

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

HOME TECH, LLC  
C/O ALBERT ANDRAWOS  
11793 Fingerboard Road, Suite 201  
Monrovia, Maryland 21770

CASE NO. : MIA-2018-01-03 |

Fraud Division File No.: R-2017-2346A

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**CONSENT ORDER**

The Maryland Insurance Commissioner (“Commissioner”) and Home Tech, LLC, (“Home Tech” or “Respondent”), pursuant to §§ 2-108, 2-204, 2-405, and 10-403(a) of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.)(“the Insurance Article”), enter into this Consent Order to resolve the matter before the Maryland Insurance Administration (“Administration”).

**I. Explanatory Statement & Findings of Fact**

1. Home Tech is an incorporated business with its principal office in Monrovia, Maryland.
2. On February 2, 2017, the Maryland Insurance Administration, hereinafter, (“Administration”) was notified by Erie Insurance (“Erie”) that Respondent entered into a contract with a homeowner, which authorized, adjusting negotiations and servicing responsibilities to be handled through Home Tech. The contract dated July 29, 2016, contained the following language:

*Hometech is hereby appointed Contractor of Record for .... (“Buyers”) to act on our behalf in matters relative to the restoration, rehabilitation, and renovation of damages sustained to the real property located*

*at: ....Insured losses referred to in this document are a result of a: ....Our homeowner's insurance policy as provided through: .... Will respond to POLICY#.... and/or claim#: .... As filed with our insurance company. If homeowner has not yet filed a claim then the homeowner will file the claim and contact Hometech with all necessary claim information. And, Hometech will represent us in all matters concerning this adjustment and appointment in determining the fair replacement cost value of our losses relative to the aforementioned.*

3. Section 27-802(a)(1) of the Maryland Insurance Article states,

An authorized insurer, its employees, fund producers, insurance producers...who in good faith has cause to believe that insurance fraud has been or is being committed shall report the suspected insurance fraud in writing to the Commissioner, the Fraud Division, or the appropriate federal, State, or local law enforcement authorities.

Having a good faith belief that Respondent was acting as an unlicensed public adjuster, in violation of the Insurance Article, Erie Insurance Company ("Erie") made a referral to the MIA.

4. The Administration's investigation concluded that Respondent is a licensed home improvement contractor with the Maryland Home Improvement Commission and is an incorporated business in good standing. The Administration's investigation determined that Respondent was not, and is not, licensed in the State as a public insurance adjuster.

5. The Administration confirmed with Respondent through his counsel that Home Tech circulated the aforementioned contract to Maryland consumers.

6. The Administration's investigation determined that Home Tech's website and noted under the storm damage link, <http://www.HomeTechexterior.com/repair-services/hail-damage/>, paragraph two, second sentence,

*"Only a trained Maryland hail damage specialist can uncover hidden problems in every aspect of the exterior of your home. We will inspect your entire home, including climbing on the roof and checking it up close. After our inspection we will provide you with a detailed report and **work with your insurance company.**" [Emphasis added.]*

7. In addition, the Administration's investigation revealed, HomeTech's website contained the following post on the web page at the following address:

<http://www.HomeTechexterior.com/uncategorized/hurricane-sandy-storm-damage-repair/>

Hurricane Sandy Storm Damage Repair! Posted on February 4, 2013, by HomeTech exterior - *Immediately after the storm we put this page up on our site. We decided to move it to our blog now that the majority of our clients have repaired the damage. However, we wanted to keep this information on the site since we had so much response, so many questions and did a ton of work in the area, repairing damage both large and small. So here is the page that had been up speaking to Sandy repair:*

*...IF YOUR HOME WAS DAMAGED BY HURRICANE SANDY, WE CAN HELP!*

*HOMETECH Exteriors is an expert at making emergency repairs to help keep your home or business safe from further damage. Then we'll work to restore your roofing system, siding, windows and other exterior portions of your home or business that suffered storm damage. **We will also work closely with your insurance company to help speed the claims process.** [Emphasis added.]*

8. The Administration's investigation determined that Respondent's conduct made, published, disseminated, circulated, placed before the public, or caused directly or indirectly to be made, published, disseminated, circulated, or placed before the public advertisements, announcements, or statements that contain assertions, representations, or statements about the business of insurance or about a person in the conduct of the insurance business that were untrue, deceptive, or misleading.

9. The Administration investigation revealed that four additional homeowner's insurance claims wherein each homeowner (hereafter identified as HO1, HO2, HO3, and HO4) entered into contracts with HomeTech.

10. The Administration's investigation determined that HO1 had homeowner's insurance with Erie and after noticing damage to his roof

subsequent to a storm in March, 2014, contacted HomeTech for a repair estimate. HO1 made a claim with Erie on April 5, 2014, and entered into a contract for repairs with Home Tech the same day.

11. The Administration's investigation revealed that HO2 had homeowner's insurance with Nationwide Mutual Insurance Company ("Nationwide") and his roof-sustained damage after a storm in April, 2014. HO2 entered into a contract with Home Tech after being approached by a Home Tech sales representative.

12. The Administration's investigation determined that HO3 had homeowner's insurance with Frederick Mutual Insurance Company and subsequent to a storm in June, 2016, made a claim with his insurer for damage sustained to his roof. HO3 contacted Home Tech for a damage repair estimate and signed a contract with Home Tech on June 22, 2016. According to HO3, the Home Tech representative who presented the contract said he would "take care of things with the insurance company."

13. The Administration's investigation revealed that HO4 had homeowner's insurance with Erie. HO4 made a homeowners claim with his insurer after storm damage to his roof in July, 2017. HO4 contacted Home Tech for repairs to his roof and signed a contract with Home Tech on September 1, 2017. According to Erie's claim log, the Erie representative noted, "A person in the background telling the insured exactly what to say and how to say it. [Erie] Agent asked who this person was and insured [HO4] advised it was the contractor, Home Tech." The Erie representative noted concern that the Home Tech representative told HO4 "word for word" what to say and how to report the claim.

14. Through its investigation, the MIA obtained executed copies of contracts from each homeowner and the homeowners confirmed they signed their respective contracts with a

Home Tech representative. Each contract contained language identical to that referenced in paragraph two above, wherein Home Tech asserted it would represent the homeowner in all matters concerning the adjustment and negotiation of the homeowner's insurance claim with their insurer and would be paid for that service.

## II. Provisions of Law

15. The following provisions of law are relevant to the Administration's inquiry.

Pursuant to § 2-204(b)(2), the failure to designate a particular provision of the article in this Order does not deprive the Commissioner of the right to rely on that provision.

16. **Section 10-401(d)** of the Insurance Article provides as follows:

(d)(1) "Public adjuster" means a person that:

(i) solicits business or represents itself to the public as an adjuster of first party insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured;

(ii) receives compensation for investigating, appraising, evaluating, or otherwise giving advice or help to an insured in the adjustment of claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured; or

(iii) for compensation, directly or indirectly, solicits business, investigates or adjusts losses, or advises an insured about insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured for another person engaged in the business of adjusting losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured.

17. **Section 10-403(a)** of the Insurance Article provides as follows:

(a) Except as otherwise provided in this subtitle, a person must obtain a license before the person acts as a public adjuster in the State.

18. **Section 27-405(a)(1)** of the Insurance Article provides as follows:

(a) It is a fraudulent insurance act for a person to act as or represent to the public that the person is:

(1) an insurance producer or a public adjuster in the State if the person has not received the appropriate license under or otherwise complied with Title 10 of this article[.]

19. A Public Adjuster is an insurance claim adjuster who acts as an advocate for a policyholder in appraising and negotiating a first party property insurance claim. Public Adjusters must be licensed by the Administration. Public Adjusters act as the insured's representative in dealings with an insurance company.

20. By promising that Home Tech employs insurance specialist who will meet with your insurance company to ensure proper restoration of your property, *inter alia*, Respondent represented itself as an authorized Public Adjuster, despite lacking any such authority or license. Respondent's conduct violated § 27-405(a)(1) of the Insurance Article.

21. The parties agree to this Consent Order to avoid litigation and to fully and finally resolve all issues stated in the Amended Order issued on May 22, 2018. Respondent admits to the conduct described above, but denies any liability to any party because of its actions.

**Order**

**WHEREFORE**, for the reasons set forth above, it is this 3rd day of July, 2018, **ORDERED** by the Maryland Insurance Commissioner and consented to by Respondent that:

A. Respondent shall pay an administrative penalty in the amount of \$5,000.00 contemporaneously with the execution of this Consent Order.

B. Respondent agrees to refrain from entering into contracts with consumers containing the language cited above, and to destroy any remaining stock of this contract and any other contracts containing this or similar language.

C. Home Tech, LLC will amend/modify its webpage within 60 days of the date of this Order, and cease representing itself to the public as an adjuster of insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured.

D. Respondent agrees to provide written notice to the Administration within 60 days of the date of this Consent Order indicating that the contract language has been changed and that no contracts or advertisements containing the prohibited language are in use.

E. The executed Consent Order, administrative penalty, and notice of compliance shall be sent to the attention of: Maryland Insurance Administration, Steve Wright, Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202 and shall identify the case by number (R-2017-2346A) and name (Home Tech, LLC).

F. Respondent waives any and all rights it any hearing or judicial review of this Consent Order to which it would otherwise be entitled under the Maryland Annotated Code.

G. The parties acknowledge that this Consent Order contains the entire agreement between the parties relating to the administrative actions addressed herein and that this Consent Order resolves all matters relating to the factual assertions and agreements contained herein. All time frames set forth in this Consent Order may be amended or modified only by subsequent written agreement of the parties.

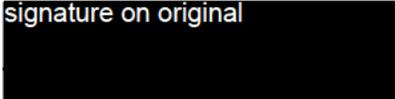
H. Respondent had the opportunity to have this Order reviewed by legal counsel of its choosing, and is aware of the benefits gained and obligations incurred by the execution of the Consent Order. Respondent waives any and all rights to any hearing or judicial review of this Consent Order to which it would otherwise be entitled under the Insurance Article with respect to any of the determinations made or actions ordered by this Consent Order.

I. For the purposes of the Administration and for any subsequent administrative or civil proceedings concerning Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about the Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Consent Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the business of the Administration, the records and publications of the Administration will reflect this Consent Order.

J. Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action to enforce the terms of this Order. Failure to fully comply with the terms of this Consent Order may subject Respondent to further legal and/or administrative action.

K. This Consent Order shall go into effect upon signing by the Commissioner or his designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

**ALFRED W. REDMER, JR.**  
**INSURANCE COMMISSIONER**

By:  signature on original

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Steve Wright  
Associate Commissioner  
Insurance Fraud Division

