

**The Who, What, When and Why
of the
2010 League of American Bicyclists
Insurance Program**

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Program Background

- **Established Relationship in 1992**
- **11 Dedicated Service Team Members**
- **Over 500 Participating Clubs**
- **Available Exclusively to League Members**
- **75% of Clubs Enroll Online**
- **2,000+ Certificates Issued Annually**
- **24/7 Service**

Why Buy Insurance?

- **General Liability claims over \$10,000 in last four years**
 - \$70,000 (open) – cyclist struck person walking on trail
 - \$15,353 (closed) – cyclist was crowded off bike path and struck hiker
 - \$29,027 (closed) – special event participant fell off bike and suffered injury
 - \$38,063 (closed) – cyclist pulled onto highway and was struck by truck
- **Large Participant Accident claims (examples)**
 - \$10,000 Back, neck, wrist injury
 - \$10,000 Neck fracture
 - \$7,981 Shoulder fracture
 - \$10,000 Shoulder fracture
 - \$10,000 Facial injury
 - \$9,085 Shoulder injury
 - \$9,836 Internal injuries
 - Multiple Fatalities

General Liability (GL)

- **What is it?**
 - **Provides protection from liability claims of bodily injury, property damage, and personal injury**
- **Who does it cover?**
 - **League clubs that have paid the appropriate premium**
 - **Members and volunteers of insured clubs**
 - **Directors, officers, and employees of insured clubs**

General Liability (GL)

- **For what activities are they covered?**
 - **Recreational bicycle rides organized, conducted, and supervised by an insured club that include club members and first-time invited guests**
 - **Club meetings, conventional fundraisers, and time trials**
 - **Time trials must require no entry fee and involve only club members and invited guests**
 - **Special Events**
 - **Any ride that includes an entry fee, is organized by a League club, and is open to the public**
 - **Event must be reported prior to the event, and appropriate premium must be paid following the event**

General Liability (GL)

■ Limits:

- **\$1,000,000 each occurrence**
 - **Additional \$1,000,000 limit available in 2010**
- **\$3,000,000 General Aggregate (for each club/Special Event)**
- **Defense costs in addition to limit**
- **\$5,000 sports equipment liability (\$500 per claim deductible)**

■ Important Items to Know/Consider:

- **Waivers are an important method to protect your club**
- **New coverage for bike refurbishment available**
- **Does not cover commercial repair shops, commercially-operated tours or racing/timed speed events**

Participant Accident (PA)

- **What is it?**

- **Excess medical coverage for accidental injuries**
- **Accidental death and dismemberment benefit**

- **Who does it cover and when?**

- **Members of insured clubs during:**
 - **Bicycle rides and time trials conducted and supervised by an insured club (time trial must be free and open only to club members and first-time invited guests)**
- **Registered participants and volunteers during Special Events**

Participant Accident (PA)

- **Accident Medical Limit:**
 - \$10,000 per person per accident
 - Excess of \$500 deductible
 - Excess of other valid and collectible insurance
- **Accidental Death and Dismemberment Benefit**
 - \$5,000 per person per accident

Purchasing GL and PA Coverage

- **Purchase on-line (www.amerspec.com/lab) or send club enrollment form**
 - Clubs that enroll on-line can also request real-time certificates and register Special Events on-line!
- **Club premium based on number of members and paid at time of enrollment**
- **Advocacy organization premium based on “active” members**
- **Special Event premium based on number of participants and paid after event**
- **Coverage begins at time of payment and ends February 1, 2011**

Directors & Officers Liability

- **What is it?**
 - Coverage for wrongful acts (discrimination, wrongful termination, mismanagement of funds, negligence in decision-making)
- **Who does it cover and when?**
 - Insured Club
 - Board of Directors
 - Volunteers
- **Limits: \$1,000,000 or \$2,000,000 options**
- **Retention: \$500 for D&O; \$1,000 for Employment Practices**

Purchasing D&O Coverage

- Available on-line at www.amerspec.com/lab
- Coverage begins the day following purchase through 2/1/2011
- Premium is pro-rated for policies purchased after 2/1/2010
- Premium:
 - \$550 for \$1,000,000 limit (plus \$25 fee)
 - \$850 for \$2,000,000 limit (plus \$25 fee)

LCI and Seminar Coaches Coverage

- **General Liability coverage applies during Smart Cycling seminars and classes conducted in accordance with League procedures**
- **Coverage applies automatically**
- **Proof of insurance can be requested from American Specialty**

Protecting Your Club

- **Avoid**
 - Risk is so great, the activity is not worthwhile
- **Reduce**
 - Use all available methods to prevent or minimize loss
- **Contract**
 - Don't sign contracts that expose club to unnecessary liability
- **Insure**
 - Buy coverage designed for bicycle clubs (i.e. the League program)
- **Retain**
 - Live with risks that cannot be eliminated, transferred, or insured