



IACON BREAKOUT SESSION

Additional Insured Endorsements

How They Changed and Why They Matter

September 30, 2026

A sample of the practical technical training in AILP

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60-Minute Roadmap



Time	Segment	Focus
5 min	Why AI status matters	Risk transfer, direct policy rights, defense expectations.
25 min	Endorsement evolution	CG 20 10 / CG 20 37 wording changes; ongoing vs. completed operations.
15 min	Automatic AI status	CG 20 33 / CG 20 39 privity traps; CG 20 38 / CG 20 40 solution.
10 min	Certificate issues	PNC, waiver, outdated form requests, ACORD 25 limits.
5 min	Wrap-up	Verify form number, edition date, operations, contract language, and documentation.

The goal is not to memorize every edition. The goal is to know which wording controls the promised AI protection.

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Policy Rights vs. Contract Rights



AI status and indemnity are related, but they are not the same coverage pathway.

Additional insured status

- Creates insured status if endorsement conditions are met.
- May include defense as an insured, subject to policy terms.
- Scope depends on endorsement language, edition, schedule, and contract trigger.

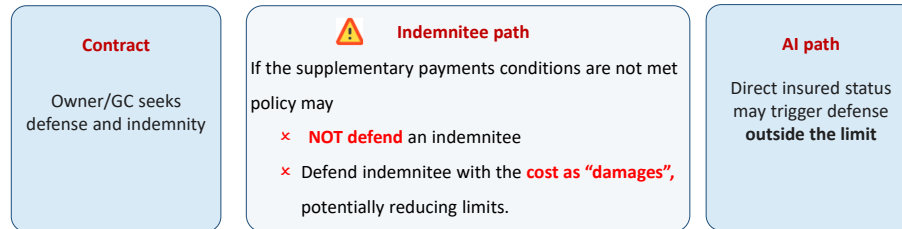
Indemnitee status

- Arises from a separate indemnity agreement.
- Coverage depends on "insured contract" definition
- May be limited by anti-indemnity law, supplementary payments conditions or endorsement.
 - ✗ Contractual Liability Limitation CG 21 39 10 93
 - ✗ Amendment of Insured Contract Definition CG 24 26 04 13.

Practical point: AI status may operate even where indemnity is narrowed, challenged, or not enough to meet the contract expectation.

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- Indemnatee defense can depend on compliance with specific policy conditions.
- The second portion of the supplementary payments section of the policy describes the insurer's obligation to defend an indemnitee of the insured.
- **The contract must assume the indemnitee's defense...**

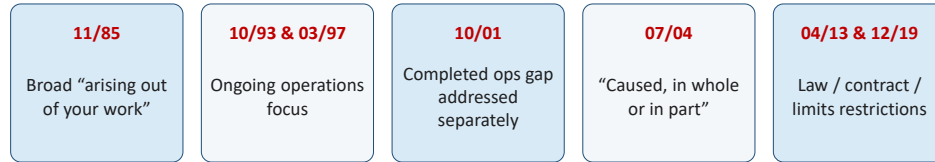
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Question	Why it matters
1. Who is the AI?	Scheduled name, written-contract party, or other party required by contract.
2. What operations?	Ongoing operations only, completed operations, or premises/lessor exposure.
3. What trigger?	“Arising out of” versus “caused, in whole or in part, by.”
4. What limits?	Policy limit versus amount required by contract.
5. What restrictions?	Allowed by law, no broader than contract, scheduled location/project, exclusions.

Evolution at a Glance



The major shift is from broad “arising out of” wording to more controlled, contract-sensitive wording.



- Older editions often remain in contracts even when they are obsolete or unavailable.
- The form title alone is not enough; **edition date changes coverage materially.**
- Completed operations coverage must be separately confirmed.

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CG 20 10 11 85: Broad AI Grant



Additional Insured — Owners, Lessees or Contractors — Scheduled Person or Organization.

Key grant

- Scheduled person/organization added as an insured.
- Coverage tied to liability “**arising out of your work.**”
- “Your work” was broad enough to generate **ongoing and completed operations coverage**

Practical effect

- Broader than later editions.
- Can create expectations for sole-fault or completed-operations protection.
- Many current contracts still request this obsolete edition.

Do not confirm “CG 20 10” without confirming the edition date.

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Why “Arising Out Of” Created Tension



- ❑ *Pardee Construction Co. v Insurance Company of the West*, Cal 4th App Dist Div 1 (D031946, 2000)

“Your work”:
a. Means:
 (1) Work or operations performed by you or on your behalf; and
 (2) Materials, parts or equipment furnished in connection with such work or operations.
b. Includes:
 (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your work”; and
 (2) The providing of or failure to provide warnings or instructions.

1985 CG 20 10 - Sole fault coverage

The phrase **“arising out of”** interpreted broadly, including claims where additional insured's negligence contributed to the loss, **as long as a connection to named insured's work**

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you.

- ❑ Completed Ops claim where most sub's insurers said the endorsement only provides AI status to ongoing operations.

- ❑ Court disagreed per the definition of “your work” which *“includes warranties and representations—liability exposures that do not even exist until the work is completed.”*

- ❑ Court quoted the analyses of a number of insurance commentators, all of whom agreed that **“your work” includes completed operations**

❖ Third party action over claims

- Subs employee injured by operation on job of GC's employee
- Sub's employee sues GC
- GC finds coverage under AI end. on Sub's policy ...as injury arose out of sub's operations

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1993 / 1997: The Ongoing Operations Shift



ISO attempted to narrow CG 20 10 from broad “your work” language.

Edition	Main change	Coverage issue
CG 20 10 10 93	Changed “arising out of your [the named insured's] work” to “ your ongoing operations ”.	Completed operations no longer clearly included.
CG 20 10 03 97	Removed “your work”; retained ongoing operations concept.	Contracts requiring post-completion protection still were not satisfied.
Agent issue	Client asks for “all claims” or post-completion status.	Need separate completed operations solution.

Ongoing operations does not mean completed operations. Treat them as separate coverage questions.

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CG 20 10 10 01: Still Not the Whole Answer



Additional Insured — Owners, Lessees or Contractors — Scheduled Person or Organization.

- Continues to restrict insured status to ongoing operations.
- Adds an exclusion eliminating completed operations under the CG 20 10 path.
- Creates the need to pair the ongoing operations form with a completed operations form when the contract requires both.

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CG 20 37 10 01: Completed Operations Solution



Additional Insured — Owners, Lessees or Contractors — Completed Operations.

What it does

- Provides AI status for completed operations exposure.
- Designed to address the gap left when CG 20 10 became ongoing-operations focused.
- Requires the person/organization to be scheduled.

CG 20 10 + CG 20 37 is the common scheduled-form pairing when both operations periods are required.

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Ongoing Operations vs. Completed Operations



The words sound similar; the coverage periods are not interchangeable.

Question	Ongoing operations	Completed operations
When?	During the named insured's work.	After the named insured's work is completed.
Common scheduled form	CG 20 10 — Additional Insured — Owners, Lessees or Contractors — Scheduled Person or Organization.	CG 20 37 — Additional Insured — Owners, Lessees or Contractors — Completed Operations.
Common mistake	Assuming ongoing operations remains effective after completion.	Forgetting to schedule the AI on the completed operations form.
Certificate issue	Box/wording may imply both without both endorsements.	Certificate cannot create post-completion AI status.

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Outdated Form Requests



Older editions may be unavailable, broader than current market intent, or inconsistent with current filings.

- Contracts may request CG 20 10 11 85, 10 93, 03 97, or 10 01 by edition date.
- The agent should not certify that an obsolete edition applies unless that **exact endorsement** is attached.
- When only newer editions are available, explain the difference rather than using certificate wording to bridge the gap.
- Document that the certificate reflects actual coverages in force, not every contractual requirement.

Practical response: "We can show the forms actually attached; contract compliance is a separate legal/contract issue."

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2004 Pivot: “Caused, In Whole or In Part”



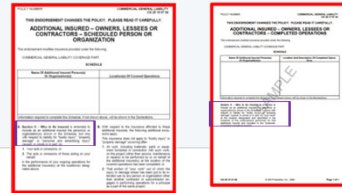
The 07/04 editions changed the causation threshold for CG 20 10 and CG 20 37.

Earlier wording

- “Arising out of” your ongoing operations or work.
- Broader causal relationship.
- Could support arguments for sole-fault AI coverage.

2004 and later wording

- BI/PD must be **caused, in whole or in part**, by the named insured’s acts or omissions.
- No sole-fault coverage for the AI.
- Coverage depends on named insured fault, at least in part.



This is one of the most important edition-date distinctions.

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2013 / 2019 Restrictions



Modern editions add contract-sensitive and legal-limit guardrails.

- Only the **coverage permitted by law** is provided.
- The AI cannot receive broader **coverage** than the **contract or agreement requires**.
- The AI cannot receive higher **limits** than **required by the contract**, even if the policy limit is higher.



This makes the contract language part of the coverage analysis, not just an underwriting document.

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Pre-2013 vs. 2013+ Comparison

How the modern editions narrowed and conditioned additional insured coverage.

Pre-2013 editions

- Coverage analysis focused primarily on **endorsement wording** and claim facts.
- No built-in “**coverage permitted by law**” limitation.
- No express cap tying AI coverage to the **contract or agreement’s required scope**.
- No express limit cap based on the **amount required by contract**.
- Older form requests may imply broader coverage than the current form provides.

2013+ editions

- **Contract language** becomes part of the coverage analysis—not just an underwriting document.
- Only **coverage permitted by law** is provided.
- Coverage cannot be broader than the **contract or agreement requires**.
- Limits cannot exceed the **amount required by the contract** or available policy limits, whichever is less.

2013+ forms make the contract language part of the coverage analysis.

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Scheduled AI Forms: Practical Issues

Scheduled endorsements create precision — and administrative traps.

- Scheduled person or organization must be correctly identified.
- The project, location, or operations description must align with the contract and exposure.
- Separate endorsements may be needed for separate entities, projects, or operations periods.
- Prior to 1998 ISO provided no specific way to extend additional insured status to any entity without that entity being specifically scheduled.

Use scheduled forms when the automatic form trigger does not match the contractual chain.

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Automatic AI Status Is Not “Blanket” Status



ISO automatic AI forms require a specific trigger.

- Automatic AI status is activated by the written contract or agreement required by the endorsement.
- The endorsement **may apply only to parties in privity** with the named insured.
- The endorsement still contains scope restrictions, exclusions, and edition-date limits.
- “Blanket AI” shorthand can be misleading unless the endorsement trigger is understood.

Preferred wording for agents: “automatic additional insured when required by written contract and subject to the policy form.”

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CG 20 33: Written Agreement “With You”



Additional Insured — Owners, Lessees or Contractors — Automatic Status
When Required in Written Construction Agreement With You.

Trigger

- Written construction agreement must require AI status.
- The agreement must be with the named insured: **“with you.”**
- Ongoing operations only.



Coverage limitation

- The title itself signals the limitation.
- Privity requirement can leave upstream parties uninsured.
- No completed operations coverage under CG 20 33.

Do not treat CG 20 33 as a solution for every upstream party on the job.

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The Privity Trap: Westfield v. FCL Builders



CG 20 33 can fail when the upstream party did not contract directly with the named insured.

- Westfield Insurance Co. v. FCL Builders, Inc. (2011)
- JAK, the sub-subcontractor, was the named insured under the Westfield policy.
- Suburban, the subcontractor that hired JAK, had a direct written agreement with JAK requiring additional insured protection.
- FCL, the general contractor, did not qualify as an additional insured because it had no direct written agreement with JAK requiring that status.
- JAK's contract with Suburban required coverage for FCL, **but that requirement did not satisfy the endorsement's requirement for a direct written agreement between JAK and FCL.**
- The problem is not the absence of a contract requirement; it is the **"with you"** trigger.

When the contract requires AI status for non-signatory upstream parties, CG 20 33 will not be enough.

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CG 20 33: Edition Changes and Exclusions



- 1998, and 2001 editions used **"arising out of"** language.
- 2004, 2013, and 2019 editions require BI/PD/PI **caused, in whole or in part**, by the named insured.
- 2013 and 2019 limit to
 - coverage allowed bylaw
 - Coverage requested
 - Limit requested
- All editions include a professional liability exclusion not found in CG 20 10.
- **All editions include a completed operations exclusion**



If completed operations is required, Automatic completed operations endorsement not created by ISO until **12/2019**

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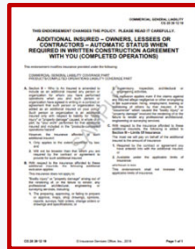
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CG 20 39: Written Agreement “With You”

Additional Insured - Owners Lessees or Contractors - Automatic Status When Required in a Written Construction Agreement **With You** (Completed Operations)

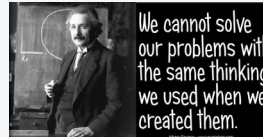
Trigger

- Written construction agreement must require AI status.
- The agreement must be with the named insured: “with you.”
- Completed operations only.



Coverage limitation

- Privity requirement **still can leave upstream parties uninsured.**
- The title itself signals the limitation.



Automatic completed operations endorsement created by ISO in 12/2019

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CG 20 38 and CG 20 40: Other Parties Solution

Additional Insured — Owners, Lessees or Contractors — Automatic Status **for Other Parties** When Required in Written Construction Agreement.

Automatic status for parties required by a contract between the named insured and someone else.

CG 20 38

- Ongoing operations **solution for non-signatory parties.**
- Introduced in 2013.



CG 20 40

- Counterpart to CG 20 38 - same concept, but for completed operations.
- Introduced in 2019.



These forms are the **better** fit when the contract requires AI status for upstream parties that did not contract directly with the named insured.

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Automatic AI Form Selection Map



Choose the form by both operations period and contractual relationship.

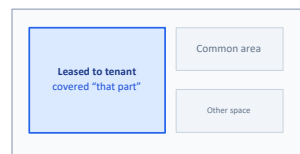
Need	Party contracted with named insured	Party did not contract with named insured
Ongoing operations	CG 20 33 — Additional Insured — Owners, Lessees or Contractors — Automatic Status When Required in Written Construction Agreement With You.	CG 20 38 — Additional Insured — Owners, Lessees or Contractors — Automatic Status for Other Parties When Required in Written Construction Agreement.
Completed operations	CG 20 39 — Additional Insured — Owners, Lessees or Contractors — Automatic Status When Required in Written Construction Agreement With You — Completed Operations.	CG 20 40 — Additional Insured — Owners, Lessees or Contractors — Automatic Status for Other Parties When Required in Written Construction Agreement — Completed Operations.

With You forms only solve privity-with-the-named-insured; Other Parties forms solve the upper-tier problem.

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Managers or Lessors of Premises CG 20 11



Claim trap:
Alley, parking lot, or common-area losses may fall outside AI grant if not part of the leased premises or tenant's responsibility.

AI grant
Adds the scheduled lessor or property manager for BI, PD, or personal and advertising injury

Not a landlord CGL
No coverage for
✗ occurrences after tenant's occupancy ends
✗ landlord's remodeling, demolition, or restoration work.

Tied to use of the space
Coverage must connect to ownership, maintenance, or use of that part of the premises leased to the named insured and shown in the schedule.



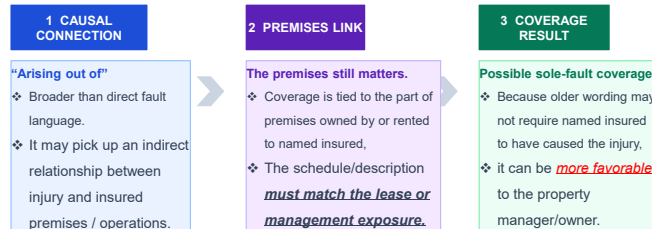
Edition differences
❖ Older editions: broader "arising out of" trigger
❖ 2019 edition: "caused, in whole or in part, by" tenant or those acting on its behalf.

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CG 20 11 04 13 or Prior: Why It May Be Preferred

Coverage trigger: "arising out of the ownership, maintenance or use of" the scheduled premises



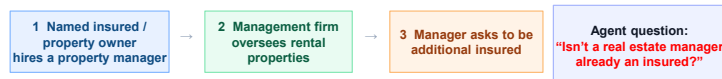
However, the **owner/manager still needs its own CGL**, and possibly professional/E&O coverage

- Think: *property-management errors, leasing decisions, tenant screening, security decisions, accounting/rent issues, contract disputes, employment practices, professional services, or acts outside the described premises.*

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Real Estate Managers: Automatic Insured vs. AI Status



POLICY LANGUAGE

Automatic insured status is limited

The policy may treat a real estate manager as an insured,

× **but only while acting as your real estate manager.**

Is Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

The issue becomes the **capacity in which the manager was acting at the time of the loss.**

Coverage trap:

Relying only on "real estate manager" wording leaves room for claim-by-claim capacity arguments.

THE PRACTICAL PROBLEM

"Acting as manager" is the fight

A claim may turn on whether the conduct was property management

× **or something outside that role.**

Example:

Is physically tackling a "supposed burglar" acting as a real estate manager?

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The COI Challenge



Outdated Requirements

Many COI requests reference **obsolete forms or endorsements** no longer available in the market.



Impossible Demands

Clients face requirements for **coverage wording** that cannot be purchased or secured at any price.



E&O Exposure

Agents risk professional liability when trying to satisfy **unrealistic certificate demands**.

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The Most Common Certificate Requirements

1

Primary and Non-Contributory Wording

Can create coverage hierarchy issues that may conflict with policy terms, particular issues in NY

2

Waiver of Subrogation

Requested across all policy lines when often not included on excess policies. Creates false expectations.

3

Notice of Cancellation

Demands for 30-60 day notices conflict legal statutes.

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Additional Insured Status

Blanket endorsements may have specific limitations as to who is covered depending on the endorsement and issues with privacy

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What "Follow Form" Really Means

A follow form excess or umbrella policy is designed to mirror the terms and conditions of the underlying primary insurance—but **only to the extent not otherwise modified by the umbrella policy itself**.

★ What That Really Means:

- It **does not automatically carry over** all endorsements and coverages from the primary policy.
- It will **only follow** the underlying form **unless the umbrella includes its own conflicting terms**.

⚠ Common Misunderstandings:

- People often assume it includes:
 - **Primary & Noncontributory (PNC) status**
 - **Waivers of Subrogation**
 - **Additional Insured coverage**
- But in most cases, these must be **specifically included** in the umbrella form or added by **endorsement**.

✅ Best Practice:

Always review the umbrella or excess form separately. Even if the primary policy is compliant with contract requirements, **your excess layer might not be** unless:

- It explicitly "follows" those provisions, or
- You obtain **custom endorsements** to extend them.

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Additional Insureds



Check the Appropriate Box

Check the box for "Additional Insured" in each section of COVERAGES **when an endorsement is attached for that particular policy**.

Blanket Endorsements

Do not check the box when the policy includes a **blanket automatic additional insured endorsement** that provides additional insured status only when there is a written contract between the insured and the certificate holder.

Canned Wording (description of operations box):

*HOLDER is additional Insured as respects general liability coverage where required by written contract on a primary an non contributory basis for ongoing and completed operations **as per form# Additional Insured CG2010 (edition) and CG2037 (edition)**.*

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Appendix: Current ISO AI Form Map



Form	Full title / use
CG 20 10	Additional Insured — Owners, Lessees or Contractors — Scheduled Person or Organization. Ongoing operations path.
CG 20 37	Additional Insured — Owners, Lessees or Contractors — Completed Operations. Scheduled completed operations path.
CG 20 33	Additional Insured — Owners, Lessees or Contractors — Automatic Status When Required in Written Construction Agreement With You. Ongoing operations , direct-contract trigger.
CG 20 38	Additional Insured — Owners, Lessees or Contractors — Automatic Status for Other Parties When Required in Written Construction Agreement. Ongoing operations, other-party trigger .
CG 20 39	Additional Insured — Owners, Lessees or Contractors — Automatic Status When Required in Written Construction Agreement With You — Completed Operations .
CG 20 40	Additional Insured — Owners, Lessees or Contractors — Automatic Status for Other Parties When Required in Written Construction Agreement — Completed Operations, other-party trigger .

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Appendix: Edition Chronology



Edition	CG 20 10 / CG 20 37 issue	Agent takeaway
11/85	Broad “arising out of your work” wording.	Frequently requested because it is broader than current wording.
10/93	Ongoing operations language introduced.	Completed operations no longer safely assumed.
03/97	Removed “your work”; ongoing operations remained.	Completed operations no longer safely assumed.
10/01	CG 20 10 ongoing operations; CG 20 37 completed operations pairing emerges.	Use the correct form for the correct operations period.
07/04	Shift to “caused, in whole or in part, by.”	No sole-fault AI grant.
04/13 / 12/19	Coverage restricted by law, contract coverage requirement, and required limits.	Contract wording becomes part of coverage analysis.

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Appendix: Automatic AI Comparison



Form	Operations period	Contract relationship	Concern
CG 20 33	Ongoing operations	Written construction agreement with the named insured.	Privity problem for upstream non-signatories.
CG 20 39	Completed operations	Written construction agreement with the named insured.	Same “with you” issue; available beginning with 2019-era filings.
CG 20 38	Ongoing operations	Contract requires AI status for other parties.	Better fit for non-signatory upstream parties.
CG 20 40	Completed operations	Completed operations counterpart to CG 20 38.	Must confirm form and contract trigger.

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AILP/PL: Personal Lines Courses

8 courses. Complete within 4 years for AILP/PL.

Course type	Course
AILP Coverage	Homeowners
AILP Coverage	Personal Auto
AILP Issues	Personal Residential Part 1
AILP Issues	Personal Residential Issues Part 2
AILP Issues	Miscellaneous Personal
AILP Issues	Personal Auto
AILP Issues	Personal Umbrella
AILP Issues	Agent’s E&O: Legal Duties, Data Risk & Operational Risk Management

These courses also count toward the comprehensive AILP designation.



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AILP/CL: Commercial Lines Courses

10 courses. Complete within 4 years for AILP/CL.

Course type	Course
AILP Coverage	Commercial Auto
AILP Coverage	Commercial General Liability
AILP Coverage	Workers' Compensation
AILP Coverage	Commercial Property
AILP Issues	Commercial Liability Part 1
AILP Issues	Commercial Liability Part 2
AILP Issues	Commercial Property
AILP Issues	Employment Practices Liability Insurance
AILP Issues	Cyber Coverage
AILP Issues	Agent's E&O: Legal Duties, Data Risk & Operational Risk Management

The Agent's E&O course is shared by both designation tracks.



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