

## **2004/2005 MEDIATION PROGRAM FOR CONDOMINIUMS, COOPERATIVES AND HOMEOWNERS' ASSOCIATIONS**

### **1. When is hurricane insurance mediation available to a condominium, cooperative or homeowners' association?**

If your building suffered damage in any of the hurricanes of 2004 or 2005, and your association has been unable to resolve the claim with the insurance company, mediation is available at no cost to the association.

### **2. Is this program available to individual condominium unit owners?**

No. This program is available for disputes involving the association's master policy, not the policies of individual unit owners. However, an individual unit owner can seek mediation through a separate residential mediation program. If you have questions about the residential program, you can call the number listed below.

### **3. What is the cost to the association of this mediation program?**

By law, your insurance company is required to pay for all costs associated with the *administration* of this program, including the mediator's fee. However, this does not include costs incurred by the association such as travel, fees for professional advisors, etc.

### **4. How does my association request mediation?**

The Board of Directors for the association must designate and authorize a person to request mediation. Once this person has been designated, he/she can call the Department of Financial Services at 1-800-22-STORM or contact the insurer to request mediation.

### **5. How long will it take before mediation is scheduled?**

Once a request is received, there is a three week period for your company to work with you to resolve your claim before mediation can be scheduled. If the claim has not been resolved within three weeks, a mediation conference will be scheduled.

### **6. Who selects the mediator?**

The Department of Financial Services has contracted with the Collins Center for Public Policy, a non-profit organization with extensive experience managing large-scale mediation programs, to administer the program. The Collins Center will select the mediator for your conference.

### **7. When and where will the mediation conference take place?**

The time and place for the mediation will be agreed upon by the parties during a pre-mediation conference call set up by the Collins Center. During this call, a schedule will also be established for the parties to compile and exchange certain information before the mediation conference.

**8. What kinds of documents does the association need to have at the mediation conference?**

Mediations involving associations are often very complex. Therefore, in order to ensure that the mediation is meaningful and productive, the following documents will need to be gathered by the association before the actual conference:

- a document by which the board has designated an authorized representative to make decisions on behalf of the association and enter into a binding settlement agreement. This will show the name of your condominium and your association, the date of the board meeting, the name of the representative, and the authority granted to the representative.
- a copy of the documents governing the association which set out the insurance responsibilities of the association vs. the insurance responsibilities of the individual owner.
- for claims involving damage to the structure of the building or foundation, a written, expert analysis of the damage to the property
- a written analysis of the damage to the property allocating the damage between the individually owned parcels or units, the common elements or common areas, and the association's property.

**9. How long does the mediation conference last?**

A complex mediation can take several hours or up to several days.

**10. What happens if no settlement is reached at mediation?**

Mediation is non-binding. This means that if the parties cannot reach agreement, they are free to pursue other means of resolving their dispute including appraisal and litigation.

**11. Does this program cover disputes over flood insurance policies?**

The National Flood Insurance Program is a federal program that is not subject to state requirements. As a result, we will not be able to mediate the portion of your claim that is due to flood damage. However, if the flood coverage is underwritten by a licensed insurer or eligible surplus lines carrier instead of through the National Flood Insurance Program, the flood claim can be mediated through our program.

**12. Where can I get additional information on the mediation program?**

You can log onto the Department of Financial Services' website: <http://www.fldfs.com> or call the Department at 1-800-22-STORM (1-800-227-8676).