Managing Risk, Insurance & Safety
Stories & Strategies for Leaders & Flag Officers

Presented By Gowrie Group & Burgee Program
Whitney Peterson, Kellie Crete, Steve Schram
February, 2020
Seminar Overview

1. Overview & Introductions
2. Safety Plans, Check Lists & Safety Committee
3. Protecting & Valuing Docks
4. Junior Program Travel Team Safety
5. Electrocution Risks
6. Be Cyber Smart
7. Review Your Policy for Exclusions & Gaps
8. Using Tools & Resources
9. Q&A
Meet the Gowrie Group Team

**Whitney Peterson**
- Gowrie SVP Marketing
- Vice Commodore Sachems Head Yacht Club (2019+)
- Junior Sailing Chair SHYC (2014-2019)
- 470 Olympic Sailing
- Dartmouth College Sailor
- Contact: whitneyp@gowrie.com

**Kellie Crete**
- Gowrie VP Safety & Loss Control
- Junior Sailing Chair BYC (2017-2019)
- Junior Committee Member 2015+
- Junior Sailing Auction Chair
- Buzzards Bay JR Regatta Chair
- Contact: kelliec@gowrie.com

**Steve Schram**
- Gowrie SVP Burgee Program Sales
- Junior Sailing Chair Shelter Island Yacht Club (4 years)
- Past Commodore SIYC
- SIYC Safety Committee Chair
- Contact: steves@gowrie.com
CASE STUDY: OSHA Inspector Asks to See Your Safety Plan...

What is a Safety Plan?

• It takes EVERYTHING you do for safety (and/or should be doing for safety), and actually puts it in writing in an organized document

Smart Tips:

• Keep it real, realistic, and up-to-date
• Use it as a training tool
• Use it as a back up when the “Safety Person” is not around
• Spend a little time at least once a year to review it
• Get help - have someone else review it to make sure you are not missing anything
• Remember, this is a fluid document, it needs to change and evolve overtime
• A formal Safety Plan is the first thing an OSHA Inspector will ask to review
CASE STUDIES: What does your Safety Plan say about Trespassing or Blocking Exits?

Trespassing Tragedy:
- Club sued by non-member severely injured when trespassing to jump onto a rented water trampoline
- Trespasser severely injured – quadriplegic
- Multi-million dollar lawsuit
- An organization can be sued and held liable for failing to warn people of trespassing risks:
  - Trespassing Warning signs?
  - Attractive nuisances?
  - Unlocked doors after hours?

OSHA Violation: Exit with too many locks!

This slide covers just 2 of many possible Claims Stories we could talk about today related to Facility Safety and Safety Plans!
TAKE ACTION: Develop a Comprehensive Safety Plan

Tackle it Now = Ready When You Need It

- **Invest the time upfront** – get it documented, reviewed, implemented
- **Evaluate and update annually** – fluid document, this is your annual “maintenance”
- **Review seasonally with staff** – hold an annual, in-person with all leaders, flags, and staff
- **Practice the Emergency Medical Action Plan** – make it part of pre-season training

Safety Plans Cover Operations, Humans, Property & More

- On-land & On-water operations
- OSHA standards & inspections
- Record keeping & injury/accident reporting
- Facility safety
- Kitchen & restaurant safety
- Fuel dock safety
- Emergency response plans (medical, storms, crisis)
- Employee handbook
- SafeSport and MAAPP
TAKE ACTION: Create a Safety Committee & Instill a Safety Culture

Safety Committee & Check-List:
- Form a Safety Committee
- Designate a “Safety Coordinator” or “Safety Head”
- Schedule Quarterly Safety Committee meetings
- Pre-season safety walk through
- Pre-season Emergency Drill Procedure Training
- Post-season safety walk through
- Be watchful for OSHA violations
- Implement weekly Safety Check Lists!

Instill a Safety Culture:
- Communicate to membership about safety standards and safety measures that are implemented
- Post and share copies of Emergency Action Plan
- Train staff on safety standards
- Involve JR Sailing kids and parents in safety planning
- Use signage to communicate safety rules
- Publish and post safety rules
CASE STUDY: Protect your Docks from Severe Weather

Fall Storm & Dock Damage

• Intense Fall Nor’easter storm – extreme wind, waves, tides
• Club had not secured or removed the docks for the winter (yet)
• Club closed for off-season – no staff or members around
• Club Officer stopped by on the way to work to “check the docks”
• Noticed dragging docks and a lose piling - and storm had just started
  • Emergency rally call for volunteer help!
• Dangerous, hours of volunteer work, paid pro and barge to triage
• Impact: Expensive, time consuming, damaged piling, not in budget
TAKE ACTION: Have Your Docks Appraised & Plan for Storms

Do Not Be Underinsured and Out of Luck:

- It is not uncommon to discover in a claim situation that a dock system is way undervalued and underinsured
- **Understand your dock coverage** – what is and isn’t covered (Ice damage, Replacement coverage, Transit Coverage, Wave-wash damage, Flooding?)
- Not all dock coverage is the same...

Take Action:

- Appraise docks/piers for replacement value every 3-5 years
- **Dock systems includes more than the dock itself**: include floats, pilings, utilities, and ramps in the covered value
- Plan for **how to protect docks in severe weather and winter**
- Have a **maintenance and repair plan**
- Have a **winter storage plan with a timeline**
CASE STUDY: Junior Travel Team - Trailer Towing Disaster!

New Travel Coach – Towing in Rush-hour?
- Borrowing an unfamiliar truck and going somewhere new
- Loading a RIB and hitting the road early
- Trailer axle breaks on I-95 (major highway in CT/NY) in rush-hour traffic
- How do we want our coaches to respond/react?
  - Highway breakdown safety procedures?
  - Back-up plan for sailors on-site with no coach or RIB?
  - What to do with broken equipment?
  - Who can repair on a moment’s notice?
  - Who to call/text to inform and ask for help?
- HAVE A TRAVEL DISASTER PLAN & discuss it ahead of time

Axle repaired on highway ramp by the Club Commodore!
TAKE ACTION: Set Junior Travel Teams up for Safety Success

Key Action Items to Tackle:

• Service all trailers to “road-safe” standards (bearings, axle inspection, hitch inspection, light check, wheel check, etc.)
• Require coaches/sailors to fresh rinse all trailers after regattas
• Make sure registrations are current/valid, including license plates
• Have extra copies of trailer documentation stored in a central location (digital)
• Set-up emergency travel procedures (what to do, who to call/text)
• Use a group texting tool for communication (set-up different groups)
• Adopt Safe Sport MAAPP and Travel protocols/rules into your handbook
• Have a trusted adult/supervisor review/safety check ALL regatta logistic plans (days ahead)
• Assign a skilled parent to be involved in loading, towing, and unloading
• Train parents/coaches on safe towing protocol (hitching, unhitching, maneuvering, and loading/unloading)
TAKE ACTION: Junior Travel & Auto Insurance Coverage...

<table>
<thead>
<tr>
<th>Driver</th>
<th>Vehicle</th>
<th>Trailer</th>
<th>Cargo</th>
<th>Insurance Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Parent/Member</td>
<td>Driver Owned</td>
<td>Club Owned</td>
<td>6 Member Owned Opti</td>
<td>Member’s car insurance is primary for liability. Club’s auto insurance is excess for liability and primary for trailer damage (if scheduled &amp; registered). Each member’s own insurance covers their own Optimist.</td>
</tr>
<tr>
<td>#2 Instructor/Employee</td>
<td>Driver Owned</td>
<td>Club Owned</td>
<td>Club Owned RIB</td>
<td>Instructor’s car insurance is primary for liability. Club’s auto insurance is excess for liability and primary for trailer damage (if scheduled &amp; registered). Club’s insurance covers RIB if hull insurance was purchased.</td>
</tr>
<tr>
<td>#3 Instructor/Employee</td>
<td>Borrowed Member Car</td>
<td>Club Owned</td>
<td>Club Owned 420s</td>
<td>Member’s car insurance is primary for liability. Club’s auto insurance is excess for liability and primary for trailer damage (if scheduled &amp; registered). Club’s insurance covers 420s if hull insurance was purchased.</td>
</tr>
<tr>
<td>#4 Club Manager</td>
<td>Club Owned Van</td>
<td>None</td>
<td>Club Owned Gear</td>
<td>Club’s insurance is primary, except for equipment which is limited to type of equipment and dollar enhancement limit of property policy.</td>
</tr>
<tr>
<td>#5 Instructor/Employee</td>
<td>Club Owned RIB</td>
<td>Towing Over Water</td>
<td>Member Owned Opti</td>
<td>Club insurance is primary for liability and property damage to member owned Optimists.</td>
</tr>
</tbody>
</table>

• **Primary Insurance** always follows the auto insurance on the vehicle.  
• **Club Owned Trailers** should be scheduled on commercial auto policy and have current registration (license plate) – laws/coverage varies by state.
CASE STUDIES: Electrocutions are Preventable

On-the-Water
• Freshwater sailing club
• Swimming off a powered dock

On-the-Land
• Moving a boat in a dry-sail area surrounded by powerlines
• Moving rigged boats via dolly for loading or unloading
TAKE ACTION: Steps to Minimize Electric Shock Drowning

Action Steps to Prevent Electric Shock Drowning (ESD):

- **Post signs** and don’t allow swimming in or near docks powered by 120v AC power
- Make sure **Ground Fault Circuit Interrupters (GFCI) are installed** on shore power pedestals and marina wiring circuits
- Have **powered docks inspected by qualified electricians** familiar with National Fire Protection Association Codes
- Have **boats inspected** by electrician with ABYC Electrical Certification or an ABYC Certified Technician
- Utilize **safe, alternate locations for Junior Sailing Swim Tests** (never on a powered dock!)
- Connect with the **Electric Shock Drowning Prevention Association**

(Source: ESD Association, http://www.electricshockdrowning.org)
TAKE ACTION: Steps to Minimize On-Land Electrocution

Take Action - Prevent Electrocution of Sailors:

• Conduct an **annual walk-through inspection** of all dry-sail areas, parking lots, and launching areas for overhead wires, transmission lines, and power lines

• **Post signage and implement safety measures** to identify and mitigate any electrical safety hazards

• Remind instructors and sailors to **look-up for overhead wires and hazards** every time when unloading, rigging, launching, and de-rigging

Image of safe rigging area: 2018 USODA, Ventura, CA
CASE STUDY: Could an Employee or Flag Officer be Cyber Scammed?

Wire Fraud is Happening in the Marine & Yacht Industry:
- Massachusetts boat dealer sold a boat to a US customer
- Boat was manufactured overseas
- Email invoice sent to US customer was intercepted = wire instructions changed to fraudulent account
- Customer wired almost $100,000 to fraudulent account
- **No Insurance Coverage:** Neither the boat dealer, nor the manufacturer, had insurance coverage
- **TRIPLE IMPACT:** Manufacturer not paid, dealer not paid, customer out a lot of money
TAKE ACTION: Be **Cyber Smart about Social Engineering Fraud**

**Social Engineering Fraud:** A type of scam that uses psychological manipulation to convince a person or employee into willingly providing sensitive information/data, sending money, or diverting a payment/funds.

**Most Common Types:** Phishing, Vishing (voice), Pretexting, Baiting, Tailgating, Quid-Pro-Quo, Business Email Compromise.

**Startling Statistics - attackers target the most vulnerable channel, humans:**

- 98% of cyber attacks rely on Social Engineering.
- 83% of companies reported experiencing some type of Social Engineering based Phishing attack in 2018.
- 77% of successful Social Engineering attacks started with a Phishing email.
- 43% of cyber attacks target small business (many are non-profits).
- In 2018 hackers made an average of 80,000 attacks/day, and successfully stole 500 Million personal records (126% increase over 2017).
- Cybercrimes cost businesses over $2 trillion total in 2019.
- Average cost of a data breach in 2020 estimated to exceed $150 million.
TAKE ACTION: Action Steps to Minimize Cyber Risks & Exposures

Train Employees, Volunteers, Officers:
- Awareness of the common scams
- Think before clicking; be suspicious
- Double check before changing payment addresses or banking #'s
- Lock up devices and laptops
- Store data and financial info securely
- Don’t use free/open WiFi
- Watch for suspicious fraud activity
  - Wire Transfer Requests
  - Invoices not getting paid
  - Payroll Direct Deposit changes

Implement Controls:
- Evaluate and improve your internal controls, network controls, network protection, data security
- Implement multifactor
- Use the designated storage for information
- Passwords – change often, don’t use the same one, require strong passwords, store securely, never send by email

Consider Insurance Solutions:
- Not every crime can be prevented
- Consider insurance solutions through crime and/or cyber policies and endorsements
- Know what is and isn’t covered
CASE STUDY: Scary Exclusions Exist in Many Policies

Marine Liability Exclusions: *This insurance does not apply to loss, damage, liability or expense directly or indirectly caused by or contributed to or resulting from...*

2.7. Any liability, loss, damage, or expense arising out of *swimming*, snorkeling, diving, or similar activities

2.8. Any liability, loss, damage, or expense arising due to the failure of the Insured to have *a competent employee* of the Insured at all times in charge of any watercraft being navigated

2.9. *Towing* of boats
TAKE AWAY: Review Your Policy Annually

Annual Insurance Check-Up
- Read your policies cover to cover
- Contact your agent at least once a year to discuss your insurance and needed changes (they are your trusted advisor!)
- Find out if you have any exclusions or warranties
- Make sure your coverage aligns with what you own today and current valuations/appraisals
- Review/update your schedule of vessels annually
- Consider additional insurance coverage you may need: D&O, umbrella, Drone, EPLI, Cyber, Flood, etc.
- Conduct a thorough, strategic insurance review once every 3 to 5 years

Questions to Ask in a Review
1. Does our policy exclude swimming?
2. Do we have full liquor liability coverage, and is it under our umbrella?
3. Do we have coverage for flood and wave wash damage to our docks/piers?
4. Would a dock claim be depreciated?
5. Is Regatta Liability built into our policy?
6. Does our umbrella policy go over our MOLL and Marine GL polices?
7. Do we have flood insurance coverage on each building?
8. Do we have restoration coverage on our clubhouse?
9. Does our yacht policy have a navigational limit?
10. Are there seaworthiness warrantees on our boats?
11. Do we have Jones Act coverage for coaches, launch drivers, and dock hands?
12. Does our policy cover sexual molestation and abuse?
13. Are member, employees, and volunteers included as “additional insureds”?
14. Do we have hull and liability coverage on borrowed boats?
15. Do we have coverage for race management errors?
16. Do we have coverage for accidental fuel spills?
17. Do we have volunteer accident coverage?
TAKE AWAY: Utilize Available Tools & Resources

Use Available Safety Resources:

- US Sailing safety resources
- Accident reports/studies
- SafeSport MAAPP & Policies
- State Forms & Waivers
- Burgee Program Check-Lists:
  - Weekly Inspection
  - OSHA Self-Check List
  - Pre-Season Self Evaluation
  - Sailing Director Weekly Check-List
- Burgee Program Safety Templates
- Safety Committee Meeting Templates
A SENSE OF CALM: Brought to you by Burgee Program

The Burgee Program - Leading insurance solution since 1988

- Majority of sailing organizations in US insured by the Burgee Program, including:
  - 1100+ US sailing organizations
  - More than 150 class associations
  - 200+ community based sailing programs

Team behind the program is best in class:

- Managed by the sailors and marine insurance experts at Gowrie Group
- Underwritten by CHUBB
- Endorsed by US SAILING

Learn more:

- Visit us at www.burgeeprogram.com
- Call us at 800.262.8911
- Email us at burgee@gowrie.com
IT IS TIME FOR THE

SOCIAL MEDIA MINUTE

Please take 60-seconds and post one takeaway, picture or thought from this session on a social media platform of your choice and tag

@USSailing  @gowriegroup  #SailingLeadership
Your Opinion Matters

Please open the Sailing Leadership Forum app and complete the session survey found in the menu bar.

Thank you for attending this session.