



Certificates of Insurance Frequently Asked Questions

Please note: The content in this FAQ is not intended to serve as legal advice, and is only a general statement not directed to any particular set of facts.

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” or “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**
Vehicle or Equipment 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
- **ACORD 30**
Certificate of Garage Insurance
- **ACORD 31**
Certificate of Marine / Energy Insurance
- **ACORD 854-TX**
Texas Risk Pool Certificate of Property Coverage
- **ACORD 855-TX**
Texas Risk Pool Certificate of Liability Coverage

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.

Does ACORD issue Certificates of Insurance?

ACORD does not handle insurance policies or provide insurance coverage of any kind. ACORD provides the fillable forms that brokers, agents, or other properly licensed ACORD Forms subscribers use to issue Certificates of Insurance to policyholders. If you are a policyholder in need of a Certificate of Insurance, you should contact your broker or agent.

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 obliges 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 recommend 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. Any earlier editions of our forms that have been withdrawn from the ACORD Forms library are not kept up to date with respect 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 ACORD Forms versions are current by referring to our website (www.acord.org/forms).

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.

Once a form is outdated, ACORD no longer checks whether it remains regulatorily compliant. Thus, anyone using an outdated form does so at great risk.

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

How can I acquire a license to use an ACORD Certificate of Insurance?

To use ACORD Forms, you must be licensed by ACORD. Generally speaking, under ACORD's present licensing regime, agents and brokers can be licensed in two ways. Agencies with membership in certain ACORD programs, such as the ACORD Advantage Plus program, have an ACORD Forms license included with their membership or subscription.

Agents accessing ACORD Forms through an agency management system, or other authorized software, will still need to enter into an ACORD End User License to maintain compliance with ACORD's licensing requirements, and lawfully use ACORD Forms. The End User License must be acquired directly from ACORD. For more information, see www.acord.org/forms.

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.

Please contact ACORD for more details if needed, at memberservices@acord.org.

What is the status of certificate updates?

ACORD publishes new releases of its certificate forms as necessary to comply with regulatory requirements and industry standards.

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..." rather than "Certificate of...". Regardless of the "Evidence" reference in the title, these forms are Certificates of Insurance; as stated in the forms, and as required by regulation, they are issued as a matter of information only.