

ISO Commercial General Liability (CGL) Coverage Form

Who Is A Named Insured ?

Under the standard ISO Commercial General Liability (CGL) coverage form (specifically [Form CG 00 01](#)), status as an insured is broken down into four distinct categories based on organizational structure, business relationships, and specific endorsements.

The policy defines "insureds" through the following progressive framework:

1. Named Insureds (By Business Type)

The individual or entity explicitly listed on the policy **Declarations Page** (referred to as "you" or "your") qualifies as an insured. Depending on how that entity is legally structured, automatic insured status extends to closely related individuals:

Legal Structure of Named Insured	Who Else Automatically Qualifies as an Insured?	Scope of Coverage Restrictions
Individual (Sole Proprietor)	The owner and their spouse	Only for the conduct of a business of which the individual is the sole owner .
Partnership or Joint Venture	Members, partners, and their spouses	Only with respect to the conduct of the specific partnership or joint venture .
Limited Liability Company (LLC)	Members and managers	Members are covered only for the conduct of the LLC's business; managers are covered only regarding their duties as managers .
Organization (Corporation / Trust)	Executive officers, directors, and stockholders	Officers and directors are covered only regarding their official duties; stockholders are covered only regarding their liability as stockholders .

2. Automatic Insureds (By Relationship to the Business)

Even if not named in the declarations, certain individuals and entities automatically receive insured status while performing tasks on behalf of the business:

- **Employees and Volunteer Workers:** Covered for acts within the scope of their employment or while performing duties related to the business. *(Note: They are generally not covered for "bodily injury" or "personal injury" inflicted upon co-employees or fellow volunteer workers).*
- **Real Estate Managers:** Any person or organization acting as a real estate manager for the named insured.
- **Temporary Custodians:** If the named insured dies, anyone having proper temporary custody of the business property is covered, but only with respect to the maintenance or use of that property.
- **Legal Representatives:** If the named insured dies, their legal representative is covered, but only with respect to duties as such.

3. Newly Acquired or Formed Organizations

Any organization the named insured newly acquires or forms (other than a partnership, joint venture, or LLC) automatically qualifies as a named insured if there is no other similar insurance available. This automatic coverage is temporary and expires on the **90th day** after acquisition/formation or at the end of the policy period, whichever comes first.

4. Additional Insureds (By Endorsement)

Entities that are not automatically covered by the base form but are granted insured status because of a commercial relationship or contract. This is achieved by attaching a specific [ISO additional insured endorsement](#) (such as Form CG 20 10 for ongoing operations). Their coverage is limited strictly to liability arising out of the named insured's operations.

"Additional Insured" vs. "Named Insured"

It is common to confuse these terms, but they hold very different rights under a policy:

- **Named Insured:** The primary owner of the policy (usually listed on the first page). They pay the premium, receive cancellation notices, and have full coverage for all their business operations.
- **Additional Insured:** A secondary party added later. They have no control over the policy and are only covered for liability tied directly to the Named Insured's actions.

What Is An Additional Insured?

An **additional insured** is a person or organization added to an existing commercial liability insurance policy at the request of the named insured.

This status extends liability protection to the added party, meaning they can seek a legal defense and coverage under your policy if they are sued due to your business operations, products, or work.

Key Attributes of an Additional Insured

- **Relationship-Driven:** They are typically outside businesses or individuals you work with, such as a **landlord**, a **general contractor**, a **client**, or a **vendor**.
- **Added by Endorsement:** They are not covered by the default text of the standard policy. To add them, your insurance company must issue a specific amendment called an **additional insured endorsement** (such as the standard **CG 20 10** form).
- **Limited Scope:** An additional insured does not get open-ended coverage for *all* of their business activities. Their coverage is strictly limited to vicarious liability or lawsuits arising directly out of **your work, your products, or operations performed on your behalf**.
- **No Premium Obligation:** The additional insured does not pay the insurance premiums, nor do they have the authority to make changes to or cancel the policy.