



Alcohol being served at your company party? **Make sure you're protected.**

Your company is hosting its annual holiday party. This is a great opportunity to reward those deserving employees with dinner, dancing, and drinks.

Unfortunately, one of your employees had a few too many, and on the way home ran into a telephone pole and seriously injured himself and his wife. Can your business be sued?

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Well, that may depend.

Many companies have holiday parties where alcohol is served. No big deal, right? You might be thinking, "It's not like we are a bar or restaurant?" You may be surprised.

There are two main types of liquor liability coverage: Host liquor liability and liquor legal liability.

Host Liquor: Provides protection for businesses against bodily injury or property damage suits brought by parties injured as a result of an intoxicated guest who was served alcohol at an event you hosted.

Host liquor liability is a coverage that is included under the commercial general liability policy for those businesses *not 'in the business of'* serving, manufacturing, distributing, selling, or providing alcohol.

Liquor Legal Liability: Provides coverage for bodily injury or property damage for which you may become legally liable as a result of contributing to a person's intoxication. This coverage is provided by a separate policy and will only cover insureds *'in the business of'* manufacturing, selling, distributing, serving alcoholic beverages for charge or no charge if a license is required for the activity. This exposure is not covered under the general liability policy.

Sounds pretty simple. right?

If you are not in the business of serving, manufacturing, distributing, selling, or providing alcohol all you need is host liquor and that is included in your general liability policy?

In most cases that is correct, but there can still be situations where you need to be extra careful.

What if you are hosting an event, and you are required to obtain a liquor permit or if you are charging a fee for the alcohol? In these cases, you could be considered to be 'in the business of' serving, manufacturing, distributing, selling, or providing alcohol.

These lines between host liquor and liquor legal can be confusing so make sure you speak to your agent prior to hosting an event with alcohol.

Wishing you all a safe and enjoyable holiday season!