

Section II: Certificates of Insurance / Collection Procedures

Definition

Documents that serve as evidence of insurance and are issued by the insurance company or its legal representative. The certificate lists the name of the policy holder ("Named Insured" or owner of the policy), lines of coverage, limits of liability, name of insurance company, policy period, policy number, name of the "Additional Insured" or certificate holder, if applicable, and other specifications.

Following are some suggestions for establishing a systematic approach to collecting and maintaining "Additional Insured" protection and Certificates of Insurance from your suppliers. This is not a process that would be necessary for suppliers such as hotels, attractions, scheduled airlines or cruiselines, or similar vendors, but is suggested for providers of land transportation (motorcoach, airport transfers, vans, etc.), for chartered air or chartered vessels, and for activities usually provided by Outfitters and Guides (river rafting, for example). For those instances in which the Operator contracts with Destination Management Companies (DMCs or receptive operators), then the Certificates should be obtained from these companies. In those instances in which "Additional Insured" protection is not available, at the very least, you should have an "indemnity provision" included in your agreement with that vendor. (See Indemnity section).

- Assign this task to a designated employee. For larger organizations, this would typically fall within the responsibility of the Risk Manager; for smaller organizations, this is usually the responsibility of the Office Manager or Financial Officer;
- Include the insurance requirements and Certificate of Insurance requests in your standard vendor agreements. The contract should not be signed until this documentation is presented to you;
- Make certain that the Certificates include general liability for bodily injury and property damage and cover the territory in which your group is travelling;
- Establish a spreadsheet of the suppliers you use on a regular basis that will include the suppliers' policy limits and expiration dates. Review this document monthly and contact those suppliers for updated Certificates of Insurance.