



2021 League of American Bicyclists Club Insurance Program



Benefits of the LAB Club Insurance Program

- Customized insurance program to meet the unique needs of a bicycle club
 - Bad things can happen on your weekly club ride or your club's biggest fundraising ride; make sure your club is protected
- Experienced liability claims specialists with close to 30 years of working with the League and its clubs
- Custom-built insurance purchasing website with access to risk management resources
- Access to the American Specialty team
- Group Purchasing Power
- Consistency in Coverage





Property and Casualty Insurance Market Conditions

- Insurer (insurance company)
 - Insured catastrophes
 - Extremely low interest rates impacting insurer investment income
 - Increased cost of claims
 - Higher health insurance deductibles
 - Reduced tolerance/appetite for risk
- Insureds (all of us)
 - Reduced capacity
 - Increased rates
 - Coverage limitations



American Specialty
INSURANCE



Eligibility

- Any non-profit who is a current member of the League of American Bicyclists and whose primary purpose is to promote or organize bicycling activities is eligible.
- The entity does NOT need to be incorporated or have tax-exempt status to be eligible for coverage.
- “Untraditional” clubs are welcome as long as:
 - The Club is NOT primarily engaged in mountain-biking activities; or
 - The Club is NOT primarily engaged in unsupervised randonneuring type activities.





“Bicycle Clubs” and “Advocacy Organizations”

- Bicycle Clubs and Advocacy Organizations receive the same insurance coverage
- Premium structure is different based on whether the Club is an Advocacy Organization or Bicycle Club as defined by the insurance policy
- Insurance Program Definitions :
 - Advocacy Organizations is a Club that has 26 or fewer “club rides” annually with an average of 50 or fewer riders for each ride; or does not conduct any recreational rides other than Special Events.
 - Flat premium to join the insurance program (premium is not impacted by membership size)
 - Bicycle Club is a Club that has 27 or more “club rides” annually
 - Premium is membership-based





Program Overview

- Base Program:
 - General Liability
 - Excess Accident Medical
- Optional Coverages (purchased separately):
 - Excess Liability Limits
 - Directors & Officers/Employment Practices Liability
 - Non-Owned/Hired Automobile Liability
 - Property (limited)
- Coverages to be discussed with a local Agent:
 - Workers Compensation
 - Owned Automobile Liability and Physical Damage Coverage
- LCI's automatically receive General Liability coverage for their individual education activities conducted in accordance with League guidelines



General Liability (GL)

- What is it?
 - Provides protection from third-party liability claims of bodily injury, property damage, and personal and advertising injury
- Claims examples:
 - Bodily Injury:
 - Cyclist strikes person walking on trail
 - Cyclist crashes due to road conditions
 - Cyclist struck by a vehicle
 - Property Damage Liability:
 - Cyclist strikes and damages a parked vehicle
 - Sports Equipment Liability:
 - Bicycle stolen from club's bicycle corral



American Specialty
INSURANCE



General Liability (GL) –

Who does it cover and when does coverage apply?

- For all covered activities:
 - League Bicycle Clubs and AO's that have enrolled and paid the appropriate premium (“insured clubs”)
 - Members and volunteers of insured clubs while acting on behalf of the insured club
 - Directors, officers, and employees of an insured club while acting on behalf of such club
- For covered rides only
 - First time invited guests (release of liability waiver recommended)



American Specialty
INSURANCE



General Liability (GL)

What Activities are Covered?

- Club Rides: Recreational bicycle rides conducted and supervised by an insured club for which no fee is charged
 - For AO's, only if you indicate you conduct such rides and have fewer than 27 rides in a 12 month period
- Special Events: Recreational bicycle rides conducted and supervised by an insured club for which a participation fee is charged
 - Special Events must be reported prior to event and appropriate premium paid following event
- Bicycle-related activities such as: Club meetings, fundraisers, time trials, bike education courses (if insured club indicates it organizes education courses), promoting SRTS programs, and bike refurbishment (if refurbishment optional coverage purchased)





General Liability (GL)

- Limits:
 - \$1,000,000 each occurrence
 - Additional limits available via excess liability policy
 - \$5,000,000 General Aggregate (for each insured entity)
 - Defense costs in addition to the limit of liability
 - \$5,000 sports equipment liability (\$1,500 per claim deductible)



American Specialty
INSURANCE



General Liability (GL)

Important Items to Know

- Release of Liability Waivers are an important method to protect your Club.
 - Traditional Club – Recommend waivers are signed annually
 - Mountain Bike Activities – Waiver must be signed prior to each mountain biking activity
- Helmets recommended from an insurance/risk management perspective; required for mountain biking exposures
- Non-Competitive Walking Component
- Abuse and Molestation Component





General Liability (GL)

Important Items to Know

- Mountain Biking Activities
 - 52 club rides or less = \$137
 - Helmets and Release of Liability Waivers are required for mountain biking activities
 - Mountain biking may not represent more than 1/3 of the Club's annual activities
 - Cross country and trail rides only (riding bicycles off-road over rough terrain, using mountain bikes, including cross country and trail riding). These rides are for Club members only and should not include tricks or timing.
 - For exposures that fall outside of the above, coverage is subject to individual underwriting
- Coverage does NOT apply to:
 - Racing
 - For-profit tours
 - Rentals or bike-share programs
 - Commercial bike or repair shops
 - Construction or engineering of bike trails
 - Year-round bike depot exposures
 - Certain alcohol-related exposures
 - Organizing or supervising a walking/biking school bus
 - Pedi-Cabs
 - Randonneur Events sanctioned by USA Randonneur
 - Events greater than 5 days in length





General Liability Losses

Quick Facts

- Low Frequency; High Severity
- Bodily injury claims represent the greatest exposure
 - High-dollar claims have arisen from:
 - Collisions between cyclists
 - Collisions between cyclist and pedestrian
 - Cyclist(s) struck by a vehicle
 - Single bicycle crash
- Property damage liability claims occur, but to date have represented a relatively small percentage of overall losses



Excess Accident Medical

- What is it?
 - Excess medical coverage for accidental injuries arising during an insured activity
 - Accidental death and dismemberment benefit



Excess Accident Medical – Who does it Cover and When?

- Members of insured clubs and first-time invited guests during “club rides” and time trials conducted and supervised by an insured club
 - For AO’s, only if you indicate you conduct such rides and have fewer than 27 rides
- Registered participants and volunteers during Special Events while acting on behalf of the insured club
- All attendees of bicycle education courses organized by an insured club as long as upon enrollment, the club indicates it organizes bicycle education courses that include an on-bicycle component



Excess Accident Medical

- Accident Medical Limit:
 - \$10,000 per person per accident
 - Excess of \$500 “disappearing” 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 online at americanspecialty.com/lab
 - Website will be ready early next week
 - You will receive an email notification notifying you when it is time to purchase coverage
- Premium for coverage other than Special Event coverage paid for at time of enrollment
- Coverage begins at time of payment (Feb. 1, 2021 or after) and ends Feb. 1, 2022
 - Discounts apply after August 2021 but full minimum premium applies





Purchasing GL and PA Coverage Continued – Special Events

- Register Special Events online at americanspecialty.com/lab BEFORE the event date
- Special Event premium based on number of participants and paid after event
 - Clubs should not include existing members in participation figures
- Mountain Bike Special Events are eligible to be scheduled
- Secure Certificates of Insurance for Special Events online



2021 Program Costs

- Bicycle Clubs
 - Club Activities (per member)
 - 0 to 1,000: \$5.38
 - 1,001 to 2,000: \$4.80
 - Over 2,000: \$4.26
 - Minimum Premium: \$270 per club
 - Average increase over expiring of about \$0.50 per member
 - Number of club members = “Peak” of your club activities
- Advocacy Organizations
 - No club or social rides: \$179 (General Liability coverage only)
 - Conducts club or social rides: \$281
 - Maximum of 26 or fewer rides with less than 50 average riders in each ride or the entity must enroll as a Bicycle Club



2021 Program Costs

- **Optional Coverages**

- Rent, lease, or own year-round office: \$147
- Warehouse lease \$95
- Education Courses
 - Use ONLY LCI's as instructors
 - Classroom only: \$94
 - Classroom and On-Bike Instruction: \$256
 - Non-LCI's as instructors
 - Classroom only: \$123
 - Classroom and On-Bike Instruction: \$358
- Bicycle Refurbishment: \$178
- Mountain Biking (subject to criteria): \$137



2021 Special Event Costs

- Special Event (per participant)
 - 0 to 1,000: \$5.85
 - 1,001 to 2,000: \$4.62
 - Over 2,000: \$3.47
 - Average increase over expiring of about \$0.47 per participant
 - Minimum Premiums: \$304 per special event
- Mountain Bike Special Event (per participant and subject to mountain bike criteria)
 - 0 to 1,000: \$6.74
 - 1,001 to 2,000: \$5.30
 - Over 2,000: \$4.03
 - Average increase over expiring of about \$0.54 per participant
 - Minimum Premiums: \$358 per special event

NOTE:

Bicycle Clubs do not count members when reporting special event participation (AO's do)



American Specialty
INSURANCE



Optional Coverages



Non-Owned/Hired Auto Liability

- What is it?
 - Coverage for liability arising out of non-owned or hired autos your club uses during the course of your covered activities (note: does not apply to vehicles owned by the club)
- Who does it cover and when?
 - Insured Club
 - Individuals using, with the club's permission, an auto the club hires or borrows. Owner of the auto or anyone else from whom you hire or borrow the auto is not covered.
- Limit: \$1,000,000 Combined Single Limit
- Requirements: Separate application; verification of club driving policies
- Premium: Subject to underwriting



American Specialty
INSURANCE



Directors & Officers Liability

- What is it?
 - Coverage for wrongful acts (discrimination, wrongful termination, mismanagement of funds, negligence in decision-making)
 - Difference between General Liability and Directors & Officers Liability coverage
- Who does it cover?
 - 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.americanspecialty.com/lab
- Coverage begins the day coverage is purchased (2/1/2021 or after) through 2/1/2022
- Premium is pro-rated for policies purchased after 2/1/2021
- Premium:
 - \$550 for \$1,000,000 limit (plus \$25 purchasing group fee)
 - \$850 for \$2,000,000 limit (plus \$25 purchasing group 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
- Coverage is included for the LLC's that are created by an LCI for the sole purpose of handling payments for bicycle education classes.
- Proof of insurance can be secured from American Specialty



American Specialty
INSURANCE



Contact Information

Rene Waterson

- 260-969-5392 (direct)
- 800-245-2744 (toll-free)
- rwaterson@americanspecialty.com

Rashelle Thoms

- 260-755-7284 (direct)
- 800-245-2744 (toll-free)
- rthoms@americanspecialty.com

Jina Doyle

- 260-969-5352 (direct)
- 800-245-2744 (toll-free)
- jdoyle@americanspecialty.com

