

3RSystems, LLC

**A to Z PROPERTY DAMAGE INSURANCE CLAIM PROCESS
TRAINING FOR INSURANCE RESTORATION CONTRACTORS**

Minneapolis, Minnesota USA



Review Reposition Recapture®

How to help your customers get their insurance companies to pay for all of the damage and help you to **MAXimize** your profits and income.

By

LARRY BURTIS

Founder/President/CEO - 3RSystems, LLC

3Rsystems, LLC



Cutting the P&C insurance GIANTS down to size

And

Keeping "Free Enterprise" free - across America and beyond

A wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. - Thomas Jefferson's first Inaugural Address, 1801

Praise for the **3RSystems, LLC**

Storm Damage Restoration Contractor Training Program

"I strongly endorse Larry Burtis and his 3RSystems, LLC contractor storm damage restoration process training program. It's great for experienced contractors and their sales reps and even better for newer contractors and their sales reps who are struggling to get their customers storm damage claims fully, fairly and properly paid at real, true and accurate pro contractor free market pricing. Plus, it is extremely affordable." Ed Fako - National Contracting and Claims Assn., Chicago, IL

"Soon after ordering and studying the program I was able to increase an insurance adjuster's estimate from \$34,000 to \$71,000. Borrow the money if you have to, get this program and you'll make it back on one deal, probably double your income too." Jay Gomez, Jay's Roofing and Siding, Bozeman, MT

"I came across 3RSystems, LLC's training on the internet and could not be happier with it. I have gotten my pricing back where I wanted it and almost doubled my yearly net profits. I would highly recommend this to any contractor who is tired of underpriced insurance companies." Cory Edwards - Edwards Roofing, LLC Riverton, WY

I have been in the insurance restoration business for over 10 years. Fortunately a friend (also in the business) introduced me to Larry with 3RSystems. 3RSystems is very beneficial with its own software program vs. Xactimate, the thirty plus adjuster denials with rebuttals, and a full layout on how to run an insurance restoration business." Jason Vogen - GC, Elite Exteriors, Burnsville, Minnesota

"I have to tell you that this immediately made a difference in how my claims have been handled. I have been reading over and over, the excuses section, and it works! I love your stuff. Keep up the good work. I've geared most of my presentations now around your information. Lifesaver!" Brady Bisel, MBA/Contracting and Sales - Ohio

"Larry, We at ACP Storm Repair are doing very, very well, thanks to your help in my early years in 2012-13. I get it now!! Thanks to you! Our average claim is \$12,000 start and \$50K finished!!!" Alan Podvin, ACP Storm Repair, Parker, CO

"Overall I am very pleased with the product and feel it was money well spent. When I sat down to read the training for the first time it was one of those reads you don't want to stop on. I found it that interesting. It was very informative and I found the information useful." Dave Stewart - Contractor Sales Rep/Lawyer/Public Adjuster - Illinois

"This is not something I want to keep a secret from my competition, get the book! The more contractors that know this valuable information, the better for all!" Randy Fern - GC/Roofing Contractor, Texas

"I also endorse Larry Burtis / 3RSystems. Having Larry to our business several years ago was our introduction to the claim game solution. I researched the issue quite a bit before compelling our business owner to invest some money into his course and get us some official training. We have been on a steady roll of non-ending education since. And, our investment was returned more than ten-fold in the first year." Scott Swing – C&S Roofing, Omaha, NE

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Minneapolis, Minnesota USA

Self-Published by Larry Burtis
Minneapolis, Minnesota USA

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With this training, other than offering my experienced opinions as a matter of reference, I do not give accounting, tax, insurance, investment or legal advice. If you need such advice, I recommend that you consult with a licensed professional practicing in the area of your concern.

About - Larry Burtis



President and founder of 3RSystems, LLC

BUSINESS BIO

From new home framer to roofing/siding/gutter/etcetera sub-contract installer to General Contractor to insurance/investment advisor to retail and restoration contractor trainer to insured's property damage recovery consultant to winning *Pro Se* litigator to licensed PA...and then some.

3RSystems, LLC founder/President/CEO Larry Burtis, brings to the table over four decades of proven hands on retail and insurance restoration construction industry experience plus nearly twenty years of concurrent in depth insurance/investment industry advisory experience as owner and president of 3RS Wealth Creation Systems. In that position, his financial advice and expertise was sought out by leaders of some of the country's most well-known multi-million and multi-billion dollar companies. Included among his clients were one of the founding members of the Dayton-Hudson Corp/Target Corp., and Anthony Adducci, inventor and co-founder of Cardiac Pacemakers, Inc., Technology Enterprises Venture Capitalists, and the North American Banking Company.

Along with the experience mentioned, with the help and support of several Supreme Court justices and other legal experts over the years, Larry has achieved a winning *Pro Se* legal record, both in and out of court, against high profile law firms and their attorneys in complex legal disputes involving various government and multi-million to billion dollar corporate entities and individuals who were suspected of having committed fraud against consumers. Larry has also achieved a winning record of helping insured property owners to overcome the obstacles placed in their way by multi-billion dollar property & casualty insurance companies who attempted to unfairly underpay or deny their legitimate property damage insurance claims.

With that varied and proven experience, Larry is able to offer building product distributors and their retail and storm damage restoration contractor customers, a proven multi-faceted and powerful top down construction industry, insurance/investment industry, and legal industry experience based training perspective that is unmatched anywhere in the industry. The end result being a training program that advances building product distributors and their retail remodel and storm damage restoration contractors who complete the training to success levels never before achieved or imagined.

Founder/President/CEO - 3RSystems, LLC

Founder/President/CEO – Independent Construction Contractors of America (ICCOA)

Past Founder/President/CEO - 3RS Wealth Creation Systems

Regulatory Compliance Administrator - American Policyholder Association (APA)

Recipient - 2020 American Policyholder Association (APA) Consumer Advocacy Leadership Award

Member - Harvard Business Review Advisory Council

Member - Massachusetts Institute of Technology (MIT) Sloan Management Review

Author – LSX The Lost Souls Express© Author – *PRO SE* Can You See? ©



*"Conventional wisdom is often long
on convention and short on wisdom"
- Warren Buffet*

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INTRODUCTION



MY TOP-DOWN PERSPECTIVE AND APPROACH

When I think of the P&C insurance industry and their executive leadership, I imagine myself standing in front of them at one of their board meetings and asking them if they really believe they can continue to fool the American insurance buying public as they had been able to do in the past.

In 2007, I became entirely fed up with the P&C insurance industry cabals never ending delay, deny, defend nonsense and too many state insurance commissioners reluctance to do anything about it. With that, I committed to eventually writing a restoration contractor insurance claims process training program that would advance restoration contractors insurance claims process knowledge and help them and their insured customers to overcome the many hurdles placed in their way by the P&C insurance industry. Several years later, the program, which you now possess in its most recently updated form, was completed, self-published, and made available to insurance restoration contractors across the USA and beyond.

A POUND OF SILVER OR A ONCE OF GOLD?

In regards to the business of insurance paid repair contracting, the pound of silver is the typical insurance claims specialist training and the cozy soft shoe dances with GOV bureaucrats, politicians and lobbyists that, all too often, ultimately leave contractors and millions of consumers boiled in their own complacency and misplaced trust. Rather than putting together another hyped up and overly technical “insurance claims specialist” training song and dance, my approach is to get to the heart of the matter, the core and the substance, and give you the Gold so that you and your customers will both have clarity and be able to achieve the best results. The end result...you’ll be able to achieve your ultimate goal of more money, more freedom and more fun.

We’re all familiar with the scene from “The Wizard of Oz” where Toto pulled back the curtain and revealed the “Great and Powerful Oz” to be nothing more than some guy who...



CHAPTER 1

MY OWN JOURNEY - FROM FEAR TO FINANCIAL FREEDOM

Two of the local regulars were the Findley brothers, a couple of guys in their late forties, early fifties at the time who were the owners of a roofing and siding company based in south Minneapolis. If there were ever two people who fit the profile of sales shysters, it was them.

One very cold late December evening, while at the restaurant, the older brother who knew I had worked for another

friend's father's construction company framing and roofing houses asked me if I ever thought about working full time in construction. Actually, I hadn't but since I wasn't doing all that much at the time and needed the money, I figured I'd at least take a listen to what he was offering. Several weeks later I found myself picking up roofing tear-off out of the freezing cold early January snow, placing it on a tarp and pulling it over to my new boss's trailer where I then had to pick it up from the tarp and throw it into the trailer and then...

It was a severe hail storm that came through town that summer however that paid us the most money and opened my eyes - especially after I learned what was involved in moving insurance paid property damage claims from filed to final and getting the insurance companies to fully pay their insured customers' claims in...

Soon after "Xeno" had moved up to Minneapolis during the previous summer, his girlfriend at the time, "Peaches", followed. "Peaches" was a classically trained actor from some relatively famous acting school in the Chicago area - don't quite remember the name though. As soon as "Peaches" arrived in Minneapolis, she began looking for a theatre group to work with. She quickly hooked up with the Minnesota Ensemble Theatre which was an off shoot of the famous and world renowned...

Then, NYC director "Brooklyn" Joe Walsh, who had been invited to come to Minnesota to direct at the MET by his friend, famed character actor Peter Michael Goetz, started in on me. Joe, who with his fairly long jet black hair, Al Pacino / Robert De Niro-esque looks and New York attitude to match, was quite the character. Then there was "Bobby" who...

Not long after his arrival, he and "Brooklyn" Joe got into a heated argument which resulted in Joe stopping the rehearsal and motioning to Bobby to meet him outside of the back entrance of the theatre so they could discuss their differences and Bobby's serial tardiness. As we waited inside at our positions on stage, all we could hear through the closed back door was a lot of banging and thumping. After not more than a couple of minutes of this, "Brooklyn" Joe came back in - alone, sat down, then shouted, "places, everybody, let's go".

I remember Joe saying to me one day, in his thick Brooklyn accent, "Larry, you know what I like about you, you're not an asshole like so many of those college educated actors out there who all think they're Shakespeare". I took that as a compliment and a confirmation that my acting was, when all was said and done, not half bad. All the while, always in the back of my mind was that little voice that urged me to...

At that point in time, the band was in negotiations with Warner Brothers Records for a recording contract that would have launched the band into the rock music stratosphere. In the fall of that year however, mostly due to what I was told was Yanni's huge ego, the negotiations had fallen apart and the deal went south. My mother was still dealing with colon cancer, my father had developed a brain tumor, and the Baldwin, Wisconsin "Dairy Queen" of 1976, who I had fallen in love with, broke my heart. Time to re-assess my...

I've been paid back on the investments I made in those professional sales training courses many thousands of times over the years, not just in terms of sales I otherwise probably would not have made, but more importantly, in terms of...

Around that same time I had been talking with a friend of mine who sold remodeling for another company but was also looking at working with a Los Angeles based marketing company that was growing by leaps and bounds and was making a lot of people wealthy. After deciding to join the organization, one of the people I met with was a local insurance salesman by the name of Mike who was ranked among the top insurance sales producers in the industry nationwide. He was also a concert master violinist who played beautiful music on his three million dollar valued 1600's era Stradivarius violin.

We got to know each other in short order and became friends. Turns out that, several decades earlier, his mom and my uncle had met each other at college and had fallen in love. As my uncle put it when I asked him if he remembered her, he chuckled as he said that, way back when while they were both in college, he and Mike's mother had fallen in love with each other and Jesus at the same time. Always love that...

My only question then was, could I operate both businesses at the same time and still be successful? Construction

was in my blood but the challenge of building a successful book of insurance and investment clients who were also business owners like me, closed the deal. After wavering back and forth between the two, I decided I could...

They're also the ones who hired the college MBA's to manage their companies so they could go on Caribbean vacations or anywhere else they wanted to go. Since they had the bank and other financial assets accounts, they needed someone to help them preserve those accounts and make them grow. And, since most of the people in the insurance and investment business who learned most of what they knew in college knew nothing about how to approach these successful but independent minded business owners who had actually built successful businesses, the door was wide open for me to...

Around 2005, having had enough of the ever growing regulatory burden that had been plaguing the financial services industry which had, by that point, made it nearly impossible to enjoy staying involved, I assigned my clients over to several fellow advisors I knew I could trust.

While still contracting restoration work, considering my experiences in battling those P&C insurance companies and my successes in getting them to fulfill their promises to their customers (fully pay their claims), I turned my attention toward the prospect of putting together a program that would teach thousands of other contractors around the country how to do the same. In 2010, I self-published and began marketing and selling the program across the country, primarily on a word of mouth referral basis. I also conducted a number of onsite trainings nationwide.

Independence equals freedom, life, and liberty. However, that independence that we so treasure is all too often used against us by people like some of those mentioned previously. Knowing that independent minded construction contractors are usually too busy to scrutinize the activities of the people and organizations mentioned, they see themselves as unrestricted from placing numerous hurdles and obstacles in front of storm damage restoration contractors. Those hurdles and obstacles often serve no other purpose then to advance the status and careers of the people placing them in the contractors' way.

My goal is to teach you, as I have already taught many other contractors from across the country, how to overcome those hurdles and obstacles which will then allow you to achieve success levels as a professional restoration contractor only previously imagined. Be a better student than I was while in high school. Study the materials, internalize all that you will learn, then apply it - and it will serve you well. To your financial and life freedom...

Larry



CHAPTER 2

FROM VISION TO WISDOM

Someone once said, and I've repeated this quote a number of times to several Judges, misguided cops, insurance commissioners, insurance company CEO's, as well others in positions of authority who needed to hear it, "The truth never changes, but it does change that which is not." So what is truth? Without getting too philosophical, truth is essentially that which conforms to reality and actuality and is comprehended through common sense and insight.

By utilizing experience with knowledge that we learn from other successful people and our own life experiences over time we acquire wisdom that naturally conforms to reality and actuality. The result; the truth/wisdom principle. Operating under this truth/wisdom principle paves the way to our eventual success in all areas of life. The more we apply and adhere to the principle, the better our...

Lacking the knowledge and experience of the P&C insurance companies who are usually more interested in shareholder returns (stock companies, mutual insurance companies often use profits that should be returned to policy holders for their mutual benefit - to instead start banks), property owners with storm or other insurance covered damage often unknowingly accept much less than what is owed to them. Your job is to know how to overcome this problem for your customers and expose the truth - your success depends upon it.

Education Vs wisdom gained through the utilization of the knowledge and experience of others...

In reality, many of the problems each of us is forced to deal with on a daily basis are the result of having been told what is best for us by highly educated but often clueless do-gooders and bureaucrats who think they know better. A college degree may have indeed made them better educated and an expert in their chosen profession but, in far too many cases, their education didn't necessarily make them any smarter overall.

Remember that possession of a degree, whether held by an insurance executive, politician, a lawyer, or otherwise, does not necessarily mean that the person holding the degree is any smarter or any more intelligent than you are. While those holding the degree may be well spoken, their words, though they may be eloquent sounding and tickling to the ear, are often...

I now pass those abilities and my knowledge and experience on to you through this program with the sincere hope and expectation that, by learning and internalizing to the information contained herein, you, too, will be well on your way to achieving the highest possible levels of personal and business growth and success by applying wisdom.

The Greek translation of the word carpenter which is tekton loosely but aptly translates into the word contractor. So, who is the most famous carpenter the world has ever known? That would be Jesus, of course and, just as most of us are forced to do in the present, Jesus, the carpenter, the contractor, had to deal with the heavy burdens that the bureaucrat and political class of his time, the Scribes and Pharisees, placed on men's shoulders. Although they thought of themselves as noble, it was Jesus, whose life's work was all about restorations, who was truly noble. Think about it, God didn't send a bureaucrat or a politician, or a P&C insurance adjuster to save mankind, he sent a contractor! ☺



CHAPTER 3

FOREWARNED IS FOREARMED

As P&C insurance companies and some industry friendly politicians continually look for ways to limit the ability of restoration contractors to sustain and grow their businesses, 3RSystems, LLC is dedicated to warning of and continuing the fight against any such attempts. That being said however, there is room for improvement and those who have "seen the future" and have prepared for it by investing in and learning this training will be the ones who lead the way and achieve the best results while greatly increasing their profit and income potential.

As a 3RSystems, LLC trained restoration contractor, you'll have added expertise and credibility because you were actually trained by a real insurance expert with years of insurance industry and construction industry experience and you'll be able to prove it to your potential customers through your presentations to them.

The property owner who had nearly fallen over when I gave him my initial ballpark estimate within two minutes of meeting him (\$30 to \$35K) was quite pleased with the final numbers. Although it took an aggressive and sustained effort, I was successful in getting the insurance company to pay the total amount of the claim - \$42,500 - from which I earned that quite substantial \$17,000 profit and a...

Not "forewarned" of, or disregarding the danger of presenting themselves as "insurance claims experts" without possessing the knowledge or expertise needed to successfully prosecute (see to its end) insurance covered property damage claims to maximum legitimate settlements, they were not "forearmed" (prepared). They did, therefore, miss out on a claim that would have earned them many thousands of dollars in legitimate profits. And, likely many more after that one.

Was it a lack of vision that caused those two contractors to miss out? Both had each managed to stay in business for some twenty plus years so there was obviously no lack of vision or effort on their parts. No, it wasn't a lack of vision that caused them to miss out, it was indeed, a lack of wisdom...and advanced training.



CHAPTER 4

THE PERFECT HAIL STORM

A number of years ago, a severe wind and hail storm came through the town of Northfield, Minnesota that, within a matter of minutes, caused many millions of dollars-worth of damage. Besides the massive damage caused to homes, businesses, and the local college, the baseball size hail that fell from the sky that day broke out nearly every car and truck window on every vehicle in the area. Fortunately, no one was killed or injured by the massive hail stones that fell to the ground that hot and muggy late summer day but the storm did leave one incredible and expensive mess to clean up and...

Obviously, it is never quite as bad overall as it appears in the re-write of the second paragraph but the description is certainly more accurate and realistic than the original. If the original writing of the second paragraph were accurate though, would that really be the "perfect hail storm" or would it be something else. More than likely it would look something like...

So, when insurance adjusters and in house claims managers start spouting their typical "didn't find any damage" or other specious arguments for denying and/or underpaying your customer's legitimate claims, through this training, you'll be fully prepared to rebut their arguments and win.

The ultimate purpose of the training is to bring the level of professionalism of the industry up to the highest possible level. That can only be achieved by teaching the process to contractors at all levels of experience, beginning with free estimate contractors and continuing with contractors with some or a lot of storm or other property damage contracting experience. Only by learning how the process really works from someone who has been there and done that (comprehensive storm and other property damage contracting, insurance/investment industry experience, and legal experience) can one rise to the level of competence necessary to achieve the best possible results.



CHAPTER 5

THE UPPA CONUNDRUM – PULLING BACK THE CURTAIN

I regularly refer to UPPA as “one of the biggest financial scams ever perpetrated against the American insurance buying public”. UPPA is the “wrench” that has been thrown into the claims process that intentionally stalls claims for weeks and months beyond the time they should have been settled. So, what exactly is UPPA?

UPPA law, otherwise known as the prohibition against the unauthorized practice of public adjusting, essentially states that, in most states, it is illegal for contractors to negotiate their insured property owner customer’s property damage claims with their insurance companies. UPPA law is based primarily upon NAIC Model Bill #228 that was passed on October 28, 2005 by the quasi-governmental organization that is the National Association of Insurance Commissioners or (NAIC). The stated primary intent of the NAIC UPPA bill – protect insurance carriers and consumers from unscrupulous contractors who overcharge for their work.

With the increased market control that UPPA would afford to them, P&C insurance knew they would be many billions of dollars ahead - each and every year. Such thinking did, of course, fully disregard the fact that, each year, their much too trusting insured policyholder customers would be left unfairly underpaid those same many billions of dollars legitimately owed to them by their insurance companies with which to make the repairs. But, in order to achieve their goal, they needed a ruse with which to conceal...

NAPIA counsel Brian Goodman and insurance industry attorney Steve Badger were and remain the primary drivers behind UPPA. Goodman’s and Badger’s arguments in support of UPPA were, IMO, mostly specious, and therefore, easily rebutted and defeated.

Certainly easy enough to understand why Badger so zealously still stands behind UPPA - his income depends on supporting the industry who pays it – the P&C insurance industry. I have to wonder about Goodman though. In supporting the P&C insurance industry’s continued push for UPPA in all USA states, he was and is supporting the same industry who would like to see the same or similar restrictions currently placed on contractors also eventually placed on public adjusters.

Starting in 2010 around the time of Minnesota’s initial introduction of UPPA, I spent many hours doing research on and investigation into the subject in the hopes of uncovering the identities of the involved parties and their motivations behind their support of UPPA law. The results...

Through the process just described, UPPA has indeed, become the law of the land. But, is it good law, or is it bad law? Good law protects society, bad law does not. Laws against speeding, DUI, and insurance claim funds theft, for example, are good laws that protect society and those laws are already in place. Good law also protects the historically accepted ways and means by which honest people operating in a free market society earn their income.

Law that does not however, protect the historically accepted ways and means by which honest people operating in a free market society earn their income, in this case, restoration contractors, but instead, usurps then transfers the ways and means to others more favored, is bad law. It is also, among other things, anti-American NGO central planning forced market rather than free market.

Food for thought; Insurance industry attorney Steve Badger represents and defends the interests of the P&C

insurance industry while NAPIA's Brian Goodman represents and defends the interests of the public adjusting industry - that both he and Baker say protects insured's from insurance companies - like the ones that Steve Badger represents and defends, and that Baker implied in his analysis, cannot be trusted. Moving on...

It is true that a small minority of contractors, as is the case with a small minority of people in any other profession, can't be trusted. That being said, is it reasonable to penalize all people in any profession for the bad acts of a very small minority. No, but that is what UPPA unfairly does to all contractors...along with their insured property owner customers.

With the following, I unpack one of Goodman's and Badger's questionable and, IMO, deceptive arguments to the court from their Amicus Curiae brief in support of UPPA as submitted to a court in the Texas - Reyelts V Lon Smith case from 2013 that stated; "The inherent conflict of interest in allowing an unlicensed and unregulated contractor performing the repair work to negotiate the final price that the insurance company will pay for its work is..."

My response to such, again, IMO, nonsensical, and disingenuous doublespeak which I suspect was an attempt to mislead the Judge who was likely unfamiliar with the topic being discussed? Since the honest insured's interest is in getting paid for all of the damage, at pricing relative to the premiums paid and the honest contractor best serves his or her own financial interests by putting the insured's financial interests as described, first, there can be no conflict of interest, inherent or otherwise.

Princeton University Professor of Philosophy and author of "On Bullshit" Harry Frankfurt had this to say on the subject. "The liar asserts something which he himself believes to be false. He deliberately misrepresents what he takes to be the truth. The bull shitter, on the other hand, is not constrained by any consideration of what may or may not be true. In making his assertion, he is indifferent to whether what he says is true or false. His goal is not to report facts. It is, rather, to shape the beliefs and attitudes of his listeners in a certain way". In my opinion, Bull Shit is a perfectly apt description of UPPA.

Although I believe that common sense and fairness will prevail and eventually, through my own efforts and the efforts of other interested parties, lead to the repeal of UPPA laws across the country, it appears that UPPA will, for the time being at least, remain in place. I dig deeper into the topic in CHAPTER 20. THE 3RS CLAIMS RECOVERY PROCESS – FROM A TO Z that provides an outline of what contractors and their insured customers can do when the find themselves stuck behind the "UPPA Wall".



CHAPTER 6

INSURANCE COMPANY BAD FAITH PRACTICES

While working wind and hail claims in Ohio in 2003 after one of the biggest storms to hit the Columbus area in years, I realized that, as is unfortunately typical after any other storm event, an aggressive approach was necessary in order to move P&C insurance companies to pay the legitimate claims of the thousands of Columbus area property owners whose properties were damaged by the storm. Part of my approach was to directly confront the people whose primary task was to protect the interest of Ohio insured policyholders.

I began with then Ohio insurance commissioner Ann Womer Benjamin who actually hid from two different Columbus, Ohio TV investigative reporters and me because she didn't want to be confronted about the problems property owners in Columbus who were being underpaid and denied on their legitimate storm damage claims were experiencing.

Around the same time, after contacting him about the problem, Columbus Dispatch business reporter Phil Porter told me that if I could prove that everything I had said about those insurance company's bad faith practices was true, he would publish the story. I did prove it and he did publish the article on the front page of...

At this particular inspection, it wasn't the usual assignment dependent HAAG contracted engineer that appeared but rather, it was HAAG's own resident hail damage guru, Scott Morrison. After Morrison's inspection, the churches insurance company agreed there was damage but called it old damage that was from a previous storm and, therefore, no payment would be made. I had to laugh when Pastor John told me that, during a follow up interview with Mr. Porter, he said to Porter; "What God didn't get done the church's attorney will".

On another Columbus area claim, on the day of the third re-inspection, knowing that I had to catch a flight back to Minnesota later in the afternoon, I brought along the same trainee who had appeared with me on the church inspection so I would have someone there to record what took place in the event I would have to leave early. Although somewhat late, two new adjusters (#3 and #4) appeared with the claims top executive in tow. To my surprise, the insurance company's claims executive, dressed in a suit and tie, followed the adjusters throughout the inspection – even climbing up on the two story roof so he could inspect for gutter and fascia damage. After several hours had passed, I realized that it was time for me to head to the airport to catch my flight back to Minnesota.

Before leaving, I gave my trainee my damage list and asked him to make sure that every item that had not been checked off be inspected. Later that day, after I had arrived back in Minnesota, my trainee called me to say that all items on my list had been paid for – at my pricing. Before hanging up, he also told me, while laughing a bit, that before the inspection was completed, the head claims executive had asked him if there was anything else that "Larry" wanted him to look at because he wanted to make sure that I would be satisfied with their final assessment and payment – and make sure he would never have to hear about me from his CEO again.

I wrote about my experiences in Ohio back then because they provide perfect examples of the problems and complications contractors are regularly confronted with when dealing with P&C insurance companies who are usually reluctant to follow through on their promises to their policyholders.

Armed with the additional knowledge, experience, and wisdom you will gain from this advanced contractor training program, that knowledge, experience, and wisdom will put you in the driver's seat and allow you to level the playing field and become a more powerful and effective advocate for your customers.



CHAPTER 7

MISGUIDED/CORRUPT LAP DOG STATE INSURANCE COMMISSIONERS

Former Okla. Commissioner Convicted on Embezzlement, Perjury Charges

The Downfall of California's Insurance Commissioner

Former Insurance Commissioner Jim Beck Guilty on 37 Counts of Fraud

Minnesota Tax Payers Forced to Pay \$1,000,000 Commerce Department Legal Bill

The Commissioner and the Legislature: Adjuncts of the Insurance Industry

The Insurance Commissioners, Other Government Agencies, and the Insurance Companies Focus On Insurance Fraud Committed By Policy Holders, But Nothing Is Done About the Multi-Billion Dollar Racket of Insurance Fraud Committed By Insurance companies

Pennsylvania Policyholders Sentenced to Four More Years of a Do-Nothing Insurance Commissioner

Commerce Commish Says He Won't Step Down Amid Controversies

Convicts Ex-Official in Tennessee Fraud; Jury Finds Former Insurance Commissioner Guilty in \$100,000 Bond Theft

Former Georgia Insurance Commissioner John Oxendine Charged With Health Care Fraud and Money Laundering Scheme

No More Secret Goodies for NAIC Bosses

“For too long, the insurance industry has regulated the insurance commissioner. We've had enough industry lapdogs; it's time for a watchdog. My motto as insurance commissioner was - the consumer has been screwed long enough. I think we need another commissioner with that point of view. You can protect the interests of the insurance industry, without short-changing the policyholders and public.” Excerpted from The Denenberg Report - December 09, 2002 as Written by Herb Deneberg, former Pennsylvania Insurance Commissioner, professor at the Wharton School, and Pennsylvania Public Utility Commissioner.

I don't doubt that, overall, the majority of NAIC members are good, hard working people who do their best to protect the interests of insurance consumers. However, it is indeed all too clear, based on the article headlines listed above, that at least a minority of them have goals and agendas that deviate widely from the NAIC's stated mission.

What you need to realize and internalize is the fact that, regardless of the Goliath like size, imagined or otherwise, of the P&C insurance industry and those who taint it with their disregard, you should never allow yourself to be intimidated by any of them. Knowledge is power. Remember that many insurance/commerce commissioners want the same thing you do which is to ultimately make sure that your customers are dealt a fair hand. And, unfortunately, some of them do not.

In 2004, I posted on line, clear and convincing evidence that the Minnesota Department of Commerce had failed to protect the interests of Minnesota insurance consumers in any meaningful way. Upon seeing that, a then Minnesota Department of Commerce Senior investigator decided he was going to make me pay for my “crime” of exposing the truth. After several months of defending myself against his false accusations, I told him it was time to knock off the nonsense and close his file. Having failed to prove his allegations against me, he did close the file and, on my demand, sent to me, all of the paperwork he had put together.

He's the same guy, who years later, cost Minnesota taxpayers that \$1,000,000 in legal fees mentioned in the chapter header which were refunded to another innocent Minnesota company who had been forced to defend themselves against similar false allegations made against them by the same Minnesota Commerce Department investigator.

As long as State insurance commissioners and their departments are allowed to operate as they do, as quasi-governmental agencies that generally only answer to the P&C insurance industry rather than the insurance consumers who interests they are charged with protecting, P&C insurance will continue to regulate them and the consumers will continue to get screwed.



CHAPTER 8

STATE ATTORNEYS GENERAL – INSURANCE INDUSTRY FRIEND OR FOE?

Generally speaking, this is not anywhere near the problem that is seen with P&C insurance industry friendly insurance/commerce commissioners. In fact, although AG's are usually limited in their scope regarding what they can actually do to help property owners who experience problems with their insurance companies, some have actually done yeoman's work in effecting positive results in regards to...

From the date of that ruling and up until Wartburg College graduate and ex-claims adjuster Jack Salzwedel was appointed to American Family insurance as CEO in of 2011 - and destroyed the company, AmFam was one of the best at properly paying their insured customer's claims which included full matching.

Since then, as we all know, unless a claim is in a "match" state that requires that all materials do match, most P&C insurance companies will fight to the death against paying to match damaged materials. Also, since then, American Family has gone from being one of the best for paying their customers claims to being one of the worst. In regards to State Attorney's Generals historical overall lack of involvement with insurance covered property damage claims, thanks primarily to the efforts of the American Policyholder Association (APA), they are becoming more involved.



CHAPTER 9

BUSY-BODY "DO-GOODER" POLITICIANS AND BUREAUCRATS

In the ICCOA® "Keeping Free Enterprise Free" report and exposé I wrote back around 2008, I exposed the real intent of the types mentioned above. In the case of the Minnesota Independent Contractor Exemption Certificate (ICEC) law, the people behind the bill weren't really concerned about making sure that independent trades and crafts people were covered under workmen's comp. What they were concerned about however, was increasing revenues to the state and making life tough for independent contractors and subcontractors who had no interest in joining a union.

One of their stated reasons for writing the ICEC bill was that independent contractors were, according to them, under bidding union contractors. They must have been unfamiliar with the concept of free enterprise, I guess. Two other reasons given for writing the bill was that independent contractors and their subcontractors were supposedly getting away with not paying taxes and not paying for...

Just an innocuous group of friends helping each other out - to gain as much unwarranted and unconstitutional

power as they could...helping themselves to the hard earned money of a few thousand independent tax paying construction contractors in the state by making anyone who has no interest in joining a union pay for their misguided thinking? Don't think the same thing will happen in your state?



CHAPTER 10

PREJUDICIAL "HIRED GUN" ENGINEERING FIRMS

Indictment: Engineering Firm Altered Sandy Damage Reports

Engineering Firm Charged With Over 50 Counts in Fraud Scandal

State Farm Questioning Haag Engineering Firm's Katrina Work

Sen. Lott Sounds Off Over Katrina Claims, Insurers' Antitrust Status

Engineering Firm Altered Sandy Damage Reports

Sisters Were Whistleblowers in Katrina Claims Handling Case

State Farm Sued by Gulf Coast Homeowners Over Katrina Claims

Okla. Couple Awarded \$13 Million in Lawsuit Against State Farm

Long Island Engineering Firm Raided in Superstorm Sandy Fraud Probe

There are many adjusters who see themselves as quasi-engineers, having been trained in the property damage – mostly roofing inspections area. They will boldly tell you as a contractor, that they are HAAG Certified. What that essentially means is that they paid for and took the HAAG inspection certification course that supposedly made them an expert on storm damage and related roof, siding, etcetera inspections. And that means, at least according to them, regardless of the fact you may have decades of experience in roof, siding and other inspections as well as installations, they know better than you. They, of course, are not truly engineers.

On the other hand, there are many engineers who are employed by various "forensic structural engineering" companies that, besides working in the areas of structural engineering as their degrees allow them to do, also conduct primarily roof wind and hail damage inspections on behalf of P&C insurance companies. Based on the engineer's (ambiguous) opinions that any damage found is anything but wind and hail damage, the insurance company denies the claim. The insurance companies then claim their denials are substantive because they relied on the opinions of an "expert" engineer and therefore should be shielded from lawsuits.

The engineering companies and their engineers' then hide behind the "Doctrine of Privity" (see CHAPTER 15. OVERCOMING THE DOCTRINE OF PRIVITY AND CONCIIOUS AVOIDANCE) which says that since the insured is not a party to the contract between the insurance company and the engineering company, the insured has no...

So, what does an independent storm damage contractor do when confronted with an engineer from HAAG or some other engineering firm? By applying the truth/wisdom principle talked about previously, even the least experienced contractor should be able to discern fact from fiction when it comes to doing battle with one of those

people. The powerful 3RS ADJUSTER REBUTTALS included with this program in CHAPTER 17. will help you to win those battles.

Simple common sense combined with experience tells us that there are those who will put money and job security ahead of reality and truth. Engineers aren't hired by insurance companies to find wind and hail storm damage, they are hired to disprove the existence of it. There is simply no other reason a P&C insurance company would hire them. If they don't disprove the damage, the assignments will eventually dry up. This doesn't mean that all engineers who conduct storm damage inspections for P&C insurance companies are corrupt. It does illustrate however, where their loyalties are and why that should be taken into account by any reasonable person.

When meeting with engineers at your job sites, follow the same process as outlined in CHAPTER 20. THE 3RS CLAIMS PROCESS – FROM A TO Z.

CAT insurance adjuster comments and opinions on this subject

Although the names have been changed, the following quotes are from actual CAT adjusters taken from various online CAT adjuster forums. (For those who may not be familiar with the term, "CAT" stands for Catastrophe)

CAT adjuster 'Bob' - *"It has been my experience that carriers work using the theory of large numbers. They will continue to settle claims slightly unfairly as long as they have some engineering company that advances a bogus theory as to why the damage is from another source..."*

CAT adjuster 'LS' - *"That is an excellent point and I will most readily admit that you have a very good body of experience to uphold a major portion of that assumption..."*

CAT adjuster 'Jay' - *"As to granule loss, I too have been on thousands of hail damage inspections and made castles out of the granules found in the gutters... Three other firms performed the same inspection in the same areas and they found damage. Three out of four that is and the carrier ignored the other findings. Astounding!"*

Actual engineer report by well-known national engineering firm

SUMMARY OF CONCLUSIONS

This report is based on presently known and available facts, data, and information. To the extent that additional or different facts, data, or information is developed or discovered after issuance of this report, we reserve the right to amend, alter, or change the report as needed to reflect consideration of the additional or different facts, data, or information. We appreciate your confidence in our professional services.

My response

"Dear Forensic Engineer,

You state in your engineer's official report, in other words, your specific description of the then current state and condition of the property in question when investigated, as you referred to it, that you did, on xx/xx/xxxx, as a licensed forensic engineer employed by "ABC1 Forensic Engineering", inspect, as part of an investigation of the property damage insurance claim numbered 123-456A, on behalf of "XYZ P&C" insurance company, opine in your Summary of Conclusions that, and contrary to and in opposition to the damage report of the insured customer's professional contractor, the reported property damage to the insured's property did not occur or exist.

You stated that your report which included your opinion based conclusion, was based on 'presently known', in other words – currently apprehended with certainty and fully understood and grasped, and 'available', in other words, readily accessible, 'facts', in other words, concepts whose truths can be proved, data, in other words, facts used for making decisions, and information, in other words, knowledge of facts about something. You also included in your report the following caveat...



CHAPTER 11

PROPERTY & CASUALTY INSURANCE CLAIM ADJUSTERS

As is the case with people in any profession, some adjusters are better than others. I've met some great adjusters over time who are decent and competent people and I've also met many that did not, and could never measure up to that standard.

Can't move to the next section without giving desk adjusters their just due. Desk adjusters are interesting people. They are the firewalls between your customers and you and their corporate offices. Feeling secure and protected within their company's corporate bubble, they often feel free to take whatever action that will serve their personal preferences and their bosses demands while entirely disregarding the needs of their employers' customers which are the insured's.

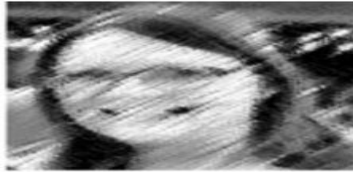
These are the people that provide me with the highest quotient of motivation. These people who, while hiding behind their partitioned office modules at corporate claims offices, attempt to withhold billions of dollars' worth of claims payments that are legally, morally, and ethically owed to the insurance company's customers.

FIELD



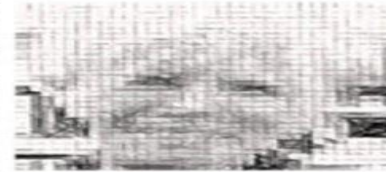
John F

DESK



Colleen B P

CAT MANAGER



Nancy M

The three pictured above however, found out from me back in early 2018 that they and others in their positions are not as protected from having their misdeeds exposed as they thought. Without a PA, appraiser, or a law suit, on the morning of February 5, 2018, the claims manager (not named or pictured) did, under appropriate pressure, call me and agree to a final and proper settlement to the insured in the amount of \$96,946, a \$24k + increase from the insurance company's previous "final" settlement offer. On behalf of the insured's, I accepted the final offer and within a week, the customer was paid in full after I agreed to slightly lower the original contract price in order to match the final offer. Done! What else helped me to move my claims to the final settlement price?

I could go on with endless stories of encounters with adjusters but I think you get the point. Again, I cover more of the "how-to's" of dealing with and defeating reluctant and troublesome insurance adjusters in Chapter 20. THE 3RS CLAIMS RECOVERY PROCESS - FROM A TO Z.

"While both insurers and independent firms will be affected by the growing litigation, independent adjusters may suffer the greatest impact of all", they said. "An adjuster individually named in a lawsuit that becomes a matter of a public record may be hit with a negative credit rating, an issue that might deter future adjusters from catastrophe work and pose even more problems for the insurance industry in the wake of a stormy weather season."



3RStimax© not the “industry standard”, so says the confused field or desk adjuster? TOUGH! There is no valid legal or other requirement that contractor’s use the so-called industry standard (Xactimate) or similar (Symbility) estimating program to estimate property damage repairs and there is no advantage in doing so, period!

Just as field, staff, and desk adjusters do, in house claims managers and their supervisors have, at the very least, an implied fiduciary duty and promise to uphold, which means paying your customers claims honestly, fairly and fully regardless of the estimating platform used, that if violated, potentially exposes them legally for any harm caused to the insured. With this training and through the use of 3RStimax©, you’ll learn how to light a fire under their behinds that will help them to understand the importance of doing the right thing, fully pay your customers claims, as well as the potential consequences of not doing so.

NO NEGOTIATING ALLOWED!

“Dear insurance adjuster / desk adjuster, (or insurance company CEO);

As evidenced by their signature(s), my customer(s) has reviewed and approved my estimate of the repairs to their property as described in their legally binding contract. The agreed to terms and pricing as shown are non-negotiable. Should you disagree with any of the above, please keep in mind that the customer retains the right and option to refer the claim to their attorney for investigation and possible prosecution if there is any further delay.

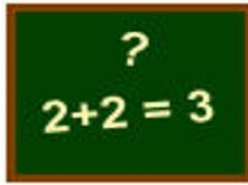
Sincerely, (Contractor Name)”

The statement, whether spoken or written, is not a threat and in speaking or writing it, you are not speaking for or acting on behalf of the insured/customer but rather, simply issuing a “food for thought” reminder to the reluctant desk adjuster or in house claims manager to consider.



“Are you a licensed PA”?

My reply - after warning the field adjuster who seemed to view himself as an officer from the Insurance Adjuster Police Department (IAPD) that it would be in his best interests to not go there, “I’m not and neither is my customer but he (or she) can talk policy language and negotiate the claim all day long. He (or she) can also report you to the authorities and bring suit against you personally, your E&O carrier, the third party adjusting firm that hired you (if a TPA contracted adjuster) and the insurance company they are contracted with.” That pretty much put a stop to the adjuster’s UPPA violation threats as well as his repeated lies to me and the insured.



CHAPTER 12

THE EFFECT OF ESTIMATING SOFTWARE ON PRICING

A severe storm comes through your area causing millions of dollars in property damage. A homeowner in need of help to repair the damage to their home looks for and finds their local 3RSystems, LLC trained contractor (you) and asks for help. Your wise customer, understanding why signing a contract that appoints you as their sole contractor is the only sensible approach, signs your contract then calls in their claim.

When you receive your copy of the second loss report you find that the adjuster's settlement offer is still substantially lower than yours. You call him (or her) and are told that the numbers shown are what the company's repair pricing software lists as accurate numbers for repairs in your market and they will pay no more. What do you do when...

"Programs like Colossus are designed to systematically underpay policyholders without adequately examining the validity of each individual claim," former Texas insurance commissioner Hunter told the U.S. Senate Committee on Commerce, Science and Transportation on April 11. He also criticized Xactimate. "If you don't accept their offer, which is a low ball, you end up in court," Hunter said." Excerpted from: The Insurance Hoax Property insurers use secret tactics to cheat customers out of payments - as profits break records. By David Dietz and Darrell Preston Bloomberg Markets September 2007

Whatever insurance company adjusters say are real, true, and accurate free market prices – according to them, guaranteed, they are not real, true, and accurate (RTA) free market pricing as you'll show when you submit your 3RStimax© written repair quotes.



CHAPTER 13

LACK OF PROPER TRAINING

Throughout the 3RS Process portion of this program you are going to learn how to develop and strengthen your own in house training program which will help you, your employee's, sales reps, and subcontractors to greatly increase your and their productivity and competency. This will ultimately increase your insured customer's legitimate claims totals which will, in turn, also increase your company's overall profits and income (it will also help your building product distributors to sell more of their roofing, siding, and related building products). In this segment, however, I'm just going to touch on a few training issues, specifically – the lack of training.

Why did he bother to knock on my door, or for that matter, knock on the doors of anyone in my neighborhood when, in reality, there was no storm damage? Lack of proper training. Although he would have had a much higher probability of success by canvassing neighborhoods on the other side of town that had suffered storm damage within the last two years of his appearance, his boss had sent him to a "dead zone" instead of a "red zone."

Had he canvassed in what at least had been a “red zone” on the other side of town, his percentages and his commissions (and his boss’s profits) would likely have increased substantially. And, he wouldn’t have given numerous insurance adjusters who had correctly denied the claims that insured’s had filed based on the young sales reps insistence, reason to question his own and his company’s credibility and integrity.

There is a better way! If, the contractor has taken the time to learn the best processes (through this program, for instance) and is therefore able to better train their sales reps, they will need a lesser number of sales reps and a lesser number of sales. The end result? Less headaches, complaints, legal threats, etcetera. And, due to increased efficiencies, the contractor will also be able to earn more profits and income than ever before.



CHAPTER 14

GC OVERHEAD & PROFIT ISSUES – HOW TO DEFEAT THE DENIALS

According to all available information, the first insurance company to withhold contractor overhead and profit was State Farm Fire & Casualty Insurance Company back in the mid 1980’s. Based on the deposition of then State Farm claims manager, Tony Prosperini, the first court case to suggest that an insurance company may withhold overhead and profit is a State Farm case, Snellen v. State Farm Fire & Cas. Co., Ky. 1987).

THE COMMON SENSE CONSENSUS - CURRENTLY, PAYING GC O&P ON EVERY JOB IS RIGHT!

Most P&C insurance companies continue to make the attempt to withhold GC O&P even today in spite of the overall consensus, legal and otherwise, that doing so results in unfair settlements to the insured’s and unjust enrichment to the insurers. As mentioned previously, insurance policies typically do not address the issue of GC Overhead and Profit, which, as I have opined, is an intentional material omission as well as a civil tort against insured’s. When GC O&P is withheld from the claim settlement, the implied promise of full, fair and prompt payment is broken.

Texas Department of Insurance (TDI) put it this way several years ago; “There is no situation in which the deduction from replacement cost of depreciation and contractor’s overhead and profit and/or sales tax on materials will be the correct measure of the insured’s loss”, and added that; “Under a replacement cost policy, the value of the contractor’s overhead and profit, as well as sales tax on building materials, are included in the premium, and if the insurer receives a premium on insurable values which loss may never be paid, the insurer reaps an illegal windfall.” Unfortunately however, TDI does little to nothing to enforce proper payment of GC O&P.

When is GC O&P due?

What is Overhead?

What is Profit?

Actual Cash Value and Contractor GC O&P fees

“The Arizona Court of Appeals finds that, if a general contractor may be needed for repairs or replacement, payments to the insured should include contractor overhead and profit fees – even if no contractor is used.” Lang & Baker, PLC, Scottsdale, AZ.

I found one of the better explanations of the problem on a posting on the Internet. The pertinent points of the poster who is unknown are shown below. According to the writer (and 3RSystems, LLC), various P&C insurance companies and claims adjusting services and adjusters, are regularly knowingly underpaying claims (en masse) also.

NOTE: Due to the complexity of insurance paid restoration work and all of the additional factors involved, “10 & 10” GC O&P often results in a substantial GC O&P underpayment to the contractor. In other words, in most cases, “10 & 10” simply does not cut it. Also note that, when you first opened your 3RStimax®, the GC O&P numbers show as 14.5% & 14.5% CUMULATIVE rather than “10% & 10%”.

Ultimately, since, as pointed out previously, all of the costs discussed are already factored into the insured’s near future based and priced premiums, P&C insurance cannot legally or otherwise refuse to pay 100% GC O&P. Re-stated; GC O&P, always charged in premiums, therefore, always due on every claim. When not paid, unjust enrichment to the insurance company. Insurance adjusters and in house claim reps who, as representatives of the insurance company, attempt to withhold GC O&P from insured’s should be held personally liable for any financial or other damage to the insured.

Remember – the insured pays the premium and that always makes them the boss, not the insurance company or their adjusters. If your customers’ P&C insurance company shows a reluctance to or refusal to pay GC O&P on 100% of each job, have them refer to the “What are - General Contractor Overhead & Profit (GC O&P) Payments?” section of the 3RS Insured Property Owners Storm Damage Recovery Guide®.

When an insurance company independent, staff, or desk adjuster says to you that it is the insurance company’s “in house policy” to not pay GC O&P, they are playing games with you. Insurance company “in house policies” have no bearing or effect on the actual insurance contract between the insurance company and the insured policyholder.

The 3RS “GC O&P Statement”

Getting final payment...this year and without the excuses

“Property & Casualty insurance companies must pay general contractor overhead and profit (GC O&P) on every claim (not just when two or three or more trades are involved) without deductions for roofing, carpet, etcetera Any independent field, staff adjuster, and/or desk adjuster and/or claims department supervisors and/or executive level claims management personnel who are a part of and/or supports any refusal to pay GC O&P on 100% of every claim, regardless of whether or not a GC is involved, has likely committed a bad faith act and a violation of fair market trade practices. Not paying GC O&P on 100% of every claim when it has been charged for as part of the insured’s premium payments likely results in...



CHAPTER 15

OVERCOMING THE DOCTRINE OF PRIVACY AND CONSCIOUS AVOIDANCE

The Doctrine of Privity is a legal interpretation in contract law where contracts are only binding on the parties signing the contract. The idea is that contracts are private agreements among the signatory parties (e.g., a contract between an insurance adjusting company or engineering company and a P&C insurance company) which technically should have no bearing on others who are not involved in making the contract (i.e., insured policy holders/contractors). While the doctrine makes sense in certain situations, over time it has proved to be problematic and numerous exceptions to the Doctrine of Privity are now well accepted.

Now more than ever, third party insurance adjusting and forensic engineering firms who conduct hail damage inspections for insurance companies and knowingly and repeatedly deny legitimate damage are included in those numerous exceptions mentioned in the first paragraph for reasons that, if not already clear, should become clear upon further reading.

The Doctrine of Conscious Avoidance (aka "willful blindness") provides that a defendant (for purposes of this program, P&C insurance companies and their executives, staff and third party adjusting companies, or third party engineering companies) who willfully shield themselves from clear evidence of critical facts is considered to be just as culpable and liable as a defendant who has actual fact knowledge of a civil or criminal offense. *Mens Rea* is defined as the mental component of criminal liability. To be guilty of most crimes, a defendant must have committed the criminal act in...

However, under the Doctrine of Conscious Avoidance, corporate officers who show a behavior pattern indicating they willfully tried to avoid (or intentionally "blinded" themselves to) knowledge about the (improper, illegal, and otherwise) activities of others employed by the company, may still be held personally accountable and liable for any damage caused by the actions of those under their ultimate supervision.

The above charge would/should clearly apply, in my opinion, to P&C insurance company CEO's, independent insurance adjusting company CEO's, and engineering company CEO's – for reasons that should be obvious to anyone who has ever sought to assist insured's with their property damage claims.



CHAPTER 16

RECALCITRANT MORTGAGE LOSS DRAFT PROCESSORS

I can certainly appreciate the need for organizations that write and hold mortgages to protect their interests by

making sure that property owner storm or other damage is actually completed by the mortgagee before final payment is made to them. However, when you learn who is, in most cases, behind the mortgage servicing (loss draft) process, learn their methods, and learn why the process causes so many contractors (as well as property owners) untold frustration and often, although rarely, forces some contractors to even seek bankruptcy protection, your opinion of this particular organization will not be dissimilar to mine.

These people, while responsive to their customer's demands (you and your customer(s) are not their customer's), assume that no one else, such as insured property owners and contractors who want and need to get paid will figure out who's in charge and therefore, they play fast and loose with the payments that are ultimately owed to you as the contractor. Included in the 3RS BUSINESS FORMS section of this training, specifically Forms 6. MORTGAGE LOSS DRAFT PRIMER and form 7. MORTGAGE COMPANY RELEASE AND AUTHORIZATION, are forms I successfully used to smooth out the mortgage loss draft process. Also included under Form 36. MORTGAGE LOSS DRAFT EXEC CONTACT INFORMATION in the 3RS BUSINESS FORMS section are the names and contact numbers of the key people ultimately in charge, just in case you might ever need to contact them.

The too typical response from the "BIG" Mortgage representative to the insured is all too often; "we didn't receive the check and/or the paperwork from the insurance company, from you, from FedEx, from the post office, from whomever." The typical response from the "BIG" Mortgage representative to you as the contractor; "we aren't authorized to discuss this matter with you without the insured's permission". Even if you had sent them a signed and possibly even notarized authorization from your customer and point that out, you would likely hear...

Money that rightly belongs to you to pay suppliers, installers, overhead, and personal expenses and to grow through investment of your profits is instead, being wrongfully used by someone else to make money for them. The practice is, in my opinion and I'm sure, in the opinion of many legal experts, morally and ethically wrong as well as (potentially) a violation of SEC and other rules and laws. However, as is the case with most individuals and organizations who operate in the same or similar manner, Bernie Maddoff, for example, or, more recently, Minnesota Government employees', they foolishly believe that no one will ever find them out or expose them.

Through the efforts of 3RSystems, LLC, the light of truth is now shining down on them. Most of the actual names of the top level loss draft processor executives behind this scheme are included in the MORTGAGE LOSS DRAFT EXEC CONTACT INFORMATION form – (Form 36 3RS BUSINESS FORMS) along with their contract information. If and when your customers' loss draft servicing company decides to play games with your customer's insurance claims proceeds and your final payments, don't hesitate to dial them up and confront them regarding the delay.



CHAPTER 17

THE 3RS ADJUSTER REBUTTALS

As I've said elsewhere, adjuster meetings are, by their nature, adversarial. That doesn't necessarily mean that every meeting with an adjuster is going to result in an argument but, like a good attorney looking out for the interests of their client, in your position as a price and scope advocate for your customer, you need to be prepared to fight on their behalf – and win. You win by becoming better and smarter than your opposition - field, staff, and desk insurance adjusters, and their supervisors and CEO's, as well as engineers and their employers.

The following will cover typical excuses that the vast majority of adjusters use when attempting to deny payment

for legitimate damage and provide you with the proper rebuttals to those excuses. Although not all inclusive, the excuses listed are the ones most often used.

My perspective on these issues can be compared to two opposing attorneys doing battle in court on behalf of their respective clients. In regards to your position as a non-attorney price and scope advocate for your insured customer with damage, your position would be that of a insured's plaintiff's attorney whose goal is to make sure that your "client's" insurance company fully pays for all of the damage. The insurance adjuster's position would be that of a defense attorney whose goal is to defend the insurance company's often questionable claims practices and keep their settlements as low as possible.

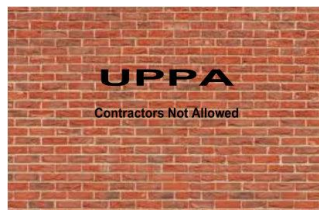
Having completed this advanced training, you will be in a much more powerful position than will be any claims adjuster in the country – like an experienced insured's attorney going up against a poorly trained insurance company defense attorney.

The business of contracting insurance restoration work and achieving fair and full legitimate claims payment is serious business and in order to win at the "game" you need to know how to play serious hardball. The following proven 3RS adjuster rebuttals will help you to do just that.



"ah did not...find any damage"

Excuses, excuses, excuses...field, staff, and desk adjuster rebuttals



CHAPTER 18

HIT THE UPPA WALL? NEXT STEP – PA OR APPRAISER OR ATTORNEY?

Many in the restoration industry refer to the Unauthorized Practice of Public Adjusting laws as "U-PA". I however, refer to them as "**UP**-PA" because of the way they were, as I view it, shoved "**UP**-PA" the behinds of innocent, unsuspecting, and unknowing insured property owners who are now, because of the law, in far too many cases, forced into a position by their insurance companies of having to take additional and often costly steps to move their claims forward once their contractors have run into the "UPPA Wall".

At some point in the claims process, contractors who are trying to just do what is right and best for their insured customers, are likely to run up against and into the "UPPA Wall" on a regular basis. If you read CHAPTER 5.

THE UPPA CONUNDRUM – PULLING BACK THE CURTAIN, you should clearly understand why hitting the “UPPA Wall” has become such a problem for contractors as well as their insured property owner customers. If you have not yet read that chapter, go back and do so.

So, with that said, when you as a contractor do hit the “UPPA Wall”, what can you then do to move your insured customer’s claims to fair and full payment? The reality? Not much – if you want to avoid being threatened with or charged with an UPPA violation.

However, assuming you gave your customer(s) a copy of the 3RSystems, LLC Insured Property Owners Storm Damage Recovery Guide© before you started their repair project, assuming they read it, if they apply what they learned from it, they may be able to move their claims past the “UPPA Wall” on their own. Unlike you as their contractor, they can negotiate their own claims and interpret policy language all day long. They are also able to argue for full 100% payment of GC O&P.

Keep in mind that when the UPPA threat is made, it is usually because the insurance company knows full well that their estimate is low and is also missing line items as well as GC O&P. Their point in making the threat? To cause the contractor and the insured to both shut up and give up. At that point, the contractor and their insured customer are both stuck and may choose to make no attempt to move the claim further. That is at least the hope of the customer’s insurance company.

Although the contractor is, at that point, indeed “stuck”, if the insured customer has read through and internalized the information contained in the 3RSystems, LLC Insured Property Owners Storm Damage Recovery Guide© and is confident in applying what they have learned from it, they may be able to indeed move the claim forward.



CHAPTER 19

CYA - COVERING YOUR ASS-ETS + THE CEO LETTER

Recently, I searched the web for the “top ten least trusted professions” and to my surprise, at least on the two websites I visited, contractors were not included. It used to be that contractors were always found somewhere on that “top ten” list. Included on the two different lists I looked at however, were, among the others, attorneys and car mechanics – two of the people you least want to have to deal with but are guaranteed you will likely be forced to at some point in time.

Although you never know which one of the two will cost you more, it should be obvious to any contractor working in today’s litigious environment that having a good attorney who is familiar with and well versed in both construction and insurance law is a must. In fact, you should have two different lawyers – one who handles your general business needs and another who is well versed in insurance law.

With a disclaimer to CMOA (cover my own ASS-ets), as I mentioned earlier in this book, I am not a licensed attorney. However, that lack of licensure has not prevented me from avoiding any potentially serious business related legal trouble over a number of decades. As a result of following and adhering to the truth/wisdom principle I talked about much earlier in this training I simply gave no one any substantive reason to consider bringing legal action against me. That doesn’t mean that at least two different customers didn’t consider it though over time (both lost, by the way).

Quite a few years ago I went to the law office of Jim D., a friend and insurance/investment client of mine, to discuss one of his insurance policies. After doing so we planned to have lunch together. Jim, who had been an attorney in Minnesota for many years, had stories like nobody's business. He was also a great golfer (and my occasional golf coach which I sorely needed) who spent as much time as possible on the local courses with his Judge buddies.

After our meeting but before leaving for lunch, a Hennepin County District Court Judge who had also been a friend of Jim's for at least several decades stopped by to join us. Before leaving for lunch however, the Judge had to share with us a story about what happened in front of another Judge who was listening to two attorneys do battle a few days earlier. During the proceedings, the two attorneys got into a heated argument about a particular ruling that pertained to the case at hand. One of the attorneys who had become frustrated with the other attorney's comments, turned to him and called him a "little prick." At that, the Judge told the offending attorney that he was in contempt and ordered the bailiff to walk him into a holding cell where he could take some time to consider his actions and cool off.

After some time had passed, the bailiff approached the Judge with a note from the offending attorney who was sitting in the holding cell that asked if he could be provided with a dictionary. The Judge, wondering exactly what the attorney wanted with a dictionary, honored the attorney's request. A short while later, the bailiff again approached the Judge with another note from the attorney asking the Judge if he could speak with him and explain himself. The confused Judge reluctantly agreed to allow the attorney to approach him with his explanation

Having done some legal "research" (perusing through the dictionary for a definition of the word "prick"), the attorney was ready to explain to the Judge why he (the Judge) was mistaken in finding him in contempt. As the attorney approached the bench he proceeded to explain to the Judge, "Your Honor, according to this Webster's Dictionary, the word "prick" is defined as a minor irritation. Your Honor, with respect to you and the court, all I meant to say when I called the opposing counsel a "little prick" was that I found him to be a minor irritation and, therefore, again, according to the reliable source that I'm sure you would agree Webster's dictionary is, I was showing no contempt in my statement made in front of you this day. Therefore, I ask for the court's mercy and apologize if the meaning of my words was misconstrued." Reluctantly, and with a stern warning to choose his words more carefully, the Judge...

I was once a party in a quite frustrating and complicated dispute regarding an office space lease repair agreement I had signed but the lessor had failed to honor. While at a court hearing on the issue, the lessor lied to the hearing Judge and a city official knowingly supported that lie. Based on the lie, the Judge issued an illegal court order against me. When I called him directly later that day, he refused to listen to why he needed to quash his motion.

Based on the recommendation of a then sitting Minnesota Supreme Court Chief Justice several days later, I called the District Court Judge from my insurance company office. When I called the Judge, he was in court hearing cases so I told his clerk who had answered the phone to tell the Judge that if I did not hear by 12:00 Noon that day that he would be quashing his illegal order, I would be recommending that criminal charges be brought against him.

At 11:55 AM that morning, his clerk called me to let me know that the Judge promised he would be scheduling a special hearing where he would indeed, quash his illegal order. On the day of the hearing, when the Judge announced his decision, the team that made up the opposing sides counsel completely lost their minds.

Much like the frustration that comes from situations like those mentioned above, most of the problems that contractors have to deal with on a daily basis can be summed up as "minor irritations." But, when it comes to dealing with some legal issues that contractors often face or are exposed to, minor irritations can often quickly turn into major conflicts. That's when you need to...

In regards to those minor irritations however, I believe I can offer you some sound food for thought that should serve to keep you out of trouble and help you to prevent those minor irritations from indeed turning into major and costly conflicts. In no particular order, they are listed below and on the following several pages.

Legal Amendments / Change Orders

Always include these documents as part of your entire contract package so you are fully prepared when there are amendments or changes made to the original contract or your customer(s) makes an attempt to cancel your legally binding contract. No matter how tedious it may seem to pay attention to what sometimes seems like “extra” minor details, it is the attention paid to those details that will keep you out of trouble.

Breach (contract language)

Additional Legal Considerations

Overpayments

Contracts

BREACH OF CONTRACT NOTICE

Threats to property owners of premium increases

Additional advice regarding property owners who attempt to breach

Dealing with troublesome field and desk insurance adjusters

(Also discussed in CHAPTER 11 PROPERTY & CASUALTY INSURANCE CLAIM ADJUSTERS)

If all else fails...

While working on one particular claim a few years ago where it had become apparent that a particular P&C insurance company had decided to refuse to pay for all of the legitimate damage and close their file in spite of the proof provided to them that the replacement product they said existed did not, there was only one thing left for me to do – contact the CEO. Making that contact quickly resolved the problem.

Ultimately, P&C insurance company CEO's don't want to hear, or at least don't want the public to hear, that their policy holders are being treated unfairly. It is likely that most of them are out of the claim loop and because they have delegated the responsibility for processing claims to individual's way down the corporate ladder, and have entrusted oversight of the process to lower level executives, they may not be hearing what they need to hear.

The problems too often start with lower level executives who want to stay employed and get promoted. With that said however, keep in mind what I wrote about “Conscious Avoidance” and “Willful Blindness” on the part of top level executives in CHAPTER 15. OVERCOMING THE DOCTRINE OF PRIVACY AND CONSCIOUS AVOIDANCE.

That message goes out from them to lower level executives to claims department heads to desk and staff adjusters and finally to independent third party field adjusters and third party engineering firms – all who want to keep the inspection assignments coming. Staff adjusters are under direct pressure from the insurance company they work for. Independent adjusters and engineers are under pressure from the insurance companies they are contracted with as well as the independent TPA adjusting and engineering companies they may work for.

As a result of all the pressure to perform starting at corporate and going down many levels of people who want to stay employed and are therefore willing to follow the directions given (pay as little as possible), the insureds end up with less than the best. At a certain point however, it's time to confront the people ultimately in charge – the CEO's, as I did with one CEO from one of the top three P&C insurance companies in the world.



The CEO Letter

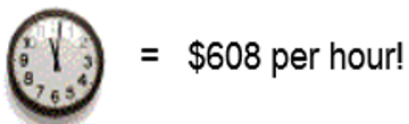
On that particular claim mentioned previously, because the head of the insurance company's claims department had refused to pay the balance due on my customers claim, there was only one thing left to do – confront the CEO directly. Shortly after the insurance company CEO received the following letter, the claim was paid in full. Below is a synopsis of the letter that was sent to the CEO and the P&C Division President after I read his “Obligation to earn a return for our shareholders” statement to company shareholders in a financial publication.

“Our obligation is to earn a return for our shareholders” (Allstate CEO Tom Wilson - 2007)

My insured Allstate customer received a check for the full balance due within a week of Wilson receiving the letter.

It is unfortunate that anyone should have to take such extreme measures in order to get the insurance company to do what it should have simply done in the first place – fully pay the claim. In this case, all other options had been exhausted which made directly confronting the insurance company CEO as appropriate as it was effective.

Was the time spent worth it? Absolutely! Although it took a bit more time than usual, the approximate additional eight hours spent on the phone with adjusters and claim reps and composing and sending the letter to the CEO resulted in an additional payment of \$12,168. At an approximate 40% profit on that amount, I was paid about \$608 per hour for my time.



Besides gaining the additional profit I also gained additional respect from the insurance adjuster and claims representative “community.” I also gained tremendous good will with the customer which turned into additional referrals that turned into additional jobs that led to additional profits which ultimately led to – More Money, More Freedom, and More Fun which, which, when all is said and done, is what all of your hard work is about anyway.



CHAPTER 20

THE 3RS CLAIMS RECOVERY PROCESS – FROM A TO Z

On many occasions while working a claim, adjusters who hadn't met me previously would ask me what the 3 R's in 3RSystems stands for. I could hardly resist replying that it meant “re-inspect, re-inspect, re-inspect”. Sometimes I'd get at least a hint of a smile out of some of those guys.

As the 3 R's applied to my financial services clients who were, in a number of cases, millionaires and multi-millionaires, the first step in finding areas of improvement was to review their current financial position. In doing

so, I was able to ferret out weaknesses in their overall financial planning and address those weaknesses (often, misplaced assets) with the client. Next, based upon their personal and business needs and desires, I would show them how to reposition those weak assets to where they would much better serve them in reaching their goals. As a result, they were able to recapture money that otherwise would have been lost to unnecessary taxes, poor returns performance, and various other forms of erosion.

In regards to the business of insurance claims repair contracting the same basic processes and principles apply. By reviewing your core business structure and practices and repositioning that structure and the practices according to a more successful model, the workplace is more conducive to getting more work done, people are happier and more productive, and the company as a whole has a greater competitive advantage. In other words, you recapture that which may have been alluding you which is, ultimately, more money, more freedom, and more fun.

On the following pages, while I reveal the whole of the 3RS CLAIMS RECOVERY PROCESS – FROM A TO Z. I'll also cover several key areas of concern for review by you as a business owner, company manager, or sales rep. I'll then offer suggestions on how to reposition your efforts so that your efficiencies are improved. It all comes down to good business planning plus training, learning, studying, experience, and wisdom. The quality of the investment you make in yourself and your company (your investment in this program is a great example) will dictate the quality of your life and the success level you achieve.

Business Structure

Marketing



Review - study or examine current business practices and look for ways to improve

Reposition - when ways to improve practices are revealed, apply them – right away

Recapture - take control of (and deposit) the claims dollars you were leaving behind!

You've internalized the information presented thus far and are starting to see how all of the parts make up the whole – to your great advantage. Your skill level has already increased as a result of your commitment to learn all that you have at this point. You've begun to turn your old “insurance claims specialist” hand shovel into a powerful new 3RSystems, LLC claims front end loader that will allow you to mine much more of the gold that's out there waiting for you in much less time.

Preparation is the key!

The Process



First, the initial presentation and inspection

On insurance paid restoration work, credibility beats sales ability every time!

How to use the Presentation Book

IMPORTANT QUESTION TO THE POTENTIAL CUSTOMER BEFORE MOVING FORWARD WITH HELPING THE POTENTIAL CUSTOMER TO FILE THEIR CLAIM – “IS YOUR POLICY ACV OR RCV?”

Helping the customer file their claim

Opening Your New Customer File

The Pre-inspection

Why conduct a Pre-inspection before meeting with the adjuster?

NEVER GIVE ANY OF THE ABOVE DOCUMENTS TO YOUR SIGNED CUSTOMER(S) UNTIL YOU ARE SURE THAT ANY AND ALL CANCELLATION DATES HAVE EXPIRED!

So, what is a claims reserve and why does knowing matter?

Will the adjuster show up on the specific date and exact time?



The initial adjuster meeting/inspection

Auditing the loss report – show me the money!

S F	Frmrs	Alst
		
\$17,458.68 to \$25,618.49	\$2,785.32 to \$13,606.47	\$22,441.51 to \$44,378.32

The Airport Hanger Claim - initial

The Airport Hanger Claim – additions

Auditing the loss report – before corrections

The initial desk adjuster report (example)

Auditing the Loss Report – your corrections, ROOFING:

Auditing the Loss Report – your corrections, SIDING:

Show me all of the money...

With corrections made to the desk adjusters loss report you turned a job priced incorrectly at \$22,820.01 into a job correctly and accurately priced at \$38,264.77 (GC O&P still not added on). Is it time to celebrate? Not yet. You still have to convince the desk adjuster to pay for all of your additions but because they are all valid additions/corrections, the desk adjuster should ultimately pay the insured per your corrected estimate. When using the term estimate in regards to storm damage repairs, I am always referring to the final price the insurance company should pay (therefore, not really an estimate).

With addition of General Contractor Overhead & Profit

According to the formula illustrated in the Chapter 14. GC OVERHEAD & PROFIT ISSUES – HOW TO DEFEAT THE DENIALS as well as how it actually should work, your 3RStimax© will automatically cumulatively calculate and add in GC O&P to your final estimate at the rate you specify as appropriate for your company. Most of the time, the insurance company will...

In the above illustration, we start with the corrected number shown on **Line 11. Total claim with \$ 1,000 deductible added back** on the corrected estimate. By knowing what to do and how to do it, you have increased the total job price, with 100% and cumulatively calculated GC O&P, from \$22,820.01 to \$46,300.38, thereby more than doubling the insurance company's original offer. You were also able to increase your profit on the job by approximately \$9,500.

Always Stand Your Ground

BTW, none of my customers claims which were always written on a 3RStimax©, ever went to appraisal, arbitration, or law suit but always paid higher than any adjuster's initial estimates. In addition to that, none of my customers' claims were ever turned over to a PA. I always told any field or desk adjuster who suggested that the above options were the customers only options that I never waste time with that and, instead, always urge the insured to...



A quick note about insurance supplements

The Write Up meeting

If, for whatever reason, after all cancellation and/or rescission dates have passed, the customer does attempt to cancel (breach) the contract, it is appropriate to send a completed BREACH OF CONTRACT NOTICE form – (Form 16 3RS BUSINESS FORMS) to them ASAP. Such notices (see language below) should be attorney approved and only be sent to a breaching customer by or with the approval of the company owner.

BREACH OF CONTRACT NOTICE

This form is self explanatory and is only needed when that rare customer(s) violates the terms of their contract after any three business day or other rescission period has expired. If you (or one of your reps) have put in your/their time (including risking your/their physical health by walking the customer's roof) and done everything you/they promised the customer(s) you would do, any attempt to cancel your contract after the time limits outlined above have expired is nothing short of attempted theft and attempted merchant fraud.

If the customer(s) does attempt to breach the contingency agreement contract, you will likely need to also send them a LEGAL NOTICE AND DEMAND FOR PAYMENT form – (Form 34 3RS BUSINESS FORMS).

The ROOFING AND SIDING REPLACEMENT UPGRADES form

Preparing for and putting the job into production

After the work is started

The MISC SUB CONTRACT AGREEMENT form

The Claim Close meeting

Collecting the final balance due



CHAPTER 21

SALES TIPS, SNIPPETS, AND OTHER THOUGHTS

Too much money is never a problem, never enough always is! Since it would take several hundred pages to include everything I've learned about sales from various courses, books and what other successful people have taught me over the years, I've written a condensed version below. Use this information, seek out and take the sales training and read the books and you will advance to the top of your profession – sooner rather than later. Life is too short, live it to the fullest and, as the saying goes, “don't die with the music still in ya”!

Sales Training Resources

Know Your Products

END



HOUSE Page 3

Customer Name

3RStimax.

HOUSE Page 3
CLAIM NUMBER

Contractor Name	<i>Company name (lock)</i>	Phone 1	<i>Company 1 (lock)</i>	2	<i>Company 2 (lock)</i>
Address	<i>Company Address (lock)</i>	City	<i>Company city (lock)</i>	St	<i>Company St/Zip (lock)</i>
Insured/Customer Name	<i>Customer name</i>	Phone 1	<i>Cust phone 1</i>	2	<i>Cust phone 2</i>
Address	<i>Customer street address</i>	City	<i>Customer city</i>	St	<i>Customer St/Zip</i>
Insurance Company	<i>Insurance company name</i>	Loss Dt	<i>As: "July 30, 2025"</i>	Dt	<i>As: "August 10, 2025"</i>

Description	Detail	Quantity	RTA Price/Per	RTA Total	
GC/MISC C					
68	Site clean up (non RRP)	<i>Non RRP</i>	1 ea	\$75.00	\$75.00
69	Debris removal/dump chg (non RRP)	<i>Describe - minimum \$150</i>	2 ea	\$150.00	\$300.00
70	Permit 1	<i>Roofing</i>	1 ea	\$250.00	\$250.00
71	Permit 2	<i>Siding</i>	1 ea	\$250.00	\$250.00
72	RRP lead control (pre 1978 bdlg)	<i>Describe - minimum \$75</i>	0 ea	\$75.00	\$0.00
73	Gen contract/gen demolition	<i>Describe - minimum \$100</i>	1 ea	\$100.00	\$100.00
74	RRP build date confirm	<i>Describe - minimum \$50</i>	1 ea	\$50.00	\$50.00
75	Windows	<i>Describe</i>	0 ea	\$0.00	\$0.00
76	Doors	<i>Describe</i>	0 ea	\$0.00	\$0.00
77	Deck work	<i>Clean, sand, stain</i>	1 ea	\$525.00	\$525.00
78	Interior 1	<i>SW bedroom ceiling repair</i>	1 ea	\$375.00	\$375.00
79	Porta potty	<i>Describe</i>	6 ds	\$95.00	\$570.00
80	OSHA requirements / fall protection	<i>Describe - minimum \$50 per day</i>	6 ds	\$50.00	\$300.00
81	Estimating fee	<i>Minimum 1% of job (max \$500)</i>	0 ea	\$0.00	\$0.00
82	Fuel surcharge	<i>Minimum \$50</i>	1 ea	\$50.00	\$50.00
83	Re-inspect fee	<i>Minimum \$100 per job</i>	1 ea	\$100.00	\$100.00
84	Grounds magnetic sweep	<i>Minimum \$75 per job</i>	1 ea	\$75.00	\$75.00
85	Paint - general	<i>Describe</i>	0 ea	\$0.00	\$0.00
86	Supervisor	<i>X # of days</i>	6 ds	\$125.00	\$750.00
87	Foundation repairs	<i>Per Scope</i>	0 ea	\$0.00	\$0.00
88	Other	<i>Describe</i>	0 ea	\$0.00	\$0.00
89	Other	<i>Describe</i>	0 ea	\$0.00	\$0.00
90	Other	<i>Describe</i>	0 ea	\$20.00	\$0.00

ALL TOTALS A + B + C	TOTAL GC/MISC C	\$3,770.00
	A + B + C	\$53,964.44
	MST x 31.5% of A+B+C	\$16,998.80
	x Sales Tx of 6.75%*	\$1,147.42
	Sub-Total 1	\$55,111.86
	add 14.5% Overhead	\$7,991.22
	Sub-Total 2	\$63,103.08
	add 14.5% Profit	\$9,149.95
	TOTAL REPAIR PRICE	\$72,253.03

Following the instructions shown on Page 3 of the HOW TO USE 3RStimax® guide, open a new and larger text box over this box then type in your text and/or paste copied text, diagrams, and photos in the new text box. When done, make sure to save then protect the page before closing.

All items listed on this estimate including the TOTAL REPAIR PRICE which includes full and proper General Contractor Overhead and Profit considerations have been explained to us and are acceptable to us as the insured(s) on this _____ day of _____, _____

Customer Name(s) (print name then sign below)

Sign - Insured Customer 1 Sign - Insured Customer 2

DATE As: "August 10, 2025"
 WRITTEN BY Company rep
 TELE # Company rep phone #
 CELL # Company rep cell #
 EMAIL Company rep email
 ADJSTR 1 / CMPNY Adjuster #1 Name & Co
 ADJSTR 2 / CMPNY Adjuster #2 Name & Co
 ENGR 1 / CMPNY Engineer Name & Co

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Review HOUSE Page 3

3RStimax®

The Pro Restoration Contractor repair pricing standard®

Insurance Company claim "final" offer	Additional claim recovery with 3RStimax®	Total claim recovery with 3RStimax®	GC O&P figured CUMULATIVELY on 3RStimax®	
\$500.00	\$13,250.00	\$13,750.00	01 ea	\$0.00
\$0.00	\$16,000.00	\$16,000.00	02 ea	\$0.00
\$0.00	\$18,040.00	\$18,040.00	02	TOTAL GC/MISC C
\$8,250.00	\$29,750.00	\$38,000.00		A + B + C
\$500.00	\$42,000.00	\$42,500.00	03	MST x 31.6% of A+B+C
\$8,000.00	\$36,978.00	\$44,978.00	04	x Sales Tx of 6.75%*
\$55,250.00	\$41,696.00	\$96,946.00	05	Sub-Total 1
\$72,500.00	\$197,714.00	\$270,214.00	06	add 14.5% Overhead
Without appraiser or PA involvement and without legal action			07	Sub-Total 2
			08	add 14.5% Profit
			09	TOTAL PRICE

With 3RStimax® you'll have the option to submit your repair pricing as either a "COST PLUS" or "LUMP SUM" quote

After completing the 3RSystems, LLC storm damage restoration contractor training program and switching from the now outmoded, so-called "industry standard" low ball and forced market priced repair estimating program known as Xactimate (or Symbility), as can clearly be seen in the graph shown above, on just the seven insurance restoration projects shown, as a result of using our 3RStimax® contractor favored real, true, and accurate (RTA) free market priced property damage repair estimating program, the final pricing amounted to an additional \$197,714 in legitimate claim payments to the insured property owners.

Of that amount, along with the substantial increase in the contractor's per job profits and income, the roofing, siding, and related building materials orders from the contractor's building products distribution company were increased by \$8,897 per job (\$62,279 total). Also note on the right side of the graph, the properly calculated General Contractor Overhead & Profit total.

Additional claim recovery = \$197,714

Additional building product orders = \$62,279

While the powerful and proven 3RStimax® free market repair estimation program is an integral part of the full 3RSystems, LLC contractor training program, it is only a small part of it.

Contractors don't need or use Xactimate to estimate the cost of their retail work, why then, would any contractor use Xactimate which is owned and controlled by the P&C insurance industry to low ball claims, to estimate the cost insurance repair work?



3RSsystems, LLC

A to Z PROPERTY DAMAGE INSURANCE CLAIM PROCESS
TRAINING FOR INSURANCE RESTORATION CONTRACTORS

Minneapolis, Minnesota USA

3RS BUSINESS FORMS

Form 1 COMPANY OWNER CONSIDERATIONS	Pg 7
Important considerations for company owners.	

FROM PROSEPECTS TO SIGN UPS

Form 2 3RS PROPSECT PRESENTATION BOOK	Pg 10
How to establish credibility with potential customers and get their committment.	
Form 3 CONTINGENCY AGREEMENT CONTRACT	Pg 23
Example/template plus legal considerations.	
Form 4 CLAIM INFORMATION AND INSTRUCTIONS	Pg 27
This form will help you to gain and retain control over the claims process.	
Form 5 CLAIMS DEPARTMENT NUMBERS	Pg 28
A list of insurance company claim department telephone numbers.	
Form 6 MORTGAGE LOSS DRAFT PRIMER	Pg 33
About and how to smooth out the loss draft process.	
Form 7 MORTGAGE COMPANY RELEASE AND AUTHORIZATION	Pg 34
How to take control of the mortgage loss draft process.	
Form 8 HOW TO USE 3RStimax®	Pg 35
This form will teach you how to use 3RStimax® to help you to achieve maximum profits and income on your restoration as well as retail remodel jobs.	
Form 9 WHAT TO LOOK FOR / CHARGE FOR	Pg 45
This form shows a reference list of numerous items that could have been damaged including many that contractors never think to include on their estimates.	
Form 10 ADJUSTER or ENGINEER QUESTIONNAIRE/REPORT(S)	Pg 46
You will give the appropriate form – Adjuster Questionnaire/Report 1 or 2, Engineer Questionnaire / Report 1, or Desk Adjuster Questionnaire/Report 1 to your customers to give to insurance adjusters or engineers to complete when they inspect their property for damage.	
Form 11 PRE-INSPECT ADJUSTMENT PRODUCTION	Pg 47
This form is designed to give you a clear and full overview and progress report of each job from start to finish.	
Form 12 ROOFING AND SIDING ESTIMATE DIAGRAMS	Pg 48
You can use these forms to record the damage and measurements of each job and draw out your diagrams.	

SOLD

Form 13 ROOFING AND SIDING REPLACEMENT UPGRADES Pg 52

What upgrades to consider offering your customers after you are certain the claim has been fully paid.

Form 14 CUSTOMER WHAT YOU SHOULD KNOW Pg 53

This CYA form will instruct your customers on "what they should know" about the actual restoration / repair process.

Form 15 COMPANY TO DO / CUSTOMER TO DO Pg 55

This form makes it clear to the customer(s) who is doing and who is paying for what work.

Form 16 BREACH OF CONTRACT NOTICE Pg 57

This form explains the process to follow when that rare customer attempts to violate the terms of your contract.

PRODUCTION

Form 17 JOB SUBMISSION CHECKLIST Pg 59

This form is used to make sure that everything about the job up to the point of turning it into production has been completed.

Form 18 ROOFING / SIDING PURCHASE ORDER Pg 60

These forms are both self explanatory. You can change the forms any way you want in order to best suit your needs.

Form 19 ROOFING / SIDING / GUTTER INSTALLER WORK ORDER Pg 63

Again, these pages are self explanatory and can be changed to suit your needs. You can also write or type in additional information specific to each job.

Form 20 MISC SUB CONTRACT AGREEMENT Pg 67

Use this self explanatory form when you have an unusual situation where you need to hire a Sub - Contractor to do work you/your regular employees or subs don't ordinarily do such as a chimney repair.

Form 21 CHANGE AND / OR REVISION ORDER Pg 68

This form is a CYA form to be used post initial contract to make sure that any customer changes are recorded and properly charged.

Form 22 LEGAL AMENDMENT* Pg 69

This form should be used any time a customer requests that a substantial change be made to the terms of the original contract that might affect the overall legality of the contract.

CLAIM CLOSE

- Form 23 COMPLETION CERTIFICATE** **Pg 71**
Use this form as your completion certificate to be signed by the customer(s).
- Form 24 MORTGAGE COMPLETION CERT AND LIEN WAIVER CERT** **Pg 72**
Use this form as the completion and lien waiver cert for your customer(s) or you to send to their mortgage company/loss draft processor.
- Form 25 SUBCONTRACTOR AND MATERIALS LIEN WAIVER** **Pg 74**
Use this form (when/if needed) as a lien waiver from subcontractors and materials suppliers.
- Form 26 FINAL INVOICE TO INSURANCE COMPANY BY INSURED** **Pg 75**
Use this form when a customer(s) insists on doing some of the work themselves or not doing some of the work and pocketing the money.
- Form 27 FINAL INVOICE TO INSURANCE COMPANY BY COMPANY** **Pg 76**
Use this form to send your final invoice to the insurance company if/when all of the work has been completed by your company.
- Form 28 FINAL CUSTOMER INVOICE AND LIEN WAIVER** **Pg 78**
Use this form to request final payment from the customer(s) and satisfy any lien waiver requests or requirements.
- Form 29 WARRANTY** **Pg 80**
Use this form as your company warranty – manipulate the form as you see fit to apply to your company.

FINAL

- Form 30 MATERIAL RETURN SHEET** **Pg 83**
Use this form to record job materials returned to shop or directly to supplier(s).
- Form 31 ROOFING SIDING LABOR BILL** **Pg 85**
Use this form to record roofing, siding, or other labor bills.
- Form 32 SERVICE WORK ORDER** **Pg 88**
Use this form to give to installers who have service work to complete.
- Form 33 BACK CHARGE FORM** **Pg 89**
Use this form to record installer back charges for work/repairs that were not completed.

LEGAL

Form 34 LEGAL NOTICE AND DEMAND FOR PAYMENT

Pg 91

Use this form as proper and legal notice and demand for payment to any customer(s) that might attempt to hold back payment due you/your company.

INDUSTRY EXECUTIVE CONTACTS

Form 35 P&C INSURANCE EXECUTIVE CONTACT INFORMATION

Pg 93

Form 36 MORTGAGE LOSS DRAFT EXEC CONTACT INFORMATION

Pg 95

DISCLAIMER

3RSystems, LLC DISCLAIMER

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Work smarter, not harder. Increase your income while decreasing your workload.

3RSystems, LLC Training Program Pricing

Individual contractors:

3RStimax© only	\$ 695 (lifetime)
Full 3RSystems, LLC Training package	\$1,295
One day in house (your location) company training (includes one full 3RSystems, LLC Training package)	\$7,995

Manufacturers & Distributors

Full program to distribute to contractor customer “sales force”:

Projected year 1 building products sales increase example

Year 1 projected contractor per job building product order increase after providing your contractor “sales force” with the full 3RSystems, LLC contractor training program plus 3RStimax© - average per job order increase = \$8,897.

\$8,897 per job x 20 jobs per year = \$177,940 x 15,000 contractors = \$2,669,100,000 BILLION in additional year 1 contractor paid orders!

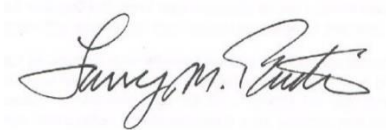
Order Options

Through non M&A business broker	\$3,250,000
(Non M&A broker fee paid on final purchase close = \$250,000)	
Direct Purchase	\$3,000,000

Contact Larry at 3RSystems, LLC through the Contact link on this site for details or questions.

Thank you!

And finally, remember to, as my mother taught me as a young teenager, and as Billy Joel used to say to his fans at the end of his concerts...never take any crap from anyone!



President - 3RSystems, LLC

3Rsystems, LLC

A to Z PROPERTY DAMAGE INSURANCE CLAIM PROCESS
TRAINING FOR INSURANCE RESTORATION CONTRACTORS

Minneapolis, Minnesota USA

A repeatedly proven AI (actual intelligence) based learning management system (LMS)

Find us at: www.3RSystems.com

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