

Event Cancellation and Non-Appearance Insurance Questions Surrounding Michael Jackson's Death

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Having spent my professional life representing insurers in disputes arising out of the various aspects of their businesses, I sometimes can't help but view current events such as Michael Jackson's premature death through a slightly different prism than the normal person.

For example, what do the PGA and Michael Jackson have in common? In all likelihood, event cancellation and non-appearance insurance has been purchased to insure against the risk that their various events are cancelled. I cannot help but think about all of the [various insurance questions](#) that Michael Jackson's death creates.

For example, currently pending in [Los Angeles Superior Court](#) is a [lawsuit filed by Toni Braxton against Lloyd's of London](#). Ms. Braxton alleges that Lloyd's is refusing to pay for losses associated with her cancellation of live performances at Las Vegas' Flamingo Hotel when she was hospitalized for microvascular angina. According to [Ms. Braxton's complaint](#), Lloyd's is refusing to pay because it asserts that the hospitalization was related to a pre-existing condition that was not disclosed to Lloyd's.

What similar insurance issues could arise out of Michael Jackson's death? Did he have any preexisting conditions that could be the basis for rescinding any insurance policies? What was and what was not disclosed in the insurance applications? What questions were asked in the insurance applications?

Of course, the insurance questions will not be limited to just whether there is coverage or not. There will be questions regarding what exact losses were covered.

For example, late last year, Lloyd's won a legal battle with Defeat the Beat, a corporation that hosts annual marching band competitions for historically black colleges in [Defeat the Beat v. Underwriters at Lloyd's of London](#), 669 S.E.2d 48 (2008). Weather had caused delays during the 2004 marching band competition and, as a result, a number of attendees left with attendance being down 35% from the prior year. Lloyd's paid Defeat the Beat approximately \$37,000 for non-refundable costs and expenses due to the weather interruption but refused to reimburse Defeat the Beat for its lost revenue due to the low attendance. Lloyd's successfully argued that it had no contractual duty to pay for this lost profit because loss of revenue and/or profit was not listed on the schedule of benefits.

There will certainly be similar questions arising from The King of Pop's recent passing.