



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

D. KENT MICHIE
Insurance Commissioner

Insurance Department

Event Insurance

If you're in charge of planning a big event – the work holiday party, a wedding, a special New Year's bash or maybe even a milestone birthday – you already have a checklist of things to arrange – the location, the caterer, the band, the invitations. But do you need to insure your event in case of bad weather or injured guests? The National Association of Insurance Commissioners (NAIC) provides the following tips to help you get smart about your event insurance options.

Event Insurance

There are numerous types of events you may want to consider insuring. If you are planning a single-occurrence event of a short duration (e.g. a wedding, family/class/alumni reunions, bar/bat mitzvahs, non-commercial sporting events, neighborhood/homeowner association block parties, fundraisers, fairs, etc.), you will need to consider the types of liability to which you may be exposed. Event insurance typically provides coverage for event cancellation, liability, personal injury, property damage, liquor liability, etc.

Most Common Options

The two most common types of event insurance are liability insurance and cancellation insurance.

Liability insurance provides coverage for injury or property damage to others as a result of your event. This is the most common type of event insurance. In fact, some venues require their clients to have a minimum amount of event liability insurance. Venues that require this type of insurance may even request that the venue itself or its owner be added as an additional insured on their client's event liability insurance coverage. You may also need your own liability coverage to protect yourself from gaps in the venue's liability coverage. Your personal liability insurance in your homeowners or renters policy may provide adequate coverage for such gaps. Check with your insurance agent to see if your policy extends to a scheduled event.

Event liability insurance is available with or without host liquor liability to cover alcohol-related incidents that may occur before, during or after the event.

Cancellation insurance provides coverage for expenses arising from delays, rescheduling, or cancellations due to unforeseen covered events. Typically, cancellation insurance can protect you from:

- **Weather** - If your event is postponed because of inclement weather, insurance coverage is available

that can reimburse you for the costs of rescheduling.

- **Illness or Injury** - If members of the wedding party or event talent become ill or injured, resulting in the event being postponed, rescheduling costs may be covered by such a policy.
- **Vendor** – If a deposit has been paid to a vendor (e.g. caterer, florist, photographer or other vendor) who fails to deliver service, cancellation insurance may cover the loss of the deposit as well as any additional expenses incurred due to last-minute replacement vendors.

Additional event coverage options can be added. Some coverages you can add include:

- **Foreign or Destination** - A general event policy may not cover costs incurred in other countries. Read the policy before you purchase to make sure it extends to the country or area you are planning your event. Also, check to see if the premium rates and coverage amounts quoted are in U.S. dollars or in foreign currency. If you have questions about the coverages or limitations for another country, contact your state insurance department. Find a link to their Web site [here](#).
- **Travel** - This coverage provides for lost luggage or cancellation of your destination event or honeymoon due to unforeseen circumstances (e.g. accident, illness, death, or severe weather).
- **Military Service** - If an event organizer, planner or participant is called to active duty, additional insurance may provide coverage for the cost of rescheduling the event.
- **Rented Property** - If you are renting furniture or equipment for the event, additional coverage can help pay for repair or replacement costs if any of the rented property is damaged or destroyed.
- **Gifts and Attire** - Your homeowners or renter's insurance policy may provide coverage for theft or damage to gifts and/or attire. Check with your agent to see what is covered under your homeowners or renter's insurance policy, as well as the amount of coverage provided. If you don't feel like the coverage is adequate, ask if a rider can be added to your policy to ensure sufficient coverage is in place before and after the event.

What Is Not Covered?

Insurance reimbursement for event costs are typically not covered if the event is called off voluntarily.

When Is Event Insurance Effective?

It may take several days for event insurance coverage to go into effect, so plan accordingly. Insurance coverage should be considered as soon as contractual arrangements are made with vendors or deposits have been made. However, event insurance can be considered in the weeks leading up to your event if you are worried about the event being interrupted by a covered loss.

Where Can I Find Event Insurance?

Ask your event planner or the staff at the facility where you are planning your event if they have a list of companies that offer event insurance. Before signing a contract for the coverage, make sure the company or agent you're working with is licensed to do business in the state where you live. Your state insurance department can help with that. Click [here](#) to link to their Web site.

What If I Have a Claim?

Your responsibilities are outlined in the policy. Keep your agent's and insurance company's contact information with you before, during and after the event. Keep copies of the insurance policy, all vendor contracts and documentation of vendor deposits with you as well.

Insurance for Other Events

When scheduling an event that will occur at your home, such as a holiday party, graduation party, pool party or other type of event, visit with your homeowners or renter's insurance agent to make sure that you have adequate coverage in place for liability, bodily injury, and property damage, particularly if you plan on serving alcohol.

More Information

If you have questions or are confused about your event insurance options, contact your insurance agent.

Get smart about your insurance needs! For more information about auto, home, life and health insurance options — as well as tips for choosing the coverage that is right for you and your family — visit www.InsureUonline.org.

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