

INSURANCE CERTIFICATE GUIDELINES

Certificates of insurance are received from various sources including tenants, contractors, vendors, consultants and users of your facilities. A certificate of insurance provides evidence of the insured's insurance in place. In addition to reviewing certificates a system must be developed to monitor when coverage on certificates is about to expire and new certificates are needed.

Why are certificates needed?

Certificates of insurance are needed to provide proof that the other party meets the insurance that you require through contract, agreement or part of a permit requirement.

Who should provide the certificate?

The other party's insurance agent, broker, risk management department or insurance company representative should provide the certificate to you.

Are all insurance certificates provided on the same type of insurance certificate form?

No, insurance certificates may be received on various forms. The Acord Corporation does provide a standard form that is used quite extensively by many insurance agents and brokers. The Acord form is revised from time to time to reflect changes in insurance industry coverage and limits. Different certificates may also be provided for evidence of property and liability insurance.

Are insurance certificates sufficient to provide proof of additional insured status?

Unfortunately not, that is why WCIA recommends a copy of the additional insured endorsement where additional insured status is required to be provided by the other party. Insurance certificates cannot legally amend or change an insurance policy as. The following disclaimer is used on most insurance certificates:

“This Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policies below:”

This statement basically says that the insured has purchased the insurance stated on the Certificate. The Certificate Holder has no legal right to be covered by the insurance in place.

Liability Certificate Guidelines

The following guidelines may be used to assist you in reviewing insurance certificates. Refer to the sample Certificate at the end of this section as a numbered guide. Additional definitions of insurance terminology are provided in the Glossary at the end of the manual.

1. **Producer:** The Producer is the insurance agent or broker for the insured.
2. **Insured:** The person or organization protected by the insurance policies listed on the insurance certificate.
3. **Companies Affording Coverage:** Identifies the insurance companies (See 3a).
4. **General Liability:** Insurance protecting the person or organization from liability exposures. *Make sure Commercial General Liability and Occurrence (Occur) boxes are checked.*
5. **Policy Number:** *The Policy number should be listed to assist in verifying coverage and accessing the coverage if a claim arises.*
6. **Policy Effective Date:** The date the policy begins.
7. **Policy Expiration Date:** The date the policy ends. *It is important that performance of the contract be completed before the expiration of the policy. If not an additional insurance certificate will be needed.*
8. **Limits:** The amount of insurance coverage the insured has purchased.

General Aggregate is the most the insurance policy will pay during the policy period regardless of the number of claims.

Products-Completed Operations Aggregate is the most the insurance policy will pay for liability arising out of the Products-Completed Operations exposure. Completed operations is work by the insured that has been completed as called for in a contract; or work completed at a single job site under a contract involving multiple job sites; or work that has been put to its intended use.

Personal & Advertising Injury Provides coverage for personal injury (not bodily injury) including slander, libel, false arrest, malicious prosecution, invasion of privacy and advertising liability for exposure of any advertising activities.

Each Occurrence is the most the insurance policy will pay for one occurrence.

Fire Damage is the most the liability policy will pay for a fire that you are responsible for in premises you lease or that are in your care, custody or control.

Medical Expenses (Any one person) is no fault medical expense insurance provided to other parties injured on your premises.

It is important the limits are typed on the certificate in amounts at least as large as those required in your insurance specifications.

9. **Automobile Liability:** This coverage insures against liability claims arising out of the use of a covered auto. *The box "Any Auto" should be checked.*
10. **Limits:** The amount of insurance coverage the insured has purchased.

Combined Single Limit is the most the insurance policy will pay for bodily injury and property damage combined for each accident.

Bodily Injury (Per person) is the most the insurance policy would pay for bodily injury to one person from one accident.

Bodily Injury (Per accident) is the most the insurance policy would pay for bodily injury from each accident, regardless on the number of person injured.

Property Damage is the most the policy would pay for third property damage resulting from one accident.

If Combined Single Limit is used Bodily Injury (Per person), Bodily Injury (Per accident) and Property Damage limits will not be needed to be filled in on certificate.

11. **Excess Liability:** Provides liability coverage on top of the primary general liability policy and may provide excess limits over Automobile Liability.

If Number 4 and 9 above do not meet your required limits make sure "Umbrella Form" is checked and verify which underlying policies the umbrella is providing excess coverage for. General Liability and Automobile Liability (primary) limits then may be satisfied by a combination primary and Umbrella/Excess insurance.

12. **Limits:** The amount of insurance coverage the insured has purchased.

Each Occurrence: is the most the insurance policy will pay for one occurrence.

Aggregate: The total amount the excess insurance policy will pay during the policy period regardless of the number of claims.

13. **Workers' Compensation and Employers' Liability:** *Information not required on insurance certificate. Please separately request Washington Labor & Industries Number to verify coverage.*
14. **Other:** *May be used to evidence other insurance coverage such as professional liability.*
15. **Description of Operations/Locations/Vehicles/Special Items:** This section can refer to a specific job site or contract number. *Additional insured status frequently typed in here but not sufficient unless you also receive a copy of the additional insured endorsement.*
16. **Certificate Holder:** Person or Organization that the certificate is issued to.
17. **Cancellation:** The amount of written notice that the insurance companies will endeavor to provide the certificate holder in the event the insurance policies are cancelled. *WCIA recommends a 30 days written notice of cancellation requirement. Some recommend that the "will endeavor to" wording is stricken in the cancellation wording. The verdict is not out if striking these words will work any better as only a insurance policy endorsement can create a notice obligation on the insurer.*
18. **Authorized Representative:** The insurance agent, broker or insurance company representative who is authorized to sign the Certificate.

Property Insurance Certificates

A property insurance certificate is needed when another party has been made responsible for providing insurance on property you own or for which you are responsible. Landlords may also contractually require tenants to carry property insurance.

A property insurance certificate should show:

- **Property Covered** - An appropriate description of all property for which insurance is required.
- **Limits** – The appropriate amounts of coverage for the property.
- **Coverage** – The type of coverage such as all risk.
- **Interests** – The Certificate should indicate the nature of your interest, i. e. owner, lender or landlord in the insured property.
- **Loss Payee** – If you are named as a Loss Payee the certificate should state so clearly. A Loss Payee is reimbursed for a loss to property directly by the insurance carrier for damage to your property or property you have an interest in. *This may be more desirable than another party getting paid for damage expenses to your building in the event of a loss.*

ACORD CERTIFICATE OF LIABILITY INSURANCE						DATE (MM/DD/YY)
PRODUCER Preenahan Insurance Agency, Inc. ① PO Box 1188 One Court Plaza Holyoke, MA 01041-118			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.			
INSURED Wallace Tree Service ② PO Box 186 Hampden, MA 01036			COMPANIES AFFORDING COVERAGE COMPANY A Penn-America Inn, Co. ③ COMPANY B Savers Property & Casualty COMPANY C Travelers Inc. COMPANY D			
COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS ⑧	
A	GENERAL LIABILITY ④ <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	Renewal of ⑤ PAC 6148397	03/01/05	03/01/06	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 50,000 MED EXP (Any one person) \$ 5,000	⑥ ⑦
	AUTOMOBILE LIABILITY ⑨ <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	810-645H1265-TIA-01	03/01/05	03/01/06	COMBINED SINGLE LIMIT \$ ⑩ BODILY INJURY (Per person) \$ 100,000 BODILY INJURY (Per accident) \$ 300,000 PROPERTY DAMAGE \$ 100,000 AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$ EACH OCCURRENCE \$ AGGREGATE \$ ⑪ \$ ⑫	
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$ EACH OCCURRENCE \$ AGGREGATE \$ ⑬	
	EXCESS LIABILITY ⑭ <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				WC STATU- TORY LIMITS JOTH- ER EL EACH ACCIDENT \$ 100,000 EL DISEASE - POLICY LIMIT \$ 500,000 EL DISEASE - EA EMPLOYEE \$ 100,000	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ⑮ <input type="checkbox"/> INCL <input checked="" type="checkbox"/> EXCL OTHER ⑯	AR0000901	03/01/05	03/01/06		
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS City of Destiny is named as an additional Insured per attached endorsement for project #5421. ⑰						
CERTIFICATE HOLDER City of Destiny ⑱ 101 Main Street Destiny, WA 98059			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE P.B. Preenahan Paul Preenahan ⑲ © ACORD CORPORATION 1988			