

AOB FACTS

Protect Your Rights!

Nature is Unpredictable... Control what comes next!

If your home gets damaged in a storm, you may need to hire a contractor to make the repairs. The contractor may offer to handle the entire claim and pay your deductible, but only if you sign a contract first; that contract may have an “Assignment of Benefits” clause, and with that, you are signing away your control of the project.

What is Assignment of Benefits?

Assignment of Benefits (AOB) is a legal document entitling the vendor (general contractor, electrician, plumber, etc.) to “stand in the shoes” of the homeowner so they can bill the insurance company (insurer) directly for the services they provide. By signing an AOB, you are essentially transferring your interest in your claim settlement over to the vendor, leaving you with very little control of your insurance claim.

Once an AOB is signed the vendor can request payment from the insurance company (insurer) without your knowledge or permission, even if you are not satisfied with their work. The vendor can demand any amount they choose from your insurer; if the insurer does not agree with that amount and refuses to pay, it gives the vendor the right to take legal action.

Protect yourself, read the fine print and make sure you ask for every detail in writing.

How can you protect yourself?

- 1 Report storm damage to our claims department as soon as possible.
- 2 Give yourself peace of mind and choose someone from our list of vetted vendors; they will only require you to sign a work authorization, **NOT** an AOB.
- 3 Get multiple estimates and request everything in writing; cost, work to be done, time schedules, guarantees, payment schedules, etc.
- 4 Ask for references and check them out.
- 5 Never let a contractor pressure you into hiring them.
- 6 Do not sign a contract with blank spaces; it gives the ability to add unacceptable terms after you've signed.
- 7 Never let a contractor interpret the insurance policy language or discourage you from contacting your insurance company with questions.
- 8 Don't pay in full or sign a completion certificate until the work is complete and permits are closed.

If you have any questions about AOB or your insurance policy, please contact Gulfstream or your insurance agent.

Storm damage? Call our claims department @ 866.485.3005 or go to gspcic.com and click “CLAIMS” to file your claim online

Gulfstream
Property & Casualty Insurance



www.gspcic.com