



## VMBA Insurance Fact Sheet

Insurance coverage is one of the most valuable administrative services we can provide to our Chapters. As a VMBA Chapter, you are covered underneath our policies listed below.

Once a Chapter is named on the VMBA policy, we strongly discourage Chapters from seeking independent coverage. Any Chapter wishing to obtain its independent coverage can be removed as a named party on the VMBA policy.

### Chapter Coverage

Our insurance, which again covers all VMBA Chapters named on the policy, includes the following:

- Commercial Package (property, liability, and crime)
- Workers Compensation (for listed employees; contact the office for more information)
- Directors & Officers Liability
- Participant Accident Insurance
- Death and Dismemberment Policy
- Volunteer Workers Accident Policy
- Cyber Liability Policy

### Commercial Package

Our general policy protects VMBA Chapters from litigation from all trail users, including hikers, runners, and bikers. Our general liability limit - what the insurance company will cover - is \$2M per occurrence and \$4M in aggregate over the policy term (1 year). If and when we, as an organization, reach \$4M in total claims during the term, we effectively no longer have coverage.

- **Private landowners:** Private landowners are protected through our policy and explicitly protected by Vermont's Landowner Liability Act (LLA), provided they neither charge for access to trails on their property nor commit willful and wanton misconduct. See our full summary of the LLA [here](#). Please note that the LLA *only* covers private landowners and does not extend to trail-building organizations, contractors, or townships. A [Landowner Access Agreement](#) **must** be signed and a copy provided to the office.
- **Public Land:** VMBA's insurance DOES NOT include the state or towns as covered entities. Whereupon trails are situated on public land, the land manager can be named as Additional Insured upon request, specific to the project and situation. While under construction, Chapter employees and volunteers are covered under the Workers' Compensation and Volunteer Accident policies, respectively, provided the Chapter is

named on the policy. Any town employees participating in construction would be covered under the town's insurance. Once open, the Chapter is protected from liability through our coverage.

- **Vehicles:** This coverage protects the organization if an employee or volunteer driving their own vehicle on organizational business causes an accident and the organization is sued because the individual's personal auto insurance (which is primary) does not have sufficient limits to satisfy the damages caused. We have 1MM\$ in coverage included in the Commercial Package policy.

### **Worker's Compensation**

Injuries sustained by W2 employees are covered under our Worker's Compensation policy. For any Worker's Compensation and 1099 questions, see VMBA's Payroll Services document.

### **Contractors**

Contract workers are not covered under VMBA's Workers Compensation or Liability protection. They must carry their own insurance, including but not limited to General Liability, Automobile, Property, Professional liability, and Workers' Compensation. Contractors must list VMBA/Chapter as Additional Insured on applicable coverages. Once a contractor's work is complete and the Chapter assumes responsibility for trail maintenance, responsibility transfers to the Chapter and our Liability protection.

- **During Construction:** Contractors are responsible for any claims related to injury, property damage, or contractor injuries while the trail is under construction.
- **After Completion:** Upon completion, the Chapter will inspect the trail, document features, and sign off with the contractor. Once complete, the Chapter assumes responsibility for the trail, and any future claims will be covered by VMBA's insurance.

### **Directors & Officers Liability**

Chapter board members are protected from litigation under the Directors & Officers (D&O) policy, with an aggregate limit of \$1M. Employment Practices Liability, including wrongful termination and sexual harassment, is also covered. Each Chapter is listed on the policy, and Chapters should keep accurate records of and list their Directors and Officers and provide updates to any D&O changes to the VMBA office any time there is a change to the Board.

### **Events**

The following events are covered by our Commercial package when attendance is *less than* 1,000: meetings, seminars, picnics, dinners, festivals, parties, concerts, and auctions. **Races, competitions, and athletic exhibitions are excluded** and will require additional coverage (see Participant Accident Insurance below for more information). VMBA insurance protects Chapters from participant liability claims; it does not insure participants themselves.

- **Event Venues:** Some event venues require a Certificate of Insurance (COI) - find more information about that [here](#).

- **Waivers:** All events must have signed waivers from participants. Liability protection extends to all participants, including non-VMBA members, provided they have signed a waiver. All Primary VMBA Members signed a waiver when they joined for the season.
- **Youth Events:** All youth events that are not a race, competition, or exhibition are also covered, provided all parents or legal guardians have signed a waiver. **Please note** we do not currently have any Sexual Abuse & Molestation coverage in place. Chapters are strongly encouraged to keep minors under the supervision of their parents while participating in any Chapter event to whatever extent possible.
- **Large Scale events with more than 1000 individuals:** A Special Event Coverage form is required and additional costs will be due by the Chapter. Please contact the VMBA office well before your event, and we will assist in filing the proper paperwork. A separate COI must be completed if a Chapter needs proof of insurance for multiple entities.

### **Participant Accident Coverage**

Intended to cover races, competitions, and athletic exhibitions ***with the exception of events that take place on roads open to vehicular traffic*** (see Accidental Death and Dismemberment Policy below). A race is a competition where participants are timed and/or to see which participant is the fastest on a set course. An exhibition is more vague, so we are considering it any public display of athletic skill. Most events that require a registration fee with a structured schedule and set course that the public may view fall into this category.

This is a no-fault policy providing excess medical expense coverage for athletic participants. It will pay the injured participant's out-of-pocket medical expenses (deductible, copay, etc.) up to the \$50,000 limit in case of injury. If the participant does not have their own coverage, this will step up as primary. Learn more about this coverage [here](#). To apply for coverage, complete this [form](#) and submit to [amy@vmba.org](mailto:amy@vmba.org) at least 3 weeks before your event.

### **Accidental Death and Dismemberment Policy**

Intended to cover events that take place on roads open to vehicular traffic. This is a no-fault policy providing medical expense coverage up to \$25,000 for athletic participants in the event of accidental death or dismemberment. To apply for coverage, complete this [form](#) and submit to [amy@vmba.org](mailto:amy@vmba.org) at least 3 weeks before your event.

### **Volunteers**

Volunteers are covered under our Volunteer Accident policy, which will pay for up to \$25,000 in excess medical expenses per volunteer for any injuries sustained while volunteering as part of an official and approved Chapter work event. Any volunteers may utilize hand tools provided by the Chapter or bring their own tools and/or not-motorized equipment. Volunteers should not use any leased or rental equipment. We strongly encourage Chapters to have all Volunteers sign a waiver.

### **Trail features**

- **Liability:** Contractors are liable for trails during construction, whereas once complete the liability transfers over to the Chapter.

- **Feature Difficulty:** Features must match the trail's difficulty rating. Average users should expect no serious injury. Use 'filter features' where possible.
- **Signage for Advanced Features:** Clearly sign features above the trail's difficulty level and provide ride-around options (B-lines). Mark any high-risk features clearly, noting they are not part of the official trail route.
- **Natural Construction:** Prefer natural materials (soil, rocks) over artificial structures (e.g., wooden ladders). Ensure artificial features have clear signage and ride-arounds.
- **Documentation:** Share visual documentation of all features with the VMBA office upon trail completion. VMBA will forward this to the insurance company for coverage confirmation.
- **Insurance Feedback:** For pre-construction insurance feedback, submit project images to the VMBA office for preliminary guidance on coverage.

### Common Claims

- Most Claims are tied to Technical Trail Features (TTFs). Often, an injured party will allege that they weren't properly warned of "dangerous" trail features, e.g. berms, rocks, and drops, that posed a risk to the rider. If there's *anything* wrong with a feature, such as a loose bridge plank or improper design, it only escalates liability.
- Many Claimants are not cyclists. Anticipate unexpected uses, and keep in mind that end-users will likely be more diverse and potentially less experienced than a relatively small, tight-knit MTB community.
- Recommendations to avoid claims and mitigate liability:
  - Include filter features to set rider expectations at the start of any trail as to TTFs and degree of difficulty.
  - Use clear, detailed signage for trails that indicate the degree of difficulty and, especially, any TTFs or other higher-risk elements.
  - Perform regular maintenance and keep detailed records.

### Use of rental equipment, including mini-excavators

- Employees use of rental equipment - including treaded mobile equipment for trail building - is explicitly covered under our policy. This means that our property insurance, liability, and workers compensation policies are active *while the equipment is on the trail* and under the direct supervision of the Chapter as part of approved trail work. Additionally, we must contact the insurance company and have the equipment temporarily added to the policy for this coverage to be active.
- **Please note gaps in coverage:** The pickup and transportation of the equipment from the rental facility including the unloading and transportation to the actual trail corridor are not covered. The Chapter will be responsible for any property damage or personal injury that occurs during these periods, barring some other insurance coverage. To fill this gap, we strongly suggest that supplemental equipment insurance - typically offered by the rental agency - be purchased at the time of rental
- The rental agency will typically require a lessee to either purchase coverage they offer or prove they have coverage through their existing insurance; functionally,

this means Chapters must either purchase insurance through the rental agency (recommended) OR inform the VMBA office in advance to have the equipment added to our policy and subsequently provide the Chapter proof of insurance, the additional cost of which will be covered by the Chapter.

### **Use of chainsaws**

There is no express prohibition of or requirements for chainsaw use by employees or volunteers in our policy.

- **Public Lands:** Sawyer B/C certification is required to operate a power saw on state or federal lands. Doing so without such certification is against the law, would be in violation of our policy, and would not be covered in terms of liability, workers' compensation, or volunteer accident. Ensure any worker or volunteer is certified for any work on public lands.
- **Private lands:** Chainsaw use is permitted without certification, though must be in the context of a 'safe' work environment for our coverage to be valid. We would highly encourage anyone intending to work with power saws to consider certification and will be exploring hosting a certification program in conjunction with the USFS.