

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

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To: All Property and Casualty Insurers, Insurance Producers, and Other
Persons Engaged in the Business of Insurance in Minnesota

Subject: Certificates of Insurance Summarizing Terms of Insurance Policies

The Department of Commerce understands that, in some commercial contexts, parties will routinely enter a contract requiring one of the parties to have or obtain insurance with terms specified in the contract. To prove that such insurance has been obtained, the party often delivers to the party requiring such proof a Certificate of Insurance instead of the actual insurance policy. The Certificate of Insurance is issued by the party's insurer or insurance producer, and it summarizes the terms of the insurance policy. The Department understands that other circumstances give rise to the legitimate use of Certificates of Insurance as well.

However, insurers and insurance producers are sometimes asked to issue Certificates of Insurance that alter or supplement the terms and coverages of the insurance policy. Persons receiving such amended Certificates of Insurance should bear in mind that the altered or supplemental terms and coverages might not be contractually enforceable. Moreover, if such an amended Certificate of Insurance actually misrepresents the terms or existence of the insurance policy, then the insurer or insurance producer that issued the Certificate would be violating MINN. STAT. §§ 60K.43, subd. 1(5) or 72A.20, subd. 1 (2006). Violation of these laws could subject the insurer or insurance producer to administrative enforcement, including civil penalties and license revocation.

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