Certificates of Insurance
Issues & Answers
2013 Edition

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The 2013 Edition of...
Certificates of Insurance
Issues and Answers

Presenters:
• Bill Wilson
• Stuart Powell
• Bill Perkins

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Introduction
• Overview of Today’s Program
• Purpose of This Program
• Reaffirming the Purpose of a COI
Overview

- Errors & Omissions issues
- Continuing certificate issues
- Legal issues
- Policy issues
- ACORD developments
- Q&A

Introduction

Purpose of This Program

- Agents are increasingly and often unnecessarily burdened by requests for AI endorsements and certificates of insurance
- Agents are increasingly faced with professional liability lawsuits from certificate holders
- Agents are increasingly asked to assume risks, perform tasks for which they are unqualified, and provide uncompensated services whose benefits accrue largely to parties with which they have no business relationship
- Agents are increasingly hamstrung by legal and regulatory restrictions
- There is a need to improve communication, education, and mutual understanding of certificate of insurance issues

Introduction

The Purpose of a COI

Quote of the Day

"Certificate language grows like mold in a damp forest. Mutations arise. Pages are added. If one follows the logical path of such discussions, soon the certificate will be the policy, with the coverage form being a single sheet of paper that says, 'For informational purposes only. Please see applicable Certificate of Insurance for specific coverage provisions, limits and effective dates.'"

Chris Amrhein
American Agent & Broker
June 2008
Introduction
The Purpose of a COI

- It is a snapshot that shows a policy exists at a certain point in time
- It is for general informational purposes and confers no rights
- It is subject to all the terms, exclusions, and conditions of the policy…it does not amend, extend or alter coverage
- It does not represent compliance with any contracts entered into by the insured
- Why this is necessarily the case....

Introduction
The Purpose of a COI

- If a certificate purports to amend, extend or alter policy terms, it is in effect an endorsement
- Which means that it must be filed as a policy form with the insurance department
- COI filing requirements do not change this
- Why this is necessarily the case....

Introduction
The Purpose of a COI

IL 00 17 – Common Policy Conditions
B. Changes
This policy contains all the agreements between you and us concerning the insurance afforded...
This policy’s terms can be amended or waived only by endorsement issued by us and made a part of the policy.
Introduction
The Purpose of a COI

The bottom line on what verbiage can be placed on a certificate of insurance:

If it’s not illegal, a misrepresentation of policy terms, or a violation of your agent authority, what you place on a COI is a business decision.

E&O Issues

• Statistics
• Claims Examples
• Agency Certificate Procedures and ACORD FIGs
• Fraud and E&O Policies

E&O Issues
2004 – 2008 Statistics

• About ___% of all E&O claims involve COIs
• Policy Type
  ❑ ___% CGL
  ❑ ___% WC
  ❑ ___% Auto
  ❑ ___% Property
• Error Type
  ❑ ___% failure to add AI or loss payee
  ❑ ___% misrepresentation of coverage to COI holder
  ❑ ___% negligent misrepresentation to others
E&O Issues
2004 – 2008 Statistics

Historical source of COI claims...

<table>
<thead>
<tr>
<th></th>
<th>All Claims</th>
<th>COI Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent sued by carrier</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>Agent sued by 3rd party</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>Agent sued by insured</td>
<td>___ %</td>
<td>___ %</td>
</tr>
</tbody>
</table>

E&O Issues
2004 – 2008 Statistics

Why COI E&O claims are problematic...

- Increased demand for COI issuance
- Increased complexity of demands and contracts
- Lack of staff qualifications for special requests
- Routine laxity in QC vigilance
- Improved litigation success

E&O Issues
Claims Examples

- $___________ – AI endorsement not added
- $___________ – blanket AI endorsement not triggered
- $___________ – 4,000 bogus certificates
- $___________?
### E&O Issues
#### Agency Procedures and FIGs
- IIA of Texas “Best Practices for Certificates of Insurance”
- Insurer contractual grants
- Consider adopting ACORD Forms Instruction Guides (FIGs) into your written agency procedures manual, at least by reference

### E&O Issues
#### Fraud and E&O Policies
- State insurance fraud laws
- State unfair trade practices laws
- Other state laws and privacy laws
- Sample E&O policy exclusion:
  - INTENTIONAL ACTS. Any “claim” for intentional acts, including but not limited to acts of dishonesty, fraud, criminal conduct, malice, or assault and battery.”
- Ethical considerations

### Certificate Issues
- Primary and Noncontributory
- Requirements to Insure Contract Indemnity Agreements
- ACORD 25 “Description of Operations”
- Common Certificate Requests, Why They’re a Problems, and Things You’re Asked to Do Every Day But Maybe Shouldn’t
- Online Certificate Systems
Certificate Issues
Primary and Noncontributory

• ISO CGL “Other Insurance” clause (pre-2013):
  b. Excess Insurance
    *This insurance is excess over:*
    (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

• The BAP and the CA 20 48

Certificate Issues
Requirements to Insure Indemnity

• Agent Affidavit required ‘certification’ that…
  “Contractual liability coverage is provided for all indemnity obligations of Subcontractor.”

• Contract Indemnity Agreement:
  “To the fullest extent permitted by applicable law, Contractor shall insure and defend, indemnify, and hold harmless Owner and Agent and their respective officers, directors, members, employees, agents, shareholders, partners, joint venturers, affiliates, successors, and assigns from and against any and all liabilities, obligations, claims, demands, causes of action, losses, expenses, damages, fines, judgments, settlements, and penalties including, without limitation and without regard to the cause or causes thereof….”

Certificate Issues
“Description of Operations”

• ACORD 25
  “DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)”

• ACORD 25 FIG
  “As used here, records information necessary to identify the operations, locations and vehicles for which the certificate was issued.”
Certificate Issues
Broad, Vague Requirements

- Things You’re Asked to Do Every Day But Maybe Shouldn’t?
- Common requests and WHY they’re a problem
- Broad, vague, ambiguous, misrepresentative, onerous, impractical, nonsensical, and moronic references to contract and insurance requirements
- Why you’re expected to do these things: “Every other contractor working on any Port authority facility is able to obtain coverage with this clause.....”

Certificate Issues
Broad, Vague Requirements

“Any time you attempt to summarize policy language on a certificate of insurance, you are opening yourself up to the possibility of allegations that you have misrepresented policy terms. Many coverages, exclusions, and conditions do not lend themselves to one-sentence summary statements and the failure to adequately and completely express such policy terms can result in successful E&O claims, allegations of fraud, and censure (or worse) by insurance regulators.”

Insurance defense attorney

Certificate Issues
Broad, Vague Requirements

- From a NY village:

  Liability Insurance Requirements
  Effective immediately: all liability insurance forms must indicate that “NO EXCLUSIONS APPLY”
  This must be clearly indicated on each certificate of insurance submitted with every building permit application. No application will be accepted with certificates that do not contain these words.
Certificate Issues
Broad, Vague Requirements

- Marathon Construction Services “Insurance Warranty Statement”
- Compliance checklist would require almost 500 entries by the agent to complete, including “Special All Risk Contractual (Y/N),” “Blanket/Operational (Y/N),” etc.
- “By signing below the Insurance Agent Certifies that they have accurately and truthfully answered each of the above questions….”

Certificate Issues
Broad, Vague Requirements

- “Snow plowing operation is included in the policy.”
- “[Policy] covers contracts without exception that Subcontractor has signed with Contractor or is going to sign….”
- “Additional insured status provided as per construction contract.”
- “Policy includes Contractual Liability and Pollution Liability.”

Certificate Issues
Broad, Vague Requirements

- “The Contractor shall obtain an endorsement to its general liability insurance policy to cover the Contractor’s obligations under Section 8.12.”
- Section 8.12:
  “[Insured] agrees to hold harmless, defend, and indemnify the owner and future… subsidiaries and affiliates… partners, officers, directors, shareholders, members, interest holders, transferees, managers, employees, agents, invitees, and successors and assigns… from and against all claims, demands, actions, causes of action, suits, judgments, obligations, liabilities, losses, costs, expenses, injuries and damages of every nature… [including] willful misconduct of Contractor, its employees, agents or subcontractors.”
Certification Issues

Broad, Vague Requirements

• “Comprehensive form of general liability provided which includes personal injury with Employment Exclusion deleted.”
• “Insurer must provide written notice of any reduction of coverage with reasonable promptness.”
• “Property insurance must be provided without limitation on an All Risks basis.”

Certificate Issues

Broad, Vague Requirements

• “A properly executed copy of this document shall be legally binding as a Carrier Certificate of Insurance Form.”
• Agent affidavit: “There is no damage and the property continues to be insurable.”
• “Policy covers Certificate Holder without restrictions or limitations based on negligence.”
• “Other Insurance clause in policy states this insurance is primary.”

Certificate Issues

Broad, Vague Requirements

• “There are no claims (pending or paid) that could significantly reduce the aggregate.”
• “Other States endorsement included.”
• “Coverage for additional insureds shall not be impacted by any breach of the insurance policy by the named insured.”
• “All requirements from our Project Manual are covered by the Insurance Certificate.”
Certificate Issues
Broad, Vague Requirements

- "Assault and Battery is not excluded."
- "Excess or umbrella liability policy is follow-form with no additional exclusions."
  - Underlying policy exclusion: "Property damage to property rented to, occupied by or in the care of an insured. This exclusion does not apply to ‘property damage’ caused by fire, smoke or explosion."
  - Umbrella exclusion: "Property Damage to property owned, rented or occupied by you…"

Certificate Issues
Broad, Vague Requirements

- "Named Perils Pollution Coverage (Y/N)"
- "Building covered at 100% replacement cost."
- "General liability insurance must include blanket contractual, broad form property damage, and coverage for independent contractors."
- Hotel attorney wanted agent of insured renting a hotel meeting room to show the CGL limit on a certificate as “Enough”.

Certificate Issues
Broad, Vague Requirements

- Arizona State’s “non-negotiable” requirement for a COI statement: "The coverage afforded under this certificate shall be primary…"
- "Is Occurrence Basis Coverage provided under automobile Property Damage Liability?"
- "There is no exclusion for damage resulting from leaking galvanized pipes."
- "There is no exclusion for giant robot attacks."
- (OK, we made the last one up.)
Certificate Issues
Broad, Vague Requirements

• “For those policies containing an aggregate, as soon as loss activity (paid or reserve) depletes the aggregate by 50% or more, written notice must be sent to the Contractor by certified mail.”
• “Additional insured endorsements shall not contain any restrictions.”
• Lender on a property loan wanted to be an “additional named insured” on the property, business income, general liability, and auto policies.

Certificate Issues
Broad, Vague Requirements

• “Insurer agrees to accept Contractor’s choice of counsel.”
• “In the event insurance requirements are not met and any coverages required have not been obtained, agent or broker agrees to be directly responsible therefor and consents to direct suit by any party to be named as an additional insured hereunder.”

Certificate Issues
Broad, Vague Requirements

• Community developer: “Effective immediately, in order to process payment for your invoices, we must receive a letter from your insurance broker by the 10th day of each month, stating and verifying that each of your policies are in full force and effect.”
• Florida BoA branch would not close a loan until the insurance agent provided a replacement cost valuation.
Certificate Issues

Broad, Vague Requirements

• "Workers Compensation certificate must include a list of the names of each employee that will be working on this project. Employees will be checked daily for verification. Subcontractor’s employees that show up for work that are not specifically identified by the work comp carrier will not be allowed to work without a new certificate listing them by name. A simple 'All employees are covered' is NOT acceptable on the certificate."

Certificate Issues

Broad, Vague Requirements

• Special events policy was written without an aggregate…certificate requestor demanded that an aggregate limit be shown on the certificate.
• Insurance requirements included $500,000 FDLL and insured was a paving contractor repairing a parking lot.
• ACORD 25 issued by agency included Builders Risk installation floater and IM equipment policy information.

Certificate Issues

Broad, Vague Requirements

Franchise Store Agent Waiver Application (excerpt)

"I, [agent’s name] acknowledge that I have read and fully understand the insurance requirements as provided and the indemnification language as detailed in the Franchise Agreement….

"I understand that it is my responsibility to ensure that all required coverages and additional insureds are endorsed to the policy.

"I understand that I am required to carry a minimum of $2 million per occurrence Errors and Omissions coverage and I acknowledge that I meet this requirement. I further acknowledge that I may be liable for any omission if a claim is brought against an additional insured and I have failed to ensure that the entity was properly endorsed."
Certificate Issues

Broad, Vague Requirements

• Agent "opinion letter": "Insurance policies will remain in force until the expiration of the statute of repose...."

• "All policies are primary and noncontributory." (COI included workers comp coverage)

• NY state agency: "You are the only agent in the entire state who has refused to issue the certificate as requested."

Certificate Issues

Broad, Vague Requirements

• "Moronic Certificate Request of the Week" from January 2010....

Certificate Issues

Online COI Compliance Systems

• One system...
  – System MUST be used by agent for vendor COI
  – 200+ possible questions, including "Broad form contractual," "Independent contractors," "Auto pollution liability," etc.
  – Agent pays for certificate input and access
  – One airport authority checked COIs daily
  – Agent must enter cancellations and reinstatements
  – No control over data access once entered
  – No copy for agency management system
Certificate Issues
Online COI Compliance Systems

• Another system produced a 1997 ACORD form that was missing Page 2
• Another compliance vendor demanded that the agent provide AI status to certificate holder for workers compensation insurance
• On another system....
  – Online COI “Description of Operations” could be entered by insured
  – Additional insured names could be entered by certificate holder
  – System included ISO policy forms and non-ISO forms could be uploaded for display (copyright issues?)

Legal Issues

• Emerging Case Law
• E&O Loss Prevention
• State Developments

Legal Issues
Case Law...Agent Loses

• Fraud
  – Handley v. Providence Mutual
  – Binyan v. Goldberger Ins.
• Detrimental Reliance (Promissory Estoppel)
  – Sumitomo Ins. Co. v. Southern Guaranty
  – Martin v. Wetzel County Board of Education
  – Niagra Mohawk v. Skibeck Pipeline
  – Brown Machine Works v. INA*
  – Horn v. Transcon Lines, Inc.*

* No policy provided prior to claim
Legal Issues
Emerging Case Law

• Brown & Brown of Texas, Inc. v. Omni Metals, Inc.,
  Texas Court of Appeals (2010)
  – Certificate said “All Risk” coverage was provided
  – Certificate mentioned one exclusion, but not another (the loss
    arose from the unmentioned exclusion)
  – Negligent misrepresentation
  – Detrimental reliance
  “One who, in the course of his business, profession or employment,
  or in any transaction in which he has a pecuniary interest, supplies
  false information for the guidance of others in their business
  transactions, is subject to liability for pecuniary loss caused to them
  by their justifiable reliance upon the information, if he fails to
  exercise reasonable care or competence in obtaining or
  communicating the information.”

• Slate Rock Construction Company, Ltd. v.
  Admiral Insurance Co., Ohio (2011)…negligent
  misrepresentation and promissory estoppel
  (detrimental reliance)…Slate had no CGL policy

• Seiden v. Utica First Insurance Company, NY,
  (2011)…insurer’s agents sold artisan general
  liability policies to contractors that excluded
  commercial construction projects, excavation,
  underpinning, etc….finding for insurer

• Multicare Health System v. Lexington Insurance
  Company, 9th Circuit (2013)
  – Staffing company contracted with Multicare
  – Professional liability policy had a $1M SIR
  – SIR was not mentioned on ACORD 25
  – Staffing company went bankrupt and didn’t pay $785K malpractice
    judgment within SIR
  – Court did not believe “that the Washington Supreme Court would
    find a duty to disclose a self-insured retention amount on a
    certificate that summarizes insurance policies and does not contain
    a column for retention or deductible amounts. This is especially
    true in light of the fact that the hospital could have asked
    [staffing company] for a copy of its insurance policy.”
Legal Issues
Emerging Case Law

  – National Pastime contracted with the Indians to provide an inflatable slide for “Kids Fun Day”
  – Broker for National Pastime procured liability insurance that excluded inflatables (policy was not provided prior to claim)
  – At least two people were injured, one dying
  – Broker found liable for negligent misrepresentation:
    “If an insurance agent could have foreseen possible injury to some specific third party, it can be held liable for a negligent misrepresentation. Under this approach, concepts of foreseeability and reliance are combined to limit the professional’s liability.” – Barry Zalma, J.D.

Legal Issues
Emerging Case Law

  – “A claim for misrepresentation cannot stand when the party asserting the claim is legally charged with knowledge of the true facts.”
  – “An insured has a duty to read the insurance policy and is charged with knowledge of its provisions.”
  – “The Court concludes that [the client], claiming to be an additional ‘insured’ under [the policy], should be held to the same obligation as a named insured to review a policy of insurance on which it seeks to rely, and its reliance solely on the agent’s certificate of insurance is not reasonable under the circumstances…”

• Moral: Provide copies of the policy forms to place the onus on the AI to read and understand them.
Legal Issues
E&O Loss Prevention

• Always use a current, unaltered ACORD form
• Minimize the use of extraneous descriptive, contractual, or misrepresentative language on the ACORD form
• Written procedures with "invariable practice"
• Clear communications with all parties
• Document, document, document
• Education, training and quality control program

Legal Issues
State Developments

• States without specific COI laws, regulations, or DOI directives:
  – Alaska
  – Delaware
  – District of Columbia
  – Maine
  – Nevada
  – South Carolina
  – Vermont
• Complete laws and regs listing on the VU

Legal Issues
State Developments

• Recently implemented certificate-specific laws, regulations, or DOI directives:
  – Massachusetts bulletin (04/04/11)
  – Montana bulletin (04/11/12)
  – Tennessee bulletin (03/21/12)
  – Virginia bulletin (04/21/11)
  – Washington regulation (05/17/12)
• Georgia
  – New regulation effective May 26, 2013
  – Prior bulletin required agents to report actual or suspected certificate fraud
Legal Issues
State Developments

• Examples of new statutory/regulatory language
  – "No person may knowingly demand or require an insurer, insurance producer, surplus line broker, or policyholder to issue a certificate that contains any false or misleading information or that purports to alter, amend, or extend the coverage provided by the insurance policy." (WA)
  – "Any natural person who knowingly or willfully makes or aids in the making of any false or fraudulent statement or representation of any material fact or thing..." in any written statement or certificate... or issues fake or counterfeit... certificates of insurance... commits the crime of insurance fraud. Persons convicted are guilty of a felony punishable by "imprisonment for not less than two or more than ten years, or by a fine of not more than $10,000.00, or both." In addition, any licensee may be fined up to $5,000.00 for each noncompliant certificate issued. (GA)

Legal Issues
State Developments

• Examples of new statutory/regulatory language (cont’d)
  – Texas
    • New March 2013 rules state that only actual policy or endorsement language should be on a certificate... it is not the agent’s job to interpret what is covered or not covered, so such questions cannot be asked.
    • "Requests for information on the certificate of insurance form must be specific, clear, and reasonable."
    • "Any explanatory information included in a completed certificate of insurance is limited to language in the referenced policy and any executed endorsements."
    • "A certificate of insurance may not contain a reference to a legal or insurance requirement contained in a contract other than the underlying contract of insurance, including a contract for construction or services."

Policy Issues

• Primary and Noncontributory
• New 2013 ISO Additional Insured Endorsements
• Non-ISO Forms to Be Wary Of
Policy Issues
Primary and Noncontributory

• ISO CGL "Other Insurance" clause:
  b. Excess Insurance
      This insurance is excess over:
      (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured.


Policy Issues
Primary and Noncontributory

ISO CG 20 01 04 13
Primary And Noncontributory – Other Insurance Condition

The following is added to the Other Insurance Condition and supersedes any provision to the contrary:
Primary And Noncontributory Insurance
This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:
(1) The additional insured is a Named Insured under such other insurance; and
(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Policy Issues
New 2013 ISO AI Endorsements

• CG 20 10 – ongoing operations
• CG 20 37 – completed operations
• CG 20 33 – blanket ongoing operations
• CG 20 38 – blanket ongoing operations (no privity of contract required for AI status)
  Editions: 2013
Policy Issues
New 2013 ISO AI Endorsements

• CG 20 33:
  “Section II – Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.”

• CG 20 38 04 13 adds the following language:
  “Any other person or organization you are required to add as an additional insured under the contract or agreement…..”

Policy Issues
New 2013 ISO AI Endorsements

• New York trial court cases:
  – Brooklyn Hosp. Ctr. V. One Beacon Ins.
  – Cusumano v. Extell Rock, LLC
  – Skanska USA Building, Inc. v. Burlington Insurance Company

• Illinois appeals court case:
  – Westfield Insurance Company v. FCL Builders, Inc.
    [http://www.state.il.us/court/Opinions/AppellateCourt/2011/1stDistrict/March/1100521.pdf]

• Another reason to decline to add “explanatory” language to a certificate of insurance

Policy Issues
New 2013 ISO AI Endorsements

CG 20 38 04 13 adds the following language:

• “Any other person or organization you are required to add as an additional insured under the contract or agreement…..”

• “Such person(s) or organization(s) is an additional insured only with respect to liability for ‘bodily injury’, ‘property damage’ or ‘personal and advertising injury’ caused, in whole or in part, by…Your acts or omissions; or…The acts or omissions of those acting on your behalf…in the performance of your ongoing operations for the additional insured.”
Policy Issues
New 2013 ISO AI Endorsements

• CG 20 26
  “Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the schedule, but only with respect to liability for ‘bodily injury’, ‘property damage’ or ‘personal and advertising injury’ caused, in whole or in part, by...Your acts or omissions or the acts or omissions of those acting on your behalf...In the performance of your ongoing operations for the additional insured(s); or...In connection with your premises owned by or rented to you.

Policy Issues
New 2013 ISO AI Endorsements

• “The insurance afforded to such additional insured only applies to the extent permitted by law....”

• “If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.”

Policy Issues
New 2013 ISO AI Endorsements

• “If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.”

– If the construction contract controls coverage afforded by the policy to an insured, doesn’t that make it an endorsement and in conflict with the IL 00 17 and state policy filing requirements?

– Does this not mean that the adjuster must thoroughly review both the construction contract and the policy to determine coverage for the additional insured?

– What governs “broadness”? If the construction contract requires at least a 2004 ISO CGL policy and the insured has a 2013 edition, does the adjuster have to compare the two?

– Will contracts be rewritten in the future?
Policy Issues

New 2013 ISO AI Endorsements

“If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.”

Certificate vs. Policy Limits?

Policy Issues

Non-ISO Forms to Be Wary Of

• ISO:
  "© ISO Properties, Inc., 20__" or
  "© Insurance Services Office, Inc., 20__"

• Not ISO:
  "Includes Copyrighted material of Insurance Services Office, Inc. with its permission"

Policy Issues

Non-ISO Forms to Be Wary Of

• Class code limitations (and worse)
  – Don Malecki’s roofing contractor
  – Tree service with a 2004 ISO CGL and 42 endorsements
• Independent contractor limitation endorsements
• Written contract requirement
• Excess liability only
• Vicarious liability only
Policy Issues
Non-ISO Forms to Be Wary Of

• Non-ISO endorsement:

ACORD Issues

• How Long can an ACORD Form Be Used…
  Change in ACORD Updating/Filing Procedures
• January 2014 ACORD 25 Changes
• ACORD Web Site Resources

ACORD Issues
How Long a Form Can Be Used

• ACORD 25 edition dates: 11/77, 01/79, 02/84, 08/84, 11/85, 03/88, 11/88, 07/90, 03/93, 01/95, 07/97, 08/01, 01/09, 09/09, 05/10, 01/14
• Federal copyright law
• ACORD's licensing agreement
• State filing requirements (22+ states)
• Agency/company agreement

Agency management systems…
ACORD Issues
How Long a Form Can Be Used

• This link will show you which versions of ACORD Forms are currently supported in various agency management systems:
  https://www.acord.org/standards/forms/vfl/Pages/default.aspx
• ACORD Forms may be revised at any time to reflect changes in business practices or to comply with state insurance department requirements. Regardless of the reason for the change, once ACORD revises a form and withdraws the old form from its library, any earlier version is no longer valid and cannot be used in any jurisdiction.
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• To help you stay aware of Forms changes, you can receive our monthly Forms Notification that will list all new and revised forms along with details about changes. You should also regularly visit our Forms Index. Follow the instructions to download current forms.

ACORD Issues
January 2014 ACORD 25 Changes
Two most notable changes:

1. Reduce font size of title to 14 pt bold
2. COVERAGES section, revise second column header to ADDL INSD
3. COVERAGES section, first row of data, delete GENERAL LIABILITY header, move all checkboxes up and bold COMMERCIAL GENERAL LIABILITY checkbox label
4. COVERAGES section, first row of data, GENL AGGREGATE LIMIT APPLIES PER:, add an OTHER: checkbox with a field to capture description
5. COVERAGES section, WORKERS COMPENSATION row of data, in LIMITS column on right, revise WC STATUTORY LIMITS to PER STATUTE
6. Revise text in parentheses in DESCRIPTION OF OPERATIONS header
7. Revise ACORD copyright to 1988-2014
ACORD Issues
ACORD Web Site Resources

• Forms
  https://www.acord.org/standards/Forms/Pages/default.aspx

• Forms Index
  https://www.acord.org/standards/forms/Documents/forms_index.pdf

• Forms Notification
  https://www.acord.org/standards/forms/Pages/FormsNotifications.aspx

• ACORD Instructional Videos
  http://video.acord.org

Q&A

• The Future of COIs
• Open Forum
• VU Certificate Resources

Q&A

The Future of COIs

• Memorandums of insurance
• “Insurance cards”
• What one agent in Michigan is doing…
Q&A

Open Forum

• “Our insured can’t get paid unless we issue a certificate that is not accurate.”
• “Our carriers still tell us not to send them copies of certificates.”
• More….

Q&A

VU Certificate Resources

Questions?

• During the webinar…
  – Use the GoToWebinar interface and type in your questions in the Question Pane on the right side of your screen.

• After the webinar…
  – Email Bill.Wilson@iiaba.net
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