

**MODEL AERONAUTICAL
ASSOCIATION OF AUSTRALIA INC.**

New s l e t t e r

N O . 4 / 2 0 0 3

President: Mike Close, PO Box 146, West Pennant Hills NSW 2125
Telephone: 02 9872 6469 Fax: 02 9871 0408

Vice President: Theo Merrifield, 25 Jecks St, Rockingham WA 6168
Telephone - 089 528 3124

Secretary: Ivan Chiselett, 1 Watson Ave, Mont Albert Nth Vic 3129
Telephone (03) 9897 1220 Fax (03) 9897 1445
e-mail; maaasec@ozemail.com.au

Treasurer: Ian Gillespie, 332 Orange Grove Rd. Salisbury Qld 4107

Technical Sec. Fred Adler 18 Ivory St. Noranda WA. 6062
e-mail; maaatechsec@touch88.com.au

MAAA Internet: <http://www.maaa.asn.au>

Insurance

Once again this year it was extremely difficult obtaining a suitable insurance cover for the members. The M.A.A.A. sent out seven "packages" to brokers all over Australia seeking quotes for our insurance requirements. In the end we received only two quotes. One was from an unauthorised insurer, that is not AFTA approved, and one from the company that we finally accepted. The Insurance quotes were discussed by a specially convened Council Conference. The policy package that was accepted, from a different broker to last year, represented a cost increase of 76% over our insurance costs last year. Better than the 200% increase last year, but still not good.

It was very obvious that the insurance market is still extremely volatile and difficult to obtain the coverage that we require. Some insurance people are predicting the difficulties and price rises to continue next year, whilst others say the worst is over. I guess we will just have to wait and see next year.

The Association has four insurance policies in place;

- Public Liability, Products Liability (including member to member cover) – \$20,000,000
- Civil Liability Professional Indemnity
- Sports Injury Insurance (Personal Accident Cover)
- Directors and Officers Liability

Copies of the policies will be available in the near future and any one requiring a copy of the policy should contact their State Secretary.

All will be aware of the fairly steep rise in M.A.A.A. fees this year, for full members from \$73-50 to \$110-50. It should be noted that the entire price increase for full members was due to insurance costs. The association has been very vigilant in keeping its "administrative" cost to an absolute minimum. The M.A.A.A. and State Associations are very fortunate that there are many members who give freely of their time and effort to assist running our great sport. These volunteers contribute greatly to keeping our costs down. All should thank them for their tireless service.

Insurance Excess.

The M.A.A.A. Council decided to keep the insurance excess for third party claims, the amount to be paid by the person or association on which the claim is made, to \$250. This was done even though the current policy has a \$10,000 excess on each claim. Last year the excess was \$2,500.

This means that for each claim the person, or association, on whom the claim is made, has to pay the first \$250. The M.A.A.A. then pays up to the next \$9,750 and then the insurance company starts to pay. Naturally the M.A.A.A. could not afford to pay these large excesses out of its reserves. To make provision for the payment of this large excess an additional \$10 per members was included in the fees. The amount collected will be put into a fund to cover the excess payments and hopefully will not be fully used and so will gradually build so that in the future we can look at increasing the excess to try to get lower insurance costs.

The excess on Personal Accident claims is 7 days for weekly benefits and \$50 for all other losses.

As you can see, it is to everyone's benefit to work toward minimising insurance claims and hence the amount we have to pay out on excesses. The best method to reduce claims is for us all to fly and operate safely. Please take an active interest in safety and set a good example yourself. A good claims record is very important in obtaining coverage next year.

Household Insurance Policies.

I have received several queries from members asking why they cannot use their household policies, as they believe that they provide coverage for model aircraft activities. Whilst some household policies do cover our activities many do not. I have also been advised that one large company that currently does is actually changing their policy in August to exclude coverage of model aircraft with a wingspan of greater than 1.5 metres. The reason I know this is that my household policy is currently with this company and the broker has advised me of the impending change.

Many members have identified the fact that they consider the most important aspect of insurance to know that the person you are flying with is covered so that in the unfortunate situation where a large claim is made on a fellow club member everyone knows that there is adequate insurance cover. If we were to go down the path of allowing household insurance policies, who would look after the administration of it to ensure everyone has the appropriate cover. Just think of the problems associated with keeping track of whether a person's policy covers all models, when it expires, is the policy current etc. I doubt if any club could get a volunteer to take on such an arduous responsibility.

Late Advice of Fees

As many of you will be aware this year the announcement of the M.A.A.A. fees was very late. This was entirely due to the insurance companies steadfast refusing to give quotes until about two weeks before the start of the policy period they were quoting on. This was on June 30th.

The M.A.A.A. has taken action that will enable the fees to be set by late May of 2004. This will give everyone about a month to get their fees paid. I know some clubs may still have a problem due to their financial year not ending on June 30th. I strongly suspect that insurance companies will continue the practice of not giving quotes any earlier than two weeks before the end of the policy. Therefore, if the advice of fees in late May will cause your club a problem, maybe the club should look at altering their financial year to end on June 30th or another strategy to overcome what will be reality in the immediate future.

Paid Instructors

This year the M.A.A.A. is requiring paid instructor who wishes to be listed on the M.A.A.A. insurance policy to pay \$50-00. This has been brought about by the big increases in insurance cost and the expectation that they should contribute towards the cost.

To be listed on the M.A.A.A. policy as a paid, or professional, instructor the person MUST have the M.A.A.A. Instructor Rating. They should also have the permission of the club or clubs that they intend to operate from. Applications to be listed on the policy should be made through your State Association who shall verify the M.A.A.A. Instructor rating of the applicant and then send the application to the M.A.A.A. Secretary who will arrange for it to be sent to the insurance broker. Paid Instructors must advise the M.A.A.A. Secretary each year that they wish continue.

Difference between UAV & Models

Now that CASR Part 101 has been operating for some time there appears to be a little confusion as to the difference between a UAV (Unmanned Aerial Vehicle) and a Model Aircraft. Basically a model aircraft is used for sport and the pleasure of flying it. A model aircraft that is used commercially or for gain is a UAV. The only exception to this is the use of a model aircraft for training purposes.

If you are using your model aircraft for commercial purposes, such as aerial photography etc for commercial gain or payment, you are operating a UAV and therefore come under the CASA regulations for them. It is also most likely that you would not be covered by the M.A.A.A. insurance policies.

Electric Models

There have been a couple of reports where electric models have "gone crazy" just after take off. It is recommended that all models be range checked before the first flight every day. An engine running range check for an electric powered aircraft is also recommended due to the possibility of radio interference of the electric motor and/or speed controller.

Manual Of Procedures

By now several of the procedures and forms that make up the M.A.A.A. Manual of Procedures are listed on the M.A.A.A. web site. Please have a look at these and download them if you require. More procedures are being written and will be added as they are completed. State Secretaries will be sent a complete hard and electronic copy of the document in the very near future.

If you identify a procedure or form that you consider should be prepared please contact you State Secretary with the proposal so that it can be considered. It is important that as many of our procedures are documented as it certainly makes it easier for everyone to find out how things are suppose to operate/happen.

Interstate Events

If you want to know what events are happening in other States check out their web sites. Most State Associations have web sites and these are linked to via the M.A.A.A. web site. Log on and have a look. Attending events anywhere is great fun and just part of the enjoyment of our terrific sport.

Nationals 2004

Do not forget that the 2004 Nationals will be held in Bustleton in W.A. between Saturday April 13 to Friday April 23rd. A great time is assured and if you have ever considered visiting the West why not make the effort in 2004. Bustleton is a very nice place with lots to see. See the M.A.A.A. web site for a link to the Nationals.