

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2019-07-INS

In the matter of:

Residential Public Adjuster Contract
_____ /

**Issued and entered
this 17th day of April 2019
by Anita G. Fox
Director**

This bulletin supersedes Bulletin 2018-22-INS, dated November 20, 2018.

The Director has approved a new residential public adjuster contract. The effective date of the new contract is May 15, 2019. All licensed public adjusters must begin using the new contract on that date; and must file the new contract with DIFS no later than June 30, 2019.

Any questions regarding this bulletin should be directed to:

Department of Insurance and Financial Services
Office of Insurance Licensing and Market Conduct
530 West Allegan Street, 8th Floor
P.O. Box 30220
Lansing, Michigan 48909-7720
Toll-Free: 877-999-6442

/s/

Anita G. Fox
Director

Individual Adjuster / Adjusting Firm Name: _____

Street Address: _____ City: _____ State: _____ ZIP Code: _____

Phone Number: _____ Fax Number: _____ Website: _____

RESIDENTIAL PUBLIC ADJUSTING CONTRACT

[Rev. 03-2019]

This Contract constitutes the entire agreement between the parties and shall not be modified without the written agreement of both parties. All such modifications must comply with applicable Michigan law.

1. Terms: Insured(s) _____

Loss Location: _____
[address] [city] [zip code]

Date/Time of Loss: On or about: Month _____ Day _____, Year _____ Time _____ a.m./p.m.

Insurer(s): _____

Public Adjuster: _____

2. Scope of Contract: Insured(s) hires Adjuster to assist in the preparation, presentation and adjusting of insurance claim with Insurer(s) under the following types of coverage that may apply:

- Building
- Living Expenses
- Debris Removal
- Rekeying/Temporary Repairs
- Contents
- Other Structures
- Landscaping/Trees/Shrubs
- Jewelry/Furs/Antiques/Guns/Collectibles
- Loss of Use
- Personal Property
- Fire Department Services
- Other _____

Insured(s) instructs Insurer(s) to recognize Adjuster as a party in interest and to supply Adjuster with all relevant information regarding claim procedures, policy requirements, Insurer’s method of valuation, a complete copy of the insurance policy and any other information that may be needed to adjust the claim. Insured(s) agrees to cooperate with, and provide information and documentation to Adjuster that may be needed to prepare the claim.

3. Payment: Insured(s) agrees to pay and assigns to Adjuster _____% not to exceed 10% of amounts paid in settlement of the loss by Insurer(s) related to coverage(s) authorized under the Scope of Contract. In the alternative, Insured(s) may agree to pay Adjuster in accordance with an attached alternative fee agreement. However, the total amount of such fee shall not exceed 10% of amounts paid in settlement of the loss by the Insurer(s) related to coverage(s) authorized under the Scope of Contract. [“In settlement of the loss” includes all payments made by Insurer(s) in full or partial resolution of the claims, including payments made by agreement, court judgment, mediation, arbitration, appraisal, and other forms of dispute resolution.]

4. Authorizations: By signing this Contract, Insured(s) authorizes and instructs Insurer(s) to pay assigned proceeds directly and solely to Adjuster in a separate check and that payment of the balance of the proceeds shall not include the Adjuster as a payee.

5. Termination: Insured(s) may cancel this contract under the Michigan Home Solicitation Sales Act (MHSSA) within 3 business days of signing, if the contract was solicited or entered into at the residence of the Insured(s). Other cancellation options are listed on the back of this Contract.

I/WE HAVE READ BOTH SIDES OF THIS CONTRACT AND UNDERSTAND AND AGREE TO ITS TERMS AND ACKNOWLEDGE HAVING RECEIVED A COPY OF THIS AGREEMENT.

By: _____
Licensed Adjuster for the Insured Phone

By: _____
Insured Phone

By: _____
Insured Phone

Date: _____ Time: _____

Date: _____ Time: _____

NOTICE: An adjuster for the insured may not be employed by, own stock in, be an officer or director of, or in any other manner be connected with a fire repair contractor. MCL 500.1224.

CANCELLATION RIGHTS UNDER MICHIGAN INSURANCE CODE: If you, the insured, signed this Contract within 48 hours of the conclusion of the loss to be adjusted under this Contract, you may cancel at your option at any time during the 10 days after you signed. To compute this time, the day of signing or first day is excluded and the 10th day is included. If the last or 10th day is a Saturday, Sunday, or legal holiday, the period is extended to include the next day, which is not a Saturday, Sunday, or legal holiday. To exercise this option to void or cancel this Contract, date and sign the Notice of Cancellation below and deliver it to the Adjuster or to his/her place of business within 10 days of signing the Contract.

Notice of Cancellation under Michigan Insurance Code

Date of Loss: _____ **Date Contract was Signed:** _____

The Michigan Insurance Code, MCL 500.1226(4), provides: "An adjuster for an insured shall not provide his or her services to a client until the adjuster has contracted in writing, on a form approved by the commissioner, with the insured or his or her authorized representative. A contract which is executed within 48 hours after conclusion of the loss-producing occurrence shall be voidable at the option of the insured for 10 days after execution of the contract. The written contract shall constitute the agreement between the adjuster for the insured and the insured. A copy of the contract shall be given to the insured when the contract is executed."

As provided by the Michigan Insurance Code, I hereby void (cancel) this contract.

_____ [date of cancellation] _____ [signature of insured]

CANCELLATION RIGHTS UNDER THE MHSSA: If you were solicited at, or entered into the Contract at your home, you - the insured - have additional rights under MHSSA, regardless of when you signed this Contract in relation to your loss. You may cancel this Contract under MHSSA at any time prior to midnight of the **third business day** after the date you signed the Contract. To compute this time, the day of signing or first day is excluded, the last day is included and you count only business days. A "business day" means Monday through Friday and does not include Saturday or Sunday, or the following business holidays: New Year's day, Martin Luther King's birthday, Washington's birthday, Memorial day, Independence day, Labor day, Columbus day, Veteran's day, Thanksgiving day, and Christmas day. See the below notice of cancellation form for an explanation of this right. Additionally, the Adjuster is prohibited from demanding payment or sending anyone to your home seeking payment of any variety from you pursuant to the Contract before the end of the 3 - business day period in which you can cancel the transaction.

Notice of Cancellation under the MHSSA

Date of Transaction (Date Contract was Signed): _____

You may cancel this transaction, without any penalty or obligation, within 3 business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence, in substantially as good condition as when you received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller or if you agree to return the goods to the seller and fail to do so then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to _____ (name of PA company) at their address not later than midnight on _____ [date third business day after signing].

As provided by the MHSSA, I hereby cancel this transaction.

_____ [date of cancellation] _____ [signature of insured]