

Notification of Changes to the \$5.00 Club member insurance option

SHF Club Renewal

Important information relative to 2021 SHF Membership Renewal & Sanctioning

For the past two years insurance premiums have been increasing generally for all sport organizations and in March 2019 the SHF received a 25% price increase from AON Insurance and a further increase in March 2020 with an additional 5% to 15% increase depending on the insurance products.

These changes resulted in an overall review of SHF insurance programs, including the potential for increased legal risks for SHF and SHF clubs under the current process that provides liability insurance with remittance of a \$5.00 fee per non-SHF member participant at sanctioned events.

Legal Counsel raised concerns of the risk of this \$5.00 club membership to both the SHF clubs and the Federation when club members or show competitors do not hold an SHF membership.

The risk to both an SHF Club and the SHF was deemed too great to continue providing the \$5.00 club members insurance option.

To protect both SHF Clubs and the Federation, a motion was approved by the Board that effective January 1, 2021 SHF would no longer provide a \$5.00 club's member option to access insurance at a sanctioned event.

What this means:

- The \$5.00 Club member option will no longer be available beginning January 1, 2021.
- Clubs still have the option to sanction their events with SHF but, to protect your club from potential lawsuits, it will be necessary to ensure members and competitors have liability insurance.
- Options to ensure liability coverage is in place:
 - require all members, event participants or competitors to hold an SHF or other PTSO membership which includes \$5 million in general liability insurance, \$30,000 in accidental death and dismemberment coverage and \$10,000 liability coverage for death of a non-owned horse while transporting
 - or require members or competitors provide an insurance certificate from their insurance company confirming they have at least \$2 million in general liability coverage



- or, if you have a number of events each year, purchase Capri Club Insurance which also requires all your members hold an SHF or other PTSO membership. Capri Club Insurance includes coverage for club events therefore further sanctions through SHF is not required.

What are the club options?

- require all members and competitors at club events to hold SHF or other PTSO membership to ensure liability coverage is in place (SHF membership provides \$5 Million liability coverage, \$30,000 Accidental Death and Dismemberment and \$10,000 liability coverage for death of a non-owned horse while transporting 24/7 worldwide)
- or require anyone without an SHF membership to provide evidence of other insurance in order to participate in the club's events (this is highly recommended to protect the club)
- gamble that no accidents will happen and do nothing, which is not recommended because of the risks, but is a club's choice.