



# Overview of NICA Insurance Policy

## Clubs:

- General Liability (includes coverage for trail maintenance and repair by the club. Club rides, training rides/races and other club functions such as meetings and clinics)
  - \$1,000,000 Each Occurrence
  - \$2,000,000 Aggregate/Club
  - \$500,000 Each Claim – Sexual Abuse and Molestation
    - \$500,000 Aggregate Limit
- Accident Medical:
  - \$25,000 Each Person – Excess Accident Medical
  - Deductible: \$250
- Accidental Death: \$10,000

## Events:

- \$1,000,000 Each Occurrence
- \$2,000,000 Aggregate per Event
- No annual aggregate
- Accident Medical:
  - \$25,000 Each Person – Excess Accident Medical
  - Deductible: \$250
- Accidental Death: \$10,000

## Coaches:

- Same coverage as club (“coaches are covered while acting within the scope of their duties for their club/team”)
- Coverage for Sexual Abuse and Molestation is provided for the clubs and coaches. See the attached *SafeKids* preventative measures adopted by the National Interscholastic Cycling Association (NICA) and associated League. It is required that a background check be completed on each coach. Coverage for the club and coach for defense until adjudicated as guilty or pleads guilty.

## Frequently Asked Questions

### **Is insurance required for my club?**

In order to participate in League races and be recognized by the League as an official club, you are *required* to have insurance coverage through the League’s Club Insurance Program.

### **How do we become an official League club and obtain coverage?**

You must register your club on the League website and pay club fees, in order to be considered an official club. All coaches and riders must also register, pay the membership fee, and submit electronic waivers.

### **Who is covered by this policy?**

The policy covers anyone named in the policy as insured. It covers the club, the listed riders, sponsoring teacher, officers, directors, committee members, board members, coaches, assistant coaches, ride leaders, mechanic or other volunteers, as long as they are acting within the scope of their duties to the named insured and have signed the official waiver, and any additional names added by endorsement. Coaches and other are only covered if they are listed on the team's registration form. To add additional coaches during the season, register in the Pitzone database and contact the League.

### **When are we covered?**

Registered NICA clubs are covered for regular training between October 15<sup>th</sup> and May 31<sup>st</sup> for Spring leagues and April 1<sup>st</sup> to November 15<sup>th</sup> for Fall leagues. Clubs may apply for coverage of approved "pre-season" activities starting October 15<sup>th</sup> (Spring leagues) or April 1<sup>st</sup> (Fall leagues). See *NICA Training Limits* document for additional details.

### **How much does it cost?**

Insurance is included with the team registration fee. The current cost for team registration is listed on the "Teams" page of your league website. Clubs must purchase additional coverage for special events where a fee is charged and/or the public is invited (such as a fundraiser). No additional coverage is needed for most events when no fee is charged and only members are invited (such as club rides and meetings.)

### **Do I need to have a coaching license to obtain insurance?**

Yes, in order to be covered by the insurance each coach must be licensed in the Pitzone system.

### **Are there any requirements for volunteers and staff, such as fingerprinting?**

Yes, at this time, background checks are required for coverage for sexual abuse molestation. This may also be required by many school districts.

### **Does the policy include coverage for abuse and molestation?**

Yes, coverage exists for abuse and molestation. The policy provides a limited coverage for sexual abuse and molestation. See the *SafeKids* Program guidelines.

### **What about team's school-based coverage? Which policy applies when?**

The League's policy for Liability claims is primary and would pay on behalf of the League first. It may contribute if other policies are found to also be primary. A specific reading of other contracts involved would be required in the event of such a situation.

### **Who provides this policy?**

McKay Insurance provides this policy for the League.

### **Who is the underwriter?**

Lexington Insurance Company and National Union Fire Insurance Company – Member Chartis Companies. Lexington is an A+(Superior) rated carrier by A. M. Best Company, National Union Fire Insurance Company is also rated A+(Superior)

### **What does the policy cover? \***

The policy insures your club for liability arising from events like club rides, meetings, trail maintenance, skills clinics, club celebrations, approved fundraisers, and other approved club activities. It also covers completed operations, which means that if your club maintains a built trail and is subsequently sued by a trail user on the basis of that trail building, the policy will cover defense of the suit. The liability coverage is primary and pays on behalf of the insured for all losses that they become legally obligated to pay because of their negligence arising from their covered operations, premises, products and completed operations. Coverage is also provided for personal and advertising injury in addition to bodily injury and property damage.

\*There is an overview of the policy's specific monetary coverage at the end of this document.

### **What doesn't the insurance cover?**

It doesn't cover a lot of things, but the most notable exceptions are observed trials competitions, shuttled riding, timed downhill racing, jumping or jumping contests, or free-ride events. Special events involving the use of stunts or constructed technical trail features, as well as events such as pro rider demonstrations, are not covered. Team building activities that may include snow sports, water skiing, rafting, rock climbing, paddle boarding or mud runs are not covered. It does not cover any use of power machines (ATV's, chainsaws, wood chipper's, motor cycles) A Special Events Policy may cover some of these activities. Call or email NICA if you have an activity that falls outside the standard coverage. The policy also doesn't cover injuries arising out of incidents other than accidents, like fights or purposefully injurious behavior.

There is no coverage for errors and omissions claims such as misfeasance or mismanagement of the club. Breach of fiduciary duties and employment related practices are excluded. The liability covers only claims made for monetary damages. If a claim is made for injunctive relief or for cease and desist actions where no money is specified, then there is no coverage under the League's liability policy.

Clubs may purchase an additional "Directors and Officers Liability" policy that provides protection for individuals and officials in their collective capacity as officers of the club for actual or alleged wrongful acts and errors and omissions. Examples of claims covered by this policy: Lawsuits seeking damages for discrimination, wrongful suspension of members, acts beyond the authority of the club, wrongful dismissal of staff, or failure to provide adequate insurance to members.

This list is far from complete; you should never assume something is covered by your policy unless the policy explicitly states that the activity is covered. A copy of the policy will be posted on line at the League website for your review.

### **What are the policy's limits?**

The policy has an aggregate limit of USD \$2,000,000 per club, with a \$1,000,000 limit for each occurrence.

### **What are our club's responsibilities under the policy?**

Of course, you are responsible for paying for the policy, via team registration fees. However, that is not your only responsibility. You must also ensure that every rider, sponsoring teacher, officer, coach, assistant coach, ride leader, mechanic or other volunteer working with the club completes the NICA / League's official waiver. The waiver is available on your League's website and through Pitzone registration.

### **Failure to have a signed waiver on file will require a \$2,500 deductible to apply on any claim made, including defense of the claim.**

Coaches are also responsible for submitting an injury report form anytime an injury occurs that requires professional medical attention (ambulance, trip to the E.R. or doctor, etc.), in the case of an injured rider, sponsoring teacher, officer, coach, assistant coach, ride leader, mechanic or other volunteer. Coaches do not need to do this when the injury occurs at a League race. The submission form is available on the NICA Coach's Resource page.

### **Is the policy available to all mountain bike clubs?**

The policy is only available to official high school mountain bike clubs registered with the National Interscholastic Cycling Association that participate in their respective league. (See above to find out how to become an official club.)

### **Are middle school riders covered?**

Yes, middle school riders are covered as long as they are members of the participating club roster.

### **How does this insurance protect the personal assets of club leaders and coaches?**

It protects those assets by providing means to defend a lawsuit with total costs, including any award in the event of an unfavorable decision, or any negotiated settlement, not to exceed the policy limit of \$1,000,000 per incident.

### **Does the policy cover coaches from lawsuits filed by a rider or a rider's parents?**

Yes. It protects coaches by providing means to defend a lawsuit with total costs, including any award in the event of an unfavorable decision, or any negotiated settlement, not to exceed the policy limit of \$1,000,000 per incident. Abuse and Molestation has a separate limit of \$500,000 each Claim and \$1,000,000 aggregate. See above.

### **Does the policy pay medical bills of injured people?**

Yes, but the standard policy pays only in the event of an injury arising out of negligence on behalf of the club or its members. Athletes are covered by **excess** medical insurance, which means you are eligible to submit claims that are over and above what your own medical insurance covers, up to a limit of \$25,000 and 12 months from the initial accident.

Your club can also purchase additional accident medical expense excess coverage for its members and volunteers. The accident medical policy would not require a negligent act in order to pay out.

### **Can an exception be made to the one year policy benefit period?**

Expenses incurred after one year from the date of the accident are not covered even though the service is a continuing one or one that is delayed beyond one year from the date of the accident.

### **How long does the insured have after the one year benefit period to submit claims?**

The first expense must be incurred within 30 days after the date of the accident. A claim will still be considered if it was not possible to furnish proof within this time and due written proof was furnished as soon as possible. Except in the absence of legal capacity, a loss will not be considered if it was furnished more than 2 years after the date the loss was incurred.

### **What do I do when an incident is so serious that a participant is hospitalized or worse?**

Immediately call the National Interscholastic Cycling Association office (510-524-5464) and leave a message. We must alert our insurance company to serious incidents that may result in significant loss. These sorts of things are rare but must be handled urgently.

Coaches are also responsible for submitting an injury report form anytime an injury occurs that requires professional medical attention (ambulance, trip to the E.R. or doctor, etc.), in the case of an injured rider, sponsoring teacher, officer, coach, assistant coach, ride leader, mechanic or other volunteer. Coaches do not need to do this when the injury occurs at a League race. The form is available on the NICA Coach's Resource page.

### **An athlete's bike was stolen at a race; does the League's insurance cover this?**

No, personal property loss is not included in the League's policy. Athlete members may consider property loss coverage for sports equipment on their homeowners/renters policy for this reason as well. Insurance for bike racing equipment is also available through several agencies.

### **Does the team insurance cover liability should a team-owned bike cause an injury to a rider either by a mechanical malfunction or other means?**

If NICA and or the individual league is named in a lawsuit as a result of injuries sustained while riding a team-owned bike or a school owned bike (during a NICA/League sponsored and supervised activity such as a team practice), then the General Liability policy would respond and provide NICA and the league defense. If NICA or the League is found to be negligent the policy would pay up to the \$1M occurrence limit of the policy.

The League/team should have procedures in place to ensure that any League/team owned bikes are regularly maintained.

### **How do I file a claim?**

In order to file a claim, submit an incident report form through the NICA coach's resource page. Unfortunately, it can happen: an injury on the trail or during a club ride; damage to someone's property; injury to a person's good name or reputation from a newsletter article. These are examples of some of the "bad things" that can happen to a club. They are also

examples of why you are required through NICA to have general liability and accident medical insurance policy for your club.

Your club's insurance protects its listed riders, sponsoring teacher, officers, directors, committee members, board members, coaches, assistant coaches, ride leaders, mechanic or other volunteers from suits brought that allege negligence on the part of the listed riders, sponsoring teacher, officers, directors, committee members, board members, coaches, assistant coaches, ride leaders, mechanic or other volunteers in the conduct of their duties for the club.

Clubs can be sued for a myriad of incidents. The list of claims could fill volumes. The chance of your club having at least one incident in the next three years is 72% (ISO - General Liability statistical data 1954 to 2002). An incident does not mean that you will get sued. It means that the likelihood of a suit has increased because of an occurrence.

***If you are notified or know of a situation that could cause a claim to be filed you should do the following:***

Give immediate aid to all injured parties within the scope of your training; call for emergency medical help and protect any property from further damage or theft. Notify the local law enforcement agency if the accident occurs on public roadways or property. Get the name, address and phone number of all witnesses. Write down your description of what happened. Note the date and time of accident and date and time of your written report. Submit a [NICA Incident Report](#) online as soon as possible. You should have a complete description of the occurrence and the circumstances. Do not delay notice for incomplete information and do not assume that because the injury or damage was minor that no claim will be made.

**What is a certificate of insurance?**

Evidences policy number(s), type(s) of coverage, limit(s), and deductible(s) are listed on this document. A certificate provides the certificate holder proof of insurance only. A certificate of insurance may be issued to anyone wanting proof of insurance.

**What is an additional insured?**

Additional insureds should be added sparingly and only if required by written contract. Not all individuals/groups may qualify for additional insured status and an issuance of an insurance certificate does not guarantee coverage for the party requesting coverage. Remember, you are sharing your coverage limits with every additional insured you add to your policy! Contact the League if you think you need to add an additionally insured and include a copy of the written contract.

**What about driving kids in my car?**

There is no coverage provided under the League insurance program for any type of automobile liability exposure. When a coach, parent, or student provides transportation for others to a club function, any accidents and resulting claims would be the responsibility of owner and/or operator of the vehicle. When a club rents a vehicle for transporting members or others, the same situation would exist. The individual renting and/or operating will be the

responsible party. The only coverage provided for claims resulting from an automobile accident is the Excess Medical Accident coverage. The transportation must be authorized by a club coach or official in order for the coverage to be valid.

There are three ways for a member club to address the automobile liability exposure. (1) To purchase a Hired and Non-Owned Automobile Liability policy from a local agent; or (2) To be sure that anyone providing transportation for others carry adequate limits of liability on their auto policy. (Discuss with your local agent); (3) To have athletes' parents transport only their own children.

**Is shuttle riding covered?**

No, shuttle riding is not covered. Shuttle refers to the automobile liability exclusion in the policy. Automobile exposure must be covered by the owner of the automobile. If the shuttle is a chair lift or gondola ride, the liability falls on the operator and not NICA as we do not control the operation.

**Does our policy cover “trail building” as opposed to “trail maintenance”?**

Trail maintenance is OK but trail building and design is excluded.

\*\* The Utah High School Cycling League and the Colorado High School Cycling League have acquired different and separate insurance coverage. Please contact those leagues separately for information pertaining to their specific coverage if you are a member in those states.