



WHAT ARE SOME **RED FLAGS**

I SHOULD BE LOOKING OUT FOR?

 You feel **pressured or rushed** to sign an AOB contract


 **Contractor won't even start** the repairs until you sign an AOC.

 The contract language prevents the insurance company from communicating directly with you.

 The contractor offers to reduce or waive your policy deductible.
Florida law prohibits contractors from paying or waiving deductible for repairs covered by the insurance policy.



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ASSIGNMENT OF BENEFITS (AOB)



WHAT IS AN **ASSIGNMENT OF BENEFITS?**

An **Assignment of Benefits (AOB)** is a contract that transfers an insurance claim rights or benefits to another person. It is often signed between a homeowner and a contractor who has been hired to make repairs to a home after it is damaged.



WHAT DOES AN AOB **CONTRACT DO?**

This AOB gives the contractor the authority to file a claim, make repair decisions, collect insurance payments, and file suit against an insurance company without the involvement of the homeowner.

WHY WOULD A HOMEOWNER **SIGN AN AOB CONTRACT?**

A homeowner may sign an AOB because they do not wish to be the middleman between the contractor and the insurance company, and they don't mind someone else taking over the complete process.

WHEN AND WHERE DO THEY **OCCUR?**

An AOB contract can occur with all kinds of repair contracts when there is damage from a storm, roof damage or other damage and the homeowner has insurance.

WHY WOULDN'T A HOMEOWNER **WANT TO SIGN AN AOB CONTRACT?**

An AOB contract **removes the homeowner from talking to the insurance company about their claim.** It allows the contractor to be in charge of contacting the insurance company. Sometimes a contractor will not finish the repair work because the insurance company will not agree to pay the contractor the amount the contractor has demanded. A disagreement between the contractor and insurance company can leave a homeowner with a half-finished repair.

I HAVE TO SIGN A LOT OF DOCUMENTS, **HOW DO I KNOW IF ONE OF THEM IS AN AOB CONTRACT?**

- You are asked to sign over your insurance benefits to start the repair
- The contract says all claim payments will be made to the contractor or other company and not to you or your mortgage company.
- The contract says the insurance company cannot communicate directly with the homeowner.
- **REMEMBER a homeowner seeking repairs is not required to sign an Assignment of Benefits.**

CAN I CANCEL AN AOB CONTRACT?

- Yes, give the contractor written notice in one of three ways:
 - Within **14 days** after signing the contract
 - If the contract does not specify a start date and the contractor has not started work, then you have the option to cancel within **30 days** after signing
 - If the contract has a start date, but the contractor has not "substantially performed" by at least **30 days** after the contract start date, you can cancel the contract

