



Contractual Bonus

Reward Performance.
Protect Your Budget.



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Contractual Bonus

Coverage Overview

Offer meaningful performance incentives without exposing your organization to unpredictable bonus payouts.

Contractual Bonus Insurance transfers the financial risk of contingent bonuses, allowing you to motivate top performers while keeping your financial plan on track.

Common Covered Milestones

- Championship victories
- MVP, Player of the Year, or Coach of the Year awards
- Tournament wins
- Playoff or bowl appearances
- Statistical achievements
- Executive performance targets
- Award wins and entertainment milestones

Target Markets

- Professional Sports Teams
- Colleges & Universities
- NIL Collectives
- Corporate Sponsors
- Sports Marketing Agencies
- Athlete Representation Firms
- Entertainment Companies
- Production Studios
- Corporate Organizations

Coverage Highlights

- Flexible policy limits
- Customized contract terms
- Worldwide capabilities
- Tailored underwriting
- Coverage designed around your contractual obligations

Why Contractual Bonus Insurance?

Motivate Performance – Create compelling bonus programs that inspire athletes, coaches, executives, entertainers, and brand ambassadors to achieve ambitious goals.

Protect Your Balance Sheet – Transfer the financial risk of bonus payouts to insurance and replace uncertain liabilities with a known premium.

Attract & Retain Top Talent – Strengthen contracts with performance-based incentives while maintaining budget certainty.

Maximize Sponsorship Value – Reward winning performances that elevate your brand without worrying about the financial impact of bonus payments.

Example: Athlete Sponsorship – A sponsor wants to create a standout endorsement agreement by offering a \$500,000 bonus for winning a major championship. With Contractual Bonus Insurance, the sponsor can confidently offer high-value performance incentives that motivate success, strengthen sponsorship agreements, and protect the bottom line if the milestone is achieved.

College Athletics & NIL

As coaching contracts and NIL agreements become increasingly performance-driven, Contractual Bonus Insurance provides colleges, collectives, and brands with a flexible way to offer meaningful incentives while managing financial risk.

From postseason appearances and conference championships to player awards and marketing achievements, coverage can be tailored to your program's objectives.

Example: College Football – A Division I university offers its head football coach a \$500,000 bonus for leading the team to a bowl game. To protect its athletic budget, the university purchases Contractual Bonus Insurance. When the coach earns the bonus after a breakout season, the policy responds to the covered payment, allowing the school to reward success without disrupting funding for other athletic programs.





About Specialty Group

Specialty Group, a member of Tokio Marine HCC, is the leading provider of specialized insurance products for the sports and entertainment industries. We provide an unmatched portfolio of products including, but not limited to, event cancellation, high limit disability, kidnap and ransom, weather, travel and event liability. We cover major sports and entertainment events, professional athletes and entertainers and other unique assets.

Why Tokio Marine HCC?

Tokio Marine HCC is a leading specialty insurance group underwriting more than 100 classes of specialty insurance in approximately 180 countries. Headquartered in Houston, Texas, the company is made up of highly entrepreneurial teams equipped to underwrite special situations, companies and individuals. Tokio Marine HCC (TMHCC) is part of Tokio Marine Group, one of the world's leading insurance companies with a market cap of \$86 billion as of 3/31/26.

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