

**FREQUENTLY ASKED QUESTIONS
ABOUT THE
LEAGUE'S CLUB INSURANCE PROGRAM**

Is My Club Properly Insured Against Liability Claims?

For normal club activities, rides etc.?

League affiliated clubs are eligible to buy insurance protection against **general liability** claims that may be made against them by people injured as a result of a regular club activity - such as a ride. So, if a club member on a regularly scheduled club ride collides with a pedestrian and both are injured, both may choose to sue the club alleging the club was negligent in its responsibilities and therefore contributed to the injury. The club is insured for bodily injury claims, and the policy covers defense costs (to pay an attorney to defend you) and damages (if the court finds the club to be liable for all or part of the loss suffered by the injured people) for covered claims. The club's position will be strengthened if the member who brings a lawsuit has signed a **waiver** agreeing not to sue the club. The League's recommended waiver can be accessed at www.amerspec.com/lab.

The program also offers **participant accident** insurance for club members if they are injured while participating in regularly scheduled club rides and events. This is essentially secondary medical insurance - so if the club member mentioned above is injured and they have no primary medical insurance they may file a claim to cover the medical costs of the injury up to a \$10,000 limit (claims are reported to American Specialty, the League's insurance administrator). A person who has primary medical insurance can also file a claim, but the League's coverage will apply only to bills that are not covered by primary insurance (such as a co-payment). The pedestrian, who is not a member of the club, may not make such a claim.

For special events?

If your club organizes a ride that is open to non-members and there's an entrance fee for the ride, this is considered a **special event**. An example would be your big century ride or fundraising ride for the local Kiwanis club. In this instance, the club would need to purchase the same two types of insurance protection - that is, both **general liability** and **participant accident** - for that specific event. If two riders collide and are injured, one a member of your club and one not, both have the same opportunity to seek reimbursement of medical expenses if their primary coverage is insufficient or non-existent. If either or both of the riders decide to sue the club because they feel the route planning or warnings were insufficient, the club is protected against both.

As before, the club's position will be enormously strengthened against both riders if they have signed a waiver - you want to get a "waiver and release of liability" signed by every one of the participants, even if they are already a club member and signed a waiver when they joined the club or renewed their membership. The League's recommended waiver can be accessed at www.amerspec.com/lab.

What about a non-member that joins a regularly scheduled club ride and is injured?

The League and American Specialty have just expanded the policy so that a non-member is given **participant accident coverage for one ride only** (the first ride in which they participate as a non-member). In addition, the club **is still protected** against any lawsuit that the non-member may bring against the club claiming that the club is liable for damages or health care costs.

Some of our volunteer Ride Leaders are worried about their insurance coverage - should they be?

No. First of all, for regularly scheduled club rides **they are covered for any injuries** they themselves may sustain while on the ride as part of the participant accident policy. Secondly, assuming that the ride leader is a member of the club, they are **protected by the general liability coverage** of the club, should a claim be made against them or the club.

What coverage do we need for an event or series of rides that is open to the public but we don't charge a fee for participation?

If the club has purchased insurance for club activities, members participating in scheduled activities are protected by the participant accident coverage and the club is protected by the general liability insurance. Non-members on the ride will be covered by the participant accident coverage provided it is their **first ride** with the club – otherwise they wouldn't be. If a significant number of the non-members are likely to have ridden with you before, you might consider purchasing special event coverage (a fee doesn't HAVE to be charged to trigger the need for special event coverage) so that non-members will have participant accident coverage.

Who needs to sign a waiver and when?

Club members need to sign a waiver and release of liability form once each year – most likely when they renew or join each year. They don't need to sign one each time they go on a club ride. Non-members should sign a waiver each time they ride with you. For special events, every participant – whether they are members of the club or not – should sign a waiver. Don't be defensive about getting waivers...they are a readily accepted part of doing business these days.

Why is a waiver so important?

There are a number of reasons. Primarily, the waiver says that the person agrees to release the club from liability should anything happen on the ride to cause them harm or loss. They may still sue the club if something happens, but the chances are good that a court or judge will refuse to hear the case because of the presence of the signed waiver – so it's a really good defense to have in your back pocket! Or, even if the court does hear the case, the waiver could be used to show the individual was aware of, and had accepted, potential risks involved with cycling. Getting waivers from everyone also helps keep track of who's riding with you, and this might be important in determining, for example, if a non-member can take advantage of the one-time-only participant accident coverage.

Does the waiver have any impact on the participant accident coverage?

No. If a club member on a regular ride, or a participant in a special event, is injured, their coverage under the participant accident policy is unaffected by the presence of the signed waiver. The waiver only impacts general liability claims.

Is anything other than a personally signed waiver valid?

Your best policy remains to get a signed waiver either faxed to you or handed to you in person. The validity of electronically signed waivers (pasting in your digital signature into the waiver form) hasn't been tested in court yet, but in other areas of the law an "electronic signature" is a formalized process involving encryption software to link the person to their signature...and it might just be easier for you to get folks to sign a form at the start of your ride, or fax it in ahead of time!

Is there particular wording that should be included in the waiver?

The League strongly recommends clubs utilize the standard waiver documents provided at www.amerspec.com/lab. These waivers include wording that is most likely to be upheld in court in most jurisdictions. If you are able to seek the opinion of an attorney (for example, if one is on your Board), it is also a good idea to have the document reviewed to see if there are any state-specific requirements they would recommend.

Does my club have to be affiliated with the League to get this insurance?

Yes. The American Specialty insurance program is exclusively for clubs that are affiliates of the League. Affiliation rates are very reasonable and depend on the membership size of the club. Affiliate now at www.bikeleague.org.

I'm on the board of my Club...should we have Directors and Officers Liability insurance as well as general liability coverage?

All clubs should consider purchasing Directors and Officers Liability coverage, and Board members should have the opportunity to make the final determination of whether they want to purchase the coverage. General liability insurance is critical because it protects the club against claims you are most likely to incur (those that arise from people being injured on rides). Directors and Officers coverage is designed to protect the club and individual board members from claims that they have committed a wrongful act, error, or omission (e.g. how club funds are used, or employment decisions). So, the League recommends each club make a conscious decision with its Board whether to purchase this coverage. Ask your insurance agent or expert, or call American Specialty at (800) 245-2744. American Specialty is currently working with the League to offer Directors and Officers Liability for clubs that is affordable and would renew each year at the same time as your general liability and participant accident coverage.

What do I do if something happens on a ride?

If there's any kind of crash or incident on one of your insured rides that might result in a claim – even if that doesn't end up happening – you should report it to American Specialty as soon as possible after the ride. There's a detailed incident reporting form on the website (www.amerspec.com/lab) that will guide you through the information you'll need to provide. If someone is injured on the ride, American Specialty will contact them.

Is there an on-line option for purchasing special event and club insurance?

Yes, indeed there is. And we encourage you to use this option because it is the most efficient way to apply and pay for insurance and receive evidence of coverage. Go to either www.bikeleague.org or www.amerspec.com/lab for more information.

What coverage do League Cycling Instructors have under this policy?

League Cycling Instructors (LCIs) have liability coverage under the League's insurance policy, provided they teach the "need to know" elements of the BikeEd program and have registered their class with the League. So, if a class member falls and is injured during a Road I class and sues the instructor for negligence, the instructor is protected by the insurance policy. The injured class member is NOT covered by the participant accident policy. At this time, LCI's do not have participant accident coverage while instructing courses, but this is something the League may consider adding to the insurance program next year.

Our club wants to offer more education classes to non-members – how do we ensure coverage for the club, instructors and participants?

If you use LCIs, the instructors are covered by the liability policy as described above. If the club wants to extend participant accident coverage to people taking the class who are not club members and who are paying a fee for the class, along with the LCIs, the club can purchase special event coverage (this would also add coverage for the club for losses arising out of the class) – but remember there's a \$93 minimum premium for such a policy, so it will be costly for a relatively small class.

The League and American Specialty are currently discussing ways to extend the policy at reasonable cost to assist clubs and advocacy organizations that are doing a lot of education and training and need to be able to show that the activities and the organization are insured.

For more details and specific coverage information, and for insurance rates, please visit www.amerspec.com/lab or www.bikeleague.org/members/club. You can also call American Specialty at (800) 245-2744.

The following summary has been prepared by the League of American Bicyclists, in conjunction with its insurance administrator, to provide answers to questions we frequently receive from clubs relative to the League's insurance program. We have tried to provide explanations that are easy-to-understand for people who are not in the insurance business. It is important to note, however, that this document does not guaranty guarantee coverage for any claims under the League's insurance program, and does not alter coverage provided by the actual insurance policies. Only the insurance policy itself shall be used to determine whether coverage applies for a particular claim. If you are an insured club and are interested in receiving a complete copy of the insurance policy, please contact the League at 202 822-1333.