Code Section 0. Terminology

0.1 “Adjusting services” means the investigation, preparation, negotiation, completion or filing of an insurance claim with the respective insurer for compensation or remuneration on behalf of an insured or third-party claimant.

0.2 “Apprentice public adjuster” means one who is licensed or authorized in all respects as a public adjuster except as to experience, education and/or training.

0.3 "Belief" or "believes" denotes that the individual involved actually supposed the fact in question to be true. A person's belief may be inferred from circumstances.

0.4 “Business entity” means a corporation, association, partnership, limited liability company, limited liability partnership, sole proprietor, or other legal entity.

0.5 “Compensation” or “remuneration” means anything of value, whether received directly or indirectly, in payment for adjusting services performed.

0.6 "In writing" or “Writing” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photography, and electronic communications.

0.7 "Knowingly," "known," or "knows" denotes actual knowledge of the fact in question. A person's knowledge may be inferred from circumstances.

0.8 "Material fact" is crucial information that, if hidden, would reasonably result in a different coverage decision or impact a claim's outcome.

0.9 “Public adjuster” means any individual who, for compensation or any other thing of value acts on behalf of the insured:

(1) Acts or aids, solely in relation to first party claims arising under insurance contracts that insure the real or personal property of the insured, on behalf of an insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance contract;

(2) Advertises for employment as a public adjuster of insurance claims or solicits business or represents himself or herself to the public as a public adjuster of first party insurance claims for losses or damages arising out of policies of insurance that insure real or personal property; or

(3) Directly or indirectly solicits business, investigates or adjusts losses, or advises an insured about first party claims for losses or damages arising out of policies of insurance that insure real or personal property for another person engaged in the business of adjusting losses or damages covered by an insurance policy, for the insured.

0.10 "Public Adjusting Firm" - Denotes a public adjuster or public adjusters in a partnership, professional corporation, sole proprietorship or other association that public adjusts under a registered name.

0.11 "Practice of law" is the application of legal principles and judgment with regard to the circumstances or objectives of a person that require the knowledge and skill of a person trained and licensed to practice law.

0.12 "UPPA", or "unauthorized practice of public adjusting" is identified in the circumstance of an individual who is not a licensed public adjuster or attorney assuming the role of representing a policyholder on an insurance claim. This usually refers to the dispensing of claim advice, interpreting insurance coverage, or negotiating with an insurance company.

Code Section 1. Conformity to Law

Code 1.1 A public adjuster must comply with state law.

Code 1.2 The requirements of this code are superseded by state law (e.g., solicitation).

Code 1.3 If something is prohibited or mandated by the code but state law imposes a lesser standard, the adjuster shall comply with the higher standard of the code.

Code Section 2. Competency

Code 2.1 A public adjuster shall provide competent service to a client. Competent service requires the knowledge, experience, skill, thoroughness and preparation reasonably necessary for the adjustment of the claim. Public adjusters must not attempt to handle losses or claims for which they are not qualified, or for which they cannot find competent technical assistance.

Code 2.2 A public adjuster shall ensure that the work of non-public adjusters who are in the employ of the adjuster are adequately supervised, and will work in a manner compatible with the professional obligations of the public adjuster. The degree of supervision required is that which is reasonable under the circumstances, taking into account factors such as the experience of the person whose work is being supervised, the amount of work involved in a particular matter, and the likelihood that ethical issues may arise in the course of working on the matter.

Code 2.3 Public adjusters shall pursue and maintain professional competence through continuing education and training sufficient to remain informed regarding applicable laws, policy interpretation, ethics, claim handling practices, construction methodology, valuation, and industry standards relevant to the claims they undertake.

Code Section 3. Solicitation

Code 3.1 A public adjuster shall not solicit or attempt to solicit during the progress of a loss-producing occurrence.

Code 3.2 A public adjuster shall not solicit or attempt to solicit between the hours of 6pm and 8am for the first 72 hours after a loss, unless requested through direct contact by the policyholder to the public adjuster.

Code 3.3 A public adjuster shall not misrepresent or mislead consumers, or any individual or entity, into believing the public adjuster is acting for, or working on behalf of an insurance company.

Code 3.4 A public adjuster shall not engage in coercive or aggressive solicitation, including, but not limited to, harassment, intimidation, or creating a false sense of urgency.

Code 3.5 A public adjuster shall not offer to pay an insured’s deductible, exchange anything of value to pay or reduce the deductible, or claim the insured’s deductible will be waived, as an inducement to using the services of a public adjuster.

Code Section 4. Representation

Code 4.1 A public adjuster shall clearly identify the relevant policy coverages for which claims are being made.

Code 4.2 In the event there are discrepancies between the carrier's position and the policyholder's claim, a public adjuster must promptly identify those differences in writing, making clear their position regarding those differences and submit such to the carrier.

Code 4.3 A public adjuster shall not assert a property has been damaged or infer damage unless an inspection of the property has been completed by either the public adjuster or a professional whom the public adjuster has deemed competent to perform such an inspection. When damage is reported to the public adjuster by an insured, a public adjuster can infer damage may be covered, but must investigate the loss before recommending to the insured a formal claim be made.

Code 4.4 A public adjuster may investigate the cause of loss, extent of damage, interpret and apply relevant policy language, and reference applicable laws, statutes, regulations, and industry standards in the presentation, negotiation, and adjustment of the claim. A public adjuster shall not give legal advice, or counsel to persons as to their legal rights or responsibilities or to those of others.

Code 4.5 A public adjuster shall not knowingly withhold or fail to disclose any material fact that would affect or influence a course of action, estimate, or coverage conclusion.

Code 4.6 In the presentation of a claim, a public adjuster, to the extent reasonably possible, shall ensure that all components of the claim, including inventories, estimates, and calculations, are reasonable and supported by evidence.

Code 4.7 A public adjuster shall not enter into a contract or accept any assignment or power of attorney that vests in the public adjuster the authority to settle the claim or to choose the persons who shall perform repair work.

Code 4.8 A public adjuster shall keep the client informed about the status of each aspect of the claim, and refrain from agreeing to any loss settlement without the client's advance knowledge and consent.

Code 4.9 Before a claim goes to appraisal or litigation, a public adjuster shall:

(1) clearly communicate their position to the insurer;

(2) identify categories of disputed issues; and

(3) when known, provide the insurer with advance notice of the insured's intent.

Code Section 5. Compensation

Code 5.1 A public adjuster shall not have a direct or indirect financial interest in any aspect of the claim, other than the salary, fee, commission, or other consideration established in the written contract with the insured.

Code 5.2 The public adjusting contract shall clearly disclose the terms and method of compensation, including the fee applicable to each coverage category or portion of the claim for which a different fee may be charged.

Code 5.3 A public adjuster shall not acquire any interest in salvage of property that is subject to the contract with the insured.

Code 5.4 A public adjuster shall not participate in any way, directly or indirectly, in the reconstruction, repair, or restoration of damaged property.

Code 5.5 The public adjuster shall abstain from directing the insured to get needed repairs or services in connection with a loss from any person;

(1) With whom the public adjuster has a financial interest; or

(2) From whom the public adjuster may receive direct or indirect compensation for the referral.

Code Section 6. Ethics

Code 6.1 A public adjuster is obligated, under his or her license, to serve with objectivity and complete loyalty in the interest of the insured client alone.

Code 6.2 A public adjuster shall have in effect at all times, sufficient professional liability insurance commensurate with the type of claims they are adjusting.

Code 6.3 A public adjuster shall accurately represent to potential insureds his or her ability to adjust the claim he or she intends to undertake.

Code 6.4 A public insurance adjuster shall not use a public adjusting contract as a device to obtain a fee interest in an insurance claim when the adjuster's actual role is merely to refer the matter to another professional or process. Such conduct constitutes a deceptive, unfair, and improper "bait-and-switch" practice.

Code 6.5 A public adjuster shall not knowingly make any material, oral, or written misrepresentation or any false or malicious statement concerning any person engaged in the business of insurance or any insured or prospective insured.

Code 6.6 No public adjuster, while so licensed by a department of insurance or regulatory authority, may represent or act as a company adjuster or independent adjuster on the same claim.

Code 6.7 A public adjuster's contract shall not be construed to prevent an insured from pursuing any civil remedy after the three-business day revocation or cancellation period.

Code 6.8 A public adjuster's behavior and conduct shall at all times be lawful, professional, and courteous, with a commitment to civility, good faith, and fair dealing when interacting with all parties.

Code Section 7. Reporting and Complaints

Code 7.1 Any public adjuster who becomes aware of a violation of these Codes of Professional Conduct committed by another public adjuster shall report the violation to the appropriate regulatory authority and to the code administrator through the established complaint process. The code administrator shall assess the complaint under publicly available procedures and, where appropriate, refer the matter to the relevant department of insurance, law-enforcement agency, or other authority.