

Assignment of Benefits (AOB)

STOP! Read this before you hire anyone to work on your home.

An Assignment of Benefits (AOB) occurs when you, the homeowner, sign an agreement that transfers your rights, benefits, and financial interest in an insurance policy to another party.

Once this agreement is in place, the insurance company must make payments directly to the contractor and you no longer have the right to deal with your insurance company.

Before entering into a contract:

- Call your Insurance Agent or our Claims Department (888.486.4663) and let them know a vendor has contacted you
- Read the contract or repair agreement thoroughly and beware of "Assignment of Benefits" language
- Request everything in writing, including the total cost, a detailed scope and timeline for the project, a payment schedule, etc.
- Get estimates from multiple vendors and do not feel pressured to make a decision right away
- Make sure the contract does not include any blanks that could be filled in without your knowledge
- Check that the vendor is licensed and insured and ask for references

Things to know if you sign an AOB:

- You have 3 days to void the contract
- You no longer have decision-making authority about your claim or how the damage is repaired
- All claim payments will be made directly to the vendor—not you

Warning signs:

- Contract contains the words "Assignment of Benefits"
- Offer of a free roof, inspection, or work
- Vendor offers to handle your claim completely, work directly with your insurance company, or take care of everything for you
- Door-to-door solicitation
- Vendors that show up following a major weather event (hail storm, tornado, hurricane) that may have affected several homes in your area

