



## Why Do Field / Facility Owners Require To Be Named On Sports Insurance Policies?

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Field / facility owners such as recreation departments, school districts, schools, and municipalities often allow outside user groups to use their premises under a lease or permit. These relationships are beneficial to all parties involved. However, field / facility owners expose themselves and their insurance carriers to liability arising from injuries that may occur on the premises arising out of the lease or permit. This is true even though the injury may be due to the 100% negligence of the outside user group.

Field / facility owners are almost always shot gunned into these lawsuits as a deep pocket even if they are 0% at fault. The defense costs and possibility of settlement or adverse jury verdict can be very expensive. This can result in unbudgeted out of pocket expenses (in event of self insurance or large deductible insurance program) or in a large loss that is paid by their insurance carrier. When these losses are paid by insurance carriers, such insurance carriers may non renew or may ask for large rate increases.

Therefore, field / facility owners have a lot to lose when they make their premises available to outside user groups. It makes sense that the group that is responsible for the injury and resulting lawsuit should be financially responsible for paying the damages. Therefore, prudent field / facility owners require outside users to carry their own insurance that meets certain minimum standards that are drafted by risk managers or attorneys employed by the field / facility owner. Such insurance requirements specify the types of policies to be carried, minimum limits of coverage, and special coverage endorsements such as "Additional Insured" status for the premises owner.

Requiring outside user groups to be financially responsible for their own injuries and lawsuits is a good business practice. Even high limit insurance is surprisingly affordable and easy to obtain when reputable sports insurance and event insurance specialists are contacted.

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