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Insurance Solutions for Meeting Professionals and Their Clients

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Whether you are an independent meeting planner or a professional working within an organization, you are held accountable for all aspects of the event you have been assigned to organize and run. Meeting Professionals are held responsible for numerous details that go into planning a meeting or an event, some of which you have control over, and some of which you do not. Therefore, it is critical that you have a risk management strategy to deal with the possibility that something significant goes wrong before, during, or after an event/meeting that you are managing.

MPI recently partnered with LMS PROLINK, a Canadian insurance brokerage specializing in affinity programs for professional associations, to launch an insurance program tailored to the needs of MPI's Canadian members. The MPI insurance program has been developed to serve the needs of both the independent meeting professional and the meeting professional working within a larger organization.

Liability Insurance for Independent Meeting Professionals

There are two distinct types of liability insurance that all Meeting Professionals with their own business should have in order to protect their business and clients:

Errors & Omissions Liability Insurance (also known as "E&O" or Professional Liability Insurance):

E&O insurance will defend your interests against an allegation of negligence stemming from a mistake committed while performing professional activities within the scope of being a meeting professional. It covers all meeting professionals and employees working for the insured company. The policy will pay your legal costs to respond to an allegation of negligence by a third party, whether frivolous or not. If you are found liable, the MPI insurer will pay the damages for which you are held legally responsible. Consider the following example of a claim that could be insured by your E&O coverage:

A small Canadian company focused on planning and managing conferences decided to change venues during the planning process. An employee was responsible for canceling the initial hotel (known as "Hotel A") selected as the conference venue. The employee forgot to cancel Hotel A. Thirty days prior to the conference, Hotel A contacted the conference planning company requesting a deposit, as agreed to in their contract. Hotel A is finally made aware that the end client (a professional association) has moved the conference to another venue. Hotel A sues the conference planning firm and the professional association (the contract was executed under their name) for the

value of the cancellation fee and additional damages.

Outcome:

The insured conference planning firm was negligent in delivering their services to their client. The MPI E&O policy would defend the conference planning firm and pay the final damages awarded to the claimant (Hotel A). The professional association that was included in the lawsuit would be happy to know that their meeting planner would be able to resolve the lawsuit through their E&O insurer. Furthermore, the meeting planner is able to continue their operations having avoided what would have been a financially crippling incident, had they been uninsured.

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Commercial General Liability

Insurance (also known as "CGL"):

CGL will respond to defend allegations brought against you for bodily injury and/or property damage you may have caused a third party. It also extends to cover libel and slander. The policy covers your general business activities including meetings with clients or suppliers in or out of your office, as well as your company's involvement with the meetings and events you manage. CGL coverage is especially critical nowadays because if a third party suffers a loss at a meeting/event that you managed, it is highly likely that your company will be named in a lawsuit even if you had no responsibility for the loss. In our increasingly litigious society, we often observe that an excess of parties are named in a lawsuit to see if a settlement will "stick to someone". Your MPI endorsed Insurer will have a duty to defend you even if the case against you is frivolous.

Combining E&O and CGL insurance through the MPI program will ensure your company experiences no gaps in coverage.

Insurance for Specific Events

There are two types of insurance coverage that should be considered for the actual event/meeting being planned.

Event Liability Insurance:

The meeting professional should ensure that the organization hosting an event has the proper coverage for the event. Large corporations that host annual events will likely ensure that their individually held CGL insurance policies extend to cover such events (this should always be confirmed with your client). However, smaller companies, associations, charities, and private individuals often do not have CGL policies that extend to cover their events. The event venues (e.g., hotels, conference centres, theatres etc.) will typically ask for proof of insurance and to be added as an additional insured. This exercise will help the meeting professional understand if the host already has the proper coverage.

The cost of an Event Liability policy is primarily based on five items: amount of coverage, location, number of participants, activities, and overall budget.

Event Cancellation Insurance:

Prepare for the unexpected. Event cancellation insurance reponds to the Financial Loss sustained as a result of

Cancellation, Postponement, Curtailment, Abandonment or Relocation of an event for reasons beyond your control. You should consider Event Cancellation insurance if the cancellation of an event would have a significant financial impact on the organization hosting the event. This important coverage will reimburse the insured host for their revenues OR expenses incurred as a result of a cancellation, postponement or relocation. The expenses would include the consulting / professional fees paid to meeting professionals and other service providers.

What does it cover?

- Communicable diseases (e.g. SARS, avian flu, etc).
- Labour strikes (transit, municipal, venue staff, etc.)
- Adverse weather conditions and damage to the venue.
- Airline cancellations or reductions due to adverse weather, labour disputes or loss or damage at airport facilities.
- Power blackouts (i.e. the blackout in Ontario and the eastern US in Aug/2003)
- Terrorism (including the threat of terrorism, such as the Royal Ontario Museum bomb threat in 2007)

Policies can include coverage for non-appearance of principal speakers, performers and key personnel (due to accident, illness or unavoidable travel delay.



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