



2009



League of American Bicyclists **INSURANCE PROGRAM**

Protect your club.

Protect your riders.

Insure your ride.

Administered by:



AMERICAN SPECIALTY[®]

Proud Sponsor of America's Pastimes and Future Times

www.amerspec.com/lab



PARTICIPANT ACCIDENT

Insurer:

Mutual of Omaha Insurance Company

Who is Insured?

- Members of League clubs who have submitted the approved enrollment form and have paid the appropriate premium.
- Registered participants (including volunteers) in Special Events who are taking part in a covered activity.

Coverages:

Accident Medical Coverage: \$10,000 per person per accident excess of a \$500 per claim deductible and excess of any other valid and collectable insurance.

Accidental Death & Dismemberment: \$5,000 per person per accident.

GENERAL LIABILITY

Insurer:

Philadelphia Indemnity Insurance Company

Who is Insured?

- League clubs that have been approved and have paid the appropriate premium.
- Members and volunteers of insured League clubs who are participating in a covered activity.
- Directors, officers, and employees of insured League clubs who are participating in a covered activity.

If a sponsor or landowner requests to be an additional insured, please contact American Specialty to request a certificate of insurance, or visit the American Specialty League site at www.amerspec.com/lab.

POLICY PERIOD

General Liability & Participant Accident

For each club, coverage is effective the day American Specialty receives the completed application and premium and expires February 1, 2010.

WHAT IS A COVERED ACTIVITY?

General Liability & Participant Accident

A covered activity includes recreational bicycle rides that are organized, conducted, and supervised by an insured club and involve League club members and first-time invited guests. Club meetings, conventional fund-raisers, and time trials are also considered covered activities, provided the time trials require no entry fee and involve only club members and invited guests.

Special events are considered covered activities only when approved by American Specialty and after the appropriate premium has been paid. A special event is any ride that includes an entry fee, is organized by a League club, and is open to the public.

If you are unsure if your event qualifies as a special event, please contact American Specialty for assistance. No premium is due prior to the special event. The premium is based on the number of participants and is due within two weeks after the event takes place.

Note: All commercially-operated tours and racing or timed speed events are excluded (other than the time trials described herein).

Coverages:	Limits:
Commercial general liability (per occurrence)	\$1,000,000
General aggregate*	\$3,000,000
Products and completed operations aggregate	\$3,000,000
Personal and advertising injury	\$1,000,000
Participant legal liability	INCLUDED
Damage to property rented to you	\$1,000,000
Sports equipment liability	\$5,000
• Per claim deductible	\$500

* Aggregate applies on a per club/Special Event basis.

GENERAL LIABILITY EXCLUSIONS INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

- **Employment-related practices.**
- **Lead, asbestos and fireworks.**
- **Abuse and molestation.**

The information contained in this brochure is a summary of benefits provided. It is NOT a complete explanation of policy provisions or specifics of the policy benefits. No coverage is extended and no representations are made other than what is stated in the policy. For a complete explanation of all program coverages, exclusions, and benefits, please refer to the policy. This insurance program is not available in all states.

SPECIAL RATES FOR ADVOCACY ORGANIZATIONS

- If you do not hold any club rides, your premium will be based only on the number of individuals actively involved in running your organization.
- If you occasionally hold club rides and are an advocacy organization, your premium will be based on the number of individuals actively involved in running your organization in addition to the average number of people who participate in rides.
- **Please contact American Specialty with any questions you may have regarding the premium for your advocacy organization.**

DIRECTORS AND OFFICERS LIABILITY INSURANCE (OPTIONAL COVERAGE)

Insurer

Philadelphia Indemnity Insurance Company

Who is Insured?

Directors and Officers liability insurance, broadly defined, covers legal costs, judgment and settlements resulting from suits and other legal proceedings brought against the entity's Board of Directors, Officers or the insured entity itself for allegations of wrongful acts, errors and omissions.

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 & Officers liability insurance can be thought of as malpractice insurance for the organization and those who manage your club. For additional information, please visit www.amerspec.com/lab.

Coverages/Limits	Option 1	Option 2
Directors & Officers	\$1,000,000	\$2,000,000
Employment Practices Liability	\$1,000,000	\$2,000,000
Total Policy Annual Aggregate Limit of Liability	\$1,000,000	\$2,000,000
Self-Insured Retention	\$1,000	\$1,000
Premium (not including fees)	\$550	\$850

Note: This coverage is only available to League-registered clubs through online enrollment at www.amerspec.com/lab.

Policy Period

For each club, coverage is effective the day of purchase and expires February 1, 2010.

ABOUT THE PROGRAM CARRIERS

General Liability and Directors & Officers Liability: **Philadelphia Indemnity Insurance Company, a Member Company of Philadelphia Insurance Companies**

Founded in 1962, Philadelphia Insurance Companies specializes in commercial insurance products and is focused on meeting the needs of its policyholders. Philadelphia enjoys an A.M. Best Rating of "A+" (Superior) with a financial size category of "XII."

Participant Accident:

Mutual of Omaha Insurance Company

Mutual of Omaha continues to have one of the most recognizable and respected names in the insurance industry. Mutual of Omaha currently holds an A.M. Best rating of "A+" and a financial size category of "XIII."

Program Administrator:

American Specialty Insurance & Risk Services, Inc.

American Specialty is the official insurance program administrator for the League of American Bicyclists, and has been over the past 17 years. American Specialty is the leading provider of insurance and risk services for the Sports and Entertainment industry.



If you have any questions concerning the League of American Bicyclists insurance program, please contact American Specialty:

Phone: 800-245-2744 www.amerspec.com/lab

American Specialty Insurance & Risk Services, Inc. also conducts business as A.S.I.R.S.I. Insurance Agency in the state of California, American Specialty Insurance & Risk Services Agency in the state of Michigan, and A.S. Insurance & Risk Services Agency in the state of New York.

FAQ

2009

League of American Bicyclists INSURANCE PROGRAM



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 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, contact the League at 202-822-1333.

Q: Can I purchase this insurance if I am not affiliated with the League?

No, only League registered clubs and advocacy organizations have the opportunity to purchase this insurance.

Q: How do I insure my club?

After your club is registered with the League, complete the enrollment form contained in this brochure and return it to American Specialty along with the appropriate premium payment, or fill it out online at www.amerspec.com/lab.

Q: How do I insure my special event?

A League club must complete the Club packet and provide an estimation of the number of participants and return it to American Specialty. American Specialty will mail a Premium Submission form at the time the addendum is issued. This Premium Submission form is to be completed after the event and should reflect the actual number of participants for premium calculation. This too can be done online.

Q: How long does it typically take for a certificate of insurance to be issued?

All certificates are issued within 72 hours of the request, and in the majority of cases, can be issued on a same-day basis.

Q. Is my club properly insured against liability claims for normal club activities?

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-pay). The pedestrian, who is not a member of the club, may not make such a claim.

Q. 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 would 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.

A non-member is given participant accident coverage for one ride only (the first ride in which they participate as a non-member).

Q. 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.

Q. 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.

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 each year. They don't need to sign one each time they go on a club ride. Non-members should sign a waiver



If you have any questions concerning the League of American Bicyclists insurance program, please contact American Specialty:

Phone: 800-245-2744 www.amerspec.com/lab

each time they ride with you. For special events, every participant — whether they are members of the club or not — should sign a waiver.

Q. Why is a waiver so 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 show the individual was aware of, and had accepted, potential risks involved with cycling.

Q. 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 signed waiver. The waiver only impacts general liability claims.

Q. 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!

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 it 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.

Q. 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. 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.

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 — 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.

Q. 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).

Smart Cycling Insurance

The League of American Bicyclists is pleased to provide you with information on the insurance protection afforded to participants in the League of American Bicyclists Smart Cycling Program. This summary is designed to answer questions regional trainers and instructors may have about the insurance benefits provided by the League.

Q. Do regional trainers and instructors have coverage under the League of American Bicyclists Smart Cycling Insurance Program? Yes.

Q. For what activities are the regional trainers and instructors covered?

Both regional trainers and instructors are covered any time they are acting in the capacity of a League Cycling Instructor (LCI) or regional trainer during Smart Cycling seminars and classes conducted in accordance with League procedures.

Q. What kinds of claims does the policy cover?

The most important coverages are provided with respect to the exposures of regional trainers and instructors are Bodily Injury and Property Damage coverage. If a student is injured during class or while bicycling after completing the course and brings a suit against an instructor or regional trainer as a result, the policy can respond. In addition, the policy can respond if a claim is made against the regional trainer or instructor for damage to property. This coverage does not apply to property that is in the care, custody, or control of the instructor, but it could apply to property of a third party over which the regional trainer or instructor did not have direct control. In addition to providing coverage for damages the insured may be legally obligated to pay, the policy provides coverage for defending the insureds.

Q. How much coverage does the policy provide?

The policy limit is \$1,000,000 per occurrence with a \$3,000,000 general aggregate

for each seminar/class. Costs to defend claims are paid in addition to the limit. Coverage is provided on behalf of an admitted carrier which is rated "A+" (Superior) with a financial size category of "XI" by A.M. Best.

Q. Does the policy cover an LCI or other participants for medical expenses?

No. This policy provides liability coverage to the LCI, and does not cover medical expenses incurred either by the LCI or by the ride participants.

Q. Do I need to do anything to ensure that I have coverage?

No. If you are a League Cycling Instructor (LCI) or regional trainer and a member of the League, your coverage is automatically in place as long as you conduct your seminars and classes in accordance with League procedures.

Q. What do I do if I need to provide a facility with proof of insurance?

You will need to complete a certificate request form. To obtain this form, contact American Specialty at 800-245-2744 and ask to speak to an account representative for the League.

Q. Is there someone I can call if I have questions about the insurance?

Call American Specialty, the League of American Bicyclists Smart Cycling Insurance Program administrator, at 800-245-2744 and ask to speak to an account representative for the League.

2009 CLUB SPECIAL EVENT SCHEDULE

A special event is defined as any bicycle ride that is open to the public, organized by a League club, and requires an entry fee. Events must be reported to American Specialty and an additional premium is required. *NOTE: Coverage is not automatic.*

Please list all Special Events that are scheduled for your club. If additional events are scheduled at a later date, please notify American Specialty prior to the date of the event. Without notification prior to the event, there will be no coverage. Please note, time trials are automatically included under regular club coverage provided there is no entry fee and they involve only club members and invited guests. Time trials that do not meet this definition are not eligible for coverage.

Name of Event	Date	Helmets Required	Estimated # of Participants
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

2009 PREMIUMS FOR SPECIAL EVENTS:

For the first 1,000 riders\$1.49 per rider
 For the second 1,000 riders.....\$1.18 per rider
 For each rider in excess of 2,000\$.87 per rider
 Minimum premium\$83.00 per event



P.O. Box 309
 Roanoke, IN 46783
 Phone: 260-672-8800
 Fax: 260-672-8835
www.amerspec.com/lab

The premium for the special event will be due within two weeks after the ride.

CLUB ENROLLMENT FORM

Club Name: _____ Date: _____
 Club Address: _____
 City/State/Zip: _____
 Phone: _____ Fax: _____
 E-Mail: _____ Insurance Contact Person: _____
 League Club Membership #: _____ Estimated Number of members for 2009: _____

CLUB PREMIUM:

For the first 1,000 members.....\$1.49 per member x _____ # of members = \$ _____
 (Subject to a minimum premium of \$83.00)

For the second 1,000 riders.....\$1.35 per member x _____ # of members = \$ _____

TOTAL PREMIUM ENCLOSED\$ _____

Make insurance checks payable to: American Specialty Insurance & Risk Services, Inc.



P.O.Box 309, Roanoke, IN 46783
 Phone: 260-672-8800
 Fax: 260-672-8835
www.amerspec.com/lab

NOTE: Clubs commencing coverage on or after August 1, 2009 will receive a 25% discount from the otherwise payable club premium; a 50% discount after October 1, 2009; and a 75% discount after January 1, 2010 (all subject to the minimum premium of \$83.00). If your enrollment form and premium are received after February 1, 2009, your coverage will start the day American Specialty receives the completed enrollment form and premium.

- In determining the premium, a family membership will count as two individual memberships.
- Premium for advocacy groups will be based on the club's active membership.
- Clubs having membership in excess of 2,000 members are subject to individual underwriting.
- **Please call American Specialty at 1-800-245-2744 for a quote.**

Please briefly describe the types of non-ride activities you hold:

If your club has entered into a contract in which you agree to indemnify or hold harmless the other party, please attach a copy of the contract. We will review the contract from an insurance and risk management perspective and respond as appropriate.

Signature: _____

Date: _____