

FREQUENTLY ASKED QUESTIONS...



The following summary has been prepared by the League of American Bicyclists, in conjunction with American Specialty Insurance & Risk Services, Inc., its insurance administrator, to provide answers to questions frequently received relative to the League's insurance program. We have provided explanations in an easy-to-understand format. It is important to note, however, that this document does not 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.

Q: CAN I PURCHASE THIS INSURANCE IF I AM NOT AFFILIATED WITH THE LEAGUE?

No. Only League registered clubs and advocacy organizations can purchase this insurance.

Q: IS MY CLUB PROPERLY INSURED AGAINST LIABILITY CLAIMS FOR NORMAL CLUB ACTIVITIES?

League affiliated clubs and advocacy organizations are eligible to buy insurance coverage for general liability claims that may be made against them by individuals injured because of a regular club activity - such as a ride or bike education course. To use the ride as an example, 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 members of the club and advocacy organizations have coverage for third-party general liability claims while participating in covered activities only. **Invited guests are also covered the first time they participate in a club ride.**

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 individuals) for covered claims. The club's position will be strengthened if the individual 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 excess Participant Accident insurance for club members if they are injured while participating in regularly scheduled club rides. This is essentially secondary medical insurance -- so if the club member 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). 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-pay) up to the \$10,000 limit. The pedestrian who is not a member of the club, may not make such a claim. **A non-member/guest is given excess Participant Accident coverage for one regular club ride only.**

Q: SOME OF OUR VOLUNTEER RIDE LEADERS ARE WORRIED ABOUT THEIR INSURANCE COVERAGE - SHOULD THEY BE?

No. First of all, **assuming the ride leader is a member of the club, for regularly scheduled club rides, he or she is covered on the excess Participant Accident policy for any personal injuries sustained while on the ride up to the policy limit of \$10,000.** Secondly, **again assuming that the ride leader is a member of the club, he or she is protected by the General Liability policy should a claim be made against the ride leader or the club.**

Q: 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. They do not 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. Minor participants will need to have their parent or legal guardian sign their waiver.

Q: WHY IS A WAIVER IMPORTANT?

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. Or, even if the court does hear the case, the waiver could be used to prove that the individual was aware of, and had accepted, potential risks involved with cycling.

Q: 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 can 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 recommended state-specific requirements.

Q: CAN WE UTILIZE AN ELECTRONIC WAIVER FOR OUR CLUB MEMBERS?

While a signed waiver either sent to you electronically or handed to you in person provides the most protection, electronic waivers are becoming more common. If your club decides to utilize an electronic waiver, your club should consult local legal counsel to ensure compliance with state-specific requirements and your club should confirm that the service provider used to secure the waivers is able to produce the waiver and documentation of the electronic processes through which the waiver was secured along with the language that the person saw at the time of acceptance in the event of a claim. This includes the ability to produce the waiver for the same time as the statute of limitations in your state.

Q: I'M ON THE BOARD OF MY CLUB...SHOULD WE HAVE DIRECTORS AND OFFICERS LIABILITY INSURANCE?

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.

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). Covered claims can result from exposures such as discrimination against a rider, spectator, or other constituent; wrongful termination of an employee or volunteer; mismanagement of funds; or negligence involving decisions that affect participants and others.

Directors and Officers liability insurance can be thought of as malpractice insurance for the organization and those who manage your club. So, the League recommends that each club make a conscious decision with its Board whether to purchase this coverage. For additional information or to purchase Directors

and Officers coverage, please visit www.amerspec.com/lab. For each club, coverage is effective the day after the date of purchase and expires on February 1st.

Q: WHAT DO I DO IF SOMETHING HAPPENS ON A RIDE?

If there's any kind of incident on one of your insured rides that might result in a claim you should report it to American Specialty as soon as possible after the ride. This holds true whether the person involved is a participant or a spectator, or whether you feel the incident will result in a claim. Especially all incidents that might require follow up medical care. There is a detailed incident reporting form at www.amerspec.com/lab that will guide you through the information you will need to provide, or you can report the claim electronically at the same website address.