

**COMMONWEALTH OF KENTUCKY**

**DEPARTMENT OF INSURANCE**

**FRANKFORT, KENTUCKY**

**PUBLIC ADJUSTER CONTRACT CHECKLIST**

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| Statute/Contract Requirement | Description | Y/N | Reviewer Comments |
| KRS 304.9-433(2)(a) | Contract includes legible full name of the adjuster signing the contract, as specified in the department's licensing records |  |  |
| KRS 304.9-433(2)(b) | Contract includes adjuster's permanent home state business address and phone number |  |  |
| KRS 304.9-433(2)(c) | Contract includes license number issued to the adjuster by the department |  |  |
| KRS 304.9-433(2)(d) | Contract includes title of “Public Adjuster Contract” |  |  |
| KRS 304.9-433(2)(e) | Contract includes space for insured's full name, street address, insurer name, and policy number |  |  |
| KRS 304.9-433(2)(f) | Contract includes space for a description of the loss or damage and its location |  |  |
| KRS 304.9-433(2)(g) | Contract includes a description of services to be provided to the insured |  |  |
| KRS 304.9-433(2)(h)-(i) | Contract includes spaces for public adjuster and insured signatures with dates |  |  |
| KRS 304.9-433(2)(j) | Contract includes attestation language stating that the adjuster has a letter of credit or a surety bond |  |  |
| KRS 304.9-433(2)(k) | Contract includes the full salary, fee, commission, compensation, or other consideration the adjuster is to receive for services, including but not limited to:1. If the compensation is based on a percentage of the insurance settlement, the exact percentage;2. The initial expenses to be reimbursed to the adjuster from the proceeds of the claim payment, specified by type, with dollar estimates; and3. Any additional expenses, if first approved by the insured |  |  |
| KRS 304.9-4333(1)(b) | Contract details whether compensation is hourly fee, flat rate, percentage of total amount paid, or other method of compensation |  |  |
| KRS 304.9-4333(1)(c) | Compensation section is not unreasonable |  |  |
| KRS 304.9-4333(1)(c)2. | Compensation if based on percentage does not exceed 15% for noncatastrophic claims or 10% for catastrophic claims |  |  |
| KRS 304.9-4333(2)(a) | Compensation contingency if policy limits offered within 72 hours after claim filed |  |  |
| KRS 304.9-433(2)(l) | Contract includes statement that the adjuster shall not give legal advice or act on behalf of or aid any person in negotiating or settling a claim relating to bodily injury, death, or noneconomic damages |  |  |
| KRS 304.9-433(2)(m) | Contract includes process for rescinding the contract, and space for the date by which rescission of the contract by the adjuster or the insured may occur |  |  |
| KRS 304.9-433(2)(n) | Contract includes statement that clearly states *in substance[[1]](#footnote-1)* the following: “Complaints regarding this contract or regarding the public adjuster may be filed with the consumer protection division of the Kentucky Department of Insurance.” |  |  |
| KRS 304.9-433(4)(a) | Contract DOES NOT include terms allowing percentage fee to be collected when money is due from an insurer, but not paid |  |  |
| KRS 304.9-433(4)(b) | Contract DOES NOT include terms allowing the public adjuster to collect the entire fee from the first check issued by the insurer instead of as a percentage of each check issued by an insurer |  |  |
| KRS 304.9-433(4)(c) | Contract DOES NOT include terms requiring an insured to authorize an insurer to issue a check only in the name of the adjuster |  |  |
| KRS 304.9-433(4)(d) | Contract DOES NOT include terms imposing collection costs or late fees |  |  |
| KRS 304.9-433(4)(e) | Contract DOES NOT include terms allowing the adjuster's rate of compensation to be increased based on the fact that a claim is litigated |  |  |
| KRS 304.9-433(4)(f) | Contract DOES NOT include terms precluding the adjuster from pursuing civil remedies |  |  |
| KRS 304.9-4331(1) | Are the written disclosures[[2]](#footnote-2) of the insured’s rights included as part of the contract? |  |  |

1. In substance means the exact statement is not required, but must convey the substance of the sentence. [↑](#footnote-ref-1)
2. Written Disclosures are not required as part of the contract, but shall be reviewed for compliance if included. [↑](#footnote-ref-2)