



800.321.4488

*Putting Your Insurance To Work For You.*

## **Tutwiler Insurance Tips**

**1)** If you are acting as a fiduciary, such as a board member or officer of a condominium/homeowner association, or the owner/manager of real property, we highly recommend before the loss that you engage an honest and ethical emergency service contractor who will be available to assist you with mitigation and emergency services on a timely basis after the loss. Once you have located a firm who can make a commitment to you to be there when you need them, ask them to provide you with a copy of their service agreement. Send it to your general legal counsel, and ask them for a review and advice on the language in the agreement that you will be required to sign at the time of the loss. Having an understanding between you and the contractor regarding the scope and price of the work and who will be responsible for the final say (pre-loss) is absolutely critical in our view...more

As an example, we would suggest that any emergency service agreement contain a statement that any services performed by the contractor in regard to scope and price will have to be agreed to by the insurance carrier. Having an understanding that the insurance company will have the final say on the fair market value of the price, as well as the scope of the work, hopefully will avoid lawsuits and liens by the contractor should the insurance company later disagree with the emergency service billing. Shift the liability before the loss to the insurance company. We also recommend that you send the contractor's proposed service agreement to the insurance company before the loss. Ask them if they have thoughts, questions or concerns about the company you will be using and the contract they have provided to you. We have found most contractors will agree to general terms on a contract before the loss. In an ideal situation you would want the insurance company adjuster, the property owner's representative and the contractor at the loss site to all agree on the issue. Trust me. This very seldom happens in CAT losses, so protect yourself through a vetted service agreement.

**2)** Are you over insuring your property? While most property policies use an actual cash value and/or replacement cost calculation based on the cost of brick, mortar, wood, labor cost, windows, etc., some states may allow for the broad evidence rule that can allow a market value valuation as a basis for the loss. With today's real estate market, you may be insured for an amount that is in excess of what your insurance company will pay you. Talk this over with your agent/broker. Now is a good time to get acquainted with this person. Our experience is that most insurance

underwriters have never seen your property. The value in your policy may be based on unlicensed, under, or unqualified people and firms. Now is the time to do a check-up on your insurance coverage. In the final analysis you are required to give the values for the dollar amount of insurance that you want to purchase.

**3)** For the first time in memory we are seeing the [Florida Office of Insurance Regulation](#) cracking down on the unauthorized practice of public adjusting. A cease and desist order was recently brought to my attention. In this order Florida's Chief Financial Officer filed a case against a South Florida roofing company for advertising adjusting service, when in fact they had no licensed adjuster on staff. If they did, they would be in violation of rules that govern adjusters given the obvious conflict of interest. We have seen the Office of Insurance Regulation pursuing other contractors for advertising that they will negotiate on behalf of the policyholder. It is very important that you check for the appropriate license and understand what can and cannot be done by firms and people who show up at your doorstep or are sent to your property following a loss. For additional information visit the [articles](#) and [success stories](#) section of our website at [www.publicadjuster.com](http://www.publicadjuster.com).

**Remember be prepared. Always be prepared**