



MINNESOTA FARMERS' MARKET ASSOCIATION INSURANCE GROUP POLICY PROGRAM 2022

FACT SHEET

The Minnesota Farmers' Market Association (MFMA) offers a group insurance policy for member markets and member vendors through Advantage 1 Insurance Agency. The policy is underwritten by West Bend Mutual. This group policy insurance program is open to MFMA market members and vendor members.

POLICY FEATURES


General Liability Insurance including Products and Completed Operations

- Limits of Liability:
 - \$3,000,000 general aggregate limit
 - \$3,000,000 products and complete operations aggregate limit
 - \$1,000,000 each occurrence limit
 - \$1,000,000 personal and advertising injury limit
 - \$2,000,000 umbrella each occurrence limit
- \$250 deductible for property damage
- Policy term: January 1, 2022 to December 31, 2022
- Group Policy
- Excess Policy

Coverage Guidelines and Eligibility

To be an insured on the MFMA group policy, the following guidelines apply. This is a summary of insurance and the actual policy language holds true above all summarized language.

Insurance for Vendors

- a. A vendor must be a MFMA member to be eligible for this member benefit.
- b. Premiums will be charged as a flat amount for the policy period.
- c. No refunds for cancellations.
- d. No reduced premiums for late entry into the policy period.
- e. Premiums noted include all processing fees and state taxes.
- f. The above coverages are the only coverages offered. Any coverage requested in the application that differs from the above is not included. 
- g. Vendors will have coverage at any established* farmers' market or established* farmers' market-type event in the states of Minnesota and Wisconsin.
- h. Only small, one-of-a-kind, non-mass-produced crafts will be permitted to be sold.
- i. Only locally grown/raised products are eligible for sale.
- j. No resale of wholesale purchased items.

Additional Policies Available

Advantage 1's group policy has some limitations and cannot insure:

- Complex markets
- Vendors who sell ready-to-eat foods (food & beverage service)
- Vendors who sell cottage foods at both a market and from their home
- Kombucha
- Cosmetics, body care products
- Tinctures
- Knives

However, we have compiled a list of other insurers who can write these policies. Contact MFMA's Kathy Zeman if you need information about these options: (507) 664-9446 or kzeman@mfma.org.

- k. No concessionaires are eligible. For example, vendors who sell pizza, hamburgers, or pop meant to be consumed onsite while at the market are ineligible for this program. 📣
- l. No coverage for cosmetics or body care products (soap, lotion, etc.). 📣
- m. Coverage is not valid for sales from your home or farm, from commercial kitchens, or for crops; coverage is only valid at established* farmers' markets or established* farmers' market-type events. 📣
- n. This is not for vendors who have a store front, as the market is just another selling location. These vendors must obtain coverage through their business insurance. 📣
- o. Insurance is only valid in the states of Minnesota and Wisconsin (although a vendor may live in an adjacent state).
- p. Vendors must comply with applicable Minnesota/Wisconsin Department of Agriculture and Minnesota/Wisconsin Department of Health rules and regulations.
- q. A certificate of insurance will be emailed or mailed to you as your proof of insurance.

For VENDORS: Premiums, Fees, and Options

		TOTAL
MFMA Membership (required)	\$70	
MFMA Processing Fee: covers administration, card fees (required)	\$35	
Vendor Insurance I (Food-Unprocessed)**	\$65	\$170
Vendor Insurance II (Food-Processed)***	\$95	\$200
Vendor Insurance III (Crafts, Food-Unprocessed/Processed)****	\$135	\$240

Insurance for Farmers' Markets

- a. A farmers' market must be a MFMA member to be eligible for this member benefit.
- b. Premiums will be charged as a flat amount for the policy period.
- c. No refunds for cancellations.
- d. No reduced premiums for late entry into the policy period.
- e. Premiums noted include all processing fees and state taxes.
- f. The above coverages are the only coverages offered. Any coverage requested in the application that differs from the above is not included. 📣
- g. Markets: maximum of two locations per market.
- h. Market size is limited to the "average number of vendors per event multiplied by the number of events in the policy year" being less than or equal to 1,500.

Examples:

Eligible Markets	Ineligible Markets
20 vendors x 75 events = 1,500	30 vendors x 52 events = 1,560
30 vendors x 45 events = 1,350	25 vendors x 65 events = 1,625

- i. Insurance is only valid in the states of Minnesota and Wisconsin
- j. Farmers' markets must comply with applicable Minnesota/Wisconsin Department of Agriculture and Minnesota/Wisconsin Department of Health rules and regulations.
- k. A certificate of insurance will be emailed or mailed to the market contact as proof of insurance.

For FARMERS' MARKETS: Premiums, Fees, and Options

		TOTAL
MFMA Membership (required)	\$70	
MFMA Processing Fee: covers administration, card fees (required)	\$35	
Market Insurance	\$165	\$270

Definitions

- * Established Farmers' Market or Established Event: Market or event is formally organized, has a board of directors, and is insured.
- ** Food-Unprocessed: Vendors who grow their own food products and do not process them. Food goes directly from the ground to the stand. Examples: tomatoes, apples, potatoes, flowers, and plants.
- *** Food Processed: Vendors who grow their own food products and perform processing before sale. Examples: jam, jelly, honey, maple syrup, bread, baked goods, spices, and canned goods allowed by the 2015 Minnesota Cottage Foods Exemption M.S. 28A.152. This category also includes meats, eggs, and mushrooms.
- **** Crafts, Food-Unprocessed/Processed: Vendors who grow and/or process their own food products AND/OR sell small, one-of-a-kind, non-mass-produced crafts. Examples: jewelry, birdhouses, candles, and hand-made wearable items.

Glossary of Terms

1. **Liability insurance:** Insurance that pays on behalf of an insured for loss due to negligence that is deemed the responsibility of the insured. It extends coverage to a person, business, or other entity to cover bodily injury or property damage. Liability insurance covers the cost of investigating claims that may turn into a lawsuit and the attorney fees associated with protecting the person, business, or entity being sued.
 - i. **Bodily injury** includes the cost of care following an accident, the loss of service one might endure as a result of that accident, and the cost of restitution should the accident take a life or permanently injure another.
 - ii. **Property damage** includes the loss of property and the loss of property use.
2. **Additional Insured:** An individual or entity that is not automatically included as insured under another's policy, but may be named providing that entity a certain degree of protection.
3. **Certificate of Insurance:** A document that indicates your coverage amounts, carriers, and policy effective dates.
4. **Excess policy:** MFMA is an excess policy over other collectable limits. In case of a claim, all other liability insurance policies the insured has will be accessed first, before coming to this excess policy.
5. **Group policy:** everyone insured through the group policy shares in the occurrence and aggregate limits of liability.
6. **Insured:** The party to whom the insurance company agrees to cover losses, provides benefits, or renders services.
7. **Market Insurance:** this policy covers the market premises, market organization, and its employees. Such a policy offers basic "slip and fall" coverage as well as product liability. Coverage extends to multiple locations under one market umbrella, but each location shares the limits of coverage.
8. **Negligence:** Failure to use that degree of care that an ordinary person of reasonable prudence would exercise in like circumstances.
9. **Umbrella Liability Policy:** A liability policy designed to provide liability protection above and beyond that provided by standard liability contracts.
10. **Vendor Insurance:** Provide general liability or "slip and fall" coverage to the individual vendor within the market. Coverage also includes product liability insurance. Policy coverage is extended to all named markets the vendor participates in.