

Consequences of the corona virus for cancelled events

The performance of public and non-public events has been largely prohibited in the course of the last few days. In both the business (e.g. trade fairs, conferences, etc.) and private sectors (concerts, sporting events, etc.) there is often the question of how the cancellation of an event is to be legally assessed and who is liable for cancellations.

Due to the official prohibitions that now exist, the organizer is legally unable to hold the event, so that he is released from his obligation to perform. Therefore, the participant has no claim to the execution of the event.

However, apart from the actual implementation of the event, the remaining service obligations of the organizer remain in force, in particular the payment obligation towards companies and persons who have already provided services, e.g. as part of the preparation of the event. Whether or not a release from liability is still possible depends on the contractual arrangement in the individual case.

In return for the omission of the organizer's obligation to provide services, the participant is released from paying the participation fee. The participant can demand reimbursement of payments already made. On the other hand, compensation for damages suffered by the participant as a result of the cancellation or expenses incurred by the participant in reliance on the performance of the event, e.g. travel and hotel expenses, is excluded.

Whether the participant is reimbursed for additional costs incurred by the respective contract partner depends on whether the cancelled event was the so-called business basis for further services. For example, if a participant took advantage of a special trade fair offer from a hotel, a reimbursement of the hotel costs is generally conceivable. However, the reimbursement of additional costs incurred depends on the contractual arrangements in the individual case.

Should you be affected by cancellations in a specific case as organizer or participant of an event, please do not hesitate to contact us.

Dr. Mark-Alexander Huth and Bastian Grätz
(m.a.huth@snb-law.de or b.graetz@snb-law.de)