

**FAQs**  
**ZCCA / K&K Insurance**  
Issued Feb. 11, 2011 – Bob Bosse

**COMMENT:** Insurance is not an exact thing. There are many ifs, ands and buts involved. There is typically more than one answer to a question depending on a number of different situations. If there is a question, please contact the ZCCA Treasurer for assistance in finding an answer/solution. This list of Questions and Answers is in no order of priority or organization.

Q: What requirements are there for a Club to purchase coverage from K&K Insurance?

A: Your Club must be an active ZCCA Member (the \$2.00/person dues paid for the current year.)

Q: If my Club wants to get in touch with K&K directly, what must they do?

A: The ZCCA Treasurer is the sole interface to K&K Insurance and the Treasurer will arrange and coordinate all Club contact with K&K.

Q: What is the policy period for the standard liability insurance that the \$9.56 / year premium pays for?

A: The policy provides coverage from March 1, to Feb. 28.

Q: When does my Club member coverage begin?

A: Coverage begins **ONLY** after your member premiums are received by the ZCCA Treasurer and processed by K&K. There is no prorating of premiums so it is important to get your premiums paid by March 1. It's strictly a Pay-as-you-Go insurance plan. No premiums, no insurance, no coverage!!

Q: What does my Club receive to prove that we have insurance?

A: For the standard coverage, paid for with by \$9.56 yearly premium, your Club will receive a K&K Certificate of Insurance (COI) upon receipt and processing of your yearly Club member premiums. For additional coverage purchased, your Club will receive an event specific K&K Certificate of Insurance upon receipt and processing of your Form B and additional coverage premium.

Q: How much coverage does the \$8.24 yearly premium buy?

A: It provides a max. of \$2,000,000 Commercial General Liability, \$300,000 Damage Premises Rented (used to be called Fire Damage) and \$100,000 for E&O (Errors and Omissions) for "**NON-MOVING**" events, per occurrence, such as Club meetings, social events and **LOCAL** car shows.

NOTE: We have two policies through K&K. One is a Standard policy for \$1M and the second is an Excess policy for another \$1M.

Q: What is E&O coverage?

A: Example 1: Your Club organized an Autocross and offered prizes and you in turn refused an entry because they failed your safety inspection and the person sued you.

Example 2: Your Club organized a Car Show and offered prizes and someone sued you because they thought there was unfair officiating.

Q: If my Club does not purchase the standard \$9.56/member yearly coverage, can we still purchase single event coverage?

A: Yes. But your ZCCA Club Membership must be active (the \$2.00/person dues paid for the current year.) Also, If the Club declines to purchase the member coverage from K&K, there will be no coverage for meetings, social events and local car shows. Each event will have to be added to the policy for an additional charge.

Q: What does my Club need to do for insurance if we participate, as a group, in a “**MOVING**” event such as organized Parade?

A: An organized parade is considered a “**MOVING**” event by K&K and is considered a "Class 1" event. It is not covered under the standard liability policy and requires separate coverage. A K&K Form B must be completed and returned to the ZCCA Treasurer along with a check for \$159.00 payable to K&K Insurance, assuming that the Club attendance will be less than 250 people. If Club attendance is more than 250, please contact the Treasurer for details. Be sure to check with the Parade people you are dealing with if they want to be named "additional insureds" and list their relationship to the event (sponsor, organizer, etc.)

As usual with insurance, there always seems to be more than one answer to a question. If a couple of Club members, **on their own and not as a Club sponsored/organized event**, want to participate in a parade, their own Auto Insurance will cover them or they could be covered by the event organizer. You would need to check on this with the event organizer “prior” to the parade.

Q: What does my Club need to do for insurance if we have/host an event at a Race Track?

A: You need to fully complete a K&K Form B, along with any other qualifying info., ask for a “quote only” on the top of the Form and send it to the ZCCA Treasurer who in turn will coordinate getting the quote from K&K. Be sure to check with the track owner/operator if they want to be named "additional insureds" and list their relationship to the event (sponsor, organizer, etc.)

Q: What does my Club need to do for insurance if we have/host a moving event such as a Club Ride/Tour?

A: it all depends on how the event is "publicized." If it's in the Club Newsletter and planned ahead in detail/specifics, or if you advertise in the Newspaper, on the radio, or on TV and so on, it would be considered "organized" and be considered a Class 1 “**MOVING**” event and require a completed K&K Form B and premium payment of \$159.00 if attendance is under 250 people. If it's a word of mouth thing even if there is an untitled time slot shown on the Club calendar, as long as there are no specifics/details provided, K&K defines this as a non-Club function and everyone's personal auto insurance **should** cover them. As you can see this Rides/Tours situation (and nearly every other event) is pretty tricky but don't hesitate to contact the Treasurer for assistance.

Q: Will the use of disclaimer/waiver forms **ONLY** (no additional coverage purchased from K&K) remove a Club from all liability or responsibility at a Club hosted (probably small) event?

A: K&K says; Waiver = Exposure = Liability = Additional Coverage Required. If your concerned enough to use a waiver or disclaimer, it's an organized event and requires additional coverage.

Q: Why is a National/Regional Car Show different than a “local” car show?

A: A National/Regional Car Show is considered a Class 1 event and requires additional insurance coverage (requires a completed K&K Form B and premium payment of \$159.00 if attendance is under 250 people. If attendance is more than 250, please contact the Treasurer for details. Be sure to check with the property owner if they want to be named "additional insureds" and list their relationship to the event (sponsor, organizer, etc.) As a courtesy, K&K have not been imposing a charge for the smaller shows.

Q: What is the cost of insurance for putting on/hosting an Autocross event?

A: \$282.00 payable to K&K Insurance. A completed K&K Form B is also required and all is processed by the ZCCA Treasurer. (Note: K&K Autocross Guidelines) Be sure to check with the track/property owner if they want to be named "additional insureds" and list their relationship to the event (sponsor, organizer, etc.)

Q: Can I submit one Form B for multiple events?

A: A single Form B will be accepted ONLY if the event is repeated several times a year and is exactly the same each occurrence. The applicable premium is still required for "EACH" event and each separate event date must be listed on the Form B.

Q: Can I see a printed copy of the actual insurance policies?

A: Yes. Both the Standard and Excess Liability Policies and Endorsements can be found on the ZCCA Web Site under the "Downloads" tab on the Home Page.

Q: What is the "mileage premium" adjustment?

A: K&K may impose a 10% "mileage premium" adjustment to the base premium based on the mileage of the Class 1 event which is required to be listed on the K&K FORM B. More miles, more risk.

Q: Is any other additional coverage that my Club can get?

A: If you look at the Form B, Item 5, there is additional "Participant Accident Limits" coverage that can be obtained for an additional premium. If your Club or the track/property owner requires this, indicate amount on the Form B and return to the Treasurer who will interface with K&K to get you a quote.

Q: How does my Club determine the number of "active" members in order to complete the ZCCA Insurance Renewal Form?

A: The key word here is "Active." Example: You have 100 total members but only 30 actively attend meeting and events. The number of active members is 30 (not 100.)

Q: Is an organized "caravan" of insured Club member cars and drivers/passengers covered while driving to and from one of our annual Z Car Club Conventions?

A: (Another tricky one.) K&K quotes: All events, where coverage is desired must be reported to K&K on the Form B per the terms of the policy. All events are subject to underwriting. Events are covered once reported, approved by the underwriter, and the premium due, if any, is paid. Events of this nature with a duration of less than a day, must still be reported and approved by the company but will not necessarily carry any additional charges above those already charged for membership, subject to the determination made by the underwriter.

(As I said at the very start of the FAQ, Insurance is not an exact thing. There are many ifs, ands and buts involved.) My best recommendation is.....when in doubt, ask the Treasurer to get an answer from K&K.

Q: I see the term "Underwriter" used. Is this the same as K&K?

A: Yes. The "underwriter" is the individual at K&K who handles all aspects of this policy. All pricing and coverage decisions are determined by the underwriter.