

The City Attorney  
City of San Diego  
MEMORANDUM  
236-6220

DATE: September 16, 1986

TO: Thomas F. Steinke, Deputy City Attorney  
FROM: Susan P. Harrison, Senior Legal Intern  
SUBJECT: Request Regarding Ten-Day Cancellation Clause  
on Certificate of Insurance and Alteration of  
Certificate of Insurance

The authority for the specific wording of the cancellation clause in question ("should any of the above described policies be cancelled before the expiration date thereof, the issuing company will mail ten-days written notice to the certificate holder named to the left") can be found in the San Diego Municipal Code ("Municipal Code") at various locations.

For example, in Chapter IX, Article 1, Section 91.0604.B., it provides that, with respect to persons wishing to demolish a structure:

Proof of insurance, acceptable to and approved by the Building Official and the City Attorney shall be filed

with The City of San Diego and shall provide that copies of all cancellation notices shall be sent to the City.

Emphasis added.

Each type of activity requiring insurance and a certificate thereof is governed by a different Municipal Code section. For each application, then, you will need to locate the appropriate Municipal Code section to determine whether it contains a proof of insurance provision such as that quoted above.

The ten-day notice requirement which our office has regularly requested is derived from the words "acceptable to and approved by . . . the City Attorney" in the proof of insurance clause. We interpret these words to mean that the City Attorney may require that a notice of cancellation be sent to the City within a reasonable time, and we believe ten days is a reasonable period of time.

In response to your second inquiry regarding whether a certificate of insurance can be altered, there exists no law which we have found stating whether or not a certificate may be altered.

There is a statute stating that a "representation" may not be altered after the insurance is effected. Insurance Code Section 355. However, a representation as to insurance is something

different from a certificate of insurance. Therefore, this statute is not applicable to your situation.

Moreover, none of the laws regarding what cannot be done with regard to insurance policies are applicable here, as a certificate of insurance is not an insurance policy. Insurance Code Section 384. Also, the contents of a certificate of insurance in no way affect the provisions of an insurance policy, i.e., the terms of the insurance policy govern over the contents of the insurance certificate in the event that the two documents are in conflict. In practice, then, certificates of insurance may be modified, but their contents should accurately reflect the contents of the policy.

In conclusion:

1. Authority for wording of cancellation clause and ten-day notice requirement is found in the Municipal Code.
2. A certificate of insurance may be modified as long as its contents accurately reflect the contents of the policy.

Susan P. Harrison

SPH:ta  
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