

We have seen an increase in the number of requests from the collegiate chapters to participate in the concession area for an athletic event at the sports stadiums.

The requests generally come about because the company managing the concessions wants the group to show evidence of insurance; thus a request to us for a Certificate of Insurance.

From an underwriting standpoint, we have some concerns about this exposure and will work with each request to minimize the ultimate liability to your organization. Below are some specific guidelines:

We will not support adding the concession management firm to your policy as an Additional Insured, if the chapter members will be serving alcohol.

We will not support the request if the chapter members will be serving alcohol for the concession management firm.

We will support adding the concession management firm to your policy as an Additional Insured if it meets all other qualifications.

We will produce a Certificate of Insurance to the firm wanting to see the evidence of insurance if the event meets the above guidelines.

Fortunately we are finding that the concession management firms will work with the participating chapter and will enlist their assistance for areas other than the alcohol sales of an event.

We bring this to your attention not only to point out a trend of increased requests, but also to inform you of several recent lawsuits, which supports our underwriting position on this fundraising activity. You will note that Aramark Corp, the concession management firm was liable for the punitive damages of \$75 million.

If the person selling the alcohol was an employee of the beverage provider, then the litigation trail and liability stops there. However, if the individual who dispersed the alcohol was involved in an organization like a sorority, then there exists a very strong probability that that organization would be brought in to the lawsuit (see [here](#) and [here](#) for examples). Hence, our fear about the ultimate liability of not only the local chapter, but also the national organization would be at risk.

We encourage you to communicate these risk management guidelines within your organization to ensure that each activity being considered is addressing the many different risk exposures.

Should you have any questions or concerns on the above information, feel free to contact your [Client Executive](#).