

*Insurance Department*106 East 6<sup>th</sup> Avenue ♦ Cheyenne, Wyoming 82002**BULLETIN: 01-2017**

TO: Insurers and Insurance Producers

RE: Certificates of Insurance

In 2014, the Wyoming legislature enacted W.S. § 26-13-125 regarding the filing, use and content of certificates of insurance. On July 1, 2014, the Wyoming Department of Insurance issued a memorandum providing information regarding the specific requirements of this statute. Subsequent to the July 1, 2014 memorandum, disputes remain regarding the specific prohibitions and requirements of W.S. § 26-13-125. The Department is issuing this Bulletin in an attempt to resolve these continuing disputes.

Wyo. Stat. § 26-13-125 provides specific prohibitions and requirements with respect to certificates of insurance prepared or issued as evidence of property or casualty insurance coverages on property, operations or risks located in this state, regardless of where the certificate holder, policy holder, insurer or insurance producer is located. Specific consequences for violation of these prohibitions and requirements are also identified in the statute. Those prohibitions, requirements and consequences are as follows:

**WHAT IS PROHIBITED**

1. **Wyo. Stat. § 26-13-125(a):** Prohibits any person from preparing, issuing or knowingly requesting a certificate of insurance to be issued unless the form has been filed and approved by the Commissioner.
2. **Wyo. Stat. § 26-13-125(a):** Prohibits any person from altering or modifying a certificate of insurance form unless the alteration or modification has been filed and approved by the Commissioner.
3. **Wyo. Stat. § 26-13-125(e):** Prohibits any person from demanding or requesting the inclusion of information on a certificate of insurance that the person knows contains any false or misleading information or that purports to affirmatively or negatively alter, amend or extend the coverage provided by the underlying policy of insurance.
4. **Wyo. Stat. § 26-13-125(g):** Prohibits any certificate of insurance from conferring to a certificate holder any new or additional rights beyond what the referenced policy of insurance provides.

5. **Wyo. Stat. § 26-13-125(h):** Prohibits a certificate of insurance from containing references to contracts other than the underlying contracts of insurance, including construction or service contracts.
6. **Wyo. Stat. § 26-13-125(j):** Prohibits a certificate of insurance from altering the terms and conditions of the provisions in the underlying policy regarding notice of cancellation, nonrenewal or material change concerning the policy.

**WHAT IS REQUIRED**

7. **Wyo. Stat. § 26-13-125(b):** Requires the Commissioner to disapprove or prohibit the use of a certificate of insurance form if it is unfair, misleading or deceptive; violates public policy; or fails to comply with Wyoming statutes.
8. **Wyo. Stat. § 26-13-125(d):** Requires each certificate of insurance to contain the language similar to: "This certificate of insurance is issued as a matter of information only and confers no rights upon the certificate holder. Subject to W.S. § 26-13-125(e), this certificate does not alter, amend or extend the coverage, terms, exclusions and conditions afforded by the policies referenced herein."
9. **Wyo. Stat. § 26-13-125(g):** Requires a certificate of insurance to accurately reflect the coverage and policy limits.
10. **Wyo. Stat. § 26-13-125(j):** Requires notice of cancellation, nonrenewal or any material change concerning a policy of insurance only if the person has notice rights under the insurance policy or endorsement to the policy.

**CONSEQUENCES OF VIOLATION**

1. Any certificate of insurance prepared, issued, or requested in violation of W.S. § 26-13-125 is null and void and of no force and effect.
2. Violations of W.S. § 26-13-125 are subject to administrative, criminal and/or civil penalties.

Any questions regarding this Bulletin or W.S. § 26-13-125 should be directed to the Staff Attorney.

7/28/17

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Date



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Tom Glause, Insurance Commissioner