

Event Cancellation and Non – Appearance Insurance



Arranging an event can result in high costs and financial commitment incurred from the planning stages onwards. If an event is cancelled or abandoned, costs will almost certainly be irrecoverable whilst relocation or postponement can cause extra expense for organisers and other parties involved.

Financial loss could include:

- Costs which have been incurred but cannot be recouped
- Any form of income received but which must be returned (such as admission fees, sponsorship monies, merchandising contract payments and broadcast rights payments)
- Additional costs incurred in postponing or relocating the event, or in minimising the loss
- Loss of budgeted profit.

Event Cancellation Insurance

Event cancellation insurance will indemnify the insured for irrecoverable costs if an event has to be cancelled, abandoned, postponed, interrupted or relocated due to any cause beyond the control of the insured or other party essential to the fulfilment of the event, except under those circumstances which are specifically excluded.

Cover is available on an individual or multiple event basis, the most common of which are conferences, exhibitions, trade fairs, concerts, theatre productions and sporting events.

Non-Appearance Insurance

Many events rely upon the appearance of a key speaker, singer or performer, the non-appearance of whom would lead to the event's cancellation. Non-appearance insurance can be purchased to protect against the financial loss in the event of such non-appearance, whether caused by accident, illness, death or travel delay, along with the cancellation of the event due to any reason beyond the organisers control.

Who is it for:

It is usually the event organisers that purchase this form of cover, however, there are other parties that may be affected by an events cancellation and who are able to purchase this cover:

Sponsors – while sponsorship payments may be refunded, the majority of expense on specific advertising, hospitality and merchandising will be lost.

Performers – to ensure the receipt of the fee or guarantee in the event that they are unable to perform.

Broadcasters – risks that may be covered include lost production expenses and advertising revenues and the failure of transmissions.

Associated companies – such as tour operators and corporate hospitality organisers who will have irrecoverable costs and lost revenue if the event is disrupted.

HSBC Insurance Brokers has a broad range of experience in designing and implementing policies to cater for specific events of all sizes, from global sporting competitions and music world tours to small low-key conferences. We have access to the international marketplace to tailor bespoke solutions for the risks faced by companies with a variety of interests.

Extensions to cover:

Terrorism – following 9/11, terrorism has been a blanket exclusion on such policies. Cover can be bought to cover the cancellation or abandonment of an event following an act of, or the threat of terrorism.

Adverse weather – coverage can be purchased to protect against the affects of weather on an event which leads to its cancellation or abandonment.

The HSBC advantage

HSBC Insurance Brokers has extensive knowledge and experience in the provision of these covers. We have experience in designing specific solutions for our clients and, with access to the Lloyd's and London markets, can arrange cover for clients' individual needs in most territories of the world. We have a number of facilities in place which enable us to provide both a fast turnaround as well as competitive terms for all types of cover. Alternatively, subject to certain criteria, we are able to place binding authorities and facilities for coverholders in the Lloyd's and London markets. Generally, all risks can be arranged on either a direct or reinsurance basis.

Further information

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For full details of all products and services offered by the Accident, Health and Contingency practice, please visit our website at: <http://www.insurancebrokers.hsbc.com/accident-health-contingency>

Other Contingency products

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Kidnap and Extortion

Product Contamination and Recall

Political Evacuation