

**League of American Bicyclists
Affiliated Club & Organization Conference Call
Wednesday, December 10, 2008
Meeting Minutes**

Introduction and Roll Call

Roll Call of Parties Present:

Andy Clarke, League of American Bicyclists
Matt Banks, League of American Bicyclists
David Cooper, Desert Bicycle Club
Champe Burnley, Raleigh Area Bicyclists Association
Nick Bowle, DC Randonneurs
Ed Lewis, Friends of Historic Columbia River Hwy
Herman Wadler, ACTC
Ann Fisher, ACTC
Shannon Hornsby, Walk-Bike Nashville
Mark Siepker, Omaha Peddlers
Jeff Kurtak, Grizzly Peak Cyclists
Bart Coddington, Santa Cruz County Cycling
Kathy Sheehan, San Diego County Bicycle Coalition
Al Schroetel, Cape Fear Cyclists
Marla Peters, American Specialty Insurance
Robin Fagen, American Specialty Insurance
Diane Novak, KS
Leroy Varga, Dover, NJ
Andrew Heard, West Lafayette, IN
Gary, Desert Peak Cyclists
Griff Baute, Bluegrass Cycling Club
Rubber Legs Cycling Club
Joe Matzell, Suffolk Bicycle Riders Association
Mid-Hudson Bicycle Club
New York Cycle Club
Jim Logan, Western PA Wheelmen
Dan Fazzini, Salt Lake County Bicycle Advisory Committee
Mike Moore, Raleigh Area Bicyclists Association, VA

Club Insurance Update

Presented by: Marla Peters, Senior VP, American Specialty Insurance

18th Year offering insurance through League to affiliated clubs

Three different types of coverages available:

Liability Insurance
Participant Accident Coverage
Directors & Officers Coverage

The first two are sold as one program, and cannot be purchased separately

Liability Insurance:

Insurance pays for defense of certain claims against bicycle club.

American Specialty will assign legal counsel, no limit to the amount of defense costs covered

Policy covers \$1 million for bodily injury claims, per occurrence

This policy also covers property liability damage

Ex.: property destruction

This policy does NOT cover if a club rider damages own bike

This policy DOES cover bike corral damages, up to \$5,000 per claim, where the club has assumed responsibility for the property

Question: Is the \$1 Million liability coverage per incident? So if two riders are hurt, is that still considered one incident?

Answer: Yes, if two riders are injured in the same accident, it is considered the same incident

Question: My club offers Event Parking for events. Do we need insurance, and would this policy cover us?

Answer: Whoever has property under their care should have insurance, and this is the policy that will protect your club.

Question: If a bike is left in custody of club, or if the club has valet bike parking and bike is stolen, who is responsible for coverage—the rider or the club?

Answer: If bike is left in custody of club, the club would be responsible for coverage.

More Questions Regarding Liability Insurance:

Question: On the General Liability policy, does the Sports Equipment Liability limit of \$5,000 apply per item or per claim?

Answer: The Sports Equipment Liability limit applies per claim, regardless of the number of items damaged, subject to a \$500 per claim deductible. So, for example, if two bikes were damaged in a common occurrence while in the care, custody, or control of the club (in a bike corral, for example) a maximum of \$5,000 would be available after the deductible is met.

Question: If someone attends an event, but bicycle club does not take custody of bicycle, is the club still liable?

Answer: The club is not liable if it did not take an active role and actually accept bicycle into its custody

Participant Accident Coverage:

This policy works in excess of any health insurance the injured party may have, but it becomes primary if an injured person does not have other insurance

Provides up to \$10,000 per person per accident

\$500 deductible

\$5,000, per person, per accident death/dismemberment benefit

There is a schedule of benefits in cases of dismemberment

This policy can be used to pay co-pays and deductibles of other insurance once the League's policy's deductible has been met.

Questions Regarding Participant Accident Insurance:

Question: Does Coverage apply to any bystander who may be injured in an accident?

Answer: No, only active participant in ride is covered by Participant Accident Insurance. The liability insurance would cover claims from a bystander against the club.

Question: Do clubs have legal obligation to report accidents to the insurance company?

Answer: No, there is no legal obligation, but it is the best practice. Also, providing the injured party coverage for medical expenses can offset liability claims, which means less chance of a lawsuit down the road.

Enrollment of League Clubs:

Last year, 75% of those clubs enrolled, enrolled for coverage online

Certificate is issued immediately online

Covers all club rides

Special events (open to public and a fee is charged to participate) must be added to the policy separately in order to be covered. A club event is considered a “special” event if:

The event is open to the public, OR

Clubs are charging more than the cost of membership to participate in the ride

Question: Is there a brochure that details this information?

Answer: Yes, the brochure can be found on the American Specialty and League Website. Here is a link to the 2008 brochure:

http://www.bikeleague.org/members/club/pdfs/2008_lab_brochure.pdf

Question: Is there a website?

Answer: Yes, here is the link to the American Specialty website:

<http://www.amerspec.com/lab>

NOTE: The website will be unavailable beginning January 1st in order to begin updating the information to reflect the 2009 policy

Website will still have contact information for League account representatives at American Specialty

2009 Rates:

The rates are staying the same

The rates were reduced in 2008, but now are remaining at a flat rate

Question: What are the exact rates?

Answer: Regular Club Ride Coverage is:

\$1.49/member for the first 1,000 club members

\$1.39/member for the next 1,000 club members

Over 2,000 club members is subject to special underwriting

Minimum of \$83/policy, regardless of membership size

Special Event Coverage rates are:

\$1.49/rider--First 1,000 participants

\$1.39/rider—Next 1,000 participants

\$.87/rider—any ride with over 2,000 participants

Minimum of \$83 coverage, regardless of ride size

Question: With fluctuating membership rolls that all clubs have throughout the year, what level should clubs purchase their coverage?

Answer: Clubs should base their insurance premiums based on the average membership enrollment throughout the year.

Question: Is there a prorated amount for clubs that join in the middle of the year?

Answer: After October 1st, clubs receive a 50% discount.

After January 1st, a 75% discount will apply.

Minimum per rider amounts still apply, no discount.

Question: Are entire copies of the policy available on the website?

Answer: No, but any club can request full copy from either the League or from American Specialty.

The policy can be e-mailed for convenience

Question: Is it true that coverage is limited to members and first time invited guests of clubs?

Answer: Yes. Only members and invited guests are covered under liability.

Question: Will information regarding coverage be updated for 2009?

Answer: Yes.

Question: Is it true that Participant Accident coverage only applies to members and first time invited guests of the club?

Answer: Yes. Coverage only applies to participant accident coverage to members and first time participants.

American Specialty recommends that waiver be signed to have a record of who has been on the ride.

Several clubs on the call concur, and currently use waivers no matter when/where they ride.

Question: If coverage cost is based on how many members clubs have, and if a club has a lot of first time non-member riders, will the club still be covered?

Answer: Yes. The first time rider provision was designed to be a way to catch those folks who are NOT a member but participate in club rides.

Question: Some members of my club have sponsored casual rides, but not everyone are members, should we get waivers?

Answer: Get waivers signed whenever possible.

Clubs on call comment that there is usually little resistance in getting riders to sign.

Waivers:

Waivers are a best practice for clubs when hosting any type of ride

Should consider them a safety issue on each ride, just like wearing a helmet

Question: My club has a member that leads rides on weekends which are NOT affiliated club rides. Is our club still liable if event is listed on the club calendar portion of our website?

Answer: In theory, club should NOT be liable, but any association between the club and ride could be used to make a case against the club, that it had responsibility for the event;

therefore it is important to include language on the website that expresses that the club assumes no responsibility for the events posted and that the club is not organizing, overseeing, or running the event.

Question: Our club website has message boards in which rides are suggested and posted. Should we require club members to bring signup/waiver for these rides?

Answer: Yes, waivers are necessary if the club is sanctioning these events. If the club is not organizing the event, as noted above, language that expresses the club is not putting on the event is important.

Question: Should my club have waivers on membership forms?

Answer: It is important to secure a waiver from every member, but it should have a separate signature from any signature required for purposes other than the waiver. A separate signature is CRITICAL to show the person was agreeing to the waiver and not agreeing just to sign up for membership, for example.

Question: Should all clubs require a waiver of liability from all members?

Answer: Yes. The key is to think of waivers as part of the protection for the club and its leaders relative to any ride.

Question: Who can I contact at American Specialty if I have more questions?

Here is the information:

Robin Fagen, American Specialty

Phone: 260-673-1252

Fax: 260-672-8835

E-mail: RFagen@amerspec.com

Directors and Officers Liability Coverage:

Directors and Officers covers claims alleging a “wrongful act” against the club or its Board of Directors (examples could include certain financial disputes or membership disputes).

NOTE: Directors and Officers are also insured under the General Liability policy, but the General Liability policy specifically covers bodily injury, property damage, and personal liability and may not apply to certain claims alleging a “wrongful act” committed by the club or its Board.

\$1,000,000 or \$2,000,000 limit per occurrence and aggregate (i.e. total for the policy period)

Rates:

\$1M limit costs \$550 per year plus \$25 administration fee

\$2M limit costs \$850 per year plus \$25 administration fee

Both premiums have been reduced from 2008 levels

30 clubs took advantage last year, which was the first year it was offered

D&O coverage a smart idea, especially since in many cases, candidates will refuse to take leadership roles in clubs without it.

Question: Is it possible to purchase a higher limit of General Liability coverage through the League program (the current limit is \$1,000,000)?

Answer: The League program does not currently include this option, but American Specialty is looking into the possibility of adding it. In the meantime, if a club is interested in a proposal to purchase higher limits, contact Robin Fagen at American Specialty to discuss options (contact information below).

Question: On the Directors and Officers Liability policy, are defense costs paid in addition to the limit of liability?

Answer: Yes. Defense costs are paid in addition to the limit of liability. In other words, payment of defense costs does not reduce the limit available to pay damages or judgments.

Question: On the Directors and Officers Liability policy, does the retention apply to defense costs?

Answer: Yes. The retention applies to defense costs. The insured club must pay the \$1,000 retention before the insurance company begins paying.

Questions regarding all policies:

Question: Do nature of club events alter coverage?

Answer: American Specialty does not cover races, but time trials are included in coverage. Most types of rides apart from races are covered.

Question: Does the Directors and Officers limit of \$1 million apply to the entire board, or is it per member?

Answer: The coverage is not limited to one person, but covers all board equally.

Question: Are defense costs included with the \$1 million Directors and Officers coverage?

Answer: American Specialty will look into that and post update on club corner section of League website.

Question: Can Advocacy organizations be covered under this policy, or is it merely for affiliated clubs?

Answer: Coverage is available for Advocacy organizations. See information on [web-site](#) for details of how premium is determined for Advocacy organizations, or please feel free to call American Specialty to discuss.

Question: Can the League put together a program to provide liability coverage for cyclists (other than insured club activities) that would be similar to an auto liability and physical damage policy, but for a bicycle?

Answer: The question has come up in the past, but it is not an area where the League has received a large number of inquiries. Without a large pool of participants in a program like this, the cost per cyclists would be cost prohibitive, so we have not pursued it at this time. We suggest working with your local insurance agent to determine what, if any, coverage would be provided by your homeowners or renter's insurance policy for liability related to a cycling incident. If coverage is provided, you can purchase a personal umbrella policy that would increase the liability limit to a level where you are comfortable. You could also discuss adding coverage for damage to your bike (while away from your residence) to your homeowner's policy via endorsement.

Question: When does my policy expire each year?

Answer: February 1st

Question: If alcohol is served at a club event, is the club covered in case of an accident?

Answer: Yes, as long as club does not derive any income from sale of the alcohol or require a permit to serve it.

PLEASE NOTE: This is not a complete explanation of all policy provisions or specifics of the policy benefits. It is provided only a recap of the discussion that took place on the League conference call regarding insurance. No coverage is extended and no representations are made other than what is stated in the policy.

Club of the Year Update

Not too late to submit your club's nomination. Submit to either your Regional Director, or directly here to the league: Bikeleague@bikeleague.org

Update—Events

National Bike Summit, March 10-12, 2009

With the potential impact of stimulus package, this makes this year's summit even more critical

Call on all league affiliated clubs to try and send a representative to the Summit

2008 Membership Survey

Please take the time to fill out our 2008 membership survey, and have a chance to win a GREAT bike light from NiteRider.

Here is the link to the survey: [Membership Survey](#)

SmartCycling Conference, June 18-20, 2009, San Jose, CA

An opportunity to see the new LCI curricula and learn from other instructors

2009 League Rally, July 31-August 2nd, Wynona, MN

Working in partnership with Weekend on Wheels, a Twin Cities Bicycling Club event.

<http://www.bikewow.org>

Open Discussion

Question: Does the league have any radio spots available?

Answer: No, but do have scripts available for radio spots.

<http://www.bikeleague.org/resources/better/index.php>

Question: Does the League have any Video PSAs for distribution?

Answer: Yes, but most are event oriented, or linked to specific state issues

Bike Month PSAs: <http://www.bikeleague.org/programs/bikemonth/psas.php>

Share the Road PSAs:

<http://bikelib.org/video/index.htm>