March 12, 2020

Colleagues & Clients:

As you can imagine, the last few days have been a whirlwind for our clients and their events scheduled in the spring. We know that regardless of your event time frame you have begun receiving inquiries pertaining to COVID-19 and your plan to address.

Similar to most of you, we are closely monitoring the situation and following the guidance issued by our client’s partner jurisdictions and both the Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO). In addition, we are in close contact with many different events and colleagues around the country and receiving/sharing information as it becomes available. After all, we feel the most effective ways to learn and become better is through collaboration.

In an effort to not simply issue a statement, we have attempted to lay out in the below documentation a tangible summary of what we have witnessed (and learned) in the last week and how it pertains to our event space as we move forward. Of course, these elements can vary based on a myriad of factors and can/will evolve as the world moves forward with addressing these unprecedented events.

Finally, please be aware of the below resources:

- CDC - Coronavirus
- CDC - Travelers Health
- World Health Organization (WHO)
- US Department of State
- Prevention and Treatment

Thanks and do not hesitate to ask any questions.

- Cadence Team
I. CURRENT OUTDOOR EVENT STATUS

Regardless of event size and scope, we are seeing the cancellation or postponement of a good % of events around the country that are scheduled during the months of March and April. So far (as of Thursday, March 12th) the vast majority of events scheduled during the month of May have remained unchanged with the intent of continuing to closely monitor the situation. As this is a fluid on-going situation, we urge all events that are currently scheduled after May 1 to begin taking notes on what other organizations are doing and begin to chart plans for all potential paths.

II. CURRENT DECISION MAKING

Considerations:
- City/County/State COVID-19 Policy
- Public Health
- Public Resources (Law Enforcement, Medical Communities)
- Your Organization’s Demographic
- Timeline to your event
  - Is the event scheduled beyond April? If so, our feeling is that any decision other than to monitor the situation would be premature.
  - As mentioned above, it is important that you begin to take note of how other organizations are managing the situations.

Decisions:
1) Event Cancellation:
Many municipalities around the country are declaring an Emergency Health Declaration which by virtue is immediately cancelling many events. Regardless of a formal declaration, other municipalities are implementing bans on mass gathering events with a certain number of participants through a certain date. We have seen a wide variation in both; from 100 to 2,500 participants and indefinite time to May 1, 2020.

Conversely, we have also seen a number of municipalities and governing bodies defer to the event organization for the decision whether or not to move forward with its events. When many of our events are multi-jurisdictional this could potentially cause confusion/conflict should one municipality differ on its approach from another. In these situations we are in contact with all municipalities to see what their current stance is on COVID-19.

Ultimately, in all cases it is important to realize that if a city mandates your event to be cancelled or postponed it is generally an effort to not only protect public health and safety, but also to protect the myriad of emergency management personnel such as law enforcement, paramedics, nurses, doctors, etc. that could potentially be stretched.

IF Cancellation, what about Registration Fee Refunds?
Ultimately, this is your organization’s decision. As a general rule, regardless of your event being a for-profit or non-profit, most have a ‘No Refund’ policy based on elements beyond your control, which certainly entails the COVID-19 situation. Another possible solution can be to get creative and begin looking forward to next year. This is also a good way to further engage your constituency. Send them a note, thank them, and offer something.

- Registration deferral for the following year
- Discounted registration for the following year
- A cool merchandise item
- A simple phone call from one of your directors! Remember, most often an acknowledgement is all that is needed.

Also, it is important that you connect with your registration/fundraising platform as often times they reserve the right to reschedule the funding distribution.
2) Event Postponement:
A few of our clients and others are working with their local municipality partners and opting to reschedule for the Fall. Of course, rescheduling for the Fall can be strenuous and the stars must align for this to work out. Most often, municipalities already have a very dense event calendar and it is important that all primary partners and agencies alike are able to service/host the event in the fall.

Venues & Service Providers
If a cancellation or postponement occurs, it is imperative that your operations team or management team take the time to review all contracts and communicate effectively. Are you owed a deposit back? Is there a cancellation fee that you now owe? Regardless, relationships with all providers of your event are critical for the future so be sure to communicate and let them know of the situation and future plans.

3) Event Proceed with Precautionary Measures:
Other events are continuing as scheduled while implementing precautionary measures to best ensure public health and safety. These include but not limited to the following:
- Make your event a ‘Hand Shake Free’ Event
- Ensure ample hand washing and/or hand sanitizer stations are easily accessible throughout the event particularly at entrances, food areas, bathrooms and exits for patrons and event staff to use
- Consider posting simple educational signage on respiratory etiquette and hand hygiene
- Sending employees, volunteers and participants who show signs of illness home
- Adding disinfectant sprays in high-traffic areas
- Increasing frequency of high touch items be cleaned
- Asking participants, volunteers, and staff to be proactive and wash their hands more often for at least 20 seconds with an alcohol-based hand sanitizer
- Avoid touching your eyes, nose, and mouth with unwashed hands.
- Avoid close contact with people who are sick.
- Stay home when you are sick.
- Cover your cough or sneeze with a tissue, then throw the tissue in the trash.
- Request potential attendees that have recently traveled overseas where outbreaks are far more serious, are advised to skip this year’s event and come and see us next year.
- Provide face masks (if available)
- People at higher risk of severe illness should stay home and away from large groups of people as much as possible, including public places with lots of people and large gatherings where there will be close contact with others. People at higher risk include:
  - People 60 and older
  - People with underlying health conditions including heart disease, lung disease, or diabetes
  - People who have weakened immune systems
  - People who are pregnant
Organizers should also consult with their event medical team to ensure the following:
- There is a plan with event medical in case anyone appears with symptoms at the event
- That all responders have appropriate personal protective equipment
- All parties are familiar with the various decision makers and have all contact information required
- The medical team conducts an event briefing with all stakeholders

Event staff should also contact their local health department or other government agencies for any specific restrictions or guidelines in their jurisdiction.

*Note - If your event takes place in May and assuming the overall situation improves we would still anticipate many of these measures to be implemented.*

Other Preventative Measures, Emergency Management, and Communication Plans can be found on the CDC website HERE
III. COMMUNICATION
Our good friends at Charity Dynamics have provided a great document when considering your communications strategy as you plan and prepare for COVID-19. Click HERE to download.

IV. INDUSTRY STATEMENT EXAMPLES

Decision to Proceed, Postpone, or Cancel is up to Event:

OGB (Olympic Governing Body): USA Cycling
Due to the wide-ranging events and jurisdictions involved, USA Cycling is not preemptively requiring the postponement or cancellation of events. Rather it is up to each event organizer to work with their local government agencies and health providers to determine the risk associated with their event. USA Cycling policies and regulations never override civil laws, regulations and policies.

Event Postponement:

Texas UIL (University Interscholastic League)
Amid growing concerns over COVID-19 (coronavirus), the UIL CX Debate State Tournament and the UIL State Robotics FIRST Tech Challenge will be postponed until further notice. Participating schools will be notified directly by UIL with updates as they become available.

“The health and safety of our students and schools is our number one priority,” said UIL Executive Director Dr. Charles Breithaupt, “it is crucial we take every possible precaution to keep participants safe.”

As this is a fluid situation, the UIL will continue to follow the direction of local officials to monitor this situation and will make additional announcements as needed. Please continue to check the UIL website and social media accounts for further updates.

Event Cancellation (per Organization):

New York City Half Marathon - New York Road Runners
At New York Road Runners, the welfare of our running community is always our top priority. Due to the rapidly developing coronavirus (COVID-19) situation, the NYC Half, scheduled for Sunday, March 15, and the accompanying Rising New York Road Runners youth event, have been cancelled. We appreciate the support of New York City officials through this complicated decision-making process.

We know this is a challenging time for everyone, and the cancellation of the NYC Half is disappointing news to many, but the resources necessary to organize an event with 25,000 runners on the streets of Brooklyn and Manhattan have become strained during this difficult period. Over the past week the NYRR team worked hard to adjust plans, implementing modifications and accommodations to alleviate crowding and facilitate social distancing. Unfortunately, it has become clear that we will be unable to proceed in the manner that our runners have come to expect at NYRR events, where the safety and security of our runners, volunteers, staff, partners, and spectators are our main concern.

Due to the scale of the race during this unprecedented time, runners who registered directly with NYRR will be contacted in the next few days with the option to select either a full refund of their entry fee or guaranteed non-complimentary entry to the 2021 NYC Half next March (exact date TBD). Runners who gained entry through a charity or tour operator should reach out directly to that organization for the options available to them.

For the latest updates from NYRR on race events, group training, community programing, and NYRR RUNCENTER classes and special events, visit nyrr.org.
**Event Cancellation (per Municipality):**

**Houston Rodeo**
In the interest of public health, the City of Houston and the Houston Health Department have ordered the Houston Livestock Show and Rodeo™ to close. The Rodeo will respectfully and dutifully comply with the City’s order.

The Rodeo is deeply saddened; however, the safety and well-being of our guests and our community is our top priority. Out of precaution, the City has decided that this is the best course of action for our community.

The Houston Livestock Show and Rodeo has been a fabric of this community since 1932. Having to close early is extremely difficult as guests, volunteers, exhibitors, rodeo athletes and entertainers look forward to the 20 days of the Rodeo each year.

We look forward to the 2021 Houston Livestock Show and Rodeo to continue to promote agriculture, education, entertainment and Western heritage. We will provide additional information as it becomes available. Updates will be posted at rodeohouston.com/2020.

**Event/Company/Organization To Proceed with Added Precautions:**

**Hilton:**
As it has always been, the safety and security of our guests and team members remains our highest priority. We are doing everything we can to ensure your travel safety and provide maximum flexibility as the situation around novel coronavirus (COVID-19) continues to evolve.

We take great pride in maintaining the highest standards of cleanliness and hygiene. In response to the coronavirus, we have taken additional measures developed in consultation with global and local public health authorities (including the WHO and CDC) to make our cleaning and hygiene protocols even more rigorous:

- Our hotel teams are receiving ongoing briefings and enhanced operating protocols.
- We have increased the frequency of cleaning our public areas (including lobbies, elevators, door handles, public bathrooms, etc.) and have continued the use of hospital-grade disinfectant.
- We will continue to adjust food and beverage service in accordance with current food safety recommendations.
- We have increased the deployment of antibacterial hand sanitizers.
- We have activated our regional and global response teams to provide around-the-clock assistance to our hotels and are prepared to act swiftly should we be alerted to a case of coronavirus at one of our properties.
WHERE DO WE GO FROM HERE?

Undoubtedly this period in the events, hospitality, travel, and service industries is going to leave a lasting mark. The instability, fear, and loss of revenue/fundraising will eventually recover but what can we learn from all of this? As they say, sometimes we learn the most from the worst situations. See below a few items that have surfaced in the COVID-19 era that we should begin to pay close attention to.

Insurance: We, as a company, have a robust knowledge of event insurance. Admittedly, even we were not aware prior to COVID-19 on a ‘communicable disease outbreak’ policy. See below some key takeaways we have noted in the past week. In addition, click HERE for a great COVID-19 ‘Insurance Checklist’

- Many events of all types around the globe, who have many layers of protection in their policies are finding themselves unprotected due to the lack of policy that addresses something like COVID-19. Most likely, even if you do purchase this policy in the future, more than likely COVID-19 along with others will be listed as an exemption. Come to find out, most insurance companies very quietly exempted COVID-19 from their policies in mid-January, 2020.

- Even if you had a ‘communicable disease outbreak’ policy in most instances your event would need to be directly impacted in order for coverage to exist. For example, if your event was cancelled due to a staff person who recently tested positive for COVID-19 then that circumstance would qualify. On the contrary, if your event was cancelled due to a virus ‘threat’ then most likely your event would not be covered.

- Provide a written notice of a possible claim to your provider as soon as possible. One way insurance carriers avoid coverage is if they fail to give timely notice.

- The absolute most important part of your insurance policy are the exclusions.

Force Majeure: We have all seen this standard language in a myriad of different agreements. As the COVID-19 is still playing out we are learning that:

- The majority of U.S. events are not currently in a situation where force majeure can be invoked, even for cities that have declared a state of emergency. When cities or states declare a state of emergency, it is generally to free up funding or to get federal funding, and is not considered force majeure.

- If Force Majeure can be applied (i.e. commercial impracticability), man organizations are going to now look at the nimbleness of their Force Majeure policy such as modifying their policy to provide for partial termination of performance as well as complete termination.

Event Venues & Hotel Termination: Many venues and hotel properties have a termination without penalty only if the event is impossible but many organizers are now looking at attempting to include commercial impracticability language - for example, the event could take place but there would be few attendees.

Virtual Meetings: At Cadence, we pride ourselves in face to face relationships and feel nothing will ever supersede meeting someone in person and working to foster a great working relationship. That said, many meetings AND events are now being forced to take place virtually on platforms such as GoToMeeting and Zoom. Of course, these are nothing new in this modern age but will this now become more of the norm? We’ll see.

www.cadencesports.com