

A Review of the New Law That Affects Insurance Certificates Which List the “Additional Insureds”

INSURANCE INSIGHTS

By Ken Furst and Jason Schiciano, Levitt-Furst Associates



YONKERS—Are you a contractor, who requires subcontractors to name your company as an “Additional Insured?”

Or a property manager, who requests Certificates of Insurance from contractors, listing your firm and managed condos or co-ops, as “Additional Insured?”

Or a landlord who obtains Certificates of Insurance from landscaping, maintenance, and repair contractors, naming the building owner entity as Additional Insured? Or, are you a contractor who must provide Certificates of Insurance, naming your clients as “Additional Insureds?”

Most of the members of The Builders Institute (BI)/Building and Realty Institute (BRI) fall into one of these categories. Therefore, most BI-BRI members need to be aware of a new, and important interpretation of New York Insurance Law Section 502.

New York Insurance Law Section 502 became effective last July (see July/Aug. 2015 Impact article “New Insurance Certificate Law Is Effective July 28, 2015”). The law places important restrictions on acceptable types of Insurance Certificates. Only forms that are approved by the New York State Department of Financial Services (NYS-

DFS), such as those published by “Acord” or “ISO” (Insurance Services Organization), are acceptable (see http://www.dfs.ny.gov/insurance/insurers/cert_ins_approved.htm).

The law also restricts the wording that can be placed on a certificate, by forbidding wording that is contrary to, or goes beyond, the terms, conditions, language and coverage in the policy (policies) referenced on the certificate (see http://www.pia.org/IRC/qs/qs_other/QS31394.pdf). The new law resulted in questions about the methods of listing Additional Insureds on Insurance Certificates.

Most contractors have a “Blanket Additional Insured Endorsement” on their General Liability Policy which allows the contractor to name an entity (e.g. another contractor, a condo or a co-op, a property manager, or a landlord) as an Additional Insured if there is a written agreement for the contractor to do so.

In conjunction with such endorsements, it has been common practice for insurance brokers to issue Certificates of Insurance including words such as: “ABC Company is Additional Insured when required by a written contract.”

Insurance Certificates Do Not Protect the Additional Insured: A Written Agreement is Usually Required

Regarding the various blanket additional Insured Endorsements (there are dozens of different versions) that exist on contractor insurance policies, each have their own terms, conditions, exclusions, etc.

Insurance Law Section 502 raised questions about the legality of such summary statements (“ABC Company is Additional Insured when required by a written contract”), in absence of the specific terms of the contractor endorsement that could restrict or exclude coverage for the Additional Insured listed on the certificate.

NYSDFS’s solution - just decided in December of 2015 - is to require reference to (and

perhaps attachment of) the specific Additional Insured Endorsement, in conjunction with listing an Additional Insured on an Insurance Certificate.

Thus, one such example of acceptable Additional Insured Certificate Wording would be: “ABC Company is an additional insured as required by written contract, per endorsement number xx-xx-xx (copy attached).”

NYSDFS’s decision allows for many different versions of acceptable Additional Insured Certificate Wording, with the common condition that the additional insured endorsement form number (e.g. ISO form number, commonly listed on the top-right or bottom left of the endorsement pages) be included in the wording, and/or that the referenced endorsement be attached to the certificate.

When a certificate is issued in accordance with the NYSDFS guidelines referenced herein, the burden rests with the Additional Insured to read and understand the specific endorsement that governs additional insured status.

For questions relating to this topic, please contact your insurance broker, or Levitt-Furst, at (914)457-4200.

Editor’s Note: Levitt-Furst Associates is the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. The firm can be reached at (914) 376-2500.

THE HANLEY REPORT

By JEFF HANLEY
Associate Director, Building and Realty Institute (BRI)/IMPACT Editor



Reviewing a Variety of Issues, Conditions and Events for Building & Realty Industry Members

ARMONK – Diversity.

That word can most definitely be used to describe the content of this issue of IMPACT.

For starters, there are reports on a series of recent meetings and seminars that examined topics affecting the local building, realty and construction industry.

Analysis Articles on key issues and developments involving the industry are also featured. Add a section highlighting some of the 2015 meetings of The Building and Realty Institute (BRI) and the result is a definitive variety of reading options for our readers. The reports include:

- Two Page One reports summarizing statewide efforts calling for reforms to the state’s “Scaffold Law.” Officials representing the building, realty and construction industry and the general business sector are continuing their efforts to cite the many negatives of the law. The lead report on the topic was written by Tom Stebbins, executive director of The Lawsuit Reform Alliance of New York (LRANY).

The sidebar highlights report by Jason Schiciano, a principal of Levitt-Furst Associates. Levitt-Furst is the Insurance Manager for the BRI.

- An analysis in Tech Talk on how businesses and individuals can avoid security threats on the Internet. Andrea Wagner of Wagner Web Designs authored the report.
- Articles on recent membership meetings of The Cooperative and Condominium Advisory Council (CCAC) that examined important topics affecting the local co-op, condo and property management sector.
- A two-page report on the Dec. 11th Holiday Reception of the BRI. More than 115 members of the BRI and the local building and realty industry attended the event. The reception is one of the most popular events of the association.
- Reports from The National Association of Home Builders (NAHB) that review conditions affecting the building and realty industry.
- An analysis from The National Association of The

Remodeling Industry (NARI) on factors affecting remodelers and the clients that they serve.


- A summary in Insurance Insights that reviews the new law that affects Insurance Certificates which list the “Additional Insureds.” The article was written by Jason Schiciano and Ken Furst of Levitt-Furst Associates. Levitt-Furst Associates is the Insurance Manager for the BRI.
- An article summarizing the initiative to strengthen Westchester County as a major innovation hub. The report covers the recent announcement of Westchester County Executive Rob Astorino of a proposed \$1.2 billion private investment to build a bioscience and technology complex on a vacant site owned by the county in Valhalla, adjacent to the Westchester Medical Center and New York Medical College. Called The Westchester BioScience and Technology Center, the nearly 3 million-square-

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A Look Back At 2015

By Jeff Hanley, *IMPACT* Editor

ARMONK – Members of the local building, realty and construction industry attended more than 65 meetings, seminars and networking/social events sponsored by The Builders Institute (BI)/Building and Realty Institute (BRI) in 2015.

The BI-BRI and its affiliate organizations—The Advisory Council of Managing Agents (ACMA), The Apartment Owners Advisory Council (AOAC), The Commercial Builders Advisory Council (CBAC), The Cooperative and Condomini-

um Advisory Council (CCAC), The Home Builders Advisory Council (HBAC) and The Remodelers Advisory Council (RAC)—sponsored conferences that covered a series of key topics for the industry. Photos of some of those

meetings are featured in this special montage. The BI-BRI is a building, realty and construction industry membership organization. The association has more than 1,400 members in 14 counties of New York State. Mem-

bers of the organization are involved in virtually every sector of the industry. The BI-BRI will be marking the 70th anniversary of its formation throughout 2016, association officials recently announced. The organization is based in Armonk.

JANUARY



Anthony Chillemi of CertaPro Painters is pictured while addressing the January seminar of The Advisory Council of Managing Agents (ACMA) of The Building and Realty Institute (BRI). —Photo by Jeff Hanley

FEBRUARY



REVIEWING THE INDUSTRY'S NEW INSURANCE CERTIFICATE – More than 85 members of The Builders Institute (BI)/Building and Realty Institute (BRI) attended the association's Feb. 12 General Membership Meeting. The meeting reviewed the specifics of the building and realty industry's new Insurance Certificate. Ken Fuirst, a principal of Levitt-Fuirst Associates, insurance manager of the BI-BRI, is pictured at the podium while addressing the topic. The conference was at the Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley



ACMA MEETS – The Advisory Council of Managing Agents (ACMA) held its first Membership Meeting of 2015 on Feb. 25. The meeting examined issues of importance to property managers in the Westchester and Mid-Hudson Region. Pictured during the event are, from left to right, ACMA Member Larry Newman; Ken Finger, chief counsel, Building and Realty Institute (BRI); David Amster, ACMA chair; and Albert Annunziata, executive director, BRI. The conference was at The Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley

MARCH



IN ALBANY – Representatives of The Building and Realty Institute (BRI) and The Apartment Owners Advisory Council (AOAC) were in Albany on Mar. 2 to voice the concerns of the building and realty sector on key issues affecting the industry. Pictured during one meeting are, from left to right, Carmelo Milio, chairman, AOAC; Albert Annunziata, executive director, BRI; Assembly Member Amy Paulin (D-88 AD); Ken Finger, chief counsel, AOAC/BRI and Glenn Riddell, Lobbying Consultant, AOAC/BRI. —Photo by Legislative Photographic Services

MAY



AN IMPORTANT UPDATE – The Board of Trustees of The Builders Institute (BI)/Building and Realty Institute (BRI) received an update on May 14 on important legislative events affecting the building, realty and construction industry. Pictured at the briefing are, from left to right, Ken Finger, chief counsel, BI/BRI; Glenn Riddell, lobbying consultant, BI/BRI; and BI/BRI Board Members Joe Pizzimenti and Nat Parish. The update was presented prior to the General Membership Meeting of the BI/BRI. Both events were at the Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley



ENERGY ISSUES – "Electric and Gas Issues Affecting The Building, Realty and Construction Industry" was the topic of the May 14 General Membership Meeting of The Builders Institute (BI)/Building and Realty Institute (BRI). Officials from Con Edison provided BI-BRI members with a series of updates on the issues through a panel presentation. Pictured during the event are, from left to right, Panel Member Richard Brown; Eric Abraham, BI-BRI president; and Panel Members Charlie Lienhart; Steve Malena and Mark Drexel. Also pictured, on the right and to the left of Drexel, is Albert Annunziata, executive director of the BI-BRI. More than 65 BI-BRI members attended the program at The Crowne Plaza Hotel in White Plains. —IMPACT Staff Photo



THE ANNUAL MEETING OF GROUP 530 – New York State Workers Compensation Group 530 of The Building and Realty Institute (BRI) held its Annual Meeting on May 19. The event was at the offices of Levitt-Fuirst Associates, Ltd. in Yonkers. Levitt-Fuirst Associates is the manager of Group 530. Pictured during the meeting are, from left to right, John Bonito, a member of the Executive Committee of Group 530; Jason Schiciano, president of Levitt-Fuirst Associates; Victor Kavy, a member of the Executive Committee of Group 530; and John Holzinger, chairman of Group 530's Executive Committee. Group 530 is the Workers Compensation Insurance Group for The Advisory Council of Managing Agents (ACMA), The Apartment Owners Advisory Council (AOAC) and The Cooperative and Condominium Advisory Council (CCAC) of the BRI. —Photo by Jeff Hanley



THE CCAC MEETS – The May 20 Membership Meeting of The Cooperative and Condominium Advisory Council (CCAC) examined the reassessment process in the Town of Greenburgh and its effects on co-ops and condos. More than 45 CCAC members attended the event at The Crowne Plaza Hotel in White Plains. Pictured during the program are, at the podium, from left to right, Program Speakers Dan Finger, Esq., Finger and Finger, A Professional Corporation; and Kevin M. Schick, McGrath and Company, Inc., Real Estate Appraisers and Counselors. —Photo by Jeff Hanley

JUNE



SWORN IN — Carl Finger, a Scarsdale resident and associate counsel to The Building and Realty Institute (BRI), was sworn in as a newly-elected Trustee for the Village Board of Scarsdale. Finger is pictured, on the left, during the ceremony. —Photo by Albert Annunziata



Carmelo Milio, chair of The Apartment Owners Advisory Council (AOAC), is pictured at the podium during the White Plains Public Hearing of The Westchester County Rent Guidelines Board on June 8th. Milio is shown while issuing the overall building and realty industry testimony at the Common Council Room at City Hall in White Plains. —Photo by Jeff Hanley



Albert Annunziata, executive director of The Apartment Owners Advisory Council (AOAC) and its affiliate organization, The Building and Realty Institute (BRI), spoke on behalf of the building and realty industry at the White Plains Public Hearing of The Westchester County Rent Guidelines Board on Jun. 8. Annunziata is pictured while addressing the board at the Common Council Room at City Hall in White Plains. Annunziata reviewed the continuing challenges that Owners and Managers are facing. —Photo by Jeff Hanley



ACMA MEETS — The Advisory Council of Managing Agents (ACMA) held its Spring Membership Meeting on Jun. 17. Pictured during the event are, from left to right, Ken Finger, chief counsel, Building and Realty Institute (BRI); David Amster, chair, ACMA; and Colleen Darcy, pesticide control specialist I, New York State Department of Environmental Conservation (NYSDEC), Region 3. Darcy covered issues of importance to property managers and owners. The meeting was at The Crowne Plaza Hotel in White Plains. ACMA is composed of the leading property management firms in the Westchester and Mid-Hudson Region, association officials said. —Photo by Jeff Hanley

OCTOBER



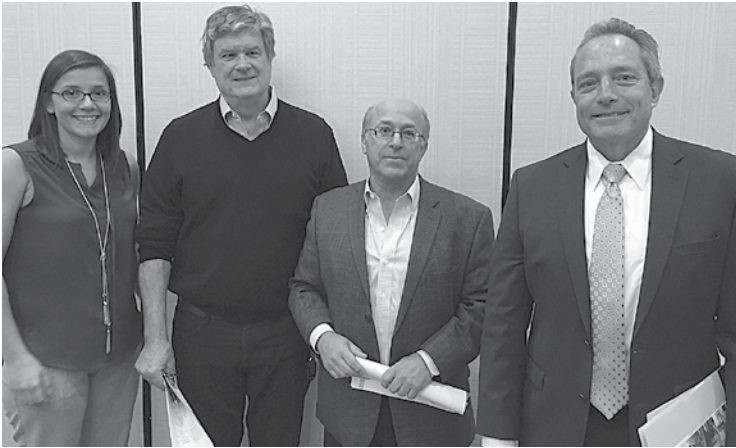
AT THE TOURNAMENT—More than 80 members of the local building, realty and construction industry participated in the annual Golf Outing/Tournament of the Builders Institute (BI)/ Building and Realty Institute (BRI) on Oct. 5 at Willow Ridge Country Club in Harrison. Pictured are some BI/BRI members who participated in the Dinner/Awards portion of the event. —Photo by Jeff Hanley



REVIEWING WESTCHESTER'S ELECTIONS—“An Overview of The Upcoming Legislative Elections in Westchester County” was the topic of the Oct. 15 General Membership Meeting of The Building and Realty Institute (BRI). Pictured during the program are, from left to right, Albert Annunziata, executive director of the BRI, and Jim Maisano (R-LD 11), minority leader of The Westchester County Board of Legislators. More than 55 BRI members attended the program at The Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley



THE CCAC BOARD MEETS — The Board of Directors of The Cooperative and Condominium Advisory Council (CCAC) met on Oct. 13 at The Crowne Plaza Hotel in White Plains. The board planned upcoming meetings, programs and strategies for the CCAC. Pictured during the event are, from left to right, CCAC Board Members Jane Curtis, Pat Kinsey, Dori Engley, Kathleen Jensen-Graham, Clementine Carbo, Peg Conover, Sondra Laskay, Michele Lavarde and Cesare Manfredi. Jason Schiciano of Levitt-Fuirst Associates, insurance manager for the CCAC, is pictured on the far right. Diana Virrill, CCAC chair, presided over the meeting but is not pictured. An affiliate of The Building and Realty Institute (BRI), the CCAC represents more than 300 co-ops and condos. —Photo by Jeff Hanley



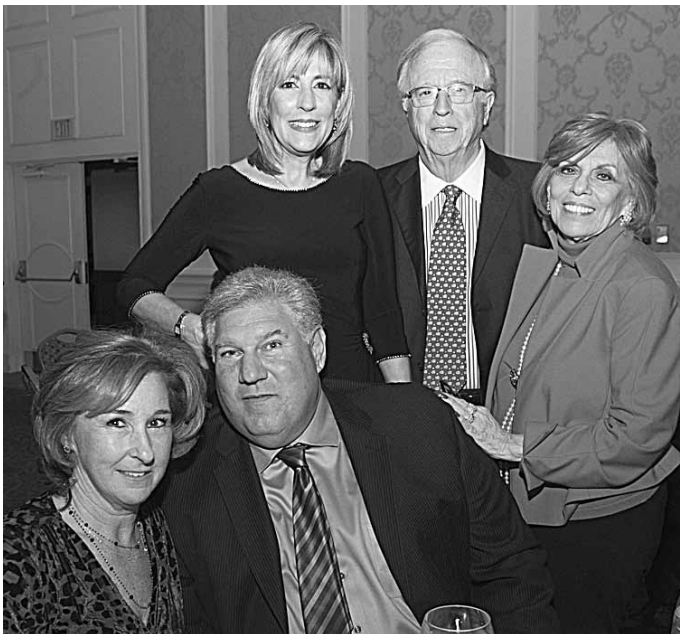
ACMA MEETS — The Advisory Council of Managing Agents (ACMA) held its Fall Membership Meeting on Oct. 21 at the Crowne Plaza Hotel in White Plains. ACMA, an affiliate organization of The Building and Realty Institute (BRI), is composed of property managers of co-ops, condos and rental apartment buildings. Pictured at the event are, from left to right, ACMA Board Members Jennifer Campion and John Holzinger; ACMA Vice Chair Jeff Stillman; and ACMA Chair David Amster. —Photo by Jeff Hanley



ENERGY ISSUES EXAMINED — Members of The Building and Realty Institute (BRI) and The Advisory Council of Managing Agents (ACMA) received a review of key energy issues affecting the building and realty industry at ACMA's Membership Meeting on Oct. 21. Michael H. Gilbert, a business development manager for Con Edison (pictured at the podium during the meeting), issued the review. The meeting was at the Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley

Celebrating the Season:
The BI-BRI Holds Its Annual Holiday Reception

Continued from page 8



Representatives of each component association of The Building and Realty Institute (BRI) participated in the organization's Annual Holiday Reception on Dec. 11 at Doral Arrowwood in Rye Brook. Pictured during the reception are, from left to right and seated, Michele Boniello and Gus T. Boniello of The Home Builders Advisory Council (HBAC) of the BRI. Pictured from left to right, standing, are Francine Camardella, Bill Doescher and Linda Blair, members of The Remodelers Advisory Council (RAC) of the BRI. Boniello is a past president of the BRI. Camardella and Blair are board members of the RAC.



Many sectors of the diverse membership of The Building and Realty Institute (BRI) had opportunities for networking at the association's Annual Holiday Reception on Dec. 11 at Doral Arrowwood in Rye Brook. Pictured during the dinner portion of the event are, from left to right and seated, Ondrea Schiciano; Jason Schiciano; Susan Fuirst and Ken Fuirst. Jason Schiciano and Ken Fuirst are the principals of Levitt Fuirst Associates, insurance manager for the BRI. Pictured standing, from left to right, are Jill LaRocque, Brett LaRocque, Rose Zappi and Jim Zappi, all BRI members.



Several members of The Apartment Owners Advisory Council (AOAC) of The Building and Realty Institute (BRI) attended the Annual Holiday Reception of the BRI on Dec. 11 at Doral Arrowwood in Rye Brook. Pictured at the event, from left to right, are Lisa DeRosa, 2016 vice chair, AOAC; Michael Panitz; Alana Ciuffetelli, 2016 chair, AOAC; and Frank Marto.



The Building and Realty Institute (BRI) honored its 2014-2015 President (Eric Abraham) and Chairman (Michael Beldotti) during its Annual Holiday Reception on Dec. 11 at Doral Arrowwood in Rye Brook. Pictured during a special ceremony honoring the terms of Abraham and Beldotti are, from left to right, Jeff Hanley, Associate Director, BRI; Abraham; and Albert Annunziata, executive director, BRI. Hanley is shown while reading the inscription on a plaque commemorating Abraham's service. Beldotti was unable to attend the event.



Pictured during the beginning of the Dinner Portion of The Annual Holiday Reception of The Building and Realty Institute (BRI) on Dec. 11 at Doral Arrowwood in Rye Brook are, from left to right, Albert Annunziata, executive director, BRI; Margaret Annunziata; and Silvio Solari, board member, Apartment Owners Advisory Council (AOAC) of the BRI.



Pictured moments before the Awards Ceremony of The Building and Realty Institute's (BRI's) Annual Holiday Reception on Dec. 11 at Doral Arrowwood in Rye Brook are, from left to right, Angelo Ponzi, BRI board member; and building and realty industry members Dina Gulli and Monica Picarelli. Ponzi is also vice chair of The Cooperative and Condominium Advisory Council (CCAC) of the BRI.



Members of The Cooperative and Condominium Advisory Council (CCAC) of The Building and Realty Institute (BRI) participated in the Annual Holiday Reception of the BRI on Dec. 11 at Doral Arrowwood in Rye Brook. Pictured during the opening portion of the program are, from left to right, CCAC Board Members Michele Lavarde and Dori Engley.



The opening portion of the Holiday Reception of The Building and Realty Institute (BRI) produced many chances for BRI members to network. Pictured during the Dec. 11 event at Doral Arrowwood in Rye Brook are, from left to right, BRI Members Ava Lupica, Tina Thiakodemitis and Dawn Lombardo.



Pictured during the opening stages of the Dinner Portion of The Building and Realty Institute's (BRI's) Annual Holiday Reception on Dec. 11 at Doral Arrowwood in Rye Brook are, from left to right, Ava Lupica and Bob Lupica. Bob Lupica is a Professional Services Member of the BRI. He is also a board member of The Advisory Council of Managing Agents (ACMA) of the BRI.