

The conditions at HBBC are critical and dangers are present. We strongly encourage owners do not access HBBC until an all clear is given. This is consistent with governmental mandates for public safety. Anyone accessing the property does so at their own risk. HBBC disclaims all liability from resulting injury.

No one should be walking on the property without adequate shoes. Glass and nails are included in the storm debris.

Another Important Notice or Two!

Here are the guidelines for using the pontoon boat to access HBBC:

1. Only six people will be transported per trip with only what they can carry. No carts will be brought down to the dock.
2. No construction materials (lumber, plywood, etc.) allowed on the pontoon boat.
3. No generators, pressure washers, or gasoline powered equipment of any type allowed on the pontoon boat.

The boat will still be limited to six passengers and their belongings when the skiff returns to service. However, we will be able to transport reasonable amounts of construction materials, generators and supplies.

As always, the captain on call has final say with regards to what can be taken to the island on each trip. We understand that this may cause some inconvenience, but the safety of the passengers, crew and vessel will always take priority.

Thank you for your understanding.

Boil Water Advisory from Little Gasparilla Water Utility--October 6, 2022. A boil water notice is in effect until Charlotte County Utilities give the all clear and LGWU water samples on the island come back clear. Also, LGWU will be disinfecting the water lines over the next few days so please expect an increased in chlorine smell.

Here is your Saturday Recovery Update:

Communications:

- * Cell service is good at times and non-existent at times.
- * Like so many others, Grande Property Services is in the damage area and not able to work from their office at present.
- * Please be understanding if you don't hear back from someone right away. Hopefully, communications will improve with time.

Barge Landing:

- * We are dealing with catastrophic conditions. Now is the time to be good neighbors and help to support each other. Rob Hill will be accessing our barge landing to help our neighbors on the island. He has been asked to keep the landing in as good of condition as he found it so that it is usable for the next landing. He said that he is getting some heavy equipment on the island next week and will assist us in filling in the ruts caused during unloading. He will text me when he is going to access our barge landing just to provide a heads up.
- * We have gotten a quote to have shell brought in to our barge landing to firm it up. We are going to bring heavy equipment and materials to assist in our reconstruction. We need our barge landing to be in top condition.
- * Rob Hill reports that Florida Power cut a new barge landing. I think it is somewhere near Rum Runner. The way it was built left it to high for Rob's barge to access.
- * Rob is also working on getting a larger barge ready to go.

Utilities:

- * All electricity was on briefly Friday evening, but was then turn off by the linemen. George got confirmation that there a brush file under a transformer on the north part of the island. It was put out. No homes were involved. Power is back on again.
- * Daniel Novak at NES has been advised that power is on to the sewer plant. NES will start sending an operator out everyday starting on Monday. The plant did come on by itself when power returned. Both Steve and Tom have the contact number for Daniel if they need assistance over the weekend. We haven't gotten the all clear for the sewer plant as of yet, so please try not to send any fluids that way. I am waiting on a call back from Daniel
- * Remember to turn off all the breakers in your panel when you are ready to leave the island for home. Please follow this practice until the fire sprinkler system is restored.

Galloway Roofing came to HBBC to start closing the openings in the roofs on Friday. They hoped to close in five or six buildings yesterday. They are on the property again today. Galloway Roofing's office has sustained heavy damage. They have no phone or cell phone service. They are relying on satellite phones during this emergency. Steve and Tom will get a Galloway update from the ground and will get back to me later today. We are confident they know what they need to do.

The skiff was taken out of the water Friday for the engine refit. Hopefully, it will be back in service on Wednesday.

Refrigerator contents--

- * Evelyn will be on the island Saturday with her staff to empty the refrigerators that have something in them. They won't be cleaning the refrigerators, just emptying them.
- * Thanks to those of you who responded that your refrigerators have been emptied. That will save someone from taking the time to check your unit.

Windstorm Claim-

- * ServPro and Galloway Roofing will be joining me in the onsite visit with the Citizens Insurance adjustor. The inspection will be all day Monday and possibly into Tuesday.

Ice Machine- We have added sanitizing the ice machine to a very long to do list.

Steve Lohr reports that we have been asked not to use our burn pit until further notice. The fire hazard on the island is to great right now to risk using it.

We are now back in contact with our website administrator. The eBlasts are being posted in the owner only section again. You can refer to the website if you want to look up any information from a prior eBlast. If someone tells you that they are not getting them just let them know to go to the website.

We are also starting to upload photos to the owners only section of the website. We are doing this as time allows.

I am attaching the information provided earlier this week on the assignment of benefits (AOB) form being requested by public adjustors and contractors. Please read these reference documents if you have not already done so. AOBs has been misused by many. Do your homework before you sign one.

"If you fell down yesterday, stand up today." H.G.

The Board

Tips to remember before and after you have suffered damage:

- Thoroughly review your insurance policy to ensure you understand the policy, including your coverage, deductibles and responsibilities after damage has occurred.
- Immediately following a loss, mitigate your damages and make any temporary repairs to prevent further damage from occurring. Remember not to make permanent repairs prior to contacting your insurance company or completion of an inspection by the company adjuster. The company has a right to inspect the damage prior to repair.
- Make sure you thoroughly review and understand any contracts you sign with repair companies. You do not need to sign an AOB in order to get your insurance claim processed or your residence repaired, even for emergency repairs. If you are asked to sign an AOB, make sure you read it carefully and understand clearly what rights and benefits under your insurance policy you may be signing away. Ask questions until you understand and be wary of any vendor who is not willing to help you understand their documents. Remember, this is a legally binding contract with no right to cancel after it is executed.
- Verify the license (if one is required) of any contractor or vendor that you hire to make repairs to your property. You should also verify the company or person's general liability and workers' compensation insurance coverage.

Resources

License Verification:

Department of Business and Professional Regulation

Phone: (850) 487-1395

Online: www.MyFloridaLicense.com

Workers' Compensation Proof of Coverage Database:

Division of Workers' Compensation

Phone: (850) 413-1609

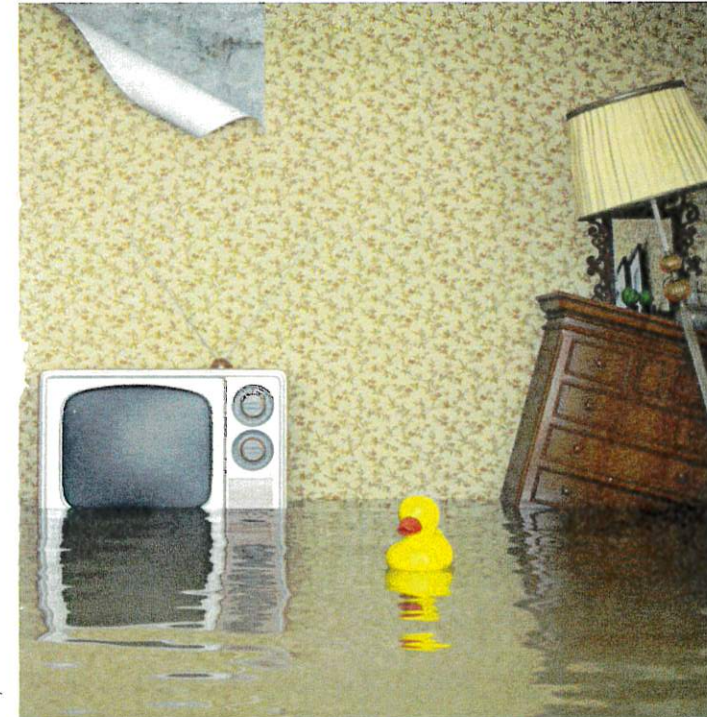
Online: www.MyFloridaCFO.com/Division/WC/



www.MyFloridaCFO.com/Division/Consumers/ConsumerProtections

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ASSIGNMENT of BENEFITS



What is an Assignment of Benefits (AOB)?

An AOB is an agreement that, once signed, transfers the insurance claims rights or benefits of the policy to a third party. An AOB gives the third party authority to file a claim, make repair decisions and collect insurance payments without the involvement of the homeowner. AOBs have been used with life and health insurance policies for many years. However, it is now also being commonly used in homeowners insurance claims by restoration companies and contractors. Signing an AOB can be helpful with navigating the claims process, but if misused, it can lead to harmful consequences for the homeowner.

What indicators can I look for to determine if I am signing an AOB?

- You are asked to sign over your benefits in order to start the repair process.
- The document includes language that is similar to a power of attorney for the handling of the claim - this power gives the third party the right to negotiate and endorse checks or hire an attorney or public adjuster on your behalf.
- The language requires that all claim proceeds be made payable to an entity or individual other than you or your mortgage company.
- The language prevents your insurance company from communicating directly with you about your claim.
- The document looks unprofessional and contains grammatical errors, misspelled words or blank spaces.

You should also be aware of contracts or companies offering "free" services, or offering to reduce or waive your policy deductible. Florida law prohibits contractors from paying, waiving or rebating all or any part of an insurance deductible applicable to repairs to property covered by an insurance policy.

As a homeowner, how does an AOB impact me?

- The insurance company can only communicate directly with the third party - not you - regarding the claim.
- You will lose all rights to the insurance claim, including the right to mediate the claim or to make any decisions regarding the claim, including repairs.
- There is no right of rescission or cancellation provision with an AOB and once signed, the AOB is a valid contract and you are bound by the provisions of the contract.
- Depending on the language in the AOB, the third party may be able to endorse checks on your behalf.
- Once you have signed an AOB, the third party may file suit against your insurance company, with or without your knowledge.
- You may be subject to property liens, or other financial fees or penalties for failure to comply with the terms and conditions in the AOB.

If I have suffered damage to my insured property, what should I do first?

If you have damage, you should take the necessary steps to mitigate the damages and prevent any additional damage from occurring. This would include any temporary repairs such as covering the roof or removing standing water. You should also immediately contact your insurance company to inform them of the damage and file a claim.

Below is a checklist that may be helpful when working through the claims process:

- ✓ Contact your insurance company as soon as possible to report the damage and set up a time for the adjuster to inspect the damages. Do not allow a third party, such as a water remediation firm or contractor, to contact your insurance company for you. You should be the one to make the first contact with your insurance company as soon as possible.
- ✓ Take photos of the damage.
- ✓ Make emergency or temporary repairs.
- ✓ Make an inventory of any damaged items.
- ✓ Save receipts for any repairs.
- ✓ Do not discard any damaged items without prior approval from the insurance company.
- ✓ Make a list of any questions you would like to ask the insurance adjuster.
- ✓ Request a copy of the fire or police report, if applicable.



ASSIGNMENT OF BENEFITS - FAQ

Q. What is Assignment of Benefits?

A. AOB is what happens when an insured signs a contract transferring or “assigning” claims proceeds to a contractor in exchange for the contractor repairing the damage to the property. What the insured likely doesn’t realize is that he is also transferring the right to any cause of action that may result from a contractor’s incomplete or shoddy work.

Q. How do contractors exploit AOB?

A. Here’s an example: A cracked water pipe floods a home. A plumber fixes the leak and refers the homeowner to a water extraction company. The extraction company promises the homeowner to take care of everything including billing the insurer directly, telling the homeowner that any delay in signing could lead to dangerous and toxic mold growth.

The insured signs the contract, often unaware of what he has just signed. The extraction company moves quickly, often well before the insurance company is able to inspect damage or collect evidence, and sometimes before the insurer is even aware of the loss. The extractor bills the insurer \$12,000. The insurer knows an extraction on a comparable house typically runs about \$3,500 and tries to negotiate with the company. The company responds with a 10-day notice and files suit for breach of contract; it can put a lien on the insured’s property and, under Florida law, even foreclose, if the bill is not paid. Often the insurer pays the claim to avoid attorney fees, which can mount quickly in such situation.

Q. Who are the main abusers of AOB?

A. Water extraction companies and roofers. Some roofers solicit door to door in high-end neighborhoods where houses may have older roofs. They offer a “free roof” for alleged hail damage that might have occurred months or years ago. Water extractors are called by insured ([the plumber’s referral incentives](#)), usually after a pipe or roof leak.

Q. How does AOB fraud affect agents?

A. AOB fraud hits agents’ bottom lines by way of increasing loss ratios and outright contract cancellations by carriers. Agents’ customers are affected because AOB fraud drives up the cost of property insurance premiums statewide. The fraud affects agencies’ relationships with vendors and carriers. Some water extraction companies are offering referral incentives to plumbers, as high as \$1,500 in some areas

Water losses total more than 50 percent of all non-hurricane losses for almost every carrier and in almost every agency writing residential property coverage. In its June 2015 rate filing, Citizens attributes its need to raise rates nearly 30% in SE Florida, and up to 17% statewide, to AOB lawsuits. Citizens’ budget data from 2014 shows that statewide, 33.1% of an insured’s premium dollar goes to pay water claims/claims adjusting costs; 56.3% percent in Miami-Dade.

Q. What can agencies do to curtail AOB fraud?

1. Never recommend vendors or contractors that use AOB and be wary of vendors that offer to pay referral fees.
2. When water extraction companies call on you, ask them if they use AOB and request a copy of their work authorization contract.
3. **Make your clients aware of the dangers of AOB. Make sure your clients know:**
 - a. DO NOT call the first water mitigation service that comes up on Google search
 - b. The very first thing you should do after experiencing a loss is to call your insurance company. The company can document the loss, refer a licensed, reputable contractor, & expedite the claims process.
 - c. Ask all contractors-including ones referred by friends and family-if they use AOB and for proof of liability insurance. Never sign a contract you haven’t read or don’t understand. Call your agent or insurance company if you need help or guidance.
 - d. Be wary of contractors that show up without being called, especially if they offer you something for “free.”