

Marine / PDA Package

- All professional service fees are due upon receipt unless requested by the client or PDA.
- PDA's goal is for all Marine files to meet a 24-hour contact, 48-hour inspection, and 120-hour turn-around time. If the 120-hour turn-around time is not met, a status update will be provided to the client.
- Initial Contact/24 Hours: Contact with insured/claimant within 24 hours of the assignment. If PDA experiences difficulty in contacting the insured/claimant, the client will be notified and solicited for assistance in reaching the owner.
- Watercraft-Vessel Inspection/48 Hours: Report includes date, location of inspection, complete HIN and SN, license number, Appraiser's Report including any unrelated damage, repairs and/or parts replacements listed will be made in strict accordance with the manufacturer's specifications and recommendations.
- Turn-around Time/120 Hours: PDA's complete, final, closed file, including PDA's service invoice, will be forwarded to the client within 120 hours of the assignment date. If this does not occur, a status update explaining the facts and circumstances will be forwarded to the client every 72 hours until the assignment is completed.

STANDARD TECHNICAL PROCEDURES:

PDA APPRAISAL STANDARDS FOR MARINE DAMAGE

1. Photographs: A minimum of Twelve (12) color digital photos will be provided on all assignments and will clearly depict damage indicated on the appraisal. A brief description for each photo will be made on the photo comment sheet. PDA's standard of 12 photo images for watercraft include: HIN (hull identification number), SN (serial number for motor/engine), odometer/hour meter, the interior, 4 corners of the craft, vessel equipment, engine set configuration, close-ups of the damage and any unrelated prior damage.
2. Exchange/Rebuilt: Wherever possible, mechanical, cooling parts, etc. will be utilized.
3. After-market: AM parts will be utilized when the part is of equal or better quality than the part being replaced and LKQ and/or reconditioned parts are not available or are not cost effective with the following exceptions: current model year watercraft/vessels.

4. Like Kind and Quality: Wherever possible, LKQ replacement parts will be utilized in all appropriate situations with the following exceptions: 1) steering parts. LKQ parts will not be utilized on any watercraft/vessel that is current model year.

All parts suppliers will be listed on the appraisal including corresponding administrative information. When LKQ/AM/Reconditioned parts are not available the Appraiser's Report will be documented accordingly.

5. Labor Times: Accurate time allowances will be established on all items to be repaired or replaced, and overlap or included operations will be removed; this also applies to paint times.

6. Depreciation/Betterment: Recommended depreciation/betterment will be shown on: 1) paint 2) batteries 3) interior/exterior upholstery 4) electrical items 5) props 6) engines 7) engine components 8) sound equipment 9) exhaust components 10) fuel tanks 11) A/C units 12) navigation/communication equipment 13) computers 14) sails 15) galley equipment components and any other items that the appraiser feels are applicable and in accordance with generally accepted industry standards.

7. Sublet Items: Wherever possible, outside specialty shops, i.e. trim shops, may be utilized. All sublet items will be indicated on the appraisal, including the name and telephone number of the facility.

8. Appraisal Recap: The following items will be clearly shown: 1) the repair facility's labor rate being applied 2) the local tax rate (if applicable) and to what sum of money it is being applied 3) all towing and storage bills will be verified and copies will be obtained for the adjuster.

9. Supplements: Additional damage will be verified by actual inspection only at the client's request. Additional time and expense may be requested when the client requires a physical reinspection. When a second shop visit is required, the appraiser will determine whether all items allowed for replacement on the original estimate have been replaced. At the client's request, a copy of the parts invoice will accompany the supplement and photos necessary to document supplemental damage will be provided. Supplements not requiring copies of the parts invoice will be submitted within 48 hours of receipt of notice. Supplements requiring copies of the parts invoice will be submitted with 48 hours of receipt of said invoice(s). Clients will be notified promptly upon receipt of notice of any supplement.

10. Agreed Prices: All appraisals will be agreed upon with the repair facility of the owner's choice. Appraisal to include: (1) repair facility name, address and phone

number (2) employee who agreed price was reached with (3) repair facility tax identification number. If an owner has not yet chosen a repair facility, any differences of opinion in the appraisals will be resolved with the repair facility of the owner's choice once the unit is in the repair facility. Any honest element of doubt concerning an appraisal item should be indicated in the Appraiser's Report showing the amount and an explanation of the circumstances. When a dispute cannot be reasonably resolved, it may be necessary to secure an agreed price with another reputable repair facility and the information should be relayed to the client immediately by phone or email. (See number 18 below)

11. Authorization to Repair or Disassemble: Under no circumstance will authorization be given to a repair facility to make repairs (including supplements) or to disassemble a unit. The owner must authorize repair or disassembly at the repair facility of his choice.

12. Pre-existing Damages: Unrelated Prior Damage (UPD), wear and tear and/or poor prior repairs will be notated in the comments section of the Appraiser's Report and accompanied by the necessary photos depicting the damage unless otherwise requested by the client.

13. Appraisal Distribution: Client will receive an invoice accompanied by a detailed time and expense report, Appraiser's Report or Total Loss Report, appraisal and photos on all losses, emailed to the assigning adjuster in a single PDF. One copy of the appraisal will be provided to the insured/claimant or repair facility. Unit owner will be informed the appraisal is subject to approval of the claims adjuster.

14. Appraiser's Report: An Appraiser's Report will be provided on all repairable units. This report will include; 1) complete unit identification information 2) approximate ACV and approximate salvage value when the repair costs are 50% or greater of the ACV 3) approximate time to repair noted in days 4) existing towing/recovery/storage charges 5) remarks relative to unrelated damage, excessive wear and tear, rust or other reconditioning necessary 6) supplement potential and dollar range of potential supplement 7) any other remarks/comments the client needs to be aware of.

13. Total Losses: On all total losses, a detailed Total Loss Evaluation including: 1) mileage/hours 2) all vehicle equipment, standard and/or optional 3) condition of paint and interior 4) unrelated damage, excessive wear and tear, rust or other reconditioning necessary will be made to substantiate the actual cash value of the unit. Full appraisals are required on all total losses to the point of ACV with the exception of fire losses resulting in a complete burn of the unit. The client will be immediately notified upon determination that the vehicle is a total loss and will be provided the following information: 1) claim number 2) vehicle description 3) tow/recovery invoice amount 4) daily storage rate and total bill to date. If the cost of repairs renders the unit a

constructive/borderline total loss, the Appraiser's Report will be documented accordingly and the client will be notified immediately. A market survey to determine an ACV will be completed and include three (3) documented dealer quotes unless the client specifies otherwise or state regulations mandate another method/source.

14. Total Loss Valuations: To be completed in accordance with state mandated rules and regulations.

15. Salvage Location: On all total losses, the exact location of the salvage, including telephone numbers, towing/recovery charges and daily storage rates, will be included. PDA appraisers are not licensed or authorized to move salvage. Three (3) salvage bids will be included with the market survey on every total loss, unless the client specifies otherwise or state regulations mandate otherwise.

16. Special Instructions: Call client about any unusual circumstances and/or for clarification of instructions.

17. Requests for Additional Appraisal Tasks: The appraiser will promptly notify the client of any potential need for additional appraisal tasks including but not limited to; analysis of oil or other fluid samples, cause and origin investigation, etc.

18. Government Regulations: All local and state regulations will be adhered to. Some States require separate titles/registrations for the motor/engine drives and the craft itself. In those states, a separate estimate and condition report will be completed for the motor/engine drives and the craft when both are damaged.