

Case Study#1: Event Weather Insurance

Festival Rain Insurance

- Every year the Chamber of Commerce in a certain city promotes a local Oktoberfest in their city park and the Chamber is responsible for hiring entertainment, booking vendors, and paying for security.
- These costs add up and in the event that rain keeps people away, there will be a large deficit in the budget at the end of the year.
- With a Rain Insurance policy through HCCS, the Chamber is able to be assured that if the rainfall keeps people from attending the event and revenues drop, they will be covered by their Insurance Policy.
- In this case, their weather policy would payout if $1/5^{\text{th}}$ (0.20) of an inch of rain accumulation occurred during their key event hours of 4:00 – 9:00 PM.
- When it rained $1/4$ inch that day between their key hours, HCCS provided the Chamber with a check to make up for their losses on that day.