

PUBLIC ADJUSTER CONTRACT CHECKLIST AND ATTESTATION

Directions: This form must be submitted with each application or renewal for a public adjuster. All information requested is required pursuant to Iowa Code 522C and Iowa Administrative Code 191-55.

Public Adjuster Name:

Email:

Phone:

Public adjusters shall ensure that all contracts for their services are in writing and contain the information below. For each item below, indicate exactly where the information is located within the public adjuster contract.

- a) Name and address of the public adjuster negotiating the contract and, if applicable, the name, address, and license number of the business entity with which the public adjuster is associated;

Location within contract:

- b) Permanent home state business address and telephone number;

Location within contract:

- c) Public adjuster license number;

Location within contract:

- d) Title of "Public Adjuster Contract";

Location within contract:

- e) Insured's full name, street address, insurance company name and policy number, if known or upon notification;

Location within contract:

- f) Description of the loss and its location, if applicable;

Location within contract:

- g) Description of services to be provided to the insured;

Location within contract:

- h) Signatures of the public adjuster and the insured;

Location within contract:

- i) Date contract was signed by the public adjuster and date the contract was signed by the insured;

Location within contract:

- j) Attestation language stating that the public adjuster is fully bonded pursuant to state law; and

Location within contract:

- k) Compensation the public adjuster is to receive for services, whether it be an hourly rate, flat fee, percentage of settlement, or some other method of compensation, and a detailed explanation of how the amount is to be specifically calculated based on the services provided by the public adjuster.

Location within contract:

By signing below, I attest that I have reviewed and understand the following:

191-55.14(2) The contract may specify that the public adjuster shall be named as a co-payee on an insurer's payment of a claim.

- a. If the compensation is based on a share of the insurance settlement, the exact percentage shall be specified.
- b. Initial expenses to be reimbursed to the public adjuster from the proceeds of the claim payment shall be specified by type, with dollar estimates set forth in the contract. Any additional expenses shall be approved by the insured.
- c. Compensation provisions in a public adjusting contract shall not be redacted in any copy of the contract provided to the division. Such a redaction shall constitute a dishonest practice in violation of paragraph 55.12(1)“i.”

Signature:

Date:

By signing below, I attest that I have reviewed and understand the following:

191-55.14(3) If the insurer, not later than 72 hours after the date on which the loss is reported to the insurer, either pays or commits in writing to pay to the insured the policy limit of the insurance policy, the public adjuster shall:

- a. Not receive a commission consisting of a percentage of the total amount paid by an insurer to resolve a claim;
- b. Inform the insured that the loss recovery amount might not be increased by the insurer; and
- c. Be entitled only to reasonable compensation from the insured for services provided by the public adjuster on behalf of the insured, based on the time spent on a claim and expenses incurred by the public adjuster, until the claim is paid or the insured receives a written commitment to pay from the insurer.

Signature:

Date:

By signing below, I attest that I have reviewed and understand the following:

191-55.14(4) A public adjuster shall provide the insured a written disclosure concerning any direct or indirect financial interest that the public adjuster has with any other party who is involved in any aspect of the claim, other than the salary, fee, commission or other consideration established in the written contract with the insured, including but not limited to any ownership of, other than as a minority stockholder, or any compensation expected to be received from, any construction firm, salvage firm, building appraisal firm, motor vehicle repair shop, or any other firm that provides estimates for work, or that performs any work, in conjunction with damage caused by the insured loss on which the public adjuster is engaged. The term “firm” shall include any corporation, partnership, association, joint-stock company or person.

Signature:

Date:

By signing below, I attest that I have reviewed and understand the following:

191-55.14(5) A public adjuster contract may not contain any contract term that:

- a. Allows the public adjuster's percentage fee to be collected when money is due from an insurance company, but not paid, or that allows a public adjuster to collect the entire fee from the first check issued by an insurance company, rather than as a percentage of each check issued by an insurance company;
- b. Requires the insured to authorize an insurance company to issue a check only in the name of the public adjuster;
- c. Imposes collection costs or late fees;
- d. Precludes a public adjuster from pursuing civil remedies; or
- e. Restricts an insured's right to initiate and maintain direct communications with the insured's attorney, the insurer, the insurer's adjuster, the insurer's attorney, or any other person regarding settlement of the insured's claim.

Signature:

Date:

By signing below, I attest that I have reviewed and understand the following:

191-55.14(6) Prior to the signing of the contract, the public adjuster shall provide the insured with a separate disclosure document regarding the claim process as set forth in Appendix I.

191-55.14(7) The contract shall be executed in duplicate to provide an original contract to the public adjuster and an original contract to the insured. The public adjuster's original contract shall be available at all times for inspection without notice by the division.

191-55.14(8) The public adjuster shall provide the insurer a notification letter, which has been signed by the insured, authorizing the public adjuster to represent the insured's interest.

191-55.14(9) The public adjuster shall give the insured written notice of the insured's rights as provided in Iowa Code chapter 555A, and the insured may rescind the contract as provided in Iowa Code chapter 555A. The contract shall not be construed to prevent an insured from pursuing any civil remedy after the three-business-day revocation or cancellation period.

191-55.14(10) If the insured exercises the right to rescind the contract, anything of value given by the insured under the contract will be returned to the insured within 15 business days following the receipt by the public adjuster of the cancellation notice.

191-55.15(522C) Escrow accounts. A public adjuster who receives, accepts or holds, on behalf of an insured, any funds toward the settlement of a claim for loss or damage shall deposit the funds in a non-interest-bearing escrow or trust account in a financial institution that is insured by an agency of the federal government in the public adjuster's home state or where the loss occurred.

Signature:

Date:

The Iowa Insurance Division's (IID) review of a draft contract provided by the public adjuster or business entity does not constitute an approval of the contract. This checklist and attestations are meant to be a guide to aid the public adjuster in understanding their obligations under Iowa law.