



2024 Performers of the US & Vendors of the US Renewal Newsletter

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Greetings, Everyone!

It's insurance renewal time! As you may have seen on the news, insurance carriers across the nation are becoming increasingly conservative about what they'll cover. Extreme weather in Florida, Texas, and California has some insurers pulling out of those markets entirely – and unprecedented claim activity has rendered some companies insolvent.

While you wouldn't think weather-related damages would impact Commercial General Liability policies, the sad truth is that it does. Most carriers are huge conglomerates issuing coverages across a wide variety of markets, and extreme losses in one market means those carriers become cautious about what they'll cover across the board.

The result: the carrier of our Performer and Vendor policies has taken a closer look at the coverages we're issuing. They *have* renewed both policies, but they're requiring some changes. Before we get to that, though, some good news!

Act & Merchant Finder

It's alive! Our newest website feature, the Act & Merchant Finder, is up and running. SIA insureds with an active policy have the option to **opt in**, making selected parts of their profile public. We're advertising our Act & Merchant Finder to fairs and festivals across the country, and we're employing keywords to display our Finder in web searches when events look for entertainment, merchants, food vendors, or other services to book!

To opt in, simply log into your account at www.specialtyinsuranceagency.com and click the "Edit public profile" link under your client ID and name. Fill out the online form and save. If you run into any issues, please contact our office.

Performers Insurance

If you have a Performers Insurance policy, read below for the changes, as there are quite a few:

1. Premiums are up across the board. Most will find a \$10 increase, which we acknowledge isn't great, but considering premiums remained flat last year after 2022's record inflation, we weren't overly surprised.
 - a. Applies to Liability coverage, as well as Inland Marine and Sexual Abuse & Molestation (SAM) coverages.
2. Instead of raising premiums even more, we've been instructed to compartmentalize our risk pools. If you worked 20+ days *last year* as a performer, you'll see an additional \$10 exposure charge.
3. Knife Throwers and anyone listing a skill under "Other" on the application are moving to Group 2 (Knife Throwers due to the "projectile" risk; "Other" skills due to increased underwriting activity).
4. Foam Artists (aka those running foam party machines) are moving to a new Group 3 due to risk/claims history.

Commercial General Liability Premiums	Option 1: \$1M/\$2M	Option 2: \$3M/\$5M	Rider Premiums	
Group 1: 1-19 performing days	\$294	\$460	Inland Marine \$10K	\$233
Group 1: 20+ performing days	\$304	\$470	Inland Marine \$25K	\$438
Group 2: 1-19 performing days	\$316	\$490	Equipment Leased/Rented \$10K	\$189
Group 2: 20+ performing days	\$326	\$500	Assistant, each	\$95
Group 3: 1-19 performing days	\$395	\$620	SAM \$100K/\$300K	\$150
Group 3: 20+ performing days	\$405	\$630	SAM \$1M/\$2M	\$750

Please note that if you're a performer that had Option 2 coverage last year but would like to drop down to the Option 1 coverage limits this year, that's fine with us! Give us a call for your new rate, or go online and edit your renewal application accordingly, selecting the Option 1 policy.

Vendors Insurance

Woof, this program took a serious hit. The carrier is experiencing a 1.26 loss ratio, meaning they're *losing* 26 cents on every dollar. This is due to a drastic increase in Inland Marine claims as well as three pending liability claims with enormous loss reserves. Two of those **claims** are remarkably similar to the completely fabricated scenarios below:

A vendor set up their space at a Renaissance festival. The space included a garage-type door that was found to be faulty (it would just fall on its own accord). The vendor allegedly notified the fair, but the fair did not fix it. The vendor proceeded to open their shop and sell to patrons. Guess what allegedly happened? The garage door fell on a patron's head, and the patron reported they're experiencing neurological damage.

A vendor set up space adjacent to a NYC sidewalk. The sidewalk was icy, and a passer-by slipped and fell and is reporting severe injuries. While in most places, a public sidewalk is, well, public space, it's our understanding that in NYC anyone owning property adjacent to a sidewalk is responsible for its maintenance. This means repairs *as well as* snow, ice, or debris removal. While the vendor didn't own property adjacent to the sidewalk, by occupying that space he allegedly assumes some responsibility for the sidewalk – similar to how the above vendor assumes responsibility for the safety of the Ren fest space.

What does this mean: *Always be sure your vending space is safe*, or you could be liable for damages. It also means some big changes for the Vendor Insurance program:

1. Premiums are going up. The carrier needs to right-side-up this program. While the price increase (\$30) sounds like a lot, keep in mind that since 2015, this program has only had one premium increase of \$5. We're honestly just happy the carrier renewed coverage given the loss ratio they're experiencing.
2. Coverage no longer extends to New York City or the five boroughs (The Bronx, Queens, Manhattan, Brooklyn, and Staten Island). After intensive negotiations, our carrier has agreed to allow vendors to purchase coverage in NYC or the five boroughs for a \$150 fee, so we are still able to serve those who do work in the NYC area.
3. Coverage limits are dropping to \$1 million each occurrence and a \$2 million general aggregate to drastically reduce this program's potential losses. Good news is that we've found these limits still meet most event/venue requirements, so we hope this will have little to no effect on most vendors.
4. The carrier is unwilling to write the \$25K Inland Marine rider any longer for this program. We *did* negotiate a renewal of the \$10K IM coverage as an option, but the deductible is increasing to \$1,000 for all losses.
5. The carrier is unwilling to write the \$1M/\$2M Sexual Abuse & Molestation (SAM) coverage for vendors. The \$100K/\$300K option is still available. For those working with CA and IL schools needing SAM coverage, our office can write a stand-alone policy, but please know it is *expensive*. Contact our office for more details.

Commercial General Liability \$1M/\$2M	\$410
Optional Riders:	
NYC + 5 Boroughs coverage	\$150
Inland Marine \$10K (\$1,000 deductible)	\$250
Equipment Leased & Rented \$10K	\$250
Sexual Abuse & Molestation \$100K/\$300K	\$150
Cyber Liability \$25K	\$95
Cyber Liability \$50K	\$150

In Closing

We're so sorry we couldn't secure flat renewals this year and that our programs are experiencing so many changes. Please know we're doing everything we can in this challenging market to remain competitive, offer quality insurance products, and support our insureds as best we can. There's a lot going on behind the scenes; we'll be sharing more as soon as we're able. Please know we're advocating for you and will be as transparent as possible.

Thank you for your business this past year and for considering family- and veteran-owned Specialty Insurance Agency for your insurance needs.

Heather Weiss Zenzen, Noah Zenzen, and the Specialty Insurance Agency Team