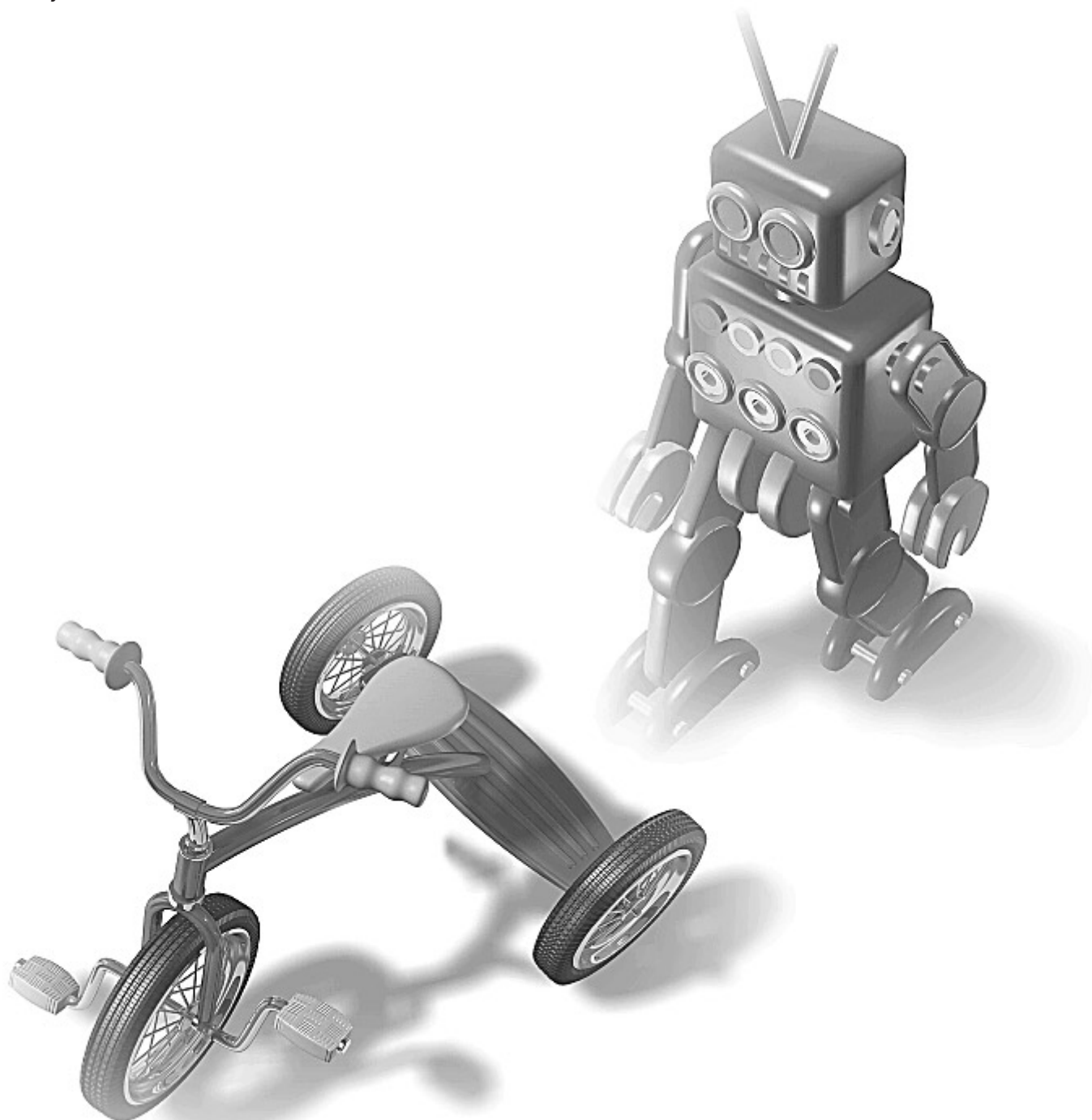


ToyLibrary

Insurance for toy libraries
Summary and Guide



Schemes
Intermediary
of the Year 2006

Arranged by

MM

MortonMichel

ToyLibrary Insurance

Specially arranged by Morton Michel to meet the needs of toy libraries throughout the UK.

A Toy Library is defined in the policy as an organisation which lends or hires toys, play equipment and safety equipment to pre-school playgroups, parent and toddler groups, creches and similar groups. If your organisation does not conform to this definition, please discuss with Morton Michel.

Policy Summary

The ToyLibrary policy is underwritten by Sterling Insurance Company Limited (except where otherwise stated).

This document summarises the cover provided by the ToyLibrary policy and should be read carefully before you complete the proposal form. The Policy Summary does not contain the full terms and conditions, which can be found in the policy document. A full policy document is available free of charge from Morton Michel.

Public and Products Liability

Legal liability for accidental bodily injury to the children or public or damage to their property caused by

- negligence by you or your employees
- defects in your toys, equipment or any goods sold or supplied for which you are legally responsible.

Limit of Indemnity

£2,000,000 (higher limits are available on request).

Automatically Included

- accidental damage to the regular meeting place
- member to member liability
- fund raising activities of a non-sporting nature involving members of the toy library and their families. All other fund raising activities should be notified to Morton Michel for consideration
- legal defence costs and expenses incurred with the written consent of Sterling Insurance Company Limited
- contingent motor liability - provides cover for the group if a motor accident occurs in connection with group business, for which the group is legally responsible and the car owner does not have the necessary cover in place. This does not replace or include ordinary motor insurance and it does not cover the motor vehicle or its contents. The group must take all reasonable precautions to ensure that any vehicle used has the appropriate motor insurance. (Morton Michel offers motor insurance schemes designed specifically to support childcare activities. To find out more details about this specialist cover for private cars, people carriers and mini buses, call 0800 975 4898.)

Territorial Limits

- anywhere in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Main Exclusions

- liability arising from or caused by the use of toys or equipment by the hirer or borrower
- provision of advice or breach of professional duty
- liability arising from or caused by the sale or supply of medicines, drugs, syringes, dressings or medical supplies/equipment of any kind
- liability arising from or caused by toys or equipment made/repared by the toy library (*NB: all toys and equipment should be inspected regularly and replaced/repared/maintained as necessary*)
- loss, destruction or damage to property belonging to the toy library, or in its care, custody or control (*but see section on Toy Library Equipment*)
- personal property of staff (*but see sections on Personal Clothing for Staff and Toy Library Officials' Personal Money*)
- liability arising out of asbestos or its derivatives
- terrorism, war and kindred risks
- fines, penalties or liquidated, punitive or exemplary damages
- treatment (other than first aid treatment)
- activities not advised to and agreed in writing by Morton Michel.

Employers' Liability

If you are an employer, you are required by law to have Employers' Liability insurance. This covers you in case an employee suffers an accident at work for which you are held legally responsible. Employees are defined as paid or unpaid staff, students, work experience students, trainees and volunteers.

Limit of Indemnity

£10,000,000.

(£5,000,000 if arising out of terrorism)

Automatically Included

- legal costs incurred in the defence of criminal proceedings in respect of a breach of the Health and Safety at Work etc Act 1974
 - limit £10,000 in any one period of insurance
- legal defence costs and expenses incurred with the written consent of Sterling Insurance Company Limited.

Territorial Limits

- anywhere in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Group Equipment

This covers your toys and equipment against theft (involving forcible and violent means), fire, lightning, explosion, malicious damage, storm, flood, burst pipes, sprinkler or oil leakage, impact, earthquake, riot or civil commotion, aircraft, falling trees or branches, whilst the toys and equipment are contained in your premises.

Sum Insured

£3,000 (higher values available on request).

Automatically Included

(subject to adequacy of sum insured)

- accidental damage to sanitary ware, underground pipes or cables at your own business premises, up to £1,000
- debris removal
- damage to the premises caused by theft involving forcible and violent entry provided you are responsible for the repair of such damage
- cost of refilling fire extinguishers if discharged because of a fire
- loss of metered water up to £2,500
- external fixed CCTV equipment and security lighting up to £1,000
- replacement of locks and keys following theft of keys up to £1,000
- the structure of any timber or metal sheds at the premises used to store Group Equipment when not in use up to
 - £1,500 in total for timber sheds
 - £2,500 in total for metal sheds
 - maximum £2,500 in total overall
- the contents of any timber or metal sheds at the premises used to store Group Equipment when not in use up to
 - £1,500 in total in timber sheds
 - £2,500 in total in metal sheds
 - maximum £2,500 in total overall.

Main Exclusions

- loss or damage whilst out on loan or hire
- the first £100 of each claim in respect of equipment in timber sheds
- the first £100 of each claim in respect of the shed itself
- the first £100 of each claim in respect of accidental damage to sanitary ware, underground pipes and cables
- the first £50 of any other claim
- property not locked in a room, hall, cupboard or shed when not in use
- theft which does not involve violent and forcible entry to the premises
- loss or damage caused by other authorised users of the premises at which the equipment is located
- terrorism, war and kindred risks.

Optional Extra

This cover can be extended to allow for accidental damage to equipment at the group's premises.

Group Money

This provides protection against loss of money whilst at your premises during business hours, in transit, in a bank night safe or in the home of an authorised toy library official.

Limit

£500.

Main Exclusions

- the first £50 of each claim
- loss from any unattended vehicle
- money left at the toy library premises when the toy library is closed for business
- loss due to fraud or dishonesty of any toy library official unless discovered within seven days
- shortages due to error or omission.

Personal Assault

Toy library officials aged between 16 and 70 are automatically provided with compensation if they sustain bodily injury or death following an assault whilst handling money in connection with your toy library activities.

Compensation Levels

- death, loss of limb(s), loss of sight or permanent total disablement: £10,000
- temporary total disablement (up to 104 weeks): £30 per week.

Main Exclusions

- the influence of drugs or liquor, pregnancy, childbirth or any communicable disease

Group Officials' Personal Money

This covers loss of staff members' money whilst on toy library business.

Limit

£100.

Main Exclusions

- the first £10 of each claim
- money left at the toy library premises overnight
- loss due to fraud or dishonesty of any toy library official
- dishonoured cheques or use of counterfeit money
- any amount recoverable under any other insurance.

Group Officials' Personal Clothing

This covers the loss of, or damage to, personal clothing of toy library staff whilst on toy library business.

Limit

£100 for any one toy library official.

Main Exclusions

- the first £10 of each claim
- any amount recoverable under any other insurance
- wear and tear.

Goods in Transit

Covers your toys and equipment whilst in transit in any vehicle that you own or operate.

Limit £500 any one vehicle (higher limits available on request).

Main Exclusions

- the first £50 of each claim
- theft from any unattended vehicle or trailer
- breakage of brittle articles unless caused by fire, theft or collision.

Personal Accident for Group Officials

The majority of accidents are dealt with under Public or Employers' Liability insurance, but some accidents are not anyone's fault and the toy library cannot be held responsible. In these circumstances, the Personal Accident insurance will give compensation provided that the accident occurred: a) whilst the member of staff was engaged in organised and supervised toy library activities; and b) the member of staff suffered one of the injuries specified in the chart set out below.

Compensation Level

Injury	Staff aged 16 - 70
Loss of limb(s)	£10,000
Loss of sight	£10,000
Permanent total disablement	£10,000
Temporary total disablement	£30 per week for up to 104 weeks
Death	£10,000

Main Exclusions

- any injury or death caused by engaging in hazardous sports or pastimes
- any injury or death caused by the influence of drugs or liquor
- terrorism, war and kindred risks.

Legal Expenses

Cover which is provided by DAS Legal Expenses Insurance Company Limited (DAS), will pay your legal costs including solicitors' and barristers' fees, court costs, expenses for expert witnesses, attendance expenses and accountants' fees.

Limit

£50,000 any one event

Automatically Included

- employment disputes and compensation awards that might arise with your employees (such as unfair dismissal)
- legal defence in the event of a criminal prosecution arising from your business activity (such as alleged child abuse of the children attending your mobile creche)
- a legal representative to support you if you are asked to go to the police station for a matter relating to your business
- taxation disputes with HM Revenue and Customs
- contract disputes of over £250, if a parent breaks with your contract terms
- recovery of a debt of over £250, if a parent fails to pay for your services
- legal action to obtain compensation or an injunction following damage to, or trespass on, your property
- legal action to obtain compensation for death or bodily injury
- loss of registration.

Main Exclusions

- costs and expenses incurred before the written acceptance of a claim by DAS
- any civil claim which does not offer a reasonable prospect of success.

Helplines

Helplines, provided by DAS, that give professional advice and support are automatically included with your policy. They are available 24 hours a day, 365 days of the year.

Advice is given on:

Tax: including VAT, self-assessment, income tax and Inland Revenue audits.

Legal matters: including employment and contract disputes.

Health and medical information: including food allergies, medication, childhood illnesses, vaccinations, nutrition and exercise.

Help is provided through:

Emergency repair support: giving access to approved contractors for plumbing, electrical, gas and roofing repairs (you will be responsible for the cost of the repair).

Confidential counselling: a valuable support service to help you through those difficult times whether because of stress, anxiety, depression, relationships, bereavement or health related. It includes onwards referral to relevant voluntary and/or professional services where appropriate.

Optional Extras

Your insurance may be extended to include any of the following:

Buildings (optional extra)

Buildings, outbuildings and associated structures can be covered against fire, lightning, explosion, aircraft, theft involving forcible and violent entry or exit, riot or civil commotion, malicious damage, earthquake, impact by vehicle, storm, flood, sudden escape of oil or water, falling trees or branches.

Automatically Included

- accidental damage to sanitary ware, underground pipes or cables
- architects' and surveyors' fees
- debris removal
- public authorities costs.

Also Covered

- all fixed external glass
- property owner's liability (limit £2,000,000)

Main Exclusions

- the first £200 - £300 of each buildings claim (depending upon construction)
- the first £50 of each glass breakage claim
- subsidence, ground heave or landslip
- fences and gates
- boundary walls (unless built of brick or stone with mortar)
- theft, riot or malicious damage losses not reported immediately to the police and within seven days to Morton Michel
- liability arising out of asbestos or its derivatives
- terrorism, war and kindred risks.

Loss of Revenue (optional extra)

Provides protection against financial loss during the period taken for the business to return to normal following loss or damage by any of the events covered under the Group Equipment section. Reasonable costs incurred to maintain the business following loss or damage are included.

The sum to be insured should be based on your estimate of the gross revenue to be earned in the next twelve months (or any longer period that you choose) with allowances for anticipated growth and inflationary factors.

Automatically Included

- unrecoverable outstanding debit balances
- prevention of access due to damage to nearby premises
- loss caused by damage at land based premises of public utilities or telecommunication undertakings
- accidental failure of electricity, gas or water supplies at the terminal ends of the public supply undertaking's feed to the premises (unless such failure is for a period of less than sixty minutes)
- the occurrence at the premises of poisoning, murder or suicide
- closure due to defective sanitation, vermin or pests
- outbreak of human infectious or contagious disease at the premises.

Main Exclusions

- terrorism, war and kindred risks.

Trustees' and Officers' Financial Liability (optional extra)

If your toy library is forced to close with insufficient assets to cover outstanding debts, the trustees or officers of your toy library may find themselves held responsible for such shortfall.

Three levels of sum insured are available for all claims by all trustees and officers of your toy library.

£5,000/£7,500/£10,000

The closure of the toy library must be outside the control of the trustees or officers.

Main Exclusions

- the first £25 or 5% of each claim, whichever is the greater
- fraud, embezzlement, misappropriation or other criminal act of any trustee or officer
- shortfall resulting from dishonoured cheques, use of counterfeit money, clerical/accounting errors or shortages due to error or omission
- losses arising from the closure of the toy library within the first six months from inception date.

Customer Service Information

1. Sterling Insurance Company Limited

Sterling Insurance Company Limited is a private company limited by shares, registered in England and Wales number 498605. It underwrites general insurance business. It is authorised and regulated by the Financial Services Authority (FSA). The FSA is the independent watchdog that regulates financial services.

Our FSA Register number is 202012. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Sterling Insurance Company Limited is a member of Sterling Insurance Group Limited.

Registered Office: Ambassador House
Paradise Road
Richmond upon Thames
Surrey TW9 1SQ

Branch Office: 50 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JX

2. Disability Discrimination Act 1995

In accordance with the Disability Discrimination Act 1995 we are able to provide upon request a textphone facility, audio tapes, large print documentation and Braille documentation. Please advise us if you require any of these services to be provided so that we can communicate in an appropriate manner.

3. Law applicable to the contract

We propose to choose English law as the law applicable to the contract unless we agree another choice of law with you prior to the start date.

4. Premiums

Premiums are payable annually to Morton Michel. Insurance premium tax, as imposed by current legislation, is incorporated into all premiums.

5. Promise of satisfaction and service

We are confident that your Toy Library policy will bring you complete satisfaction. We undertake to refund the premium in full if you are not satisfied with the cover provided by your policy if it is returned within 14 days of issue, but if there has been an incident which has resulted or could result in a claim you must reimburse the Company for any amounts we have paid or may be required to pay, in respect of that incident.

6. Duration of contract

The first period of insurance under your Toy Library policy will be 12 months unless otherwise requested by you and agreed by the Company.

7. Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

8. Notification of a claim

If you have a claim, or are aware of an incident that could result in a claim, please contact Morton Michel on 0845 2570900 or Sterling Insurance Company Limited on 0845 271 1300.

9. Enquiries or complaints

If you have an **enquiry** or **complaint** regarding:

- the suitability of this policy for your needs; or
- the information and advice you received whilst it was originally being discussed; or
- the operation or administration of the policy;

or an **enquiry** concerning a claim that you may have made you should contact Morton Michel at Alhambra House, 9 St Michaels Road, Croydon CR9 3DD; telephone number 0845 2570900.

If you have a **complaint** concerning a claim you have made you should contact Sterling Insurance Company Limited, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX; telephone number 0845 271 1300.

(A copy of Sterling's complaints handling procedure is available on request by writing to the Customer Services Manager, Sterling Insurance Company Limited, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX or by telephoning 0845 271 1300.)

If your complaint relates to the Legal Expenses cover, please write to The Claims Services Manager, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH or telephone 0800 015 1407.

Please be ready to provide all relevant details of your policy and in particular your policy number (if allocated) to help your enquiry or complaint to be dealt with speedily.

If you are not satisfied with the way in which your complaint has been handled, you may have the right to refer it to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR; telephone number 0845 080 1800.

Please note that the Financial Ombudsman Service will normally only consider a complaint once we have issued a final decision letter.

Nothing in the terms and conditions of this policy will reduce your statutory rights relating to faulty or mis-described goods or services. For further information about your statutory rights, you should contact your local authority Trading Standards Department or Citizen's Advice Bureau

Following this procedure will not affect your legal rights.

10. Information about DAS Legal Expenses Insurance Company Limited

DAS Legal Expenses Insurance Company Limited is a private company limited by shares incorporated in England and Wales under registered number 103274. It underwrites legal expenses business. Its head and registered office is DAS House, Quay Side, Temple Back, Bristol BS1 6NH. It is authorised and regulated by the Financial Services Authority and appears on the Financial Services Authority's register under number 202106.

11. Morton Michel

Morton Michel is authorised and regulated by the Financial Services Authority (FSA). Our FSA Register number is 308590.

Other Insurance

Terrorism (optional separate policy)

If you require cover against acts of terrorism, we are able to offer a separate policy that will

- cover most causes of terrorism damage including biological, chemical or radioactive contamination
- apply to all property insured under your Toy Library policy, up to the full value sums insured that you have selected.

If you would like a quotation for this extra cover, please contact Morton Michel.

IMPORTANT

To obtain the full benefit from your insurance it is important that the sums insured are adequate at all times. If they are inadequate then in the event of a claim the amount payable will be reduced in proportion to the degree of underinsurance.

It makes sense to review the sums insured regularly, particularly if you have refurbished your premises or purchased new equipment.

Seek professional advice to ensure that the sums insured are correct.

Morton Michel will discuss any aspect of the Toy Library policy and provide prompt settlement of smaller claims on a direct basis.

If you have any queries or would like to discuss Toy Library insurance please contact Morton Michel, Alhambra House, 9 St Michaels Road, Croydon, CR9 3DD; telephone number 0845 2570900.

