



Guide to Wedding Insurance:

Coverage for Your Special Day

Commonwealth of Massachusetts
Division of Insurance

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How to Use This Guide

Preparing for a wedding can be exciting, but also expensive. You need to reserve reception halls, book bands, arrange for photos and videos, look for gowns and tuxedos, choose flowers, etc. After making all these plans, you count on it all coming together on one memorable day.

Despite all the planning, it is possible that something could go wrong. Unexpected weather could force you to cancel the wedding. Delays in flights or delivered items could delay the actual ceremony and cause you to spend more in rental fees. Wedding gifts could be damaged or stolen during the reception.

This guide provides a general explanation of wedding coverage, which is similar to insurance that can be bought to cover unexpected delays or cancellation of any special event. The coverage may differ from one policy or certificate to another, but most policies cover situations that could arise prior to or during your special event. If you have outstanding questions after reading this guide, you can contact the Division of Insurance Consumer Services Section at (617) 521-7794 or through www.state.ma.us/doi.

As you consider any insurance, you should be aware that an insurance policy is a legal contract describing the promise an insurance company gives you in return for your payment of regular premiums. **Insurance is not a bank account in which your premiums are stored; it is a legal promise that an insurance company will pay for the costs of certain identified losses that may occur during the policy period.** The insurance you buy to cover your wedding is protection for a specific period or term of time.

To truly understand a particular type of coverage, you should take the time to learn what is and what is not covered. The insurance company offering the coverage or its producer should be able to help you with an analysis of the appropriate coverage for your situation, but it is up to you to choose the right policy to protect your own assets. **It is important that you read your coverage carefully to determine your exact coverage, as well as your rights and responsibilities under the coverage.**

There are appendices at the end of the guide, including a glossary of commonly used terms such as those that appear throughout the guide (Appendix A) and a record of any wedding insurance policy that you may purchase (Appendix B).

Disclaimer

This guide is not a legal analysis of your rights under any insurance policy or government program. Your insurance policy, program rules, Massachusetts law, federal law and court decisions establish your rights. You may want to consult an attorney for legal guidance about your specific rights.

This guide includes information, documents, and materials (collectively, the "Contents") that are subject to change without notice. The Massachusetts Division of Insurance cannot guarantee that the contents of this guide are up-to-date or complete and assumes no responsibility for errors or omissions in any Contents, including Contents that are referenced by or linked (by hypertext links) to any other Contents or third party websites. The Massachusetts Division of Insurance makes no representations or warranties of any kind whatsoever for the Contents or for any products or services or hypertext links.

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Guide to Wedding Insurance: Coverage for Your Special Day

SECTION I: RISKS TO YOUR SPECIAL DAY

What is Wedding Insurance?

Wedding days can be expensive, with the costs of ceremonies, receptions, flowers and other items that you have planned for your wedding day. Wedding insurance is usually tied to the financial costs of the events that you have planned to take place on your wedding day if they are disrupted by unexpected events that may occur prior to or during the wedding. This may help pay for the costs of unexpected events that may delay the wedding ceremony or disrupt your special day.

Why Buy Wedding Insurance?

You may have saved and planned for your wedding day. You may have sent all the invitations, paid for all the features of the day, packed all your bags for your honeymoon and something unexpected arises, such as a hurricane coming up the coast or your spouse-to-be coming down with a highly contagious disease. Due to this unexpected development, you may still want to marry your spouse, but will not be able to have the wedding you planned. Depending upon your wedding arrangements, you may still be financially responsible for the costs of the church ceremony, reception, band, flowers, etc., even if the wedding has to be cancelled. Wedding insurance policies are designed to protect you from the costs of unexpected, disrupting events. Although each policy or certificate may be different, each could be tailored to the particular needs of your wedding.

In addition to the costs of a cancelled event, wedding insurance can protect you against the risk of damages to the locations used to celebrate the wedding or caused by guests who drink at the wedding, injuries sustained at the wedding celebration, damages to rented clothes or jewelry and even coverage for gifts that are received at the wedding.

Don't My Other Policies Cover Me?

Most traditional property and casualty insurance policies cover you for unexpected losses that affect your property or make you liable for a lawsuit, but they most likely do not cover you for disruptions to wedding plans for which you may have already paid. Some traditional property and casualty insurance policies may even cover you for the cost of damages to certain personal items, such as a wedding gown, but may cover only part of the loss and not the actual cost of the gown.

Am I Required to Buy Wedding Insurance?

There are no specific laws requiring anyone to purchase wedding insurance, but if you are investing a significant amount of money in one day, it may be prudent to consider this coverage to protect your investment in the reservations and deposits you may have made.

SECTION II: INSURANCE COVERAGE

How Does a Wedding Insurance Policy Work?

When issued, an insurance policy is a legal contract between an insurance company and an insured according to the terms of the contract. As with any other insurance coverage, you pay a premium to the company in exchange for the insurance company's promise to pay for your covered losses. There is an expectation of good faith, *i.e.*, that you and the insurance company will be fair and honest in your dealings with one another.

How Do I Obtain Coverage? Can I Ever Be Turned Down?

You should know that wedding insurance is offered in a competitive market. You have the right to shop around for wedding insurance from companies available in your area but a company also has the right to turn down your application for coverage.

In order to obtain a wedding insurance policy, you must fill out an application to help the insurance company learn about you, your wedding, and the risks the insurance company would be responsible for if they insure you. After reviewing the information, the insurance company will use its own standards, known as underwriting guidelines, to decide whether to issue you a policy, and the rate it would charge for the coverage.

If an insurer agrees to consider your application, the producer or company may issue you an "insurance binder", a legally binding statement indicating that you have immediate protection for a specified period of time during which the company will decide whether to issue you a policy. If the company formally accepts your application, it will issue a policy, usually covering the duration of the wedding period. If your application is rejected, you will need to apply to another insurer.

Can an Insurer Ever Cancel My Coverage?

Yes, an insurer can cancel your coverage. You should read your policy carefully to determine the conditions for cancellation. Companies can cancel or non-renew coverage, but only according to the conditions that are spelled out within the policy.

What Level of Coverage Do I Need?

You should only consider buying coverage up to the level of your need. Wedding coverage may only be necessary to compensate you for the cost of nonrefundable deposits or reservations that you have already paid for. Other coverage should only be bought if it does not duplicate coverage that you already have; you should check your other policies to determine what coverage you already have.

How Do Insurers Market Insurance Policies?

Insurance companies generally use one of three methods to market their product: direct marketing, independent agents, or exclusive producers. The type of marketing method may or may not meet your needs, depending on the type of services offered. Therefore, you should be aware of each of the three methods and may want to consider these when you decide to buy insurance.

Wedding insurance is sometimes sold by agencies affiliated with or through referrals from wedding planners. Some insurers use **direct marketers** who sell insurance through the mail and by telephone. Others insurance companies sell coverage through producers that only represent their company. These companies call their producers an **exclusive agency force**. **Independent agents** represent several companies; therefore, you can get quotes for more than one company from just one producer. Many consumers consider this an advantage

How Do I Find Companies that May Sell Me Insurance?

Licensed Insurance Companies:

There are many insurers licensed by the Division of Insurance that sell property and casualty policies in the Commonwealth of Massachusetts. In order to be licensed, an insurer must demonstrate it meets the state's minimum financial requirements to pay claims now and in the future. It must also agree to participate in the state's guaranty fund designed to protect policyholders if any licensed property and casualty insurance company is financially unable to pay claims. You can check <http://www.mass.gov/?pageID=ocatopic&L=3&L0=Home&L1=Consumer&L2=Insurance&sid=Eoc> for a list of companies in your area.

When considering a company, you may want to contact your neighbors, relatives, and friends for recommendations regarding their insurance company's service and price. In addition, for a fee, you can learn more about the financial strength of a particular insurance company by contacting any of the following insurance rating services

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| A.M. Best Company | (908) 439-2200 | http://www.ambest.com |
| Duff & Phelps, LLC | (212) 450-2800 | http://www.duffllc.com |
| Fitch Ratings | (212) 908-0500 | http://www.fitchibca.com |
| Moody's Investors Services, Inc. | (212) 553-1658 | http://www.moodys.com |
| Standard & Poor's | (877) 299-2569 | http://www.standardandpoors.com |
| Weiss Research Inc. | (800) 289-9222 | http://www.weissratings.com |

SECTION III: COSTS AND LOSSES

What May Affect the Cost of My Insurance?

Amount of Coverage: The amount of coverage you buy will affect the price you pay.

Deductible Amount: The amount of loss that the covered person is required to pay before the insurance company will pay any losses. The higher the deductible, the lower the premium for the insured. An insured should keep in mind, however, that deductibles may apply separately to each loss that may occur throughout the year.

Discounts: Most insurance companies offer a variety of discounts and you should investigate any that may apply, including discounts for holding more than one policy from a company.

What Can I Do to Reduce the Premium?

Shop Around: Prices can vary greatly. However, don't consider price alone since service is also important. Quality service may cost more, but it also may be worth it. Be sure to talk to your friends.

Include Insurance Costs in Your Budget: Before you make your plans, think about how much it will cost to insure your wedding. You may want to factor this into the cost when making your plans if you believe that you should have wedding insurance.

What Should I Do If Something Happens on the Wedding Day?

Most insurance policies generally require you do the following things:

- Give notice to the insurance company.
- Protect yourself from further loss or damage. Do not take any actions without the advice of counsel.
- Give your insurance producer, claims adjuster and/or insurance company a copy of a list of all damaged, destroyed or stolen property (being sure to keep a copy). In case of theft, be sure to give another copy to the police.
- Show the damaged property to your insurance producer, claims adjuster and/or insurance company, if asked. Do not dispose of any damaged property until your producer, claims adjuster and/or company says you can.

What If I Have Questions or Problems with the Insurance?

If you are having a problem with your insurance, you should first check with your licensed producer or with the company that sold you the policy. If you feel that the amount of money offered by your insurance company to pay for a loss is not fair or there are other insurer practices that seem unfair or deceptive, there are several alternative courses of action that you may want to consider:

- You can file a complaint with the Massachusetts Division of Insurance during normal business hours at 1-617-521-7794 or can download a complaint form from the Division's internet address - www.state.ma.us/doi - and then fax or mail the complaint to the Division;
- You can file a claim in small claims court; or
- You can hire a lawyer to consult with and represent your interests in court.

When completing a complaint form or meeting with a lawyer, make sure you have included detailed information about your insurance problem, including the correct name of the insurance company, a complete and accurate description of any company actions to respond to your complaint, a claim number, if you have one, and copies of any relevant documents or correspondence relating to your claim.

Appendix A – Glossary of Common Insurance Terms

Cancellation - Termination of policy during the policy term.

Claim - A request for reimbursement for a loss covered by a policy. For example, a claim for lost deposits in the event the wedding is cancelled due to a covered event.

Exclusion - Certain causes and conditions listed in the policy that are not covered.

Independent Agent - An agent who represents more than one insurer.

Insurance - A formal device for reducing an insured's potential costs by transferring specific risks to insurance companies.

Premium - The amount of money an insurance company charges, based on a given rate, to provide the coverage described in the policy for a specified period of time, generally one year.

Underwriting - The process of examining, accepting or rejecting insurance risks, and classifying those selected, in order to charge the proper premium for each.

Appendix B – Facts to Keep Handy About Your Own Policy

For use after you buy an insurance policy. Complete this form and put it with your important papers. You may want to make a copy for a friend or a relative.

1. Insurance Date

Policy Number _____

Date Purchased _____

Premium _____

2. Insurance Company Information

Name of Company _____

Address _____

Phone Number _____

3. Information about Insurance Producer

Producer's
Name _____

Phone Number _____

Address _____

4. Type of Insurance

5. Are there conditions that I need to keep track of? _____

6. How do I file a claim? (Check all that apply)

Contact my licensed producer

Contact the company

7. How often do I pay premiums? ____ Annually ____ Semi-annually ____ Other

8. Are my premiums deducted from my bank account? ____ Yes ____ No

Name and address of my bank: _____

Bank account number: _____

9. Where do I keep this policy? _____

Other information _____

10. Friend or relative who knows where my policy is: _____

Address _____

Phone number _____

We Can Help!

The Division of Insurance exists to serve you. The Division can be a source of unbiased information and assistance to you, such as verifying if a producer or insurance company is licensed to do business in the Commonwealth or providing answers to many frequently asked or general insurance questions.

If you have a complaint against an insurer, it is always best to contact your insurance company first and try to settle the matter. Most insurance companies have policyholder service offices to handle your questions. However, if you are still not satisfied, contact the Division's Consumer Service Section staff to help with your problem. Although they cannot represent you legally against an insurance company or adjuster, they can make an appropriate investigation into potential violation of insurance laws or regulations based on your complaint.

The Consumer Service Section can be contacted at 617-521-7794, Monday - Friday 8:45 a.m. - 5:00 p.m. or visit the Section on the Division's web site at www.state.ma.us/doi. You may also contact or send in a consumer complaint by writing to the Consumer Service Section at the Commonwealth of Massachusetts Division of Insurance, One South Station, Boston, MA 02110. For your convenience, a consumer complaint form may be printed from the Division's web site.

This consumer's guide should be used for educational purposes only. It is not intended to provide legal advice or opinions regarding coverage under a specific insurance policy or contract; nor should it be construed as an endorsement of any product, service, person or organization mentioned in this guide.



Non Smoker



Alarm System



Sprinkler

Insurance is an important purchase for many people. Use this brochure as a guide for how to better understand wedding insurance and other coverage for special events and whether this coverage may be right for you.

Although wedding insurance is not required by Massachusetts law, you may want to consider it as a protection against unforeseen events affecting your special day.