



Alamance Farmers
MUTUAL INSURANCE

Are Public Adjusters a Good Option?

As has always been AFM's practice, we seek to find the maximum amount of coverage allowed under the terms of the policy for all claimants. Regardless of the involvement of a public adjuster, no more (or no less) will be paid to you, the policyholder, if you were to settle the claim independently. When you contract with a public adjuster, a portion of the insurance proceeds are now due from you to the public adjuster, reducing the amount of recovery you will ultimately receive.



Whenever AFM receives notice that a policyholder has contracted with a public adjuster, AFM's Claims Manager will contact the agent. This will ensure the agent is aware of all parties involved in the settlement of the claim. This also means that all communication about the claim must be made directly with the public adjuster.

Your agent can assist you to ensure that you receive the entire amount of the loss proceeds payable under the policy. North Carolina law (NCGS § 58-33A-65(i)) allows you the opportunity to rescind a contract with a public adjuster within three business days following the date the contract was signed. The rescission must be in writing and mailed or delivered to the public adjuster at the address in the contract within the three-day period.

You may feel the need to contract with a public adjuster, regardless of the cost, if you believe you require additional expertise outside of your agent or AFM's adjusters. This is your right, and you should not be discouraged from seeking such expertise. However, often a public adjuster becomes involved through direct marketing following a catastrophic event when you are most vulnerable and seeking advice. Your agent's guidance following such an event is an opportunity for you to truly understand the value of having an independent agent in your corner, which may include retention of all claims proceeds should you ultimately determine a public adjuster is not required after speaking with your agent.

