



*****IMPORTANT NOTICE EFFECTIVE 1/1/12*****

TO CERTIFICATE HOLDER

We want to share with you some important information regarding certificates of insurance.

The Texas Legislature passed and Governor Perry signed Senate Bill 425 to become effective January 1, 2012. This law will require certificate of insurance forms to be filed with and approved by the Texas Department of Insurance before they can be used after the effective date of the law. In addition, the law explains current Texas Department of Insurance rules that a certificate of insurance must not obscure or misrepresent the coverage provided by the insurance policies. Definition of "Certificate" includes checklists, affirmations and electronic forms.

After January 1, a certificate holder who requires an agent or policyholder to use an unapproved form or insert inappropriate language on a certificate may be sued by the Attorney General for injunctive relief or to recover a civil penalty of up to \$1,000 for each such requirement. An insurance agency could incur significant penalties of up to \$1,000 for each violation under those rules and the new law, including the revocation of the agency's insurance license, if a certificate were issued exactly as the certificate holder requested.

For this reason, after 1/1/12 we will issue the standard certificate of insurance form and may not be able to comply with some of the items you request.

Certificate holders can mail certificate forms and special wording requests for approval to:

P&C Intake Unit
Texas Department of Insurance
333 Guadalupe
Austin, TX 78701
commercialpc@tdi.state.tx.us

Please contact us with any questions you may have.