

Sample Letter – Response to Improper Certificate Requests

Certified Mail
Return Receipt Requested

Date

Name
Address

RE: Violation of T.C.A. § 56-7-136

You have requested the issuance of a certificate of insurance that we believe is prohibited in Tennessee, and our insurance agency is unfortunately unable to comply with your request. We have instead provided you with a valid certificate that provides a courtesy summary of the referenced policy's terms, limits, and conditions. A copy of the underlying insurance policy is also available upon request.

As a result of legislative action that took effect on July 1, 2020, state law now regulates the preparation, issuance, request and use of certificates of insurance. Tennessee Code Annotated § 56-7-136 prohibits the issuance of certificates that do not accurately reflect the terms of the referenced policy. State law prohibits our business from issuing any certificate of insurance form or related document that:

- Purports to extend, alter or amend the coverage provided by the referenced insurance policy;
- Contains any false or misleading information concerning the referenced insurance policy; or
- Warrants that the referenced policy complies with the insurance or indemnification requirements of another contract.

The law also prohibits the alteration or modification of certificates of insurance after issuance. The law applies to all certificates of insurance issued in connection with property insurance or casualty insurance risks located in this state, regardless of where the policyholder, insurer, insurance producer, or person requesting or requiring the issuance of a certificate of insurance is located. Those who request the issuance of an improper certificate can be fined up to \$1,000 per violation or receive other administrative action.

Our business takes its legal obligations very seriously, and we appreciate your understanding of the limitations imposed on our agency by these statutory requirements. However, if you continue to request or demand the issuance of a certificate of insurance that does not conform to the terms of the referenced policy or the requirements of state law, or requests any other document that misrepresents the terms, limits, or conditions of an insurance policy, then we will not hesitate to report your actions to the Tennessee Department of Commerce and Insurance.

We encourage you to contact us if you have any questions about the certificate of insurance that you have been provided or any other matter. Thank you for your understanding and cooperation.