

# Events Liability Insurance



## Frequently Asked Questions

### What is the Safety at Sports and Recreational Events Act of 2010 (SASREA)

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This Act, promulgated in 2010 aims to safeguard the physical well-being and safety of persons and property at events.

The Safety at Sports and Recreational Events Act of 2010 places the responsibility of safety and security at events on the shoulders of the controlling body, the event organiser and / or the stadium / venue owner. In terms of the Act the controlling body, the event organiser and / or the stadium / venue owner would be held jointly and severally liable in the event of a claim for injury and / or damages. As the parties are jointly and severally liable, aggrieved parties may pursue claims for damages from any of these entities, regardless of which entity was ultimately at fault.

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## What is the difference between once off and annual policies?

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**Cover on a once off basis** – covers the event, including Installation and Dismantling of the event, if requested. This cover is appropriate for a single event planned by the Insured.

**Cover on an annual basis** – covers an Event Manager for the events planned in a year. This cover is ideally suited for Annual event organisers, Event coordinators etc. An annual policy is more cost effective if the Insured plans 3 or more events per year.

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## When is payment for cover due?

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**Cover on a once off basis** – Proof of payment is required prior to the event

**Cover on an annual basis** – Annually upfront, Monthly (approved brokers only) or Fulcrum financed

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## What is Limit of indemnity (LOI)?

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The Limit of Indemnity is the level of cover purchased by the Insured. It is the maximum value (including costs) that the Insurer will pay in the event of a claim.

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## What limit should the Insured purchase?

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Some clients or event venues may require you to hold Event liability Insurance before commencing work. It is complex to recommend limits as the Insured knows their business best. Various factors such as the size and nature of the Insured's business should be considered. We recommend that the Insured attains as much cover as they can afford. An internal Risk manager could be appointed to assist in identifying and mitigating the maximum exposures.

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## What are the limits that can be provided on an Events Liability policy at Leppard?

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Leppard can provide limits from R1,000,000 to R200,000,000 subject to some Extensions being sub-limited.

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## Who needs Events Liability Insurance?

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You should consider taking out an Events Liability policy if:

- You are involved with or planning a large event and / or events
  - Your business is going to host or sponsor an event and does not have a general liability policy in place
  - You are a subcontractor involved in event staging, lighting, décor, sound and special effects
  - You are an exhibitor at event(s)
  - You are involved with setting up, controlling or any other aspect of an event as the Sponsor
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## Who we don't insure:

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Some restrictions to our appetite have been set out below:

- Political Rallies
  - Pyrotechnicians
  - Risks involving Inflatables such as jumping castles
  - Adventure sporting events such as bungee jumping
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## What is Events Liability?

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Events Liability indemnifies the Insured for legal liability to pay Compensation to a Third Party as a result of a claim for injury or loss / damage during an Event (including Costs and Expenses).

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## What sets Leppard apart from the rest of the specialist market?

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- Our wording is in plain language (This is in compliance with the Treating the Customer Fairly Principle)
  - Knowledgeable and skilled claims specialists who look for ways to pay claims
  - The Insured's deductible at claims stage is only applied to the Third Party compensation value. In other words, costs and expenses are not subject to the deductible
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## What Standard extensions are available under an Events Liability policy?

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**Property Damage** - with respect to leased / rented property

**Collapse of Temporary structures** - Our cover extends to temporary structures such as scaffolding, tents and marquees

**Food and Beverage** - This covers liability arising from the sale of food and beverages at events.

**Spread of Fire** - Covers Third Party bodily injury and Third Party property damage as a result of a fire spreading to Third Party property which has emanated from the Insured's premises and / or event site as a result of the Insured's negligence.

**Emergency Medical Expenses** - We will reimburse reasonable expenses incurred by the Insured up to R250,000 for the treatment of a Third Party following an accident that may result in a liability claim.

**Wrongful arrest and defamation** - This extension covers wrongful arrest, false imprisonment and any related assault caused by the Insured. Defamatory statements, whether written or verbal, are also covered, and this extension is usually sub-limited. Cover is not automatically provided for media risks.

**Statutory Defense Costs** - Covers the costs associated with an investigation or prosecution for an alleged breach of a statute. Cover is usually sub-limited.

**Extended Claim Reporting Option** - This option only applies to once off policies. As cover is for a specific event only and the policy is issued on a claims made basis it is vitally important for the policy to include an extended claim reporting option. Our policy automatically includes a minimum extended claim reporting option of 90 days with the option to extend if required.

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## What are the main exclusions in respect of a Leppard Events Liability offering?

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- Sexual Harassment
- Cancellation or Pluvios - rainfall affected cover
- Prize Indemnity
- Film Producers Indemnity and Cancellation
- Security Services

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## Which industries are not within risk appetite at Leppard?

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Some of the industries that fall outside of Leppard's risk appetite are:

- Mechanical or amusement rides, inflatables
  - Pyrotechnics or fireworks
  - Political Rallies
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## What are the wording exclusions on a Leppard Events Liability policy?

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- Contractual liability / Performance guarantees
  - Professional Services
  - Prior claims / circumstances
  - Sanctions
  - Insolvency
  - Deliberate acts
  - War / Terrorism / Nuclear / Asbestos
  - Infectious Disease Exclusion
  - Warranties
  - The ownership, possession or use of any air, water, hover or space craft
  - Vehicles for which compulsory Insurance is required by legislation
  - Fraud
  - Deliberate Acts
  - Fines and Penalties
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## Does the Leppard Events Liability policy cover Sub-contractors

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Sub-contractors are automatically covered for work done for and on behalf of the Insured only. The Insured should, however, mitigate their exposure as any claim against the policy may impact future premiums. Where possible, the Insured should therefore advise their sub-contractors to purchase their own liability cover by requesting that all sub-contractors are adequately insured elsewhere.

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## What does Claims made mean

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Claims first made against the Insured during the Period of Insurance arising out of an insured event occurring on or after the Retroactive Date of cover. Once the policy is cancelled or lapsed there will be no cover in place to respond to any claims irrespective of when they occurred.

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## What is an extended reporting period?

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Run-off cover is cover specially designed to protect your business once it stops trading. It provides cover for liabilities that may attach to the Insured after the company stops trading but for losses that have occurred prior to the date operations ceased.

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## What are the minimum requirements to obtain a quote?

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Complete the Leppard Proposal Form and submit it to us via an insurance broker of your choice. We do accept competitor's proposal forms provided that all underwriting information is provided. The dominant rating factors are as follows:

For quotes for **Cover on a once off basis**:

- Full Event Description
- Type of event and venue
- Event start date and end date (Cover can be included to cover the installation and dismantling of the event)
- Estimated number of attendees
- Limit of Indemnity required
- Claims history

For quotes for **Cover on an annual basis**:

- Full list of events planned for the year (Annual quote)
  - Actual revenue achieved
  - Full liability loss history
  - Limit of Indemnity required
  - Claims history
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## How long does it take to get a quote?

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Allow 48 hours to get a quote.

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## How much is the insurance going to cost?

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Premiums for insurance policies can vary widely and depend on what is included and excluded, the nature of the event and the risk factors apportioned to your line of work.

Each risk is rated and priced in accordance with its own risk profile. There are many factors that influence the Premium as indicated above. Premium ranges from R5,000 (minimum) for a limit of R1,000,000.

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## Once a quotation is accepted, how long does it take to get a policy document?

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The Insured will receive the policy documents within a maximum period of 7 working days.

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## The Insured has opted to finance the monthly premium via Fulcrum. When will Leppard release policy documents on Fulcrum financed policies in respect of annual event liability policies?

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Only applicable to financing Cover on an annual basis: Policy documents or confirmation of cover letters will be finalised once we have received a signed Fulcrum contract.

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## What constitutes a Liability claim and / or when should a potential matter be notified?

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In terms of the notification provision in our Events Liability policy requires that a claim be submitted in writing as soon as the insured receives any form of notification from a Third Party or when they become aware of an incident likely to give rise to a claim. Do not wait until you have conducted an enquiry.

The following definitions apply:

**"Receives a claim"** - where the insured receives a formal claim from a third party advising the insured of a loss (injury / damage). An insured may receive a formal letter intimating the claim, a letter of demand or a Summons.

**"Becomes aware of a possible claim"** - a fact / situation which objectively evaluated creates a reasonable and appreciable possibility that it will result in a claim.

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## What is a Deductible?

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The amount borne by the Insured as the first part of each and every claim.

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