



## Certificate of Insurance Notes

1. **INSURED** - The “Insured” named on the certificate should match the name on the W-9 and on the invoices.
2. **GENERAL LIABILITY COVERAGE** – We require a \$1,000,000 minimum for each occurrence. An X must also be marked in the Additional Insured and Subrogation Waived columns.

### **Why do we require General Liability?**

The General Liability policy provides protection from claims arising from alleged injury, personal injury, or property damage liability.

### **Why do we require to be added as an additional insured?**

An additional-insured clause is designed to extend rights to a party other than the primary insured (the vendor). As an additional insured, the Association and KW Property Management, LLC (hereinafter referred to as the “client”) can file a claim against the primary insured if the activities of the vendor cause damages.

### **What is the difference between Certificate Holder and Additional Insured?**

A certificate of insurance listing the client as a certificate holder provides proof of insurance and does not provide any coverage to the client. A certificate of insurance listing the client as an additional insured indicates that the client is added to the policy and will be covered in the event of a lawsuit.

### **Why do we require a waiver of subrogation?**

Subrogation means, in a legal sense, one party has the right to “step into the shoes” of another party for the purpose of bringing a claim for damages. The waiver of subrogation clause provides that the vendor waive all its rights against the client for damages covered by the vendor’s insurance. The intent is to minimize lawsuits and claims among the parties. The risk of loss lies with the insured vendor, and they will not be allowed to seek further compensation from the client.

3. **WORKERS’ COMPENSATION COVERAGE** – We require Worker’s Compensation coverage, even if the company is exempt from obtaining Workers’ Compensation coverage by the State. An X must be marked in the Subrogation Waived column for the reasons listed in No. 2 above.

### **Why do we require Workers’ Compensation?**

Workers’ compensation is designed to ensure that employees who are injured or disabled while on the job are compensated properly, limiting the need for related lawsuits.

4. **DESCRIPTION OF OPERATIONS BOX** – This section may be used to copy verbatim information in the policy. The additional-insured and waiver of subrogation status should not be listed in this box. The appropriate columns must be marked with an X. Please be aware that using a certificate or attached form in an attempt to vary policy terms presents legal risks, including violation of insurance regulatory requirements, and should not be engaged in without prior consultation with insurance carriers, policies, and legal counsel.
5. **CERTIFICATE HOLDER** - Both the *Association* and *KW Property Management, LLC* must appear on the Certificate Holder Box. One Certificate of Insurance may include both names; however, the address listed must be the Association’s Management Office mailing address.

6. **ACORD FORM** - The certificate must be on an ACORD 25 (2014/01) Form or a later version.

### **Why do we require Certificates of Insurance to be presented on ACORD 25 (2009/09) or a later version?**

These current versions are compliant with state insurance regulatory requirements in all states and filed with the state insurance departments as required. Non-current versions of an ACORD form may not be compliant with

insurance regulations and should not be distributed for use. Thus, anyone using an outdated form runs the risk that the form is not compliant with statutory requirements.