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Bulletin 09-06

DATE: August 13, 2009
TO: All Property Casualty Insurers & Agents
FROM: Merle Scheiber, Director
RE: Certificates of Insurance

This bulletin is issued to clarify Bulletins [09-05](#) and [06-02](#). The disclosure language contained in [Bulletin 09-05](#) is as follows:

“This certificate of insurance does not affirmatively or negatively amend, extend, or alter the coverage afforded by the insurance policy.”

This language continues to be required on any certificate of insurance or memorandum of insurance that does not already contain substantially similar language. For certificates of insurance that contain substantially similar language, as is found in Acord 24, Acord 25, and ISO form IL C 001 09 03, the language in those forms will suffice and the issuer does not need to include the disclosure contained in [Bulletin 09-05](#). The use of Acord 24 or Acord 25 is only compliant if any certificates issued or delivered include the second page of the Acord forms that includes the disclosure.

However, Acord 24, Acord 25 and ISO form IL C 001 09 03 all contain language regarding cancellation that in most instances will not comply with [Bulletin 06-02](#) or [SDCL 58-11-29](#). Unless there is express written agreement from the insurer in the form of a policy provision, policy endorsement or some other form of binding written guarantee from the insurer that the insurer will follow the cancellation language in the certificate or memorandum of insurance, the person issuing the certificate must in some manner strike or delete the cancellation language from the form. Generally this has nothing to do with the number of days of notice of cancellation but rather it is noncompliant because the insurer does not provide and has no intention to provide notice of cancellation to the certificateholder or the person or entity that is provided with the certificate of insurance.