



## **Southern California Outrigger Racing Association**

### **Frequently Asked Questions: Marine General Liability Policy**

**As of December 2017**

#### **Frequently used abbreviations and definitions:**

**MGL** – Marine General Liability – All Member Clubs are insured by SCORA’s MGL Policy.

**D&O** – Directors & Officers – SCORA has a D&O Policy that covers the Directors & Officers of SCORA’s Board. Each Member Club is advised to purchase their own D&O Policy to cover their club’s Directors & Officers.

**COI** – Certificate of Insurance – explained below in #8

**AI** – Additional Insured – whoever is requesting the COI – also explained below in #8

**Endorsement** – a clause amending the MGL Policy – further explained below in #8

**ACW Insurance Group** – The Insurance Brokerage which services SCORA’s MGL Policy, and some of the club’s D&O and Hull Policies.

#### **1. Is my club covered at all practices and races?**

Yes, Liability Insurance is provided for all practices, races, meetings, training sessions, volunteer/community service days, etc. Basically, it covers for any of the normal activities conducted by the clubs and/or association.

#### **2. Is my club’s equipment covered at all practices and races?**

Liability arising from the use of your equipment as described above is insured under this policy. Physical damage you may cause to other clubs’ canoes is covered as that would be considered your liability for their damage. Physical damage to your club’s canoes caused by certain causes such as hitting a rock, colliding with a pier or dock, etc. is covered under the Hull Insurance as discussed on the Hull FAQ sheet – but please note that your club must purchase a Hull Insurance Policy to have the coverage.

#### **3. Are the canoes and trailers covered on the road, during transportation to and from events?**

Yes – and no. This policy would cover the Association’s/Club’s liability arising from canoes and trailers on the road and during transport, but please note that this is very limited as while on

the road, in about 99% of the cases, the liability falls with the driver of the towing vehicle, not with the club or association.

Further, this MGL policy does not cover direct physical damage to the canoe. That coverage is found under the Hull policy, discussed on the Hull FAQ sheet.

**4. Is my club's practice site and/or landlord covered?**

Your club's liability for the practice site is absolutely included. Your landlord is not automatically covered. First of all, the landlord should have his own insurance to cover his liability. He can be added to this policy as an Additional Insured if he requires it. If so, you'll need to get the details to us including:

- A copy of any contract or lease agreement you may have
- Landlord's name and address

**5. What if a member(s) takes club equipment out during a non-coached, non-practice time for recreational use, and an accident or injury occurs?**

The MGL Policy does not cover private or 3<sup>rd</sup> party use of a club's equipment. It covers liability arising from normal organized club activities only. A club should not allow individuals or 3<sup>rd</sup> party groups to use club-owned equipment or club sites for non-club activities.

**6. My club wants to add Stand Up Paddling to our practices. Is SUP covered?**

Stand Up Paddling may be covered under the policy if it is a normal part of your club's organized activities for training or cross-training. SUP racing would only be covered if included in an approved SCORA Race Proposal, limited to SCORA members only, and specifically approved by Servco.

**7. My club wants to have a beer garden at our race this year – does SCORA's insurance cover that?**

No. SCORA's MGL Policy does not include liquor liability coverage. If your club wants to host a beer garden, they must purchase a separate event policy that includes liquor liability, and must obtain a COI that names SCORA as Additional Insured.

**8. What is the difference between a Certificate of Insurance (COI) and an Endorsement?**

A Certificate of Insurance provides evidence of insurance to a third party. It does not change the policy, but shows some general terms and in some circumstance, can be used as legal tender. An example of a Certificate of Insurance: a Club is holding a race in Mission Bay, San Diego – the City, County or State may require evidence of your insurance being in force and naming them as Additional Insured – we would simply issue a COI for this, not Endorse it to the policy. Another

example of a COI request within SCORA: a club is sending a crew to race the Moloka'i Hoe. The Host Club, Association, or County may require the SCORA club to submit a COI naming them as Additional Insured. The COI's for each SCORA club are generally automatically renewed each year with the MGL policy renewal. To obtain a COI, fill out the Certificate Request Form on the SCORA website and e-mail it to SCORA's Insurance Officer.

An Endorsement is the inclusion of a clause amending the policy. It changes the policy and becomes a part of the policy. Endorsements must be approved by the underwriters, and may affect SCORA's cost for coverage and renewal. Unlike COI's, Endorsements are not automatically renewed each year with the MGL policy renewal. Please contact SCORA's Insurance Officer with any requests for Endorsements.

**9. The resort where we are having our race says they need a \$5,000,000 policy – can Servco give us that?**

SCORA's policy has Limits of Liability of \$1,000,000 per occurrence and \$2,000,000 in the Aggregate. If you need higher limits, we would need to find an underwriter to write an Excess policy for you. However, please note that this can only be written on an Annual basis, covering all your activities - it would not apply just for one race. The cost of such a policy would be something around \$7,000 to \$15,000 annually, so please discuss with SCORA's Insurance Officer if this comes up. Many times, the resorts can be negotiated down on their requirements.

**10. Our club is sending a crew to Moloka'i this year. 5 of us are from SCORA clubs and 4 are from New Zealand - OR - I belong to a SCORA club, but I'm racing with a Canadian club in Australia this year - can you give me proof of insurance?**

The MGL policy is written to cover SCORA & its Member Clubs. Your crew needs to be registering and racing as a named SCORA club to qualify for coverage. Your non-SCORA teammates must obtain insurance from their own clubs, or become members of your club. If you are a guest paddler on a non-SCORA crew in a non-SCORA race, they should cover you as a guest member.

**11. Does it cover escort boats and skippers?**

All boats you use as escort boats, official boats, even boats that are owned by clubs MUST have their own insurance and provide you with proof of 1) Hull & Machinery (aka Comprehensive/Collision or Property) insurance and 2) Protection & Indemnity (aka Liability) insurance with limits not less than \$300,000 two weeks prior to the event.

Skippers are insured under the vessel's policy.

Beyond that, please note that your policy does insure you for those things for which SCORA/Clubs may be held responsible for in a court of law. For example: while the vessel is responsible for most things that could occur during its use, if SCORA/Club gave specific direction and a claim arises out of that, SCORA/Club could be held liable and that would be covered. Also, if there is a serious accident and the person injured files suit, they will sue the vessel, the vessel

owner, perhaps the captain, and SCORA, and the member Club. Should such suit be filed, your policy would defend – even if the claim is frivolous.

**12. Does it cover fundraisers?**

Fundraisers are an essential part of what you do, and yes, they are covered. Under the policy, each club is allowed a maximum of 6 fundraisers annually with no charge, but subject to the Club submitting the Fundraiser Approval Form. If no form is submitted, there's no coverage. So please be sure to submit the Fundraiser Approval Form on the SCORA website and e-mail it to SCORA's Insurance Officer. Should the club exceed 6 fundraisers in the year; additional fundraisers can be insured for a small additional premium. We have not seen anyone have more than 6, so we do not know what the additional premium would be.

SCORA's MGL policy does not cover off season OC-1 or SUP races as a fundraiser. They are not SCORA-sanctioned events with SCORA officials and are not part of the regular race season.

**13. Even though I signed SCORA's required Release of Liability Waiver, if I get injured during outrigger practice or a race, and seek medical treatment, but my own insurance doesn't cover my expenses, will SCORA's insurance help offset any of my medical costs?**

No. it is a MARINE GENERAL LIABILITY policy. It is NOT an individual or group medical plan. By signing the waiver, you are releasing SCORA and your clubs of liability, you (as paddlers, coaches, escort skippers, any participants) are assuming the inherent risks that go along with the sport, and NOT assuming that SCORA or your clubs will be liable for your medical coverage in the event of an accident or injury. Each individual paddler should carry their own medical insurance, and if you don't, don't expect SCORA to cover you. The MGL policy ensures the perpetuity of the sport by insuring SCORA, the Member Clubs, the practice sites, and race sites. It allows SCORA and the Member Clubs to get those one million dollar COI's and Endorsements, which more and more cities, counties, harbor districts, property owners, vendors, etc. are requiring. Without it, SCORA Clubs wouldn't have practice sites or race sites.

**14. If our club is sending a crew to a non-SCORA race that does not require a COI, do we still need one?**

No, there is no advantage to getting a COI if it's not required by the host. All SCORA clubs are covered under the MGL policy for "normal" outrigger activities (practices and races), so if an accident occurred they'd be covered even with a COI. The COIs are for those who request them as additional insurance, since SCORA members are already covered.

**NOTE: These questions, and therefore, the responses are general in nature. Each situation has a multitude of considerations, and the actual, final response may vary somewhat, depending on the circumstance.**