



## **Insurance Program: Questions & Answers**

Please refer to the current Insurance Program document, provided by Pearson Dunn (Hike Ontario's insurance broker) for general information about Hike Ontario's insurance programs, which include:

- Commercial General Liability Insurance (CGL) - \$ 5 million with \$1000 deductible
- Errors and Omissions (E&O) – included with CGL coverage
- Directors & Officers (D&O) - \$2 million with \$1000 deductible

*This Q&A document has been compiled based on questions Hike Ontario has received from participating member organizations.*

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### ***Q1 – Coverage for activities outside of Ontario &/or Canada***

If our member organization organizes hikes in other provinces or outside of Canada, would the hikes be covered under the Hike Ontario CGL insurance? Example, a club in the Ottawa area may want to organize events in the Gatineau, QC, or a club in SW Ontario may want to hike in the USA.

**ANSWER**–*The liability policy covers activities as disclosed by the member organization. It covers activities in Canada. It also covers activities elsewhere in the world as long as*

**A)** *the members are normally residents of Canada but temporarily engaged in Hike Ontario sanctioned activities outside of Canada,*

**B)** *the policy will only respond to suits in Canada.*

*For example: a club goes hiking (as disclosed to the insurer and sanctioned by HO) in Maine and there is an injury. The injured person sues the club upon return to Canada through the Canadian courts. This would be covered by the insurance.*

### ***Q2 – Biking, canoeing and kayaking***

Some member organizations organize infrequent bike trips, canoe and kayak outings for their members. If these activities were to become more regular such as weekly bike trips, or canoe/kayak outings would they be covered?

**ANSWER** – Hike Ontario would need to have the member organization advise of the activities so that the insurer could agree to cover them on a case by case basis.

### **Q3 – Certificates of Insurance for Special Events**

Some of Hike Ontario's member organizations host or organize special events, for which they may need Special Event Insurance as part of the Hike Ontario Program. In the past it has been difficult to get timely insurance certificates if the event falls very close to Hike Ontario's annual insurance renewal timeframe.

**ANSWER** – Member organizations need to request certificates in a timely manner. However, the insurance broker confirmed they can provide a certificate within two business days once they have received the information required. If necessary, urgent Certificates can be issued same business day, again, as long as the insurance broker has received the necessary information to issue the certificate.

Please send your request for an Additional Insured Certificate to [info@hikeontario.com](mailto:info@hikeontario.com).

### **Q4 – Insurance Rates**

Can we confirm that the insurance rates for 2016 will be the same as 2015 rates?

**ANSWER** – No, we cannot confirm this as yet.

### **Q5 – Waivers and Certified Hike Leaders**

Are waivers and certified hike leaders required under the 2015-16 policy?

**ANSWER** – Hike Ontario's insurance broker confirmed that waivers for hikes are not required under the policy, neither is the use of certified hike leaders.

However, Hike Ontario recommends the use of certified hike leaders as well as the completion of waivers as a best practice, and that waivers should be retained for a period of 7 years.

However, the insurance broker does require waivers for trail maintenance events.

### **Q6 – Membership numbers**

What membership number should be reported?

**ANSWER** – Member organizations should report membership numbers based on actual memberships, i.e. number of memberships that are paid up and current.

For the definition of a "Member" with respect to the insurance coverage, please refer to the Insurance Program document, CGL Policy wording – page 2 of 19, #12.

"MEMBER" means any member, temporary player or other person actively engaged in and appropriately registered for the purpose of playing the sport named in the Declarations.

With respect to the way Hike Ontario's Liability Insurance premium is calculated, it is based on a per member rate, so it is up to those member organizations to report correct membership #'s to Hike Ontario so that Hike Ontario can collect the applicable insurance premiums which are then forwarded to the insurance broker.

Member organizations which offer family memberships should take steps to gather information on how many members are registered under the family membership.

*The D&O Premium is rated on a per organization rate, not a per member rate. Also, note that only those organizations who have taken out Commercial General Insurance (CGL) through Hike Ontario, may be able to purchase Directors & Officers (D&O) coverage through Hike Ontario.*

**Q7 – Family memberships**

Where a member organization provides family memberships at a single rate, what membership numbers should be reported, the total number of members or the total number of families?

**ANSWER** – *The insurance broker would like to collect information on the actual number of people that they are providing coverage for. Hike Ontario is therefore asking member organizations to collect this information on their membership forms, if they have a family membership category*

**Q8 – Trail working training**

Could you please provide examples of what would be considered formal training for trail workers?

**ANSWER** – *Oral instructions given to a person is considered training. Instructions during a work party with trail volunteers, teaching correct ways to cut brush, trail standards, proper use of tools, correct placement of blazes, etc. can all be considered formal training. Providing manuals on trail maintenance to all members is also considered formal training.*

*Use of power tools, such as chainsaws and weed whackers, require special safety equipment, and in the case of chainsaws also formal training. Chainsaw training is considered to be the two day course recognized by the Ministry of Labour.*

**Q9 – Should Hike Ontario be named on Waivers of Liability?**

**ANSWER** – *Yes, Hike Ontario should be listed in the liability statement.*

**Q10 – Are landowners protected under our CGL insurance?**

**ANSWER** - *a blanket endorsement for ALL landowners will be in effect for the term of May 1, 2015 to May 1, 2016. This means that all landowners on whose land member organizations have a trail are protected under the CGL insurance. This coverage obviously only applies to any "trail related" accidents or property damage.*

*Landowners are also protected under the Trespass to Property Act and the Occupiers' Liability Act.*

**Q11 – When do we need Additional Insured's Certificates for landowners?**

**ANSWER** – *Landowners, with whom member organizations have a handshake or written agreement, may be required to submit proof of insurance to the landowner. In most cases, it will be sufficient to show them the organization's insurance certificate, and/or the blanket landowner endorsement.*

*Some landowners, such as municipalities, conservation authorities, Trans Canada Trail, the Government of Ontario, etc. may, however, specifically ask to be "named" as an additional insured on the insurance policy. In that case, please let Hike Ontario at [info@hikeontario.com](mailto:info@hikeontario.com) know the full name & address of the additional insured, as well as the reason for the Additional Insured certificate.*

**Q12 – What does cross liability mean?**

**ANSWER** - *Cross liability means that the CGL policy will respond if one insured (member) under the policy is sued by another insured (member).*

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**Q13 – What does the term host liquor liability mean?**

**ANSWER** - Host liquor liability covers the alcohol aspect of an insured event. This is intended to cover activities such as a year-end banquet.

**Q14 – Can we use Electronic Waiver documents, i.e. as hike participant waivers?**

**ANSWER** - The key for insurance purposes is to be able to prove that the person read and agreed to the waiver if he/she suffers an accident later. If there is no "trail" then it's useless. The insurance broker suggests that if you are using electronic waivers that there is a way to demonstrate that in order to complete the registration, the member must have "read" the waiver. i.e. the member cannot complete the form without ticking the "I agree" box.

Completion of the electronic waiver document once a year is acceptable.

**Q15 – What are Sanctioned and non-sanctioned activities?**

**ANSWER** - "Sanctioned Activities" shall mean activities **which are approved by Hike Ontario**. Sanctioning is the mechanism that confirms an activity is part of the association's scope and thus covered by the insurance program.

*Activities Covered*

- Hiking Activities
- Member Training Events
- Sanctioned Non-Hiking Activities
- Trail Maintenance/Trail Building
- Open Houses
- Membership Meetings
- Fundraisers
- Certification Programs
- Promotion of Sport
- Publication of Newsletters
- Annual Awards Ceremonies/Wind up Banquets

The underwriter is however concerned about the amount of non-hiking activities and the types of activities. They have thus put an **excluded activities endorsement** in place. Any activities on the excluded activities list **will not be covered by the insurance**.

Coverage is not provided for the following activities

- Horseback riding
- Dog-sledding
- Any activity involving the use of a motorized vehicle
- Off road mountain biking through wooded trails
- Kayaking – Class III rapids or higher
- Rock climbing
- Fireworks demonstrations
- Zip-lining
- Water skiing
- Alpine skiing

### **Q 16 – When do events require Special Events Insurance?**

**ANSWER** - The insurance broker confirmed that events can be considered for coverage under Hike Ontario's current CGL Insurance Policy, if they are **approved by Hike Ontario** and underwritten by the broker on a "case by case" basis.

*Special events, however, which require an additional premium, are defined as:*

- *being an event where a significant number of people other than association members are present*
- *it is a competition versus a non-competitive activity*
- *hiking is not a component.*

*To determine if Special Event Insurance is required, please provide information as follows:*

- *A full description of the special event*
- *Is it a competition/race versus a passive activity*
- *Anticipated number of participants*
- *What % of the anticipated participants would not be members*
- *What safety & first aid precautions would be in place*

*Examples: Special event quotes were provided by the insurance broker for the Oak Ridges Trail Association's Adventure Relay and the Maitland Trail Association's "Bad Thing" ultra-marathon, which are both competitive in nature. The Maitland Trail's Camino and their Jane's Walk are however covered under the regular CGL insurance.*

### **Q17 - What do we do if we get sued?**

**ANSWER** - There are a couple of documents that you may receive from a lawyer.

1. *The first is a letter of intent, simply stating that the lawyer has been retained by someone and that they may be suing you.*
2. *The second is a Statement of Claim, which is a legal document that informs you that you are being sued.*

*It is very important that you take immediate action if you receive these type of documents.*

*The insurance company only has a limited number of days in which they must respond to the statement of claim on your behalf.*

*Please send the entire document immediately to Hike Ontario at [info@hikeontario.com](mailto:info@hikeontario.com) and to our Insurance Broker – Pearson Dunn Insurance at [rdunn@pearsondunn.com](mailto:rdunn@pearsondunn.com).*

### **Q18 – Is the equipment owned by the member organization covered under Hike Ontario's Insurance Program?**

**ANSWER** - No, this insurance program does not include property coverage at this time.

- *If you currently have property insurance coverage in place, you should retain this coverage.*
- *Alternately, you can contact Pearson Dunn Insurance directly for a property quote. Their phone number is 1-800-461-5087. Ask for the Sports & Recreation dept.*

### **Q19 - How does having this insurance coverage protect the member organization & its members?**

**ANSWER** - *If you did not have insurance and you were sued you would have to hire a lawyer to handle the allegations for you. This could result in substantial legal bills. You would also be responsible for any settlement or judgment reached. For serious injury this could be millions of dollars. If you have the proper insurance coverage, the insurance will defend you in a court of law.*

**Q20 – If a Hike Ontario member organization or member volunteered to participate in events run by others, would the member organization or its members be covered under Hike Ontario’s Insurance Policy?**

**ANSWER** – Hike Ontario’s Liability Policy would respond as long as the activity the volunteer is participating in is approved by Hike Ontario, providing it is not one of the excluded activities endorsed to the policy. The insurance broker recommends using a waiver signed by the volunteers in this example.

**Q21 - When do I report an incident that happened on a trail?**

**ANSWER** - Submit an incident report:

*If medical attention is required or a concussion is expected  
If the hiker does not complete the hike in the normal manner and timeframe.  
If there is damage to property.  
If the EMS is activated.*

Submit the report to your Risk Management Committee or chairperson as well as to Hike Ontario at [info@hikeontario.com](mailto:info@hikeontario.com). Hike Ontario will pass the report on to the insurance broker.

**Q22 - Who should we contact re. insurance related questions/issues?**

**ANSWER** - Please send your enquiry to [info@hikeontario.com](mailto:info@hikeontario.com), from where your enquiry will be sent to either the Hike Ontario president, or to the chair of the Planning & Development Committee, which handles the Hike Ontario insurance portfolio. They will decide whether to consult with the insurance broker with respect to your enquiry.

**Q23 - Who are the named insured, additional insured, certificate holders?**

**ANSWER** - In relation to a Commercial General Liability Policy, a “certificate holder” is not a “named insured” – it is an entity (such as a municipality, a landowner, etc.) that is requesting to obtain evidence of liability insurance from a person or entity that is doing business with the “named insured”. The “named insured” is Hike Ontario and its participating member clubs.

An “additional insured” is not a “named insured”. An additional insured is generally a person or entity that is doing business with the “named insured” and are asking to be added as “additional insured” under the said liability policy. Examples of additional insured are our landowners, Trans Canada Trail, etc.

A named insured has the greatest responsibilities & rights under the policy.

An additional insured’s have fewer responsibilities & rights under the policy. If an additional insured is sued as a result of the negligent acts of the named insured’s operations, then the named insured’s liability policy would respond on behalf of the additional insured.

**Q24 - Does our General Liability insurance cover liquor liability?**

**ANSWER** - Yes, as long as the events are **sanctioned by Hike Ontario**, Liquor Liability is included. Sanctioned activities include annual BBQ's, potlucks, award dinners, fundraisers...

**Q25 - Does accepting money from other hikers affect car insurance coverage when we carpool"?**

**ANSWER** - When a client is car-pooling/paying for rides, they would have to contact their insurance broker and request an endorsement – OPCF 6A – Permission to carrying passengers for compensation. Cost is around \$50 annually.

If they are taking turns driving; occasional trips where passenger shares cost the 6A is not required – no change required on their auto policy - automatic coverage.

Our recommendation is that the drivers involved in the car-pooling contact their own insurance broker & disclose the information about car-pooling so they can determine if additional coverage is required.

**Q25 – Is our trail association covered for club members operating a compactor for trail maintenance? See below picture.**

**ANSWER-** Our insurer advises that this machine should be insured separately and the work should be done by an experienced operator.



**Q26 – A hiking club is hosting an event that will require All Terrain Vehicle (ATV) support for some of the hiking activities and events. What is the insurance coverage status for ATV usage?**

**ANSWER** - The insurer advises - “all hiking activities are fine with the insurer – any use of motorized vehicles including ATV’s is excluded.”

The insurer “recommends that Hike Ontario & the clubs hosting the event be added as additional insured to the owner of the ATV’s Liability Insurance Policy as there would be no Liability coverage under Hike Ontario’s Insurance Program to protect HO or the clubs hosting the event if the use of ATV’s were used.”

**Q27 –In Question 25 it is advised that our insurer is not comfortable with extending coverage for the use of motorized vehicles or heavy equipment usage on the trail by club members for trail maintenance. Clubs have further requested suggestions on how the usage of this equipment could be covered by insurance?**

**ANSWER-** The insurer advises that they have made enquiries through their Commercial Department and that clubs may be able to obtain coverage through another insurance carrier on an “individual club basis”. The cost would be \$1000+++. It is suggested that clubs seeking this type of equipment coverage consult with Hike Ontario to facilitate the communications with our insurer.

**Q28 – Are clubs carrying out trail maintenance on city trails or trails that are not part of the club system covered by member insurance?**

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**ANSWER** – Coverage is provided under Hike Ontario General Liability as long as the activity is an official club event and the event is sanctioned through Hike Ontario.



Prepared for Hike Ontario member organizations

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