



# NEVADA STATE CONTRACTORS BOARD

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## **RESIDENTIAL RECOVERY FUND** **SUBROGATION OF RIGHTS**

The Residential Recovery Fund was established to reimburse homeowners for actual damages as a result of an act or omission of a residential contractor to perform qualified services.

NRS 624.510(3)(a) states, "If the Board or its designee determines that an injured person is eligible for recovery from the account pursuant to this section or NRS 624.490, the Board or its designee may pay out of the account: The amount of actual damages suffered, but not to exceed \$40,000.00; or If a judgment is obtained as set forth in NRS 624.490, the amount of the actual damages included in the judgment and remaining unpaid, but not to exceed \$40,000.00."

NRS 624.510(5) states, "If an injured person has recovered a portion of his loss from sources other than the account, the Board shall deduct the amount recovered from other sources from the amount payable upon the claim and direct the difference to be paid from the account."

NRS 624.510(6) state, "To the extent of payments made from the account, the Board is subrogated to the rights of the injured person, including, without limitation, the right to collect from a surety bond or a cash bond. The Board and the Attorney General shall promptly enforce all subrogation claims."

NAC 624.765 states, "As a condition of receiving payment from the recovery fund, a claimant must enter into an agreement with the board pursuant to which the board is subrogated to the rights of the claimant against the accused residential contractor, the estate of the accused residential contractor of a third party for an amount equal to the amount of money paid from the recovery fund to the claimant plus the amount of all costs incurred by the board in recovering that amount of money from the accused residential contractor, the estate of the accused residential contractor of the third party. The agreement must provide that the claimant will cooperate with the board in any proceeding commenced to recover such money from the accused residential contractor, the estate of the accused residential contractor or the third party."

Pursuant to the foregoing, you hereby agree to subrogate any and all of your rights to any and all future claims or recoveries from the Residential Recovery Fund or from any surety bond, cash bond, civil judgment or any other source of the contractor, and waive your rights to collect those monies and assign those rights to the Nevada State Contractors Board.

In signing this document, the claimant states unequivocally that he or she understands the provisions of the Subrogation of Rights and on their own or with the assistance of counsel, have read and fully concur with the Subrogation of Rights to the Nevada State Contractors Board.

In the event that you collect any monies from the contractor, surety bond, cash bond, civil judgment or any other source, the Nevada State Contractors Board is authorized to collect those monies from you and or your estate.

### Residential Recovery Fund Claim #:

By signing this document, you hereby attest that you have carefully read and understood the foregoing in its entirety, and that you are signing this agreement voluntarily and without reliance upon any other statements or representations.

The foregoing is hereby accepted and agreed to:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Homeowner Signature