

IDEA Event Insurance Explanatory Notes

Klap b.v. (private limited company) and trade association IDEA (Independent News Event Association) have jointly developed an event insurance for IDEA members and its clients. Clients can make use of this insurance if the event is organised by an IDEA member.

This insurance also applies to events that are organized outside the Netherlands (within Europe).

The IDEA Event Insurance comprises a number of sections, namely: Expenses, Non Appearance, Adverse Weather, Liability, Equipment and Accidents. Explanatory notes for each section follow below.

Expenses:

€ 1,500,000 As maximum for the total production costs. Declaration per event.

This section provides cover if, beyond the control of the policyholder, the event should be cancelled, postponed, interrupted or prematurely stopped. Incidents are not listed as that would imply a restriction. In brief, the insurance covers everything that is not excluded.

For instance:

- the location burns down,
- the party venue is inaccessible due to a contagious disease affecting livestock,
- one of the parties involved becomes insolvent.

The assumption is that policyholders have not influenced this situation, such as not paying a bill themselves, or not applying for a permit themselves (in good time).

Example:

Fire sweeps through and destroys a location shortly before an event is to be held there. The party is cancelled whereas the necessary costs have already been incurred: security, catering etc. These cancellation costs are covered in this section of the IDEA Event Insurance.

Non Appearance:

This cover is included under the Expenses section.

It covers the risk of failure to appear as a result of death, serious illness or a disease-related disability of contracted persons who are involved in the event as organiser or participant. In other words, the risk that these individuals are unable to do what is required of them within the framework of the event. The condition is that said individuals are in good health and are not suffering from any disease or disability at the time that the contract is realised between the insured party and the IDEA member.

An artist or group that is booked but that fails to appear is already bad enough, so in order for the event to proceed, the costs of an equivalent replacement artist are covered. Should there be fewer visitors/guests, then the loss of profit is also covered, if specified as amount in the Expenses.

Example:

A major corporate event is organised to celebrate a company's 25th anniversary. One day before the said event, the director (or other member of staff) is killed in a traffic accident. Under the circumstances, it is decided to postpone the party to a later date. This cancellation is covered under the event insurance offered.

Example:

A well-known singer is booked as highlight of a party to add lustre to a successful IPO. However, a severe cold means that the singer is unable to perform that evening. Fortunately, the IDEA member manages to book a good alternative for the evening. The additional costs associated with this are covered in the event insurance.

Insolvency:

This risk is covered if the Expenses section is insured.

This insurance covers damages caused by the insolvency of one of the parties involved in the event. The insolvency risk is thus covered especially for IDEA members and companies doing business with an IDEA Member.

Insurance covers damages resulting from financial difficulties of (one of) the parties involved in the event, causing the potential cancellation of the event. The demonstrable costs are covered which may or may not arise from contractual obligations in order to ensure that the event can still be held.

The insured amount of the Expenses section is the maximum payment.

Adverse weather:

Organising (partially) outdoor events in the Netherlands is not without risks.

The weather conditions immediately prior to or during the event can force a decision to cancel, postpone, interrupt or finish early.

This risk can be insured 7 days before the event. This cover can only apply to the Netherlands. As a rule, cover for other countries is possible after consultation with Klap b.v.

Liability:

€ 2,500,000 As maximum for all claims together per event.
€ 50,000 As maximum first loss for damages caused to property.

This section covers personal injury:

Injury and harm to the health of persons, whether or not resulting in death, including damages resulting therefrom.

This section covers damage to property:

Cover also extends to damage, destruction and disappearance, but also pollution or contamination of property belonging to persons other than the policyholder, including damages resulting therefrom.

This section covers damage to the location:

Damage caused to the location during the event. Therefore, damages caused by a visitor to the hired venue are covered for a maximum amount of € 50,000.

In the case of fire damage, a maximum payment of € 500,000 applies, on the condition that this damage is covered by fire insurance.

Excess:

Damage to property: € 1,250 for the whole event.
Property damage liability: € 250 per claim.

Equipment:

€ 250,000 As maximum for equipment of insured party or third party that is responsibility of insured party during the event.

Under this section, hired or own equipment can be insured against loss or damage, irrespective of cause. Note that wear and tear and inherent defect and inventory differences are not covered. For that matter, we recommend renting with insurance included so that the owner insures his/her own property. In the event of damage, this measure avoids many administrative complications.

Excess:

Damage to equipment: € 500 for the entire event.

Accidents:

€ 15,000 In event of death per person.
€ 50,000 In event of permanent disability per person.
€ 2,500 Medical costs.
Under this section, a maximum of € 500,000 will be paid per event.

This section will insure capital payment in case of permanent disability or death resulting from an accident. This cover applies to the entire organisation, both staff and volunteers of the event and includes visitors/guests of the event. A volunteer, member of staff or visitor/guest may sustain an injury during the construction and dismantling of the event, or during the event itself. This additional cover provides the policyholder with the means to contribute to the costs that the person involved or next of kin incurs in a particularly unwelcome situation.

What is not covered?

- Organisational problems.
- Insufficient interest in the event.
- Non-compliance with contractual obligations.
- Adverse weather if not reported on time (must be more than 7 days prior to event).

Premium:

The IDEA Event Insurance consists of the sections Expenses including Non Appearance where the premium is 1.40% of the total budget/expenses. In addition, the following sections can be insured:

Adverse weather: 0.30% of the total sum of budget/expenses;
Liability: € 125 fixed premium per day;
Equipment: 0.125% of the insured amount, with a minimum of € 75;
Accidents: € 0.15 premium per person, with a minimum of € 25.

Premiums do not include 21% insurance tax and € 25 policy costs.

No rights may be derived from these explanatory notes.