

Bill as
Introduced

HB 419-FN - AS INTRODUCED

2011 SESSION

11-0747
01/09

HOUSE BILL ***419-FN***
AN ACT relative to language in insurance certificates.
SPONSORS: Rep. Infantine, Hills 13
COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill establishes the model law relative to content and form of certificates of insurance.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through~~].
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT relative to language in insurance certificates.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Chapter; Certificates of Insurance. Amend RSA by inserting after chapter 400-B the
2 following new chapter:

3 CHAPTER 400-C

4 CERTIFICATES OF INSURANCE

5 400-C:1 Definitions. In this chapter:

6 I. "Certificate" or "certificate of insurance" means any document or instrument, no matter
7 how titled or described, which is prepared or issued by an insurer or insurance producer as evidence
8 of property or casualty insurance coverage. "Certificate" or "certificate of insurance" shall not
9 include a policy of insurance or insurance binder.

10 II. "Certificate holder" means any person, other than a policyholder, who requests, obtains,
11 or possesses a certificate of insurance.

12 III. "Commissioner" means the insurance commissioner.

13 IV. "Insurance producer" means an insurance producer licensed under RSA 402-J.

14 V. "Insurer" means an entity that offers or provides a policy, contract, or certificate of
15 insurance coverage in this state and subject to regulation by the insurance department and any
16 other person engaged in the business of making insurance or surety contracts, including self-
17 insurers.

18 VI. "Person" means any individual, partnership, corporation, association, or other legal
19 entity, including any government or governmental subdivision or agency.

20 VII. "Policyholder" means a person who has contracted with a property or casualty insurer
21 for insurance coverage.

22 400-C:2 Certificates of Insurance.

23 I. No person shall prepare, issue, or request the issuance of a certificate of insurance
24 unless the form has been filed with and approved by the commissioner. No person may alter or
25 modify an approved certificate of insurance form.

26 II. The commissioner shall disapprove a form filed under this section, or withdraw approval
27 of a form, if the form:

28 (a) Is unjust, unfair, misleading, or deceptive, or violates public policy.

29 (b) Fails to comply with the requirements of paragraph III.

30 (c) Violates any law, including any rule adopted by the commissioner.

1 III. Each certificate of insurance shall contain the following or similar statement: "This
2 certificate of insurance is issued as a matter of information only and confers no rights upon the
3 certificate holder. This certificate does not amend, extend, or alter the coverage, terms, exclusions,
4 and conditions afforded by the policies referenced herein."

5 IV. Standard certificate of insurance forms promulgated by the Association for Cooperative
6 Operations Research and Development (ACORD) or the Insurance Services Office, Inc. are deemed
7 approved by the commissioner and are not required to be filed if the forms otherwise comply with the
8 requirements of this section.

9 V. No person shall demand or require the issuance of a certificate of insurance from an
10 insurer, insurance producer, or policyholder that contains any false or misleading information
11 concerning the policy of insurance to which the certificate makes reference.

12 VI. No person shall knowingly prepare or issue a certificate of insurance that contains any
13 false or misleading information or that purports to affirmatively or negatively alter, amend, or
14 extend the coverage provided by the policy of insurance to which the certificate makes reference.

15 VII. No person shall prepare, issue, demand, or require, either in addition to or in lieu of a
16 certificate of insurance, an opinion letter or other document or correspondence that is inconsistent
17 with this section; provided, that an insurer or insurance producer may prepare or issue an
18 addendum to a certificate that clarifies and explains the coverages provided by a policy of insurance
19 and otherwise complies with the requirements of this section.

20 VIII. The provisions of this section shall apply to all certificate holders, policyholders,
21 insurers, insurance producers, and certificate of insurance forms issued as evidence of insurance
22 coverages on property, operations, or risks located in this state, regardless of where the certificate
23 holder, policyholder, insurer, or insurance producer is located.

24 IX. A certificate of insurance is not a policy of insurance and does not affirmatively or
25 negatively amend, extend, or alter the coverage afforded by the policy to which the certificate of
26 insurance makes reference. A certificate of insurance shall not confer to a certificate holder new or
27 additional rights beyond what the referenced policy of insurance expressly provides.

28 X. No certificate of insurance shall contain references to contracts, including
29 construction or service contracts, other than the referenced contract of insurance.
30 Notwithstanding any requirement, term, or condition of any contract or other document with
31 respect to which a certificate of insurance may be issued or may pertain, the insurance afforded
32 by the referenced policy of insurance is subject to all the terms, exclusions, and conditions of the
33 policy itself.

34 XI. A certificate holder shall only have a legal right to notice of cancellation, nonrenewal, or
35 any material change, or any similar notice concerning a policy of insurance if the person is named
36 within the policy or any endorsement as an additional insured and the policy or endorsement

1 requires notice to be provided. The terms and conditions of the notice, including the required timing
2 of the notice, are governed by the policy of insurance and cannot be altered by a certificate of
3 insurance.

4 XII. An insurance producer may charge a reasonable service fee for issuing a certificate to a
5 policyholder or certificate holder.

6 XIII. Any certificate of insurance or any other document or correspondence prepared, issued,
7 demanded, or required in violation of this section shall be null and void and of no force and effect.

8 400-C:3 Rulemaking. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to:

9 I. Format of insurance certificates.

10 II. Application procedures as necessary under this chapter.

11 III. Any other matter necessary to administer this chapter.

12 400-C:4 Penalty.

13 I. Any person who violates this chapter may be fined up to \$2,500 per violation.

14 II. The commissioner shall examine and investigate the activities of any person that the
15 commissioner reasonably believes has been or is engaged in any act or practice prohibited by this
16 chapter. The commissioner shall have the power to enforce the provisions of this chapter and impose
17 any authorized penalty or remedy against any person who violates this chapter.

18 2 Effective Date. This act shall take effect January 1, 2012.

LBAO
11-0747
01/19/11

HB 419-FN - FISCAL NOTE

AN ACT relative to language in insurance certificates.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

HB 419 FISCAL NOTE

AN ACT relative to language in insurance certificates.

FISCAL IMPACT:

The Insurance Department states this bill will increase state expenditures and may increase state general fund revenue by an indeterminable amount in FY 2012 and each year thereafter. The Department states this bill may have an indeterminable fiscal impact on county and local expenditures. There is no fiscal impact on county and local revenue.

METHODOLOGY:

The Insurance Department states this bill establishes the model law relative to content and form of certificates of insurance, including the possibility that insurers would need to file certificates with the Department. The Department states certificates of insurance are not directly regulated by the Department. This bill will result in the Department dedicating resources to appropriately regulate the use of certificates that will increase costs. The Department does not anticipate the costs to be materially significant but is not able to forecast what the costs might be. The Department states any increased costs to the Department are borne by the insurance industry which may result in higher premiums. An increase in premiums would result in an increase in premium tax revenue. The Department is not able to determine the fiscal impact this bill will have on other state agencies, county agencies or local agencies that may require certificates of insurance from contractors and others that engage in work on their behalf.

LBAO
11-0747
Amended 05/03/11

HB 419 FISCAL NOTE

AN ACT relative to language in insurance certificates.

FISCAL IMPACT:

The Insurance Department states this bill, as amended by the Senate (Amendment #2011-1491s), may increase state expenditures by an indeterminable amount in FY 2012 and each year thereafter. There is no fiscal impact on county and local expenditures, or state, county, and local revenues.

METHODOLOGY:

The Insurance Department states this bill establishes the model law relative to content and form of certificates of insurance. The Department states the proposed legislation would allow the Department the option to publish templates of sample certificates of insurance for the industry to use. The Department notes if they chose to publish templates of sample certificates, state expenditures would increase by an insignificant amount. The Department also notes costs to insurers would be insignificant as most certificates of insurance currently in use would be in compliance with the proposed statutory requirements. Therefore, the Department states the proposed legislation would not result in higher premiums or a subsequent increase in insurance premium tax revenues.

Amendments

Amendment to HB 419-FN

1 Amend the bill by replacing all after the enacting clause with the following:

2

3 1 New Section; Certificates of Insurance. Amend RSA 412 by inserting after section 6-a the
4 following new section:

5 412:6-b Certificates of Insurance.

6 I. In this section:

7 (a) "Certificate" or "certificate of insurance" means any document or instrument, no
8 matter how titled or described, which is issued by an insurer or insurance producer as evidence of
9 property or casualty insurance coverage. "Certificate" or "certificate of insurance" shall not include a
10 policy of insurance or insurance binder.

11 (b) "Certificate holder" means any person, other than a policyholder, who requests,
12 obtains, or possesses a certificate of insurance or is identified as the certificate holder on the
13 certificate.

14 (c) "Insurance producer" means an insurance producer licensed under RSA 402-J.

15 (d) "Insurer" means an entity established to conduct the kinds of insurance business as
16 provided in RSA 401 and licensed in accordance with the provisions of RSA 402 or RSA 405.

17 (e) "Person" means any individual, partnership, corporation, association, or other legal
18 entity, including any government or governmental subdivision or agency.

19 (f) "Policyholder" means a person who has contracted with a property or casualty insurer
20 for insurance coverage.

21 II.(a) No person shall issue a certificate of insurance that:

22 (1) Does not comply with the requirements of subparagraph (b).

23 (2) Is not in the public interest.

24 (3) Is contrary to public policy.

25 (4) Is misleading, deceptive, or encourages misrepresentation.

26 (5) Violates any law.

27 (b) The following are requirements for the content, purpose, issuance, and use of
28 certificates of insurance:

29 (1) Each certificate shall contain the following statement, in sufficient font and size
30 and located on the certificate to be readily identifiable:

31 "This certificate of insurance is issued as a matter of information only and confers no rights upon
32 the certificate holder. This certificate does not amend, extend, or alter the coverage, terms,

NOT ADOPTED

1 exclusions, and conditions afforded by the policy or policies referenced herein.”

2 (2) No person shall demand or require the issuance of a certificate of insurance from
3 an insurer, insurance producer, or policyholder that contains any false or misleading information
4 concerning any policy of insurance to which the certificate makes reference.

5 (3) No person shall knowingly prepare or issue a certificate of insurance that
6 contains any false or misleading information.

7 (4) No person shall prepare or issue a certificate of insurance that purports to
8 affirmatively or negatively alter, amend, or extend the coverage provided by any policy of insurance
9 referenced in the certificate.

10 (5) The requirements of this section shall apply to certificates of insurance issued as
11 evidence of insurance policies and coverage on property, operations, or any risk located in this state,
12 regardless of where the certificate holder, policyholder, insurer, or insurance producer is located.

13 (6) No certificate of insurance shall contain references to contracts, including
14 construction or service contracts, other than the referenced contract of insurance.

15 (7) A certificate holder shall only have a contractual right to notice of cancellation,
16 nonrenewal, or any similar notice concerning a policy of insurance if the person is identified and
17 designated within the policy or any endorsement to that policy as an additional insured and that
18 policy or endorsement requires notice to be provided.

19 (c) The commissioner may publish sample certificates of insurance which provide
20 templates as to form and content, which, in his or her opinion, meet the requirements of
21 subparagraph (b) and are acceptable for use by insurers and insurance producers. In addition to
22 templates developed by the commissioner, insurance industry trade organizations, and supporting
23 entities, may submit templates for consideration and inclusion in the set of sample certificates so
24 published.

25 (d) An insurer or insurance producer may prepare or issue an addendum to a certificate
26 that clarifies and explains the coverage provided by any policy of insurance referenced in the
27 certificate and otherwise complies with the requirements of this section.

28 (e) An insurance producer may charge a reasonable fee to the policyholder or to a
29 certificate holder on behalf of the policyholder in order to cover costs associated with issuing the
30 certificate which are not otherwise provided for in commissions or expense reimbursements that the
31 insurer has contractually agreed to pay that insurance producer.

32 2 Effective Date. This act shall take effect January 1, 2012.



2011-0684h

AMENDED ANALYSIS

This bill establishes the law relative to content and form of certificates of insurance.

Amendment to HB 419-FN

1 Amend the bill by replacing all after the enacting clause with the following:

2
3 1 New Section; Certificates of Insurance. Amend RSA 412 by inserting after section 6-a the
4 following new section:

5 412:6-b Certificates of Insurance.

6 I. In this section:

7 (a) "Certificate" or "certificate of insurance" means any document or instrument, no
8 matter how titled or described, which is issued by an insurer or insurance producer as evidence of
9 property or casualty insurance coverage. "Certificate" or "certificate of insurance" shall not include a
10 policy of insurance or insurance binder.

11 (b) "Certificate holder" means any person, other than a policyholder, who possesses a
12 certificate of insurance or is identified as the certificate holder on the certificate.

13 (c) "Insurance producer" means an insurance producer licensed under RSA 402-J.

14 (d) "Insurer" means an entity established to conduct the kinds of insurance business as
15 provided in RSA 401 and licensed in accordance with the provisions of RSA 402 or RSA 405.

16 (e) "Person" means any individual, partnership, corporation, association, or other legal
17 entity, including any government or governmental subdivision or agency.

18 (f) "Policyholder" means a person who has contracted with a property or casualty insurer
19 for insurance coverage.

20 II.(a) No person shall issue a certificate of insurance that:

21 (1) Does not comply with the requirements of subparagraph (b).

22 (2) Is not in the public interest.

23 (3) Is contrary to public policy.

24 (4) Is misleading, deceptive, or encourages misrepresentation.

25 (5) Violates any law.

26 (b) The following are requirements for the content, purpose, issuance, and use of
27 certificates of insurance:

28 (1) Each certificate shall contain the following statement, in sufficient font and size
29 and located on the certificate to be readily identifiable:

30 "This certificate of insurance is issued as a matter of information only and confers no rights upon
31 the certificate holder. This certificate does not amend, extend, or alter the coverage, terms,
32 exclusions, and conditions afforded by the policy or policies referenced herein."

Amendment to HB 419-FN

- Page 2 -

1 (2) No person shall demand or require the issuance of a certificate of insurance from
2 an insurer, insurance producer, or policyholder that contains any false or misleading information
3 concerning any policy of insurance to which the certificate makes reference.

4 (3) No person shall knowingly prepare or issue a certificate of insurance that
5 contains any false or misleading information.

6 (4) No person shall prepare or issue a certificate of insurance that purports to
7 affirmatively or negatively alter, amend, or extend the coverage provided by any policy of insurance
8 referenced in the certificate.

9 (5) The requirements of this section shall apply to certificates of insurance issued as
10 evidence of insurance policies and coverage on property, operations, or any risk located in this state,
11 regardless of where the certificate holder, policyholder, insurer, or insurance producer is located.

12 (6) No certificate of insurance shall contain references to contracts, including
13 construction or service contracts, other than the referenced contract of insurance.

14 (7) A certificate holder shall only have a contractual right to notice of cancellation,
15 nonrenewal, or any similar notice concerning a policy of insurance if the person is identified and
16 designated within the policy or any endorsement to that policy as an additional insured and that
17 policy or endorsement requires notice to be provided.

18 (c) The commissioner may publish sample certificates of insurance which provide
19 templates as to form and content, which, in his or her opinion, meet the requirements of
20 subparagraph (b) and are acceptable for use by insurers and insurance producers. In addition to
21 templates developed by the commissioner, insurance industry trade organizations, and supporting
22 entities, may submit templates for consideration and inclusion in the set of sample certificates so
23 published.

24 (d) An insurer or insurance producer may prepare or issue an addendum to a certificate
25 that clarifies and explains the coverage provided by any policy of insurance referenced in the
26 certificate and otherwise complies with the requirements of this section.

27 (e) An insurance producer may charge a reasonable fee to the policyholder or to a
28 certificate holder on behalf of the policyholder in order to cover costs associated with issuing the
29 certificate which are not otherwise provided for in commissions or expense reimbursements that the
30 insurer has contractually agreed to pay that insurance producer.

31 2 Effective Date. This act shall take effect January 1, 2012.

Amendment to HB 419-FN
- Page 3 -

2011-0709h

AMENDED ANALYSIS

This bill establishes the law relative to content and form of certificates of insurance.

Speakers

Hearing Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 419

BILL TITLE: relative to language in insurance certificates.
DATE: 217-11
LOB ROOM: 302 **Time Public Hearing Called to Order:** 11 am
Time Adjourned: 1145

(please circle if present)

Committee Members: Reps. Hunt, Coffey, Belanger, Flanders, Quandt, Heade, Nevins, Palfrey, Sullivan, Bergevin, Manuse, Mauro, McGuinness, Rice, Taylor, Meader, Griggs and Schlachman.

Be exceed next week but I do not have time to present amendment. If not retained

Bill Sponsors: Rep. Infantine

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Will Infantine, sponsor – Problem with some insurance certificates is that construction companies are stretching the number of requests that are stretching the intent of the law. The certificate is not an insurance contract. Request that the bill not be voted on next week but I do not have time to present amendment. If not retained, I would request a study committee.

Mike McLaughlin, ACLI – Opposes the bill in its current form. It is trying to regulate morality. Does this relieve the burden on the agent to put out something that is false? We can work on this and come to a consensus.

Bob Nash, NH Assn. of Insurance Agents – Supports the bill. Similar bills have moved and passed in other states. We feel we can put together a workable bill but we need more time to do so.

Q: Rep. Jim Sullivan – Aren't you asking the state to step in where your association could handle?

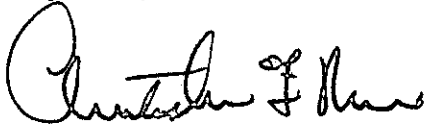
A: No, we can lead our members but we have no power to enforce.

***Bruce Berke, Professional Insurance Agents of NH** – Mr. Nash's comments are mostly supported by us. We would change definition of "certificate of insurance". See attached notes.

David Withers, NH Insurance Dept. – Supports bill for the most part. Supports with change. Presented: a duplicate of the Acord certificate; a certificate of insurance from their website; bulletin from commissioner, re: certificates. We have other issues with some definitions and the filing process.

Jim Hatem, State Farm – Opposes the bill.

Respectfully Submitted:

A handwritten signature in cursive script, appearing to read "Chris Nevins".

Chris Nevins, Acting Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 419

BILL TITLE: relative to language in insurance certificates.

DATE: 217-11

LOB ROOM: 302 Time Public Hearing Called to Order:

Time Adjourned:

(please circle if present)

Committee Members: Reps. Hunt, Coffey, Belanger, Flanders, Quandt, Headd, Novins, Palfrey, Sullivan, Bergevin, Manuse, Mauro, McGuinness, Rice, Taylor, Meader, Gidge and Schlachman.

Bill Sponsors: Rep. Infantine

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

SUPPORT Rep WILL INFANTINE PRESENTED BILL.

PROBLEM WITH SOME INSURANCE ^{CERTIFICATES} ~~CLAIMS~~ IS THAT CONSTRUCTION COMPANIES ARE STRUCTURING THE NUMBER OF REQUESTS THAT ARE SKETCHING THE INTENT OF THE LAW. THE CERTIFICATE IS NOT AN INSURANCE CONTRACT.

REQUEST THAT THE BILL NOT BE EXTENDED NEXT WEEK BUT I DO NOT HAVE TIME TO PRESENT AMENDMENT. IF NOT RESTRICTED

I AM REQUEST, I WOULD REQUEST A STUDY COMMITTEE.

OPPOSE - Mike McLambert ^{ACT} - OPPOSED IN CURRENT FORM. IT'S IS TAKING TO REQUEST MODALITY. DOES THIS ~~BEING~~ REMOVE THE BURDEN ON THE AGENT TO PUT OUT SOMETHING THAT IS FALSE? WE CAN WORK ON THIS AND COME TO A CONSENSUS.

SUPPORTS
↳ BOB NASEL - PRES. NA ASSN OF INS. AGENTS
SIMILAR BILLS HAVE MOVED AND PASSED IN OTHER STATES.

HB 419

WE FEEL WE CAN PUT TOGETHER A WORKABLE BILL
BUT WE NEED MORE TIME TO DO SO.

REP SWINARD - AWOULDN'T YOU ASKING THE STATE TO STEP IN
WHERE YOUR ASSOC. COULD HANDLE?

ANS NASH - NO, WE CAN LOAN OUR MEMBERS BUT WE
HAVE NO POWER TO ENFORCE.

~~OPPOSE~~
~~IF WE WORK~~
~~WITH PUMERS.~~

JIM HADON - STATE FARM INS.

OUR ISSUES: ① DO NOT LIKE THAT CERTIFICATE MUST BE FILED WITH
THE INSURANCE DEPT.

② DO NOT LIKE PENALTY PROVISION

WILL WORK WITH THE PUMERS.

SUPPORTS

BROOK BERTHE - PROFESSIONAL INSURANCE AGENTS OF NH
AND NASH'S COMMENTS ARE MOSTLY SUPPORTED BY US.

WE WOULD CHANGE DEFINITION OF "CERTIFICATE OF INSURANCE"
(SEE ATTACHED NOTES)

SUPPORTS

DAVID WITTING - INS. DEPT. - SUPPORTS W/ CHANGES.

PRESENTED: ① A DUPLICATE OF THE ACOED CERTIFICATE

② A CERTIFICATE OF INSURANCE ON THEIR WEBSITE

③ BULLETIN FROM COMMISSIONER RE: CERTIFICATES.

WE HAVE OTHER ISSUES WITH SOME DEFINITIONS, THE FILING
PROCESS

Testimony

Certificates of Insurance: Please Support House Bill 419

Background

Whenever businesses want proof that someone they do business with has insurance, they may obtain either (1) an insurance policy or insurance binder, which is in effect until the actual policy is issued, (2) or a certificate of insurance. Certificates are informational documents that provide a good faith snapshot or summarized reflection of the insurance policy to a third party.

Certificates offer convenience and simplicity to their recipients, but they are fundamentally different than insurance policies. An insurance policy is the sole source of contractual rights, and only policies can convey rights to individuals or businesses. Certificates, on the other hand, merely provide useful information about the coverage in place as of the date of issuance and do not convey rights themselves or alter the insurance policy that they describe.

Certificates are provided, as a courtesy and without compensation, to third parties with whom the insurer and the agent have no business relationship. Problems have arisen because some requesters of certificates have attempted to alter the purpose, effect, and status of certificates. For example, some parties today (1) request the issuance of certificates that purport to expand insurance coverage beyond the terms of the underlying policies, (2) demand the inclusion of unreasonable terms and conditions, and (3) otherwise attempt to force insurance agents to issue certificates that are deceptive and misleading.

Provisions of House Bill 419

House Bill 419 addresses these marketplace problems and confusion by:

- Requiring the approval of certificate forms by the insurance department;
- Prohibiting any person from issuing or demanding the issuance of a certificate form that has not been approved by the insurance department or that includes false or misleading information;
- Affirming that certificates are not insurance policies and cannot be used to alter, revise, or modify an insurance policy;
- Codifying existing law and reflecting longstanding case law and standard business practices; and
- Authorizing the insurance commissioner to enforce the Act.

House Bill 419 ensures that certificates will be used for their intended purpose and helps prevent their misuse in the marketplace. The proposal has been narrowly crafted to avoid unintended consequences. H.B. 419 relates only to certificates of insurance and does not change the law concerning insurance policies, and it does not alter or impair the rights that any person has under an insurance policy. The only parties adversely affected are those who would demand the issuance of improper or misleading certificates that do not accurately depict the underlying insurance coverage. We urge you to support House Bill 419.



**The State of New Hampshire
Insurance Department**


21 South Fruit Street, Suite 14
Concord, NH 03301

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

**BULLETIN
Docket No.: INS No. 09-048-AB**

To: All Property and Casualty Insurers

From: Roger Sevigny 

Date: July 29, 2009

Subject: Guidance Concerning the Usage of Certificates of Insurance

NH law (RSA 417-C:2) requires at least ten (10) days notice of cancellation to the insured in the event of non-payment of premium or of a substantial increase in hazard. Insurers may increase this notice period at their discretion, but are not required to do so.

It has come to the attention of the New Hampshire Insurance Department that some insurance producers are being asked to issue Certificates of Insurance or other evidence of insurance coverage that do not reflect the insurer's ten (10) day cancellation standard. Specifically, the Department has received reports that the issuers of Certificates of Insurance are being asked to include a minimum thirty (30) day cancellation notice as part of the Certificate even though the insurer's standard provides a ten (10) day notice and the insurer has not authorized this change to their normal business practice. In at least some of the cases where this thirty (30) day notice was not provided, the insured is not being allowed to work on certain contracts, projects or job sites.

Certificates of Insurance are used to serve as proof of insurance and to summarize the terms, conditions and coverage included in the insurance policy, in lieu of providing a full copy of the policy. Certificates of Insurance issued as a summary or evidence of coverage must clearly state and accurately reflect the terms of the insurance policy and coverage provided. Issuing a Certificate of Insurance or other evidence of insurance coverage that misrepresents the policy terms, conditions or coverage is a violation of producer licensing laws and may subject the producer to license revocation. A producer issuing a Certificate of Insurance or other evidence of insurance coverage that provides

for a longer notice period than the insurer provides (for example, an increase of the minimum ten (10) day notice to thirty (30) days) without authority from the insurance company may also be subjecting his or her agency to an E&O exposure.

Each Certificate of Insurance or other evidence of insurance coverage shall include the following statement or one substantively similar: "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 referenced herein."

For further questions or information on Certificates of Insurance, please contact Deborah Stone at the New Hampshire Insurance Department at 1-603-271-2261 or visit the Department's website at www.nh.gov/insurance.



Certificates

FAQs

WHAT IS A CERTIFICATE OF INSURANCE?

A certificate of insurance is a document that provides information about insurance policies. Millions of insurance certificates are issued every year, primarily in the United States. The majority of certificates are issued upon policy renewal to provide this information to third parties. These third parties are known as certificate requestors/holders. Generally speaking, certificates list one or more lines of insurance, the limits associated with those coverages, and the insurer providing coverage.

WHAT CERTIFICATES OF INSURANCE DOES ACORD PUBLISH?

ACORD publishes the following certificate of insurance forms:

- ACORD 20 - Certificate of Aviation Liability Insurance
- ACORD 21 - Certificate of Aircraft Insurance
- ACORD 22 - Intermodal Interchange Certificate of Insurance
- ACORD 23 - Automobile Certificate of Insurance
- ACORD 24 - Certificate of Property Insurance
- ACORD 25 - Certificate of Liability Insurance
- ACORD 27 - Evidence of Property Insurance
- ACORD 28 - Evidence of Commercial Property Insurance

WHY DO BROKERS AND AGENTS ISSUE CERTIFICATES OF INSURANCE?

Policyholders may request a certificate of insurance for many reasons. Some of the more common are:

- They are a tenant, and a building owner is requesting information about the existence of liability insurance coverage
- They are the mortgagor of a building, and are requesting information about the existence of property insurance coverage upon closing or renewal
- They leased equipment and the owner of equipment wants information about the existence of property insurance coverage while equipment is in possession of the client
- They need evidence of workers compensation insurance in order to obtain a contract.

WHAT'S THE DIFFERENCE BETWEEN A CERTIFICATE AND A POLICY?

A Certificate of Insurance is NOT an insurance policy, and does not serve to provide, endorse, amend, extend or alter in any way the terms of an insurance policy. Only an endorsement, rider or amendment to the policy can effect changes in coverage. Reference to a contract between the client and a third party on a certificate does not provide coverage.

WHY ARE THERE SEPARATE CERTIFICATES FOR PROPERTY INSURANCE AND LIABILITY INSURANCE?

Typically, a property insurance policy obligates the insurer to notify the mortgage holder in the event of policy cancellation. A typical liability insurance policy obligates an insurer to notify only the first named insured and no one else of policy cancellation, unless the policy is endorsed to provide notice to another party. For this reason, ACORD working groups recommended publishing separate certificates.

I'M AN INSURANCE PRODUCER, AND A CLIENT HAS ASKED ME TO USE AN OLDER VERSION OF AN ACORD CERTIFICATE—WHAT SHOULD I DO?

As is true for all ACORD forms, we monitor and revise our forms as regulatory requirements change, and, where necessary, file them with state insurance departments as required. Any earlier editions of our forms that have been withdrawn from the forms library are not kept up-to-date as to regulatory requirements, and therefore should not be distributed for use. You should tell your client that a non-current version of an ACORD form may not be compliant with insurance regulations and that its use would be risky. It is imperative that all ACORD forms users use the most current versions of our forms. You can determine which of ACORD's forms are current by referring to our website (www.acord.org).

MY AGENCY MANAGEMENT SYSTEM STILL PROVIDES AN OLDER CERTIFICATE, AND A CLIENT HAS ASKED ME TO ISSUE ONE. WHAT SHOULD I DO?

You should ask your agency management system vendor if a software update containing current ACORD forms is available and how you can obtain that update. Vendors have certain software-updating obligations in response to forms revisions.

To use ACORD forms you have to be licensed by ACORD. Generally speaking, under ACORD's present licensing regime, agents and brokers can be licensed in two ways. One way is to buy ACORD forms-producing software from an ACORD-licensed vendor. In that case, the purchaser becomes authorized to use ACORD forms via that software. If an agent or broker wants to use an ACORD form other than through an ACORD-licensed vendor, it is easy to become licensed through ACORD's Advantage program. (The program is detailed at <http://www.acord.org/standards/forms/advantage/Pages/default.aspx>).

Regardless of where users lawfully obtain ACORD forms, it is strongly suggested that they regularly go to ACORD's website (www.acord.org) to obtain information on the currency of the forms being utilized and, if necessary, follow the instructions to download the current versions.

Once a form is outdated, ACORD no longer checks on whether it remains regulatorily compliant. Thus, anyone using an outdated form does so at great risk.

You should consult with your legal adviser on how ACORD's licensing requirements apply to your situation and how you may be affected in the future by any changes ACORD may make to its present licensing structure.

WHY DID THE CERTIFICATE CHANGES HAPPEN IN LATE 2009/EARLY 2010?

Some of the changes involved formatting enhancements proposed by an ACORD working group, and voted on by our membership. Other changes were made as a result of changes in state insurance department regulatory requirements. As ACORD often does for the sake of efficiency in our forms production process, in order to minimize the number of times we revise any specific form, we combined these two sets of changes and updated the certificates to reflect all necessary revisions.

The updates associated with the regulatory requirements involved two areas on these forms:

- The disclaimer text found near the top of the certificates (immediately below the form title)
- The cancellation text found near the bottom of the certificates

This document focuses on the cancellation text revisions. For reference, here is a comparison of the old text and the new text:

<i>Old Text</i>	<i>New Text</i>
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL ___ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ACORD's Certificates Forms Working Group had been in the process of reviewing various certificates for possible enhancements. During the summer of 2009, working group participants made the following recommendations concerning the old cancellation text:

- The fill-in field for a number of days should be removed. The amount of advance notice required under an insurance policy may vary based upon a carrier's own practices. Some insurance policies include cancellation provisions with allowances for more than one count of days, dependent on the reason for cancellation. For example, many policies may be cancelled with 10 days notice for non-payment, and 30 days notice for other reasons. Therefore, one fill-in field on the certificates for the number of days is inadequate. The precise advance notice at cancellation may vary based on policy language as well as regulatory requirements.
- The word "endeavor" should be removed. Policy cancellation provisions generally don't use the phrase "endeavor to". Only a policy can obligate an insurer to provide notice of cancellation. Unless a policy's provisions explicitly provide for notice to a party also listed as the certificate holder on the certificate of insurance, the insurer is not obliged to notify that party.

At about the same time the Certificates Working Group was considering the cancellation text, the South Dakota Insurance Department issued several Certificates of Insurance Bulletins (2009). As a result, ACORD had to make specific changes to its Certificate Disclaimer Statement(s) (which state in part "This certificate is issued as a matter of information only...") and to its Cancellation Provision(s). ACORD presented the draft cancellation text developed by the working group to the South Dakota regulators and confirmed that the text satisfied its regulatory requirements.

Certificates of insurance may be viewed as a summarized reflection of an insurance policy and are only informational. The policy is the definitive source for its provisions, not the certificate. If any party in addition to the first named insured desires a copy of a cancellation notice in the event the policy is cancelled, that party should be expressly endorsed onto the policy as a cancellation notice recipient.

A Certificate of Insurance/Evidence of Insurance Additional Remarks Section, as well as the ACORD 101 Additional Remarks Forms may also be used to include more information about the policy, e.g. Number of Days of Written Notice.

WHAT IS THE STATUS OF CERTIFICATE UPDATES?

ACORD published new releases of all of its certificate forms in late 2009/early 2010. New versions of the ACORD 24 and ACORD 25 were published in October 2009 and the others were published January 2010. ACORD plans to release new editions of the ACORD 23 & 25 later in 2010 to address non-regulatory formatting changes approved by membership vote in November, 2009. The next release of the ACORD 23 will be expanded in scope to include leased equipment.

WHY ARE THE ACORD 27 & 28 TITLED "EVIDENCE" FORMS?

The ACORD 27 and 28 forms are certificates of insurance designed for delivery to parties that have a financial interest in the property covered by the policy listed on each. These parties are typically lending institutions and the lending community prefers the title "Evidence of..." as contrasted with "Certificate of...". Regardless of the "Evidence" reference in the title, these forms are certificates of insurance, and as stated in the forms, and as required by regulation, are issued as a matter of information only.

WHAT IS THE CURRENT AND FUTURE STATUS OF THE ACORD 27 AND 28?

ACORD's Certificates Working Group identified consideration of potential revisions to the ACORD 27 and 28 forms as a priority in 2008. Throughout 2008 and 2009, much time and effort was spent attempting to resolve differences of opinions concerning these forms, as well as related formatting enhancements. Active participants in the group represented lenders, producers, and insurers. In brief, despite extensive efforts, the participants were unable to come to consensus. The current forms reflect the result of required regulatory changes, and formatting changes developed by ACORD members in an ACORD working group, and voted on in our regular maintenance request process.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/17/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aspen Insurance Agency P O Box 510 Manchester NH 03105 INSURED XYZ Company 25 Main St Concord NH 03301	CONTACT NAME: PHONE (A/C, No, Ext): (603) 647-0800 FAX (A/C, No): (603) 647-0330 E-MAIL ADDRESS: PRODUCER CUSTOMER ID.#: 00002806
	INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: XYZ Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER: CL1121704232** **REVISION NUMBER:**

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.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY					EACH OCCURRENCE \$ 1,000,000
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		XYZ123	3/1/2011	3/1/2012	MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMP/OP AGG \$ 2,000,000
	POLICY PRO-JECT LOC					\$
A	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO		XYZ123	3/1/2011	3/1/2012	BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS					BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> SCHEDULED AUTOS					PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS					\$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS					\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR					EACH OCCURRENCE \$
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$
	DEDUCTIBLE					\$
	RETENTION \$					\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					<input checked="" type="checkbox"/> WC STATUTORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	XYZ123	3/1/2011	3/1/2012	E.L. EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> N/A				E.L. DISEASE - EA EMPLOYEE \$ 500,000
						E.L. DISEASE - POLICY LIMIT \$ 500,000

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

CERTIFICATE HOLDER XYZ Company 123 Main St Main, NH 12345	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

PRODUCER

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

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A

INSURER B

INSURER C

INSURER D

INSURER E

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE _____ OCCUR _____ GEN'L AGGREGATE LIMIT APPLIES PER POLICY _____ PRO-JECT _____ LOC _____				EACH OCCURRENCE \$ _____ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ _____ MED EXP (Any one person) \$ _____ PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS - COMP/OP AGG \$ _____
	AUTOMOBILE LIABILITY ANY AUTO _____ ALL OWNED AUTOS _____ SCHEDULED AUTOS _____ HIRED AUTOS _____ NON-OWNED AUTOS _____				COMBINED SINGLE LIMIT (Ea accident) \$ _____ BODILY INJURY (Per person) \$ _____ BODILY INJURY (Per accident) \$ _____ PROPERTY DAMAGE (Per accident) \$ _____
	GARAGE LIABILITY ANY AUTO _____				AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN AUTO ONLY EA ACC \$ _____ AGG \$ _____
	EXCESS/UMBRELLA LIABILITY OCCUR _____ CLAIMS MADE _____ DEDUCTIBLE _____ RETENTION \$ _____				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____ \$ _____ \$ _____
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) <input type="checkbox"/> Y/N If yes describe under SPECIAL PROVISIONS below OTHER _____				WC STATU- TORY LIMITS OTH- ER \$ _____ E L EACH ACCIDENT \$ _____ E L DISEASE - EA EMPLOYEE \$ _____ E L DISEASE - POLICY LIMIT \$ _____

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CERTIFICATE OF INSURANCE

Name of Self-Insured Employer:

Current Mailing Address:

Policy Number:

Effective Date of Certificate:

Length of Term of Policy:

Insured's Retention:

Aggregate Per Policy Term Amount:

Business Name of Insurance Company _____
Insurance Company

Authorized Representative: _____
For Insurance Company Representative

Title of Authorized Representative: _____
Title of Representative

Date

WCSI-4 (1/92)

Taken from NH DOL website ←
2-14-11



The State of New Hampshire
Insurance Department

21 South Fruit Street, Suite 14
Concord, NH 03301

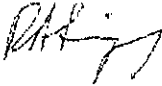
Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

BULLETIN

Docket No.: INS No. 09-048-AB

To: All Property and Casualty Insurers

From: Roger Sevigny 

Date: July 29, 2009

Subject: Guidance Concerning the Usage of Certificates of Insurance

NH law (RSA 417-C:2) requires at least ten (10) days notice of cancellation to the insured in the event of non-payment of premium or of a substantial increase in hazard. Insurers may increase this notice period at their discretion, but are not required to do so.

It has come to the attention of the New Hampshire Insurance Department that some insurance producers are being asked to issue Certificates of Insurance or other evidence of insurance coverage that do not reflect the insurer's ten (10) day cancellation standard. Specifically, the Department has received reports that the issuers of Certificates of Insurance are being asked to include a minimum thirty (30) day cancellation notice as part of the Certificate even though the insurer's standard provides a ten (10) day notice and the insurer has not authorized this change to their normal business practice. In at least some of the cases where this thirty (30) day notice was not provided, the insured is not being allowed to work on certain contracts, projects or job sites.

Certificates of Insurance are used to serve as proof of insurance and to summarize the terms, conditions and coverage included in the insurance policy, in lieu of providing a full copy of the policy. Certificates of Insurance issued as a summary or evidence of coverage must clearly state and accurately reflect the terms of the insurance policy and coverage provided. Issuing a Certificate of Insurance or other evidence of insurance coverage that misrepresents the policy terms, conditions or coverage is a violation of producer licensing laws and may subject the producer to license revocation. A producer issuing a Certificate of Insurance or other evidence of insurance coverage that provides

for a longer notice period than the insurer provides (for example, an increase of the minimum ten (10) day notice to thirty (30) days) without authority from the insurance company may also be subjecting his or her agency to an E&O exposure.

Each Certificate of Insurance or other evidence of insurance coverage shall include the following statement or one substantively similar: "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 referenced herein."

For further questions or information on Certificates of Insurance, please contact Deborah Stone at the New Hampshire Insurance Department at 1-603-271-2261 or visit the Department's website at www.nh.gov/insurance.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

PRODUCER INSURED	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. INSURERS AFFORDING COVERAGE _____ NAIC # _____ INSURER A _____ INSURER B _____ INSURER C _____ INSURER D _____ INSURER E _____
-----------------------------	--

COVERAGES
 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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE _____ OCCUR _____				EACH OCCURRENCE \$ _____ DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ _____ MED EXP (Any one person) \$ _____ PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS - COMP/OP AGG \$ _____
	GEN'L AGGREGATE LIMIT APPLIES PER POLICY _____ PRIJ _____ JECT _____ LOC _____				
	AUTOMOBILE LIABILITY ANY AUTO _____ ALL OWNED AUTOS _____ SCHEDULED AUTOS _____ HIRED AUTOS _____ NON-OWNED AUTOS _____				COMBINED SINGLE LIMIT (Ea. accident) \$ _____ BODILY INJURY (Per person) \$ _____ BODILY INJURY (Per accident) \$ _____ PROPERTY DAMAGE (Per accident) \$ _____
	GARAGE LIABILITY ANY AUTO _____				AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN AUTO ONLY EA ACC \$ _____ AGG \$ _____
	EXCESS UMBRELLA LIABILITY OCCUR _____ CLAIMS MADE _____ DEDUCTIBLE _____ RETENTION \$ _____				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____ \$ _____ \$ _____
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N if yes describe under SPECIAL PROVISIONS below OTHER _____				WC STATUTORY LIMITS OTH-LES _____ EL EACH ACCIDENT \$ _____ EL DISEASE - EA EMPLOYEE \$ _____ EL DISEASE POLICY LIMIT \$ _____

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES AUTHORIZED REPRESENTATIVE _____
--------------------	--

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CERTIFICATE OF INSURANCE

Name of Self-Insured Employer:

Current Mailing Address:

Policy Number:

Effective Date of Certificate:

Length of Term of Policy:

Insured's Retention:

Aggregate Per Policy Term Amount:

Business Name of Insurance Company: _____
Insurance Company

Authorized Representative: _____
For Insurance Company Representative

Title of Authorized Representative: _____
Title of Representative

Date

WCSI-4 (1/92)

Taken from NH DOL website
2-14-11



The State of New Hampshire
Insurance Department

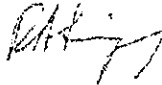
21 South Fruit Street, Suite 14
Concord, NH 03301

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

BULLETIN
Docket No.: INS No. 09-048-AB

To: All Property and Casualty Insurers

From: Roger Sevigny 

Date: July 29, 2009

Subject: Guidance Concerning the Usage of Certificates of Insurance

NH law (RSA 417-C:2) requires at least ten (10) days notice of cancellation to the insured in the event of non-payment of premium or of a substantial increase in hazard. Insurers may increase this notice period at their discretion, but are not required to do so.

It has come to the attention of the New Hampshire Insurance Department that some insurance producers are being asked to issue Certificates of Insurance or other evidence of insurance coverage that do not reflect the insurer's ten (10) day cancellation standard. Specifically, the Department has received reports that the issuers of Certificates of Insurance are being asked to include a minimum thirty (30) day cancellation notice as part of the Certificate even though the insurer's standard provides a ten (10) day notice and the insurer has not authorized this change to their normal business practice. In at least some of the cases where this thirty (30) day notice was not provided, the insured is not being allowed to work on certain contracts, projects or job sites.

Certificates of Insurance are used to serve as proof of insurance and to summarize the terms, conditions and coverage included in the insurance policy, in lieu of providing a full copy of the policy. Certificates of Insurance issued as a summary or evidence of coverage must clearly state and accurately reflect the terms of the insurance policy and coverage provided. Issuing a Certificate of Insurance or other evidence of insurance coverage that misrepresents the policy terms, conditions or coverage is a violation of producer licensing laws and may subject the producer to license revocation. A producer issuing a Certificate of Insurance or other evidence of insurance coverage that provides

for a longer notice period than the insurer provides (for example, an increase of the minimum ten (10) day notice to thirty (30) days) without authority from the insurance company may also be subjecting his or her agency to an E&O exposure.

Each Certificate of Insurance or other evidence of insurance coverage shall include the following statement or one substantively similar: "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 referenced herein."

For further questions or information on Certificates of Insurance, please contact Deborah Stone at the New Hampshire Insurance Department at 1-603-271-2261 or visit the Department's website at www.nh.gov/insurance

Voting Sheets

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 419-FN

BILL TITLE: relative to language in insurance certificates.

DATE: 3-9-11

LOB ROOM: 302

Amendments:

Sponsor: Rep. Infantine OLS Document #: 2011 0709h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Flanders

Seconded by Rep. Headd

Vote: 16-0 (Please attach record of roll call vote.)

Motions: OTR OTP/A ITL, Interim Study (Please circle one.)

Moved by Rep. Flanders

Seconded by Rep. Headd

Vote: 16-0 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Jim Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 419-FN

BILL TITLE: relative to language in insurance certificates.

DATE: 3-9-11

LOB ROOM: 302

Amendments:

Sponsor: Rep.

OLS Document #: 0709h

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. FLANDERS

Seconded by Rep. HEADD

Vote: 16-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. FLANDERS

Seconded by Rep. HEADD

Vote: 16-0 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Jim Headd, Clerk

COMMERCE AND CONSUMER AFFAIRS

Bill #: HB 419-FN Title: _____

PH Date: 1/1/11

Exec Session Date: 3/9/11

Motion: OTP

Amendment #: 07096

MEMBER	YEAS	NAYS
Hunt, John B, Chairman	/	
Coffey, Jennifer R, V Chairman	/	
Belanger, Ronald J	/	
Flanders, Donald H	/	
Quandt, Matt J	/	
Headd, James F	/	
Nevins, Chris F	/	
Palfrey, David J	/	
Sullivan, James M	/	
Bergevin, Jerry E	/	
Manuse, Andrew J	/	
Mauro, Donna C	/	
McGuinness, Sean M	/	
Rice, Frederick C	/	
Taylor, Kathleen N	/	
Meador, David R	/	
Gidge, Kenneth N	/	
Schlachman, Donna L	/	
	16-0	
TOTAL VOTE:		

COMMERCE AND CONSUMER AFFAIRS

Bill #: HB419-FN Title: _____

PH Date: 1/1/11 Exec Session Date: 3, 9, 11

Motion: OTP/A Amendment #: _____

MEMBER	YEAS	NAYS
Hunt, John B, Chairman	/	
Coffey, Jennifer R, V Chairman	/	
Belanger, Ronald J	—	
Flanders, Donald H	/	
Quandt, Matt J	/	
Headd, James F	/	
Nevins, Chris F	/	
Palfrey, David J	/	
Sullivan, James M	/	
Bergevin, Jerry E	—	
Manuse, Andrew J	/	
Mauro, Donna C	/	
McGuinness, Sean M	/	
Rice, Frederick C	/	
Taylor, Kathleen N	/	
Meader, David R	/	
Gidge, Kenneth N	/	
Schlachman, Donna L	/	
	16-0	
TOTAL VOTE:		

Committee Report

CONSENT CALENDAR

March 16, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on COMMERCE AND CONSUMER
AFFAIRS to which was referred HB419-FN,

AN ACT relative to language in insurance certificates.

Having considered the same, report the same with the
following amendment, and the recommendation that
the bill OUGHT TO PASS WITH AMENDMENT.

Rep. Donald H. Flanders

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	COMMERCE AND CONSUMER AFFAIRS
Bill Number:	HB419-FN
Title:	relative to language in insurance certificates.
Date:	March 10, 2011
Consent Calendar:	YES
Recommendation:	OUGHT TO PASS WITH AMENDMENT

STATEMENT OF INTENT

This bill establishes the model law relative to the content and form of certificates of insurance which are issued by an insurer or insurance producer as evidence of property or casualty insurance coverage. It also prohibits anyone from issuing a certificate that is not in compliance with the requirements of this law.

Vote 16-0.

Rep.
Donald H. Flanders
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

COMMERCE AND CONSUMER AFFAIRS

HB419-FN, relative to language in insurance certificates. **OUGHT TO PASS WITH AMENDMENT.**

Rep. Donald H. Flanders for **COMMERCE AND CONSUMER AFFAIRS**. This bill establishes the model law relative to the content and form of certificates of insurance which are issued by an insurer or insurance producer as evidence of property or casualty insurance coverage. It also prohibits anyone from issuing a certificate that is not in compliance with the requirements of this law. **Vote 16-0.**

Original: House Clerk
Cc: Committee Bill File

COMMITTEE REPORT

COMMITTEE: COMMERCE

BILL NUMBER: HB 419-FN

TITLE: RELATIVE TO LANGUAGE IN INSURANCE
CERTIFICATES

DATE: 3/9/11 CONSENT CALENDAR: YES NO

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2nd year of biennium)

Amendment No.

STATEMENT OF INTENT:

THIS BILL ESTABLISHES THE MODEL LAW RELATIVE
TO THE CONTENT AND FORM OF CERTIFICATES OF INSURANCE
WHICH ARE ISSUED BY AN INSURER OR INSURANCE PRODUCER AS
EVIDENCE OF PROPERTY OR CASUALTY INSURANCE COVERAGE. IT
ALSO PROHIBITS ANYONE FROM ISSUING A CERTIFICATE THAT IS
NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THIS LAW

COMMITTEE VOTE: 16-0

- Copy to Committee Bill File
- Use Another Report for Minority Report

RESPECTFULLY SUBMITTED,

Rep. Don Henders

For the Committee

HB 419-FN
Rep. Donald Flanders
OTP/A
#0709h
CC
16-0

This bill establishes the model law relative to the content and form of certificates of insurance which are issued by an insurer or insurance producer as evidence of property or casualty insurance coverage. It also prohibits anyone from issuing a certificate that is not in compliance with the requirements of this law.

Handwritten initials "JBF" circled in black.