

What's the difference between the certificate holder and additional insured?

Certificate Holder:

The school district is provided with a certificate of insurance (COI) that shows that the vendor, the "Name Insured" does in fact maintain insurance and names the school district as the "Certificate Holder." Certificate holders are more likely to be notified or receive notifications in case of changes, annual renewal, or cancellation of the policy by the policyholder. However, they are not authorized to make a claim under the policy.

Additional Insured:

The school district is named as an "additional insured" on the certificate of insurance and is actually given coverage, and has rights under the vendor's, the "Named Insured" policy in the event of a future claim. Some carriers will charge the vendor a premium for this privilege because they are actually conferring coverage. On COI's, additional insured entities are indicated in these two ways: By an X or checkmark in the ADDL INSD box for each type of insurance evidenced on the COI and/or the additional insured entity is named in the DESCRIPTION OF OPERATIONS section.

Bottom Line:

Certificate Holder is simply proof of insurance, whereas Additional Insured status gives the main contractor coverage and rights under their sub-contractor's or vendor's, the "Name Insured" policy.

Additional Insured	Certificate Holder
Definition	
Named Entity is provided rights under the insurance policy in the event of future claim.	Named entity that is provided a certificate of insurance as proof of ownership of insurance maintained by the policyholder.
Claims Applicable	
Named entity can make a claim on the policy, providing them protection from risk that may arise on the policyholder's conduct or operations.	Named entity <u>cannot</u> make a claim under the policy.
Legal Rights	
Named entity has rights under the policy and can make a claim but is <u>not</u> guaranteed to receive changes made to the policy.	Named entity is more likely to receive notifications in case of changes, renewals, or cancellations by the policyholder.
Location on COI	
ADDL INSR must be checked OR description of Operations section should include the Additional Insured entity name and/or required language.	Certificate Holder section should include the Entity name.