

**AUTOMOBILE LIABILITY AND GENERAL LIABILITY
"CERTIFICATE OF INSURANCE" FORMS**

June, 1971

The Indiana Department of Insurance has noted that there is a growing tendency on the part of non-insurance companies to insist upon certificates of insurance on the part of their suppliers, contractors, subcontractors and others on forms these non-insurance companies have drafted themselves. These forms, generally speaking, are designed to simplify their own internal procedures and/or set forth the required insurance limits which the firm requires of its suppliers, contractors, subcontractors, and others doing work for their firm. These non-insurance forms, certified by insurance companies or their representatives, sometimes contain preprinted provisions such as limits of liability, hold harmless agreements, and other statements, any of which may be in direct opposition to the coverages as they actually exist in the policy they purport to certify.

Since these type practices are on the rise in Indiana, it is the Department's position that no company or company representative should issue any certificate of insurance which includes any coverages or limits not contained in their filings with the Indiana Department. If this is done, the Department has no alternative but to find such practices in violation of Indiana's insurance statutes and must deal with them accordingly. Nor should a company issue a certificate of insurance that purports to extend greater coverages or limits than the applicable policy extends, even if the purported extensions are within the scope of their filings with the Indiana Department.

Both of the above prohibitions are sound since the certificate of insurance containing information broader than the insurance coverage imposes upon the company, at the least a moral obligation and in many cases a contractual or legal obligation, to perform in accordance with the expanded certification where it has been accepted in good faith by the person to whom it was tendered.

Therefore, it is suggested that the following or similar language appear in any certificate issued:

"This certificate of insurance does not amend, extend or alter the coverage afforded by policy number _____ issued by: _____

Rather it is simply a synopsis or summary of the designated policy."

Oscar H. Ritz
Insurance Commissioner