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Getting the Right Coverage Is as Easy as… Riding a Bike; Insurance and Safety Tips for Bicycle Owners

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NEW YORK, June 3, 2013 ? Riding a bike to work or school is a great way to get some exercise, save money on commuting costs and cut back on your carbon foot print. Regardless of how you plan to use your bicycle, it is important to know the rules of the road and properly insure your bike, according to the Insurance Information Institute [2] (I.I.I.).

And it?s a fact that bike riding is gaining in popularity. The League of American Bicyclists [3] points out that the ?number of trips made by bicycle more than doubled? in the last few years with the largest increases in bicycle friendly communities.

?As both a cyclist and an insurance educator, I know first-hand the importance of knowing how to cycle safely and insuring your bike,? said Jeanne M. Salvatore, senior vice president, Public Affairs, and consumer spokesperson for the I.I.I. ?It?s terrible when someone spends months picking out their perfect bike only to have it stolen. Fortunately, with the proper insurance you can at least replace the bicycle and get back out on the road quickly.?

Insuring Your Bicycle

A bike can cost anywhere from a few hundred dollars for a basic model to several thousand dollars for a fast, light racing bike. In 2010 (the most recent data available) there was over $6 billion in bicycle sales in the United States, according to the National Bike Dealers Association.

Fortunately, bicycles are covered under the personal property section of standard homeowners and renters insurance policies. This coverage will reimburse you, minus your deductible, if your bike is stolen or damaged in a fire, hurricane or other disaster listed in your policy. Under most policies, you would also be covered if the bicycle is stolen from your car.

You can insure personal property like a bike in two ways?for its actual cash value or its replacement cost. If you have an actual cash value policy, you would be reimbursed based on the depreciated value of the bike. With replacement cost you would be paid the cost of replacing your current bike less the deductible.

Homeowners and renters insurance policies also provide liability protection for harm you may cause to someone else or their property. If you injure someone in a bicycle accident and he or she sues you, you will be covered up to the limits of your policy. It does not matter if you own or rent the bike; if you have a home or renters insurance policy, you will have liability protection. Most people have $100,000 to $300,000 worth of liability protection as part of their standard policy. But higher amounts of coverage are available. Your homeowners or renters insurance policy also includes no-fault medical

coverage in the event you injure someone. This way, they can simply submit a medical claim to your homeowners insurance company without suing you. This coverage usually ranges from $1,000 to $5,000.

When purchasing a new bicycle, keep the receipt and call your insurance professional immediately. And keep in mind that bike accessories such as a helmet, pump, lights, saddle bag and clothing can add up and are included in your insurance coverage.

If you own a particularly expensive bicycle, you may want to consider getting an endorsement to your homeowners or renters insurance policy. A number of insurance companies have endorsements for sports equipment; some specifically for bikes. The endorsement may have broader coverage and there will likely be no deductible. Your insurance professional can review your coverage options with you.

One of the best ways to make you are properly insured is to have an up-to-date home inventory of all your personal possessions, including your bike and accessories. A home inventory can help you purchase the correct amount of insurance and make the claims filing process easier if there is a loss. The I.I.I. provides free, online home inventory software at KnowYourStuff.org [4], as well as a home inventory app [5].

Basic Bike Safety

The I.I.I. recommends the following safety measures for cyclists:

1. **Protect your head:** Never ride a bike without a properly fitted helmet.
2. **Make sure your bike is safe to ride:** Your bike should fit you properly. A good bike shop can adjust your bicycle so that it fits your body comfortably, and check all parts of the bike to make sure they are secure and working well.
3. **Follow the rules of the road:** Bicycles are considered vehicles on the road; therefore riders must follow the same traffic laws as drivers of motor vehicles. Always ride with the flow of traffic, on the right side of the road, and as far to the right of the road as is practicable and safe.
4. **Be predictable:** When you ride, consider yourself the driver of a vehicle and always keep safety in mind. Ride in the bike lane, if available. Take extra care when riding on a roadway. Courtesy and predictability are key to safe cycling.
5. **Be visible:** Take responsibility for making yourself visible to motorists, pedestrians and other cyclists. Wear bright colors and have lights mounted on your bike if you plan to ride after dark.
6. **Stay focused and alert:** Do not wear headphones as they hinder your ability to hear traffic. Be aware of your surroundings and ride defensively. And, don?t try to talk or text while cycling.
7. **Take safety classes:** Bike clubs, bike shops and community groups offer a range of classes on everything from preventing helmet hair when you get to the office to cycling tips for children. These organizations are familiar with the cycling conditions in your area.

RELATED LINKS

- What Is Covered by a Standard Homeowners Policy? [6]
- What Is Umbrella Liability? [7]
- Floaters and Endorsements

The I.I.I.?s free mobile apps can help you create a disaster plan, learn about selecting the right insurance for your needs and budget, and create and maintain a home inventory. Learn more about our suite of appshere [8]**.**

The I.I.I. has a full library of educational videos on itsYou Tube Channel [9]**.**

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