



2025 Performers of the US & Vendors of the US Renewal Newsletter

Specialty Insurance Agency • 3432 Denmark Ave #231, Eagan, MN 55123 • Phone: 715-246-8908 • Fax: 715-246-8908

Greetings, Everyone!

It's insurance renewal time! Last year, we wrote about how turbulent the insurance industry was, with extreme weather and natural disasters causing market losses to the point that some carriers became insolvent. Well, guess what? Same stuff, different year. I wish we had better news, but as weather-related claims and the general litigious nature of the US continues to impact insurance carriers' bottom lines, those same carriers continue to scramble and recoup losses in other areas.

What that means: Performer insurance rates are increasing. Again. The option 1 (\$1,000,000/\$2,000,000 plan) had a relatively marginal rate increase of approximately \$10, but our carrier sprung a truly unprecedented (for us) rate increase at the last minute on our option 2 (\$3,000,000/\$5,000,000 plan). Our option 2 rates have almost doubled.

Their reasoning for the option 2 increase: "[We] realize that this is a significant increase, but the per occurrence limit available is \$3M and [we have] only earned \$2.5M in premium for this program over the last ten years. [Our] concern is that just one policy limits claim (\$3M) would be catastrophic for that policy due to the overall lower premium earned year-over-year and that is why [we are requiring] a significant renewal increase this year."

Performers

Our recommendation for those with option 2 \$3M/\$5M limits: If you don't need option 2 limits, consider dropping down to the option 1 limits for your renewal. However, before switching limit options, please look over your contracts for your specific needs. Your invoice will show a renewal for your current coverage, but you *always* have the choice to change your coverage at renewal. Simply write on the enclosed invoice that you'd like to drop to option 1 coverage (or fill out an online renewal application for option 1 coverage). Enclose payment for that plan instead of the amount shown on your invoice. If you need any confirmation of what that amount should be, send us an email or give us a call. We have included updated rates below.

Policy change for those with Inc or LLC in their dba: Our carrier has informed us they will no longer accept dba's with LLC or Inc at the end, even if it's for a sole proprietor. This is because including Inc or LLC could elude coverage being extended to employees, board members, or others involved with the business, which this policy does not. Nothing in the policy has changed (it's always been an individual policy that insures one person), but they would like to prevent increased legal fees should someone argue there's additional coverage because of the addition of Inc or LLC.

Performers Insurance rates

Commercial General Liability Premiums	Option 1: \$1M/\$2M	Option 2: \$3M/\$5M	Rider Premiums	
Group 1: 1-19 performing days	\$304	\$850	Inland Marine \$10K	\$242
Group 1: 20+ performing days	\$314	\$860	Inland Marine \$25K	\$455
Group 2: 1-19 performing days	\$326	\$900	Equipment Leased/Rented \$10K	\$197
Group 2: 20+ performing days	\$336	\$910	Assistant, each	\$100
Group 3: 1-19 performing days	\$408	\$1,015	SAM \$100K/\$300K	\$150
Group 3: 20+ performing days	\$418	\$1,025	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. If you need to return to Option 2 limits at any time during your policy period, you can do that by giving us a call and paying the price difference over the phone.

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.

Vendors Insurance rates

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

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. We're advocating for you and will continue to be as transparent as possible. We will be looking into alternative carriers for next year's renewals; please wish us luck. There are not a lot of carriers willing to write programs like ours, but we're hopeful we'll find a new home.

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