

DISCLAIMER Information provided in this note should be treated as a lay person's interpretation. It is not a substitute for the actual Policy Wording or PDS of any insurance policy mentioned.



CYCLING AND INSURANCE



We all love our Banyule BUG cycling and the fun, freedom, fresh air, fitness and friendships that go with it. However, cycling is an activity which involves inherent risk. A crash may leave a rider with significant injuries which, apart from pain and suffering, can result in medical expenses, disability and loss of income through being unable to work, plus the damage that might be done to bike and equipment.

If the accident involves a third party¹ (eg, another person) there could be injury to that person or damage to their property for which the rider might become legally liable. The financial consequences of third-party accidents can be very serious.

All riders must consider the potential consequences of an accident and whether they have adequate insurance protection. It is **STRONGLY RECOMMENDED** that all riders ensure — **as an absolute minimum** — they hold insurance that provides cover against third-party personal and property liability throughout the year. Cover for personal injury and/or bike damage should be the next level of consideration

What Insurance Cover Comes with Banyule BUG Membership?

Two key points apply to Banyule BUG's insurance cover:

- Applies **only** to registered members who are fully paid-up at the time of the incident. Does not apply to non-members who have come along to a BUG ride.
- Applies **only** to sanctioned Banyule BUG activities such as rides, meetings, social functions or fund-raising. No cover for any other cycling activities.

The primary aim of Banyule BUG's insurance policies is to protect the club and its members from claims for bodily injury or property damage suffered by a third party. Included are:

- **Public Liability Insurance** which provides members and club's officers with up to \$10 million cover for legal liability to pay compensation in respect of bodily injury to a third-party or damage to a third-party's property.
- **Management Liability** up to \$1 million for a wrongful act by an officer of the club.
- **Personal Accident Cover** up to \$10,000 per member but only for **death or permanent disablement**. There is a schedule of payments for permanent loss or disablement of specified body parts, expressed as a per cent of the maximum \$10,000 entitlement. The cover applies while participating in BUG events and travelling to or from them.

A BUG member who has a typical fall and suffers cuts, grazes or broken bones is **not covered** for his or her injuries and any subsequent medical expenses, plus **not covered** for any damage to the bike or equipment. There is also **no cover** for any accidents which occur outside scheduled BUG rides. For all these reasons it makes sense for riders to have their own accident and ambulance cover. Some options are listed on the next page.

At the time of writing (July 2016), there are **no excesses** applying to any parts of the policy that are relevant to the club's activities.

¹ *third-party liability and public liability are interchangeable terms*

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Any event giving rise to a claim needs to be unintentional, non-fraudulent and reasonable care should be taken to prevent and/or minimise losses. There are many other conditions, exclusions and definitions in the full policy documents, which are some 50 pages in length. These can be made available to members, on request.

Examples Of Insurance Options

Transport Accident Commission (TAC)

If your cycling accident involves contact with a motor vehicle, tram or train, the Victorian TAC will provide medical expenses, income assistance and the services you require as a result of your injury. However, it is unlikely that TAC will cover expenses for an accident that did not involve vehicular contact. Contact TAC or visit their website at <http://www.tac.vic.gov.au>. Particularly useful information for cyclists: <http://www.tac.vic.gov.au/about-the-tac/media-room/for-the-record/articles/can-an-injured-cyclist-claim-benefits-and-support-from-the-tac-after-an-accident>

Bicycle Network Victoria (BNV)

Members of BNV receive personal injury and third-party liability cover while riding as part of their membership. Includes loss of earnings up to \$1000 per week and some medical and disability related expenses, plus lump sum benefits for permanent injury and death. No cover for damage to the bike or equipment. Detailed information about BNV is online at www.bicyclenetwork.com.au. Membership includes free copies of RideOn magazine. The best summary of benefits is given in the membership application brochure (scroll down to fifth page): https://www.bicyclenetwork.com.au/media/vanilla_content/files/Membership/Join%20Us%20A5%20Brochure%20WEB-01v1.pdf

Other Clubs and Associations

Cycling Clubs and Associations that promote competition (eg, Cycling Victoria) often provide personal accident and public liability insurance as part of membership. These policies typically provide benefits including loss of earnings, some medical and disability related expenses and lump sum benefits for permanent injury or death. Cover may only apply to activities directly related to sanctioned events—this should be carefully checked.

Commercial Insurers

A number of commercial organisations offer cycling policies. For example, Wiggle online bike parts company now offer their “Essentials” policy in Australia for \$100/yr. Includes third-party liabilities, personal injury cover at levels very similar to those offered by Bicycle Network, plus theft or damage to the bike (limit \$1,500). Have a look at <https://insurance.wiggle.com.au>.

Quite a few companies combine bike and rider insurance with home & contents insurance — www.bikesureonline.com.au is one example of many. Some will separate out the bike cover from the home & contents components. Theft of bikes is covered in many regular home & content policies. Some also include third-party cover for bodily injury and property damage.

The best way is to pop “bicycle insurance” into a web browser and take it from there. Ultimately, read through the full policy or seek professional advice, to ensure you get the insurance cover you want.

Lastly, don't forget to check for excess charges. If these are not listed in the policy, ring the provider and ask for full details. Excess charges can easily remove the shine from a policy.