



AMERICAN SPECIALTY®

2019 League of American Bicyclists Club Insurance Program

Fun “Fact”: The longest bicycle as recorded by the Guinness World Record in 2016 is 135 ft 10.7 long (which is about twice as long as a traditional bowling lane!)



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 donut ride or your club's biggest fundraising ride; make sure your club is protected
- Experienced claims specialists with over 25 years working with the League and its clubs
- Custom-built insurance purchasing website with access to risk management resources
- Access to the American Specialty team if the online platform is not your preference
- Group Purchasing Power
- Consistency in Coverage



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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 activities.



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“Bicycle Clubs” and “Advocacy Organizations”

- Bicycle Clubs and Advocacy Organizations receive the same insurance coverage
- Premium structure is 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

Fun “Fact”: Alien Abduction Insurance has been available, maybe not readily, in the insurance marketplace since at least 1987.



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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)
- Coverage not Available:
 - 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 struck person walking on trail
 - Cyclist fell due to road conditions
 - Cyclist struck by a vehicle
 - Property Damage Liability:
 - Cyclist struck and damaged a vehicle
 - Sports Equipment Liability:
 - Bicycle stolen from club's bicycle corral





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
 - Directors, officers, and employees of insured clubs
- For covered rides only
 - First time invited guests (release of liability waiver recommended)





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 the maximum allowable number of such rides
- 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)





General Liability (GL)

Important Items to Know

- Release of Liability Waivers are an important method to protect your Club
- Helmets recommended from an insurance/risk management perspective; required for mountain biking exposures
- Non-Competitive Walking Component
 - In conjunction with a Club ride
- Abuse and Molestation Component





General Liability (GL)

Important Items to Know

- Mountain Biking Activities
 - 52 club rides or less = \$116
 - 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





General Liability Losses

Quick Facts

- Low Frequency; High Severity Trend
 - Roughly 2 General Liability claims each policy year (small number of claims, but very large losses)
- 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
 - Accidental death and dismemberment benefit



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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 the maximum allowable number of such rides
- Registered participants and volunteers during Special Events
- All attendees of bicycle education courses organized by an insured club that, upon enrollment, indicates it organizes bicycle education courses that include an on-bicycle component



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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

