**
 - Generally, **O & P is excluded** from the following trades, if not being supervised by a GC:
 - Emergency Water Mitigation Services
 - Personal Property cleaning
 - Dwelling cleaning
 - Personal Property pack-out
 - Work performed by Insured
 - Roofing only project
 - Flooring only project



Section D

Questions for Attorneys to Ask PV Contractors

Questions to Ask Under Deposition

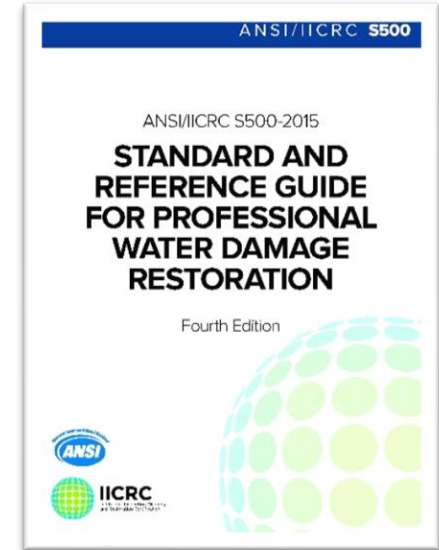
Questions to ask under Deposition. Our goal is to show/prove Carrier:

1. MRP/PV work is not compliant with Industry Standards and has resulted in mold after drying.
2. Carrier cut corners and pay for illegal work to save money resulting in:
 - Negligent, failed, and often illegal drying.
 - MRP/PVs often not properly insured or properly licensed.
 - Illegal use of Biocides. (Covers up failed work.)



Do You Have ...Training in Water Damage?

- Are you familiar with ANSI-Approved IICRC S500?
- What is it? (It is the Standard for Professional Water Damage Restoration.)
- Do you have training in S500-2015/2021?
- Have you actually been trained on the Standard?
- Do you have a copy of the Standard? Or only a training guide provided for the course.



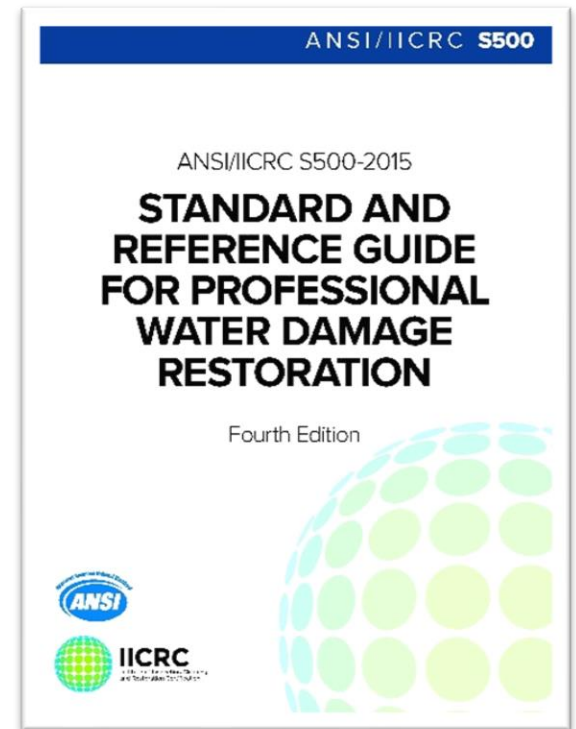
What Is ANSI?

- What is ANSI? (American National Standards Institute.)
- So is ANSI-Approved IICRC S500 considered the Standard in the water damage/ dry-out industry?



Did Your Company Follow ...

- ANSI-Approved IICRC S500-2015/2021 Standard for Professional Water Damage Restoration [WDR] is considered the accepted Industry Standard of Care.
- Did your company follow ANSI-Approved S500-2015/2021 when performing WDR?
- Do you own a copy of ANSI-Approved S500-2015/2021?



Are You IICRC Water Damage Restoration Technician Certified?

- Are you IICRC S500 WRT certified?
- When did you receive training in IICRC S500?
- Was your training before the later release that came out in 2015/2021 (ANSI-Approved IICRC S500-2015/2021 4th/5th Edition)?
- Did you know that the earlier versions such as **S500-2006** has **had their ANSI approval withdrawn?**
- It is no longer a Standard.



Please Explain...

- So you have no formal training in the current version of IICRC which is the only ANSI approved version?
- Based on your invoice and pictures of work performed, **your dry-out procedures were based on In-Place Drying.**
- Did you know that In-Place Drying is no longer an IICRC approved procedure.
- Please explain what In-Place Drying is.



Why In-Place Drying (IPD) Is No Longer Approved

- Do you know why In-Place Drying (IPD) is no longer an IICRC approved procedure?
- Because IICRC found it almost always results in mold, incomplete drying, and illegal use of biocides none of which are approved for application on porous or semi-porous materials (such as drywall.)
- Now per IICRC one must remove toe kicks and baseboards, open up walls to inspect for prior damage such as mold growth before drying and again inspect for mold after drying.
- But based on these pictures you did not do that, did you? There is mold. Dry-out failed.





should: when the term *should* is used in this document, it means that the practice or procedure is a component of the accepted “standard of care” to be followed, while not mandatory by regulatory [state or federal law] requirements.

- When an IICRC procedure says “**should**” (vs “recommended”) what does that mean?
 - The practice or procedure is a component of the accepted standard of care to be followed.
- Did you do all the required IICRC procedures?





- In a signed Testimonial the insured has stated that none of the IICRC required procedures were followed by your company.
- Why not?

TESTIMONIAL



IICRC S500: Now Drying Requires Opening Assemblies

17.2.4 Drying

Drying is the process of removing moisture from materials and involves the sciences of psychrometry and moisture mechanics in materials. Restorers should understand the science of drying and implement the principles of drying during a restoration project.

- A. **Open assemblies to access pockets of saturation** – Restorers **should** open assemblies (e.g., walls, stairs, flooring, wall base areas, voids, built-ins) to access **pockets** of saturation. Methods of opening assemblies can include but are not limited to drilling hole(s) or removing other components of the construction.

- Open assemblies to dry. Required. Says **should**. Drying is more than blowing air onto surfaces. No more IPD.
- But based on your pictures **you did not open assemblies.**
- Isn't that so?

IICRC S500 Requires Drying Inside of Assemblies

17.2.5 Airflow

D. Introduce airflow within the structural cavity (i.e., interstitial space) – Airflow should be delivered to wet surfaces inside interstitial spaces (e.g., wall cavities, internal chases, under cabinets). This can often be achieved more effectively through the use of structural cavity drying systems that create a positive or negative pressure causing filtration (i.e., infiltration, exfiltration) through the structural assembly.

- No more drying in place. Air flow should be delivered inside of interstitial spaces (wall cavities, under cabinets etc.) and not only to surfaces.
- But based on your pictures **you did not deliver air inside walls or under cabinets did you?**
- **And if you did, did you perform the IICRC required initial inspections to make sure no pre-existing mold?**

S500 Requires Initial Intrusive Inspection

- Mold was found after your drying.
- You say the mold was pre-existing and you did not cause it.
- Based on the pictures you provided, **you omitted performing an IICRC compliant initial inspection** to document prior damage/mold.
- So how can you claim it was pre-existing? You can't.



S500 Requires Documentation of Initial Inspection

1.2.2.1 Initial Inspection

Upon entering a building, professional moisture detection equipment should be used to evaluate and document the psychrometric conditions inside and outside the building and the moisture content or levels of materials in affected and unaffected areas.

Restorers should inspect and document the source and time of the water intrusion, visible material deterioration, pre-existing damage and visible microbial growth. Professional moisture detection equipment should be used to inspect and document the extent of water migration and moisture intrusion **into** building materials and contents.

- You say the mold was already there. But you did not document according to IICRC 1.2.2.1.
- And if it was pre-existing, drying pre-existing mold is not allowed by IICRC guidelines since drying mold [always improper] will spread hazardous mold and will contaminate the property.
- **Results in personal injury.**

Did Water Migrate Into Walls or Under Cabinets?

17.3.1 Pre-restoration Evaluation of assemblies

Evaluating layers or assemblies of materials should be done when it is suspected that water has migrated under or into it. Restorers should understand the particular construction in order to determine the best restoration approach. **Properly inspecting, cleaning, drying, and restoring these assemblies can require removal of surface or multiple layers of them.** If finished wall material (e.g., gypsum board, plaster) requires replacement, restorers should commence removal first; then properly dry exposed sub-surfaces and framing to the predetermined drying goal prior to reinstallation of finish materials.

- According to 17.3.1, a proper initial inspection is more than looking at surfaces.
- Did water migrate into walls or under cabinets?
- **Did you perform a proper initial inspection and proper drying per S500 by opening assemblies for inspection?**

Did Water Migrate Into Walls or Under Cabinets?

17.3.1 Pre-restoration Evaluation of assemblies

Evaluating layers or assemblies of materials should be done when it is suspected that water has migrated under or into it. Restorers should understand the particular construction in order to determine the best restoration approach. Properly inspecting, cleaning, drying, and restoring these assemblies can require removal of surface or multiple layers of them. **If finished wall material (e.g., gypsum board, plaster) requires replacement, restorers should commence removal first; then properly dry exposed sub-surfaces and framing to the predetermined drying goal prior to reinstallation of finish materials.**

- If drywall requires replacement (is moldy) remove before drying.
- **Did you remove first and then dry?**
- Or did you dry moldy drywall?
- Drying moldy drywall is not allowed. Spreads mold. Results in Personal Injury.

Assessing Water Damage

- When you look for water and water damage what type of test equipment do you use?
 - Penetrating moisture meter?
 - Non-penetrating moisture meter?
 - FLIR?
- **Have you had any formal training in any of these?**
- **Are their calibrations up to date?**
- Does any of this equipment look inside of walls or behind cabinets?
(No.)



FLIR Thermographic camera.

Assessing Water Damage **IN** Structures

10.6.3 Extent of Water Migration

Restorers **should** evaluate and document the extent of water migration **in** structure, systems, and contents, using the appropriate moisture detection equipment which can include, but is not limited to:

- moisture sensors;
- thermo-hygrometers;
- invasive and non-invasive moisture meters;
- infrared thermometer; and
- thermal imaging cameras.

- S500–2015 says “should”, (that’s their word for required to comply with the Industry Standard of Care) evaluate the extent of water **in** structures.
- Not just on surfaces.
- **Did you only check surfaces?**

You Are Responsible for Mold And The Cost of Remediation

Because you did not follow the industry standard of care, there is now mold.

Standard of Care refers to a professional's duty to act reasonably and provide quality services. If you fall short of the standard of care, a client usually has the right to sue. You, the Carrier Preferred Vendor, are responsible for the Mold and for the cost of Mold Remediation and Rebuild/Replacement.





**Do You Have a Copy of
Your Insurance?**

Dry-Out Contractors Environmental Insurance


- Did you bring a copy of your insurance policy as I (attorney) asked?
- What does this cover?
- Presumably, this is GL along with Environmental Insurance (Pollution) covering work that results in Environmental Damage (Pollution).
- **Drying that results in Mold that contaminates a home is Environmental Damage/Pollution.**



You Are Responsible for Mold And The Cost of Remediation

We are going to make a claim against your contractors' Environmental (Pollution) insurance to fix mold damage caused by negligent/ improper/sub-standard / non-compliant / failed procedures.





**Do You Have a Copy of
Your Worker's Comp?**

IICRC Requires Signed Log of People Doing the Work

9.2.1 Time Keeping Documentation

Restorers **should** record the time worked by personnel involved in the project. Projects can be invoiced on a measured-estimate or bid basis, a time-and-material basis, or a cost-plus-overhead and profit basis. Individual timesheets, either written or electronic, might be required for billing purposes. Individual time records can include, but are not be limited to:

- IICRC requires you to record the time for each person working.
- I asked you to bring a copy of the log of the people doing the work as required by IICRC?
- Where is it?

IICRC Requires Signed Log of People Doing the Work

- Where is the log?
- Who was there?
- Please provide proof of Worker's Comp for all your workers at the job site.
- If you cannot prove who was there, how can you prove if the workers had Worker's Comp?
- **You can't? Then illegal contracting.**



Per IICRC, Worker's Comp No Compliance = Illegal Work

9.3 Risk Management

It may be appropriate for restoration businesses to consider development of a formal Risk Management Program, including a review of insurance coverage both required by law and appropriate to the risk (e.g., general liability, contractor's pollution liability). Restorers shall determine and comply with any governmental insurance requirements related to their business operations. The conduct of business as a restoration firm requires consideration of several other types of insurance coverage, including:

- workers' compensation: restoration firms shall meet legal requirements to provide workers' compensation coverage for businesses having employees.

- **“Shall” means required by State or Federal law.**
- **Per IICRC Worker's Comp. No Compliance = Illegal Work**

When Workers Are Employees

- If the company has a Worker's Comp policy for all employees, who are employees and who are non-employee contractors?
- You need to show that the people that you claim to be covered by your company's Worker's Comp not only were the ones working on the job but also are actual employees.



When Workers Are Sub-Contractors

- Sub-contractors must be able to show proof of Worker's Comp. And document who was there.
- No proof that sub-contracted workers have Worker's Comp then work is illegal.

WORKERS' COMPENSATION

A state-mandated insurance that provides medical benefits and wage replacement for employees who have a job-related illness or injury.



Workers Wear Safety Equipment (PPE)

- Pictures show or invoices show that workers were wearing Personal Protective Equipment suitable for hazmat work.
- **Do you have Worker's Comp insurance that is suitable for working under hazardous conditions** that require HEPA filtered respirators and Tyvek suits and shoe covers?
- **If not, then work is illegal. Not compliant with OSHA.**



MRP/PV contractor cut corners. Performed illegal work without appropriate insurance. Carrier paid for the illegal work. Carrier does not require/check for Worker's Comp insurance. Carriers are complicit in illegal work to keep costs down.

A man in a blue polo shirt is focused on adjusting a yellow hose on a teal floor buffer machine. The machine is on a dark wooden floor. In the background, another person is working with a similar machine. The scene is set in a well-lit room with a doorway and a chandelier visible.

OSHA COMPLIANCE?

OSHA Regulated Work Place

8.4 Personal Protective Equipment (PPE)

OSHA 29 CFR 1910.132 requires that employers provide their employees with the necessary PPE to reduce the risk of exposure to chemical, physical or biological hazards. **Biological hazards** that can be encountered when performing water damage restoration work include, but are not limited to, allergenic, toxigenic and/or pathogenic microorganisms.

- IICRC states that mold work is hazardous work.
- As such is regulated by OSHA 29 CFR 1910/1926.



OSHA Compliance

8.4.1 Respirator Use and Written Respiratory Protection Plan

Employees shall wear respirators whenever engineering and work practice controls are not adequate to prevent atmospheric contamination at the job site. If microbial remediation work is being performed, and if the restorer determines after the application of the “General Duty Clause” that a hazard exists, then a respirator is required for employees in the contaminated area. OSHA requires that a respiratory protection program be implemented for employees who wear a respirator. Visitors to the work site should be encouraged to wear respiratory protection and other appropriate PPE while in the contaminated work area.

- Per 8.4.1, if using Hazmat level PPE (Personal Protective Equipment) then a hazard exists.
- Requires written OSHA “Respiratory Protection Program”.



Respiratory Protection Program No Compliance = Illegal Work

8.1 Worker Safety and Health

The regulations referred to in this Standard and Reference Guide are based on United States laws and regulations, but it is understood that other countries generally have comparable health and safety requirements. Restorers shall understand the laws and regulations related to health and safety for the particular country or locale in which they work. Although there are few specific federal, state, provincial and local laws and regulations directly related to water damage restoration and microbial remediation, there are safety and health regulations applicable to businesses that perform such work. Federal safety and health regulations in the United States that can impact the employees of a restoration business include, but are not limited to the following Occupational Safety and Health Act (OSHA) Standards found in Title 29 of the Code of Federal Regulations (CFR) parts 1910 and 1926:

- 29 CFR 1910 – General Industry Standards
- 29 CFR 1926 – Construction Industry Standards

Restoration firms shall comply with applicable sections of both the OSHA General Industry Standards and the Construction Industry Standards. Individual state and local governments can have additional safety and health requirements that are more restrictive than the Federal Occupational Safety and Health Act. Each state in the United States is required to use Federal OSHA as a minimum statutory requirement. Employers shall comply with these safety and health regulatory requirements. Specific items addressed by these regulations include, but are not limited to the following:

Are The Workers Wearing Hazmat Level Safety Equipment (PPE)

- Is there billing for hazmat level PPE in the invoice? Or pictures of workers using hazmat gear?
- Yes.
- Then your company is required to comply with OSHA 29 CFR 1910/1926 Respiratory Protection Program regulations.
- Includes: Worker respiratory training, fit testing, and daily work logging (who wore what when)?



Are The Workers Wearing Hazmat Level Safety Equipment (PPE)

- Working under hazardous conditions is indicated by wearing HEPA filtered respirators and Tyvek suits and shoe covers.
- **Are you able to prove OSHA regulatory compliance?**
- **If not ... illegal contracting.**

Contractor Cut Corners. Performed illegal work without appropriate OSHA compliance.

Carrier paid for the illegal work. Carrier does not require/check for OSHA compliance even though Contractor invoices for Hazmat level respiratory protection.

Carriers are complicit in illegal work to keep costs down.



**Did Your Training
Include Understanding
Classes of Water Loss?**

Explain IICRC Classes of Water Loss

- **Class 1** = “least damage” = water losses that affect only part of a room or area, or losses with lower permeance/porosity materials (e.g., plywood, particle board, structural wood, VCT, concrete). Little or no wet carpet or padding.
- **Class 2** = “large damage” = water losses that affect an entire room or carpet and cushion. Water has wicked up walls 12”-24,” and moisture remains in structural materials.
- **Class 3** = “greatest amount of water” = ceilings, walls, insulation, carpet and sub-floor in the entire area are saturated. Water usually originates from above in Class 3 scenarios.
- **Class 4** = “specialty drying” = deep pockets of saturation in very low permeance/porosity materials such as hardwood, plaster, brick, concrete or stone. Includes scenarios where HVAC or other equipment will require drying and restoration.

Ask: Why Classes of Water Important?

- Are your **IICRC WRT** trained and Certified?
- Explain how Classes of Water Loss are used to develop Equipment formulas.
- Explain how you used them to develop your equipment formulas for billing.
- Explain how your work complied with IICRC with respect to the number and location of equipment.



“Class of Water” S500–2015 Dehu Usage

Class of water intrusion: a classification of the estimated evaporation load; is used when calculating the initial humidity control (e.g., dehumidification, ventilation). The classification is based on the approximate amount of wet surface area, and the permeance and porosity of affected materials remaining within the drying environment at the time drying is initiated. Information needed to determine Class should be gathered during the inspection process. The Classes are divided into four separate descriptions, **Class 1, 2, 3, and 4.**

- Please explain how to use Class of Water in order to calculate the amount of initial dehumidification capacity.
- **If you cannot explain, then you cannot determine how to properly dry a job per IICRC S500.**

Airmover Usage.

13.5.6.1 Controlling Airflow

Upon initiating the restorative drying effort, restorers **should** install one airmover in each affected room.

- In addition, add one airmover: for every 50-70 SF of affected wet floor in each room (to address floors and lower wall surfaces up to approximately 2 feet),
- for every 100-150 SF of affected wet ceiling and wall areas above approximately 2 feet, and
- for each wall inset and offset greater than 18 inches.

- Please explain how to determine the number and location of airmovers to comply with S500.
- **If you cannot explain, then you cannot determine how to properly dry a job per IICRC S500.**



A man in a blue polo shirt is kneeling on a dark wooden floor, adjusting a yellow hose on a teal carpet cleaning machine. In the background, another person is using a similar machine in a room with a doorway and a chandelier. The scene is brightly lit, suggesting a professional cleaning service in a residential home.

Categories of Water Questions

Explain Categories of Water

- **Category 1** = “clean water” = broken supply lines, tub or sink overflows with no contaminants, appliance malfunctions involving water supply lines, melting ice or snow, falling rainwater, broken toilet tanks, toilet bowls that do not contain contaminants or additives, etc. (Previously known as “clear water.”) **Category 1 water can quickly degrade into category 2 or 3.**
- **Category 2** = “gray water” = discarded from dishwashers, washing machines, overflows from toilet bowls with some urine (no feces), sump pump failures, seepage due to hydrostatic pressure, broken aquariums, punctured water beds, etc.
- **Category 3** = “black water” = sewage or other contaminated water sources including toilet backflows that originate beyond the trap, flooding from seawater, ground surface water and rising water from rivers or streams, etc.

Explain IICRC Categories of Water

- For typical Water Damage Restoration:
 - **Category 1:** Starts out from a Clean Source (potable water from plumbing, rain etc.) Quickly changes to Cat 2.
 - **Cat 2:** Bacteria contaminated. Odor. No visible color.
 - **Cat 3:** Mold contaminated. Visible growth and odor.



Per IICRC What Categories of Water Are Allowed to Be Dried?

- What type of water categories are allowed to be dried out?
- Only Cat 1 (clean water.)
- But what about Cat 2/3? (Drying Cat 2/3 NOT allowed by IICRC.)



Water Categories R&R Cat 2/3

17.3.2.1 Remove and replace in Category 2 or 3 intrusion

Following a Category 2 or 3 water intrusion, affected materials or assemblies that **should** be removed and replaced include, but are not limited to:

- carpet cushion (pad, underlay);
- HVAC internally lined duct board;
- HVAC external insulation on metal duct;
- wall insulation (e.g., loose-fill, cellulose, mineral wool, fiberglass, open-cell foam);
- particleboard or MDF; and
- many multi-layer flooring systems (e.g., laminate, vinyl sheet, parquet, engineered wood) under which Category 2 & 3 water has migrated cannot generally be sufficiently dried, cleaned, or sanitized.

- Bacteria contaminated. Odors. Cat 2
- Mold contaminated. Odors. Visible growth. Cat 3.
- **Cat 2/3: Remove and replace and do not dry either carpet/pad or cabinets. Why did you dry?**
- [Note: IICRC uses the term **Intrusion** because they do not want to emphasize that Cat 2/3 water events generally start out Cat 1 then quickly turn to Cat 2/3].

Water Categories R&R Cat 3

17.3.2.1 Remove and replace in Category 3 intrusions

Following a Category 3 water intrusion, affected materials or assemblies that **should** be removed and replaced include, but are not limited to:

- gypsum wallboard (single-layer, multiple-layers, both standard and fire-rated);
- mineral fiber lay-in ceiling tiles;
- wall insulation;
- sound attenuation board;
- wallpaper (e.g., vinyl, textile);
- wood paneling; and
- carpet and carpet cushion (pad, underlay).

- Cat 3 Mold contaminated drywall.
- Should [means required by the Standard of Care] **remove / replace and do not dry.**
- Why did you dry?

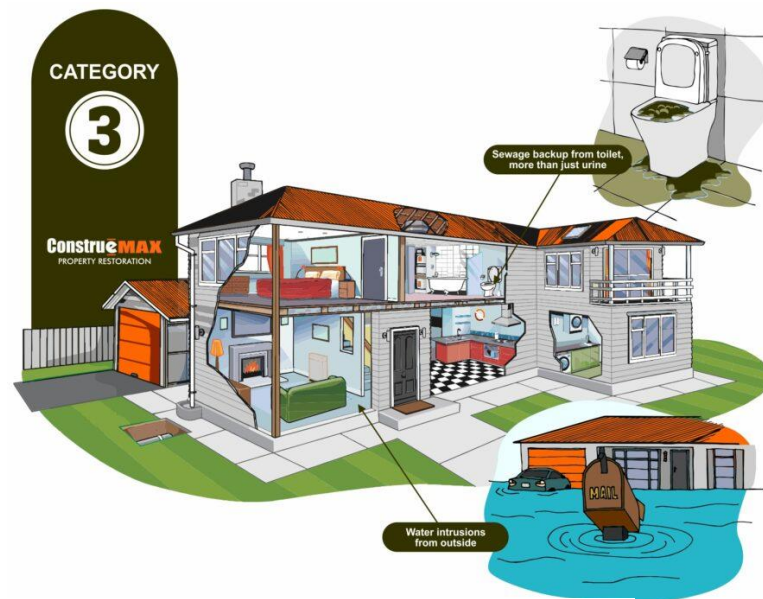
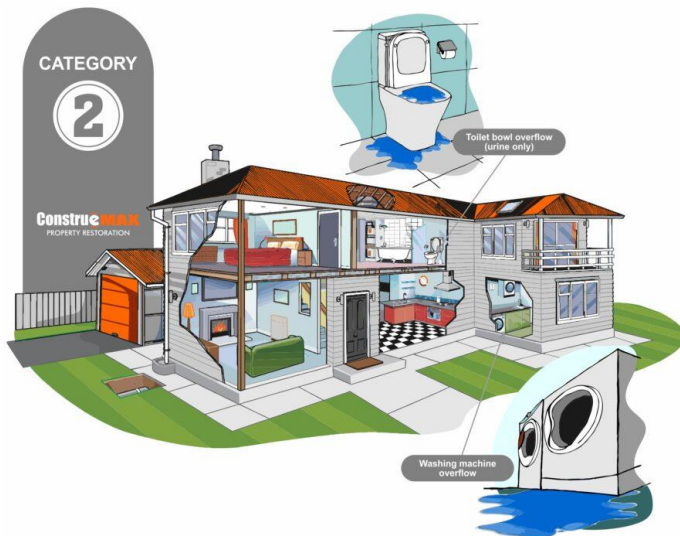
Was It Assumed a Clean Water Loss?

- A clean water (Cat 1) event will always turn into Cat 2/3 over time due to microbial growth .
- Dry-out contractors often incorrectly categorize a Cat 2/3 as a clean water event if the original source of water was potable / clean water?
- **Did you make that assumption?**



Determining Category of the Water Event?

- How did you determine that the water event was not Cat 2/3?
- IICRC S500 requires that you open assemblies to check for pre-existing water damage. Such as Mold. Rot or Rust. Odors. BEFORE DRYING.
- **Did you open the assemblies to determine Water Category?**
- If not, then you did not perform an appropriate IICRC defined preliminary inspection. You were not IICRC compliant.



A man in a blue polo shirt is kneeling on a dark wooden floor, focused on adjusting a control panel on a teal industrial floor cleaning machine. The machine has a large black wheel and a yellow flexible hose. In the background, another person is visible, also working with a similar machine. The scene is set in a well-lit room with a doorway and a chandelier visible.

Biocides to Cover Up Odor

Odor Means Already Turned Do Not Dry. R&R

Category 1 water can deteriorate to Category 2 or 3. Category 1 water that flows into an uncontaminated building does not constitute an immediate change in the category. However, Category 1 water that flows into a contaminated building can constitute an immediate change in the category. Once microorganisms become wet from the water intrusion, depending upon the length of time that they remain wet and the temperature, they can begin to grow in numbers and can change the category of the water. **Odors** can indicate that Category 1 water has deteriorated.

- Odors can indicate the presence of mold and/or bacteria.
- **Odor means no longer Category 1.**
- Do not dry. But you dried contrary to S500. Why?
- And then sprayed with an illegal biocide or a biocide applied illegally (contrary to label directions) to cover up the microbial growth/failed drying.

Document Odors

10.3 Documentation

Throughout the project, the restorer should establish, implement, and consistently follow methods and procedures for documenting all relevant information. This information can affect and provide support for project administration, planning, execution, and cost. In addition, pre-existing damage (e.g., evidence of wear, use, physical damage, previous water intrusions, staining, odors) should be documented and communicated to materially interested parties. Refer to Chapter 9, *Administrative Procedures, Project Documentation and Risk Management*.

- **Odors “should” be documented.**
- **Where is your documentation regarding odors?**



Odor Means Already Turned

- According to IICRC, bacterial odors indicate that Clean (Cat 1) water has already turned to Gray (Cat 2) water.
- If Cat 1 has turned to Cat 2 then per IICRC replace Carpet and Pad. Replace cabinets. Replace drywall.
- **Do not dry. Why did you dry?**



How Fast Turn?

10.4.1 Category of Water

The categories of water, as defined by this document, refer to the range of contamination in water, considering both its originating source and its quality after it contacts materials present on the job site. **Time** and temperature can affect or retard the amplification of contaminants, thereby affecting its category. Restorers should consider potential contamination, defined as the presence of undesired substances; the identity, location, and quantity of which are not reflective of a normal indoor environment; and can produce adverse health effects, cause damage to structure and contents, or adversely affect the operation or function of building systems.

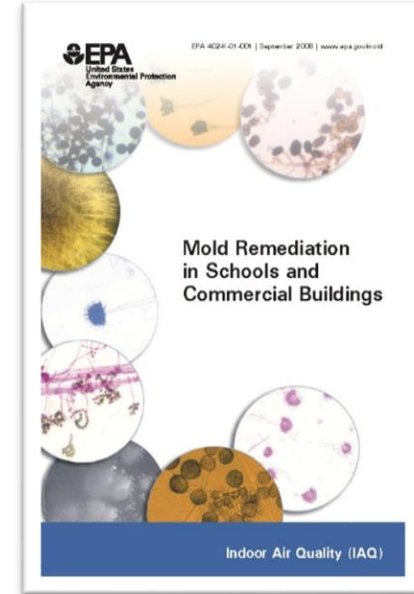
- IICRC states that time impacts the Category of Water. Which of course it does.
- How long does it take for clean water (Cat 1) to turn to microbial contaminated water (Cat 2/3)?
- **Recall that Holland et al found clean water turns to non clean water (Cat 2 water) in 8-12 hours.**
- **Drying Cat 2/3 water not allowed by IICRC.**

How Fast Does Water Turn? According to the EPA.

Checklist for Mold Remediation*

Plan remediation

- Adapt or modify remediation guidelines to fit your situation; use professional judgment
- Plan to dry wet, non-moldy materials within 48 hours to prevent mold growth (see Table 1 and text)
- Select cleanup methods for moldy items (see Table 2 and text)
- Select Personal Protection Equipment – protect remediators (see Table 2 and text)
- Select containment equipment – protect building occupants (see Table 2 and text)
- Select remediation personnel who have the experience and training needed to implement the remediation plan and use Personal Protection Equipment and containment as appropriate



- How long before a Cat 1 clean water event turns to Cat 2 or 3?
- The EPA says that after 48 hours mold has a chance to grow.
- **After 48 hours per the EPA ... remediate and do not dry.**

A man in a blue polo shirt is focused on adjusting a control knob on a teal industrial dehumidifier. The machine is on a dark wooden floor, and a yellow flexible hose is connected to it. In the background, another person is working with similar equipment near a doorway. The scene is set in a well-lit home interior with a chandelier visible in the upper right.

Florida Mold Law As Related to Water Damage Restoration

Was the Dry-Out Illegal Mold Remediation?

468.8411 Definitions.

(5) "Mold remediation" means the removal, cleaning, sanitizing, demolition, or other treatment, including preventive activities [such as drying or biocide application], of mold or mold-contaminated matter of greater than 10 square feet that was not purposely grown at that location;

Drying Is A Mold Preventive Activity

- If there is more than 10 sq ft of mold, drying which is a preventive activity, requires a Mold Remediation license.
- Question to Carrier MRP/PV Contractors:
 - How do you know if you are breaking the law or not if you did not check for mold within walls or below cabinets before drying as required by IICRC?
 - Homeowner had a licensed mold assessor check and there is greater than 10 sq ft of mold in the home you dried out.
 - You performed illegal mold contracting unless you are a licensed remediator? Are you?

IIICRC Defines Drying As Mold Preventive Activity

- The technicians sent by the Carrier were drying (preventive activity) without either being licensed mold remediators or supervised by a licensed mold remediator when there was more than 10 sq ft of mold?
- **That is illegal mold contracting.**



His Answer: We Are Mold Company

- His Answer: We have a licensed remediator on staff that qualifies our company. We don't need a mold remediator on every job.
- Not true. There are no qualifiers for mold remediation.
- There are no mold companies per FLA law as there are for General Contractors.
- **Therefore every dry-out/mold job needs to be supervised by a licensed remediation contractor if there is >10 sq ft of mold.**



We Are GC and Exempt

- His Answer: We are a GC and are exempt from FLA Mold Law per Statute.
- No. GCs are exempt only when doing GC work. Only where there is rebuilding in addition to mold remediation or drying. **You are not exempt.**
- Therefore you performed illegal mold remediation.



Mold After Drying

- When a state-licensed mold assessor finds mold after drying...
- **It means that your improper drying caused the mold.**
- His Answer: No the mold was there before we dried.
- If mold was there before you dried, this is contrary to IICRC and is illegal contracting per FLA mold law. If there is greater than 10 sq ft of mold, drying is illegal. Must be remediated by licensed remediation contractor.



Mold After Drying

- A state-licensed mold assessor found mold after drying.
- IICRC requires an intrusive inspection to make sure there is no mold before drying.
- If mold, do not dry. Remediate.
- Therefore, **you caused the mold by using improper drying techniques.**



There is more to restoration than drying.
Per S500: Do not dry microbial contaminated materials.
Per S500: Remediate/Remove any microbial growth
before drying.

Biocide Use & Florida Mold Law

- I see here from your invoice that you applied biocides.
- Why were they used?
- Biocide (anti-microbial) is a “sanitizer” whose application is also mold prevention according to FLA Mold Law.

Mold prevention such as drying or biocide application is illegal mold contracting if there is more than 10 sq ft of mold.

And we have determined that there is.

Biocide Use & State Federal Law

9.2.4 Required Documentation

- documentation reflecting client approval for the use of antimicrobial (biocides) including consumer “Right to Know” information;
-
- Where is the client approval for the use of biocides including consumer **“Right to Know”**?
 - Required by IICRC and both State and Federal law!



Biocide Use & State and Federal Pesticide Law

- Biocide (anti-microbial) use is **covered under State and Federal Pesticide law.**
- Illegal to use contrary to EPA approved label directions on the back of the pesticide container.
- Explain how and where (what materials) the pesticide was used in a way that is permitted by the EPA approved label.
- **(Note: Cannot ever be used on anything but hard surfaces. Not drywall. Not carpet.)**



7.3 Application Methods

Restorers shall apply only federal/state government-registered or authorized antimicrobials (biocides), and shall use them according to label directions. Restorers shall not mix or combine these products with other chemicals unless label directions explicitly allow it. Dedicated application equipment should be used. Any specified personal protective equipment shall be used.

- I asked you for a copy of the label for the biocide/anti-microbial/sanitizer that you used.
- Where is it?
- It says only for hard surfaces.
- It says made in Australia and has no EPA approval. Its use is illegal.

You are responsible for the cost to remove and replace everything that was contaminated by illegal biocide application.

Building Code Compliance



Building Code Compliance

- One way to fight BAD Managed Repair Programs is to request that the work be compliant with local and state building codes.
- Performing work that is not compliant with building codes is Illegal.
- Depending on the City for instance (for example Ft Lauderdale) replacing your kitchen cabinets may be illegal without a permit.

To fight BAD MRP/PV work – prove that the proposed MRP work is illegal because not building code compliant. Requires permits.

If they are a GC, is the qualifier actually at the job site supervising the work. If not, illegal contracting.