



Insurance Information for Event Vendors

When you are a vendor at an event, you are likely to be required to carry General Liability insurance. General Liability insurance provides the following coverages:

Bodily injury

It may be difficult to imagine how your business could cause serious harm or even death for another person. But it's good to know that if you are ever held responsible for someone else's sickness, injury or disease, your general liability insurance policy would pay for:

- Medical care costs
- Loss of services
- Court-awarded compensation for deaths that result from the injury

Property damage

Even if you're careful and take precautions, it's still possible that something your business does – or something it doesn't do – could damage another person's property. It's also possible that your actions might prevent the property's owner from being able to use it. In such cases, your business liability insurance coverage compensates for:

- Physical damage to the property, or
- Loss of use of the property

It is important to note that property damage liability coverage often does not cover damage caused to client property you are working on or have in your possession.

Products-completed operations

Commercial general liability insurance policies generally include liability protection for services or products completed by your company. So, if something your company manufactures or a service your company provides causes an injury, your policy would pay for any resulting legal expenses, as well as damages up to your policy's limit.

Legal defense expenses

Even if your company is not found liable for a claim, without insurance coverage, mounting a defense is expensive. A business liability insurance policy will generally pay for:

- The cost to defend or investigate a suit or claim against you, including court costs, witness fees, attorney's fees and police report costs.
- If the insurance company asks you to assist in your defense against a claim, it will pay your reasonable expenses, such as the loss of your income for a day in court.
- It will pay the judgments or settlements resulting from covered suits, including interest required on the judgment and the injured party's medical expenses, if your defense is unsuccessful.
- When a court requires you to post a bond to ensure you can pay a potential judgment in a liability suit, this insurance will pay the premium for the bond.

Medical payments

If a person should be injured, either directly by you or at your place of business, your commercial liability insurance coverage would pay for funeral and medical expenses incurred within a year of the accident. For example, if one of your clients slips and falls at your office and requires medical treatment, your policy would cover the cost of that treatment. Of course, policy limits apply.

Personal injury

Personal injury is the part of the commercial general liability policy that protects you should someone claim that your business caused them damage that isn't physical. In the following examples, most liability policies would protect you against any lawsuits related to:

- Publishing, in writing or verbally, false information that libels or slanders an organization or person
- Publishing material that violates someone's privacy rights
- Falsely detaining, arresting or imprisoning someone
- Maliciously prosecuting someone
- Evicting someone wrongfully

Advertising injury

Should you ever be sued over something that happens while advertising your company's products or services, your business liability insurance protection will cover the claim. Advertising injuries can arise from:

- Publishing, verbally or in writing, false information that libels or slanders a person or organization
- Publishing material that violates an individual's privacy rights
- Copying another company's style of doing business, or advertising concepts
- Infringing on another business's title, copyright or slogan

Additional Insured Endorsements

In addition to providing the Event Organizer with a General Liability insurance certificate, you may also be required to provide one or more Additional Insured Endorsement(s) for people or entities involved in the event (property owners, governmental or law enforcement agencies, etc.).

What Does Additional Insured Mean?

Additional Insured(s) are not parties to the insurance contract. The Additional Insured endorsement merely adds their interest (the event organizer, for example) to your policy by amending the “Who Is Insured” definition in the policy. Each Additional Insured endorsement has limiting and qualifying language designed to narrow the protection extended to each Additional Insured.

For example, a recent version of the Additional Insured — Designated Person or Organization states the “Who Is Insured” definition is amended, but only with respect to liability for “bodily injury,” “property damage,” “personal and advertising injury” liability caused in whole, or in part by your (Named Insured’s) acts, or omissions, or the acts, or omissions of those acting on your behalf in the performance of your ongoing operations, or in connection with premises owned by or rented to you (Named Insured).

In other words, your liability insurance policy is extended to the Additional Insured laterally. The Additional Insured acquires limited protection and defense coverage up to the limits in your policy for a lawsuit alleging negligence. Your policy would pay on their behalf, as well as yours, when your acts, or omissions, or the acts or omissions of those acting on your behalf are the sole, or partial cause of “bodily injury,” “property damage,” and “personal and advertising injury” as defined in the policy. All of this protection is subject to the terms and conditions of your policy and must be in connection with your operations, or in connection with the premises you own or lease.

What Will General Liability Cost?

There are two types of vendor policies available:

1. Short Term Event Policy. These policies are for a single event. Premium can vary from \$250 - \$400 depending on operations, type of event and length of event.
2. Annual Vendor Policy. These policies are for multiple events that can be at one location or multiple locations throughout the year. Premium is approximately \$500 depending on operations, type of events and number of events.

Are Payment Plans Available?

Unfortunately, not usually. Full payment is usually required.

What Do I Need To Provide For A Quote?

See attached questionnaires for the kind of information you will need to provide, depending on the type of policy you need.

How Quickly Can I Get Coverage?

Typically, policies can be quoted and issued the same day. However, add at least two business days to obtain the policy number and necessary endorsements from the insurance company to provide to the event organizer. Most venues require proof of insurance within a certain amount of time prior to the event.

Would My Merchandise Be Covered?

No, your inventory, equipment and other Business Personal Property is not covered under a General Liability insurance policy. . However, there are other types of policies available that include coverage for your property. These policies are known as package policies or businessowners policies (BOP). They insure more than one line of insurance under one policy: liability, property, etc. .

Can I Do Business Anywhere?

No, coverage under these policies is only for your operations within California.

Are My Employees Covered?

No. If you have employees, you are required to maintain Workers Compensation insurance. Workers' compensation insurance provides coverage for an employee who has suffered an injury or illness resulting from job-related duties. Coverage includes medical and rehabilitation costs and lost wages for employees injured on the job.

Is My Vehicle Covered?

No. Your vehicle would need to be insured under an auto policy. If you are using your vehicle for business use, be sure that your auto policy includes coverage for business use. Personal Auto Policies do not cover business use.

Are There Exclusions?

Yes. Every policy has exclusions. An exclusion is a provision within an insurance policy that eliminates coverage for certain acts, property, types of damage or locations. Be sure you understand the exclusions on any insurance policy you purchase.

If I already have insurance for my restaurant or storefront, can I just use that?

Maybe. Contact your insurance carrier to ask. Some policies are site-specific and only cover the physical location listed on the policy. Some carriers may add another site to your policy (at additional premium, of course). Some policies have a charge for Additional Insureds, be sure to ask about that too.

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NO APPOINTMENT NECESSARY – FREE CONSULTATIONS