



Vehicles are frequently exposed to moisture during their ordinary operation, maintenance, and reconditioning. Occasionally, such exposure may leave residual marks or indicators similar to those left by exposure or immersion of the vehicle in floodwater. In determining what conditions require disclosure or in arbitrating vehicles for flood exposure/damage it is critical that the total condition of the vehicle be considered including VIN data history.

Disclosure Not Required

No disclosure is required nor is arbitration allowed for the following types of water exposure, provided that none of the components outlined below are damaged:

- a. Rain, snow or sleet due to open windows, doors or tops or leaking seals.
- b. Car wash or rinse water.
- c. Carpet or upholstery shampooing or cleaning.
- d. Stream, pond, puddle or floodwater that does not rise above the rocker panel or otherwise enter the passenger compartment.
- e. Stream, pond, puddle or floodwater that enters the luggage compartment, but does not damage any electrical components (such as lighting or wiring harness) or does not enter the passenger compartment.

Disclosure Required

Disclosure is required and arbitration shall be allowed under the following conditions:

- a. The title has been correctly branded indicating flood history of the vehicle.
- b. Any of the following components have been damaged due to stream, pond, puddle or floodwater immersion/ingress:
 - i. Front or rear internal lighting or wiring harnesses
 - ii. Engine and its major components
 - iii. Transmission and differential
 - iv. Dash instrument panel and wiring
 - v. Passenger seat cushions
 - vi. Power seat functions or window motor
 - vii. Major sound system components

Recommended Disclosure

The recommended disclosure is "Flood Damage." This declaration should be made whenever existing or prior flood damage is found and therefore requires disclosure. While the vehicle is recommended to be sold under the red light, the disclosure "Flood Damage" is required for all sale lights.