



PROOF OF FINANCIAL SECURITY

<p>Proof of Financial Security must be submitted before expiration date or the license is automatically suspended. Electronic format will be accepted only if the form is signed and <u>legible</u>.</p> <p>Do not send multiple copies of the proof of financial security unless requested by PMD staff.</p>		<p><u>INSURED:</u> Business License Name (as licensed by the Department): _____</p> <p>PMD License No. _____</p> <p>Address: _____ _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>		
<p><u>UNDERWRITER/INSURER</u></p>		<p><u>PRODUCER/BROKER</u></p>		
<p>Name: _____</p> <p>Address: _____ _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>		<p>Name: _____</p> <p>Address: _____ _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>		
<p>Policy Number</p>	<p>Eff. Date (mm/dd/yyyy)</p>	<p>Exp. Date (mm/dd/yyyy)</p>	<p>POLICY LIMITS</p>	
			<p>Each Occurrence (\$500K minimum)</p>	<p>\$</p>
			<p>General Aggregate (\$500K minimum)</p>	<p>\$</p>
<p>General Liability - Current law requires not less than \$500K for operations from insured's primary office and any branch office. Deductible – Cannot exceed 1% of total financial security of the policy.</p>			<p>Termite Damage due to Negligent Treatment (\$100K minimum if applicable)</p>	<p>\$</p>
<p>Notice of policy changes - Should the policy be cancelled, revoked or fall below the minimum limits, or if the deductible is increased to greater than 1% of the total financial responsibility, the insurer will mail written notice to the Arizona Pest Management Division within thirty (30) days.</p>			<p>WDIR** (\$100K minimum if applicable)</p>	<p>\$</p>
			<p>Deductible - <i>Do not leave blank</i> \$0 minimum</p>	<p>\$</p>
<p>If the Business License is licensed in the Wood-Destroying Organism Treatment Category, does this business licensee provide Termite Treatments? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Termite Damage due to Negligent Treatment Coverage in the amount of \$100,000.00 minimum is required.</p>				
<p>If the Business License is licensed in the Wood-Destroying Organism Treatment or Wood-Destroying Insect Inspection Category, does this business licensee provide Wood-Destroying Insect Inspection Reports? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, WDIIR Errors & Omissions Coverage in the amount of \$100,000.00 minimum is required.</p>				
<p>I certify that the insurance or surety bond listed above has been issued to the insured for the period indicated, and complies with Arizona Revised Statutes § 3-3615. If financial responsibility is insurance, the insured shall maintain a coverage endorsement for pesticides and herbicides, fumigation, care custody and control, rights-of-way, wood-destroying insect inspection report errors and omissions, wood-destroying organism management, and pollution transit <i>for its applicable license categories</i>. Lastly, <i>the deductible does not exceed 1% of the total financial security of this policy.</i> Please check each license category below covered by this policy.</p>				
<input type="checkbox"/> Industrial & Institutional (1)		<input type="checkbox"/> Ornamental & Turf (3)		<input type="checkbox"/> Fumigation (6)
<input type="checkbox"/> Wood-Destroying Organism Inspection & Treatment (2A)		<input type="checkbox"/> Right-of-Way (4)		<input type="checkbox"/> Wood Preservation (7)
<input type="checkbox"/> Wood-Destroying Insect Inspection (only) (2B)		<input type="checkbox"/> Aquatic (5)		
<p>I certify that I am a duly authorized representative of the insurance company and the company holds a valid certificate of authority or is permitted to transact surplus lines insurance in Arizona. When requested, the company agrees to furnish the PMD a complete copy of the policy, including endorsements.</p>				
<p>Authorized Agent Name/Title (Please Print) _____</p>			<p>_____ Date</p>	
<p>Authorized Agent's Signature _____</p>			<p>Check one: <input type="checkbox"/> Filled out by Producer/Broke <input type="checkbox"/> Filled out by Insurer</p>	



Proof of Financial Security

Please Reference Arizona Revised Statute **3-3615** for specific details.

The Arizona Department of Agriculture (AZDA) - Pest Management Division (PMD) will only accept the Proof of Financial Security document located on the AZDA website (<https://agriculture.az.gov/download-forms>). No other Certificates of Insurance will be accepted (i.e. Acord Certificate of Liability Insurance form).

A Business Licensee is required to provide proof of financial security in an amount no less than \$500,000.00 at all times during the licensing period.

General Aggregate – this is the maximum the insurance company will pay out.

The Proof of Financial Security must provide the deductible amount of the policy: If an insurance policy provides for a deductible, the deductible amount shall not exceed one per cent of the total financial security for each occurrence. If the deductible amount is in excess of one per cent of the total financial security for each occurrence, the business licensee shall provide other security as provided in this subsection or other evidence of financial security for the excess deductible amount.

Example: If your General Aggregate is \$2,500,000.00; your deductible cannot exceed \$25,000.00

If certified in the Wood-Destroying Organism Treatment Category: the Business Licensee is required to have an endorsement with a minimum of \$100,000.00 pursuant to A.R.S. § 3-3615 (3)(b) for Termite Damage due to Negligent Treatment.

If certified in the Wood-Destroying Organism Treatment or Wood-Destroying Insect Inspection Category and performs Wood-Destroying Insect Inspection Reports (WDIIR): the Business Licensee is required to have an endorsement with a minimum of \$100,000.00 for errors and omissions (E & O) contained in the reports pursuant to A.R.S. § 3-3615 (3)(c). Business Licensees that do not provide Wood-Destroying Insect Inspection Reports are not required to have this endorsement.

If financial security is in the form of liability insurance, a licensee shall maintain a coverage endorsement for pesticides and herbicides, fumigation, care, custody and control, rights-of-way, wood-destroying insect inspection report errors and omissions, and pollution transit **for its applicable license categories.**

All information is available on the AZDA website located at: <https://agriculture.az.gov/>