

Liability Insurance for Ski Clubs

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1. Are we (ski clubs, and ski club officers) at risk?

Yes we are. There are two types of insurance to cover the typical risks faced by ski clubs:

A. GENERAL LIABILITY INSURANCE - covers claims of Bodily injury or Property damage.

Example: somebody hurt on a ski trip.

This risk is the greater of the two. More people could potentially sue.

Any one member could sue another member and/or sue the club.

Example: one person swings their skis around and knocks down one or two others. Then they all sue the club.

B. DIRECTORS & OFFICERS LIABILITY INSURANCE- covers claims against the Club Directors & Officers of non-bodily-injury and not-property damage. Example: somebody suing us for pain and suffering because we threw him/her out of the club or an allegation of discrimination, error or omission by Club Officers. This is a comparatively smaller risk. It doesn't happen often.

2. Remedies. What we can do to protect ourselves.

There are two possible free options, but only one applies to most ski clubs.

A. The Federal Volunteer Act provides some protection for volunteers, but only for non-profit, 501.c3 organizations. Unfortunately, most ski clubs are not-for-profit, 501.c7 or c4 organizations. Please remember that it still costs money to defend a claim or to get it to a point where a judge would trigger this Act.

B. Trip participants should sign waivers. Under any circumstance we need to require every member and participant to sign a full waiver, saying that "skiing is a dangerous sport, injuries are possible, and no club officers should be held liable for accidents, etc."

Many ski clubs have a waiver statement on their membership application/renewal forms and forms members use to sign up for trips. It is imperative that these are signed for every trip and for every sport or activity throughout the year. The argument here is that you have continuously warned of various risks in an attempt to avoid a "failure to warn" of the danger allegation. Same problem exists here since anyone can bring a suit against the club or its members and a defense would have to be offered or you automatically loose. So again costs to defend even a baseless suit would far exceed the cost of buying insurance. Without insurance coverage the club or its individual members would end up paying these costs or in the event of a successful claim the awards.

3. Are we automatically covered in any way, just by being affiliated with FWSA?

Are only our club officers covered automatically through FWSA?

The answer is NO to both of the above.

The Far West Ski Association does provide a Master Policy General Liability Program that each Club can participate in, but this is all optional, and at an additional cost to each club. There are two options we could pursue, one for each of the two types of risk mentioned above. FWSA also has obtained special rates for Clubs for the Directors & Officers coverage.

A. General Liability for every club member (This is part of the FWSA Master Policy)

This covers risk A (above): for bodily injury or property damage. Remember, this is considered the greater and more likely risk.

The FWSA policy generally runs from December to December.

The cost depends on the number of club members.

Current costs for a small or medium-sized club would cost \$13.50 per member, per year.

The minimum cost for the policy to the club as a whole (for smaller clubs) is typically \$500.

B. Directors & Officers coverage.

This is for risk B (above): for non-bodily injury and non-property damage.

This is the lesser risk, the one affecting only the entity of the Club and Club Officers.

Fewer than 5% of ski clubs have this type of coverage.

Claims covered under this type of policy in general tend to be employment or investment related.

In the case of ski clubs, it would apply if someone is, for example, thrown out of the club, and then sues the club for loss of reputation, not being able to sleep, losing his friends, ... etc.

The definition of who is an "officer of the club" is established by the policy itself and includes designated committee heads and can extend to trip leaders

The cost to the club is something around \$700 to \$1,000 per year depending on the size and budget of the club

4. What other options may be available?

You can get quotes outside of the FWSA program but premiums tend to be a lot higher unless you have a large club. Some large clubs have a stand alone policy due to their size and premiums can be less than the quoted \$13.50 per member.

5. How do we sign up for this coverage?

Simple, just contact Fred Liebel, and he will answer all your questions, and send you all the necessary forms. Contact:

Fred Liebel of Michael Ehrenfeld Company Insurance Agents & Brokers in San Diego CA

Phone: 619-683-9990, extension 103

Email: fml@ehrenfeldinsurance.com

6. Suggestion for dealing with the insurance cost.

A. The obvious solution would be to raise the club's membership fee by \$13.50.

B. Alternative. Since people who go on trips are more liable to get injured in some way, or to get sued, they could be given a greater burden in the cost. For example, every trip participant could be charged an additional \$5 or \$10 per trip (to pay for the insurance). This would mean the club would not have to increase all memberships by \$13.50. A smaller increase in membership fees would be enough.

FWSA Insurance provided through:

Fred Liebel - California License # OB16403

Michael Ehrenfeld Company - Insurance Brokers & Agents

2655 Camino Del Rio N. Suite 200, San Diego, CA 92108

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This question and answer summary was prepared by Emilio Trampuz, Mountain High Snowsport Club, a member of Northwest Ski Club Council.