



Rules of
Department of Insurance,
Financial Institutions and
Professional Registration
Division 700—Insurance Licensing
Chapter 2—Public Adjusters and Public Adjuster
Solicitors

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**Title 20—DEPARTMENT OF
INSURANCE, FINANCIAL
INSTITUTIONS AND
PROFESSIONAL REGISTRATION
Division 700—Insurance Licensing
Chapter 2—Public Adjusters and Public
Adjuster Solicitors**

20 CSR 700-2.005 Scope and Definitions

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

(1) Applicability of Rules. The rules in this chapter apply to public adjusters transacting the business of insurance in this state under Chapter 325, RSMo. The rules shall be read together with Chapter 536, RSMo.

(2) Definitions.

(A) "Director," the director of the department.

(B) "Department," the Department of Insurance, Financial Institutions and Professional Registration.

(C) "Adjustment or settlement of claims," the negotiation with an insurer on behalf of an insured as to the amount or extent of a loss covered by a policy of fire or allied lines of insurance and the acts of representing the insured or speaking on behalf of the insured toward any agent or other person granted the authority to adjust claims by an insurer.

(D) "Insurer," an insurance company organized under the laws of this state, or another state or country, and transacting the business of insurance in this state.

(E) "License," the authority granted by the director to any person to transact business as a public adjuster or public adjuster solicitor.

(F) "Licensee," a person authorized under a license by this state to act as a public adjuster or public adjuster solicitor.

(G) "NAIC," the National Association of Insurance Commissioners.

(H) "NIPR," the National Insurance Producer Registry.

AUTHORITY: sections 325.050 and 374.045, RSMo 2000. Original rule filed Nov. 30, 2007, effective July 30, 2008.*

**Original authority: 325.050, RSMo 1973 and 374.045, RSMo 1967, amended 1993, 1995.*

20 CSR 700-2.100 Public Adjusters

PURPOSE: This regulation explains the scope of the public adjuster's licensing act

and states the applicability of the unfair trade practices and frauds act to public adjusters.

(1) It is unlawful for any person to act as a public adjuster unless licensed as required by sections 325.010 to 325.055, RSMo.

(2) Licensing. Each public adjuster license shall be numbered. That number shall be entered upon any proof of loss, estimate or any other correspondence from the adjuster to an insurer or its agents.

(3) Applicability of Unfair Trade Practices Act. Public adjusters or any other person may be subject to enforcement action by the director under section 375.046, RSMo for any unfair method of competition or any unfair or deceptive act or practice in violation of sections 375.930 to 375.948, RSMo, with attendant penalties. Particular attention is directed to the prohibitions of section 375.936(1), RSMo, relating to restraint of trade; section 375.936(2), RSMo, defamatory statements; section 375.936(4), RSMo, making untrue, deceptive or misleading statements with respect to the business of insurance or any person in the conduct of that business; and section 375.936(5), RSMo, misrepresentations of the benefits of an insurance policy.

AUTHORITY: sections 325.010, 375.936, 325.050, and 374.045, RSMo 2000. This rule was previously filed as 4 CSR 190-12.070. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Oct. 31, 1988, effective March 1, 1989. Amended: Filed Nov. 30, 2007, effective July 30, 2008.*

**Original authority: 325.010, RSMo 1973; 325.050, RSMo 1993; 374.045, RSMo 1967, amended 1993, 1995; and 375.936, RSMo 1959, amended 1967, 1969, 1971, 1976, 1978, 1983, 1991.*

20 CSR 700-2.200 Claim Checks or Drafts

PURPOSE: This rule effectuates or aids in the interpretation of 375.936(10), RSMo as applied to claims involving a public adjuster or solicitor.

No insurance company authorized to do the business of insurance in Missouri shall make payment of any insurance claim, or any portion of a claim, to a public adjuster or solicitor on account of services rendered by a public adjuster or solicitor to an insured unless the name of the insured is added as a joint payee on any claim check or draft. The payment, whether by check, draft or otherwise,

should be sent to the address designated by the insured.

AUTHORITY: sections 374.045 and 375.930-375.948, RSMo 1986. This rule was previously filed as 4 CSR 190-10.060(10). Original rule filed Aug. 5, 1974, effective Aug. 15, 1974. Rescinded and readopted: Filed Aug. 16, 1978, effective Dec. 11, 1978. Amended: Filed Sept. 11, 1980, effective Feb. 16, 1981. Amended: Filed Sept. 14, 1981, effective Jan. 15, 1982. Amended: Filed Aug. 4, 1986, effective Jan. 1, 1987. Amended: Filed Jan. 5, 1987, effective June 1, 1987. Amended: Filed Aug. 4, 1987, effective Dec. 24, 1987. Amended: Filed Dec. 9, 1988, effective April 28, 1989. Amended: Filed Nov. 2, 1989, effective Feb. 15, 1990. Emergency amendment filed Feb. 21, 1990, effective March 5, 1990, expired June 2, 1990. Amended: Filed Feb. 26, 1990, effective June 11, 1990. Amended: Filed Dec. 12, 1990, effective June 10, 1991.*

**Original authority: 374.045, RSMo 1967 and 375.930-375.948, see Missouri Revised Statutes.*

20 CSR 700-2.300 Public Adjuster Contracts

PURPOSE: This rule specifies information which must be contained in contracts for the services of public adjusters. It requires that the right of cancellation provided in section 325.050, RSMo be disclosed in each contract by which an insured employs a public adjuster to adjust a fire loss.

(1) Every contract for services to be rendered by a public adjuster within the scope of Chapter 325, RSMo shall contain the following statement. It shall be in boldface ten (10)-point or larger type (except for the statute included) and located conspicuously on the front face of the contract. "THIS CONTRACT MAY BE CANCELLED WITHIN THREE (3) DAYS AFTER THE OWNER OF THE DAMAGED PROPERTY HAS SIGNED THIS AGREEMENT. MISSOURI LAW SAYS:

'1. The owner of damaged property has the right to cancel any agreement entered into with a licensed public adjuster or a licensed public adjuster solicitor until midnight of the third business day after the day on which the agreement was signed.' '2. Cancellation occurs when the buyer gives written notice of cancellation to the licensed public adjuster or licensed public adjuster solicitor at the address stated in the agreement between the parties. Notice of cancellation may be given by mail and is given when deposited in a United States mail box properly addressed



and postage prepaid. Notice of cancellation must contain the written intention of the owner to cancel the agreement. No liability accrues to the owner when the agreement is cancelled within the period, except for reasonable expenses incurred in preserving the damaged premises during the said three (3)-day period.’ Section 325.050, RSMo.”

(2) Every contract for services to be rendered by a public adjuster within the scope of Chapter 325, RSMo shall clearly indicate the time, date and place of execution of the contract. This information shall be part of the contract and shall be placed thereon before execution.

(3) The director reserves the right to approve forms of contracts containing language other than that specified in section (1) of this regulation if the language reasonably discloses to the insured his/her statutory rights under section 325.050, RSMo and is otherwise consistent with all other provisions of law and regulations promulgated.

AUTHORITY: sections 325.050 and 374.045, RSMo 2000. This rule was previously filed as 4 CSR 190-21.010. Original rule filed July 15, 1976, effective Dec. 20, 1976. Amended: Filed Aug. 16, 1977, effective Dec. 11, 1977. Amended: Filed Nov. 2, 1989, effective Feb. 15, 1990. Emergency rescission filed Feb. 9, 1990, effective Feb. 20, 1990, expired May 20, 1990. Amended: Filed March 19, 1990, effective June 28, 1990. Amended: Filed Nov. 30, 2007, effective July 30, 2008.*

**Original authority: 325.050, RSMo 1973 and 374.045, RSMo 1967, amended 1993, 1995.*