



## PROOF OF FINANCIAL SECURITY

<p><b>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>.</b></p> <p><b>Do not send multiple copies of the proof of financial security unless requested by PMD staff.</b></p>	<p><b><u>INSURED:</u></b> Business License Name (as licensed by the Department): _____</p> <p>PMD License No. <u>PENDING</u></p> <p>Address: _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>
---	--

<p style="text-align: center;"><b><u>INSURER</u></b></p> <p>Name: _____</p> <p>Address: _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>	<p style="text-align: center;"><b><u>PRODUCER/BROKER</u></b></p> <p>Name: _____</p> <p>Address: _____</p> <p>Phone: _____ Fax / Email (optional): _____</p>
---	---

Policy Number	Eff. Date (mm/dd/yy)	Exp. Date (mm/dd/yy)	POLICY LIMITS	
			<b><u>Each Occurrence</u></b> (\$500K minimum)	\$
			<b><u>General Aggregate</u></b> (\$500K minimum)	\$
<p><b>General Liability</b> - Current law requires not less than \$500K for operations from insured's primary office and any branch office.</p> <p><b>Deductible</b> – Cannot exceed 1% of total financial security of the policy.</p>			<b><u>Termite Damage due to Negligent Treatment</u></b> (\$100K minimum if applicable)	\$
<p><b>Notice of policy changes</b> - 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>			<b><u>WDIIR**</u></b> (\$100K minimum if applicable)	\$
			<b><u>Deductible</u></b> - <i>Do not leave blank</i> \$0 minimum	\$

**If the Business License is licensed in the Wood-Destroying Organism Treatment Category, does this business licensee provide Termite Treatments?**     Yes    No  
 If Yes, Termite Damage due to Negligent Treatment Coverage in the amount of \$100,000.00 minimum is required.

**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?**     Yes    No  
 If Yes, WDIIR Errors & Omissions Coverage in the amount of \$100,000.00 minimum is required.

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 *for its applicable license categories*. Lastly, *the deductible does not exceed 1% of the total financial security of this policy*.

**Please check each license category below covered by this policy.**

<input type="checkbox"/> Industrial, Institutional, & Structural	<input type="checkbox"/> Ornamental & Turf Pest Control	<input type="checkbox"/> Wood-Destroying Organism Inspection & Treatment
<input type="checkbox"/> Public Health Pest Control (Government Only)	<input type="checkbox"/> Right-of-Way Pest Control	<input type="checkbox"/> Wood-Destroying Insect Inspection
<input type="checkbox"/> Aquatic Pest Control	<input type="checkbox"/> Non-Soil Fumigation	<input type="checkbox"/> Wood Preservation

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.

Authorized Agent Name/Title (Please Print)	Date
Authorized Agent's Signature	<b>Check one:</b> <input type="checkbox"/> Filled out by Producer/Broke <input type="checkbox"/> Filled out by Insurer



## 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 & Inspection 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 & Inspection 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.**

### Certification Categories

(as prescribed in 40 CFR § 171.101 (c), (e) through (h), and (n) (82 FR 1029, 01/04/2017))

**(g) Industrial, Institutional, and Structural Pest Control:** This category applies to commercial applicators who use or supervise the use of restricted use pesticides in, on, or around the following: Food handling establishments, packing houses, and food-processing facilities; human dwellings; institutions, such as schools, hospitals and prisons; and industrial establishments, including manufacturing facilities, warehouses, grain elevators, and any other structures and adjacent areas, public or private, for the protection of stored, processed, or manufactured products.

**(h) Public Health Pest Control (Government Only):** This category applies to State, Tribal, Federal or other governmental employees and contractors who use or supervise the use of restricted use pesticides in government-sponsored public health programs for the management and control of pests having medical and public health importance.



**(e) Aquatic Pest Control:** This category applies to commercial applicators who use or supervise the use of any restricted use pesticide purposefully applied to standing or running water, excluding applicators engaged in public health related activities included in *as specified in paragraph (h)* of this section. pest management, including weeds and mosquito larvae, in standing or running water.

**(c) Ornamental & Turf:** This category applies to commercial applicators who use or supervise the use of restricted use pesticides to control pests in the maintenance and production of ornamental plants and turf.

**(f) Right-of-Way:** This category applies to commercial applicators who use or supervise the use of restricted use pesticides in the maintenance of roadsides, powerlines, pipelines, and railway rights-of-way, and similar areas.

**(n) Non-Soil Fumigation:** This category applies to commercial applicators who use or supervise the use of a restricted use pesticide to fumigate anything other than soil.

### State Only Categories

**Wood-destroying organism treatment:** Inspecting for the presence or absence of wood-destroying organisms and treating for wood-destroying organisms in or about a residential or other structure by a means other than use of a fumigant.

**Wood-destroying insect inspection:** Inspecting for the presence or absence of wood-destroying insects only and excluding preparing treatment proposals.

**Wood preservation:** Application of pesticides labeled for use on utility poles or railroad ties, directly to structural components of wood or wood products, to prevent or manage wood degradation by wood destroying organisms including fungi and bacteria, which are not part of an existing structure. This includes drilling a cavity into a structural timber, inserting a methylisothiocyanate or other similar product into the cavity, and sealing the cavity.

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