

**BULLETIN 87-6  
(Revised 10/96)**

**NOTICE AND PROOF OF LOSS**

This Bulletin is issued for the purpose of informing all insurers licensed and authorized to write all lines of insurance coverages in this state, except those exempted under Utah Code Ann. §31A-21-101(2), of the requirements of Utah law regarding policy provisions for notice of loss and proof of loss.

Utah Code Ann. §31A-21-312, sets forth the following requirements regarding notice and proof of loss:

1. Every insurance policy shall provide that:
  - a. when notice of loss is required separately from proof of loss, notice given by or on behalf of the insured to any authorized agent of the insurer within this state, with particulars sufficient to identify the policy, is notice to the insurer; and
  - b. failure to give any notice or file any proof of loss required by the policy within the time specified in the policy does not invalidate a claim made by the insured, if the insured shows that it was not reasonably possible to give the notice or file the proof of loss within the prescribed time and that notice was given or proof of loss filed as soon as reasonably possible.

The commissioner has determined that the phrase "every insurance policy shall provide" shall be interpreted to mean that every policy that does require notice of loss separately from proof of loss and does specify a time limit for filing the notice and/or proof of loss must also include provisions meeting the above requirements. These can be provided in the policy form itself or in a Utah amendatory endorsement. This statutory provision, in effect, allows an unlimited time period for filing notice and/or proof of loss - as long as the claimant shows it was not reasonably possible to file the notice and/or proof of loss within the time period. A policy can specify a time limit in which a notice and/or proof of loss is to be filed but it must also provide that failure to file the notice or proof of loss within the time specified does not invalidate the claim if the insured can show that it was not reasonably possible to file it within the prescribed time limit.

These code provisions will not be interpreted so as to extend the normal provisions of a liability "claims made" form that require notice of an occurrence or claim prior to the expiration date of the policy.

Failure to comply with this statute is a violation of the Utah Insurance Code and appropriate penalties may be imposed.

**DATED this 23rd day of October, 1996.**

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