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### **Select Insurance Cover for Commercial Miniature Railways**

Thank you for your enquiry.

Herewith are details of Select Insurance Cover for Commercial Miniature Railways.

This policy is designed to provide a comprehensive range of options which covers the majority, if not all the insurance requirements of a Commercial Miniature Railway.

The premium rates shown are valid until 31 December 2010.

May we draw your attention specifically to the Demands and Needs Statement on page 10 and our Terms of Business for this specific insurance on pages 11 and 12.

Could we also draw your attention to your duty to disclose any information that may affect your insurance. Failure to do so may render the insurance policy void at the option of the insurers.

Cover can be confirmed on receipt of your satisfactorily completed proposal form. Your policy will be issued promptly.

If you have any queries please do not hesitate to contact us by email or by telephone on 0114 250 2770.

# SELECT INSURANCE COVER FOR COMMERCIAL MINIATURE RAILWAYS

Arranged by Walker Midgley Insurance Brokers & Underwritten by Royal & Sun Alliance Insurance plc

The Select Insurance for Commercial Miniature Railways Insurance Scheme has a range of sections which provides the majority, if not all, of the insurance covers a commercial railway will need.

The policy is underwritten by Royal & Sun Alliance Insurance plc. English Law will be applicable to the contract of insurance between you and Royal & Sun Alliance unless stated otherwise in your Policy's terms & conditions. Unless the parties agree otherwise in writing any dispute concerning the interpretation of this Proposal or the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales. The language used in the policy and any communication relating to it will be English. This summary of cover does not contain the full policy wordings, a copy of the Master Policy is available on request from Walker Midgley Insurance Brokers to whom all queries and correspondence should also be addressed.

The Select Insurance for Commercial Miniature Railways Insurance Policy is an annual policy. Sections may be taken as required (except Section 7 - Directors & Officers and Section 8 - Boiler Testers Professional Indemnity either of which must be taken in conjunction with Section 4 - Liability). The inception date of the cover may be at any time during the year and may be chosen to suit individual requirements and existing renewal dates may be changed. At least 21 days before policy renewal we will automatically send renewal documents telling you the premium and terms and conditions that will apply for the following year. Amendments to the policy, such as changes to sums insured and adding or deleting sections may be made at any time during the year with an appropriate premium adjustment being charged. Premium payment may be made by cheque or debit/credit card. We also have a monthly direct debit premium payment facility which is operated by Premium Credit Ltd (7.75% service charge (minimum £10.00 charge), 22.4% APR variable, with payment over 10 months - full details will be sent on request).

All premiums/premium rates shown include Insurance Premium Tax (IPT) at the current rate of 5% and are shown are for guidance and may be subject to change dependant on claims experience or other material factors – a confirmed premium quotation will be provided upon receipt of a completed proposal form.

The policy sections available are: -

- |                                                                   |                                                           |
|-------------------------------------------------------------------|-----------------------------------------------------------|
| 1. <b>Property Damage</b> (see page 1)                            | 5. <b>Personal Accident</b> (see page 7)                  |
| 2. <b>Business Interruption</b> (see page 3)                      | 6. <b>Money</b> (see page 7)                              |
| 3. <b>Road Trailers</b> (see page 4)                              | 7. <b>Directors &amp; Officers Liability</b> (see page 8) |
| 4. <b>Public, Products &amp; Employers Liability</b> (see page 4) | 8. <b>Professional Indemnity</b> (see page 8)             |



## SECTION 1 - PROPERTY DAMAGE

**What is insured:** Your property and/or property for which you are responsible anywhere in the United Kingdom and Europe and, where applicable, including whilst in transit.

The perils covered are: -

- |                                                                         |                                                                 |
|-------------------------------------------------------------------------|-----------------------------------------------------------------|
| a) <b>Fire, Explosion, Lightning &amp; Aircraft</b>                     | f) <b>Sprinkler Leakage</b>                                     |
| b) <b>Earthquake</b>                                                    | g) <b>Theft</b>                                                 |
| c) <b>Riot/Civil Commotion/Malicious Damage</b>                         | h) <b>Subsidence ground heave or landslip</b>                   |
| d) <b>Storm, Flood, Escape of water from any tank apparatus or pipe</b> | i) <b>Boiler explosion</b>                                      |
| e) <b>Impact by any Road and/or Rail vehicle</b>                        | j) <b>Any other accident (which includes accidental damage)</b> |

It will be noted that Boiler Explosion cover is included which means that only boiler inspection need be arranged separately. Necessary replacement of locks/keys following a claim under this section is included up to a limit of £500

**Special Note:** In respect of erected tents and marquees and of Portaloos the perils covered are restricted to Fire Explosion Lightning and Aircraft

### **Exclusions: -**

The first £250 of each and every claim is excluded increased to £1000 in respect of subsidence ground heave or landslip and to £500 in respect of theft from tents or marquees

Loss of use loss of market value for any reason

Loss or damage caused by mechanical or electrical faults failures breakdowns or derangements

Loss or damage caused by wear tear deterioration insect vermin mildew wet & dry rot woodworm atmospheric conditions corrosion act of light heat or any other gradually operating cause

Damage to tyres from breaking or by punctures cuts or bursts

Loss of or damage to a model caused by failure of a radio control system or by a model going out of radio range

Loss of or damage to model aircraft occasioned whilst taking off, flying or landing

Damage to a model including its boiler caused by there being insufficient water in the boiler

Loss of or damage to your property resulting from someone taking it by fraud or trickery

Damage to fences caused by storm

Theft of money or securities of any description

Loss or damage following theft (which shall be deemed to include attempted theft) is covered only if the theft is-

- 1) following forcible and violent entry to or exit from a building
- 2) following actual or threatened assault or violence
- 3) when the property is not in a locked building and is being individually attended by the owner or person in charge
- 4) from a tent or marquee whilst the tent or marquee is occupied by at least two able bodied adults authorised by you or by the property owner or by the person in charge
- 5) from an unattended vehicle or trailer subject to: -
  - a) all doors windows and openings of the vehicle being properly fastened and locked, with any fitted alarms and immobilisers being set and in operation
  - b) property carried in a trailer being locked to the trailer
  - c) the trailer being locked to the towing vehicle and if detached from the towing vehicle being immobilised by a lock on the towing hitch, or by a wheel clamp, or by removing a wheel from each axle.

**Physical Security Standard** – The Physical Security Standard must be implemented at all premises within 8 weeks of the cover commencing. Failure to implement these requirements may result in a claim not being paid.

**Doors** – In respect of all doors (including wicket gates) and internal doors leading to other premises or part of premises not occupied by you: -

**Timber & Steel doors** to be secured by either (i) a mortice deadlock conforming to BS3621 together with a compatible boxed striking plate, or (ii) a close shackle padlock with a minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar, or for doors other than the final exit (iii) two key operated security bolts for doors one fitted approximately 300mm from the top of the door and the other approximately 300mm from the bottom.

**Aluminium and UPVC doors** to be secured by a cylinder operated mortice deadlock or multipoint locking mechanism.

**Roller Shutter doors** to be secured by either (i) two cylinder operated shutter locks with one lock fitted at either end of the shutter, or (ii) a close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

**Horizontal Sliding or Folding doors** to be secured either by (i) a hook bolt mortice deadlock, or (ii) a close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

**Double Leaf doors** – the final closing leaf to be secured by the appropriate locks as detailed above, the first closing leaf to be secured by flush bolts or key operated security bolts top and bottom throwing in to the framework and sill.

**Outward Opening doors** (applicable to timber and steel doors only) – in addition to the appropriate locks and bolts detailed above, each outward opening door to be fitted with hinge bolts top and bottom.

The above requirements do not apply to any door officially designated as a fire exit by the fire authority.

**Windows** – each ground floor and basement opening window or skylight and other windows or skylights accessible from decks, roofs, balconies, canopies, fire escapes or downpipes to be secured by a key operated lock fitted independently of the existing fastener unless the lock forms part of the original fastener design. This requirement does not apply to any window or skylight which is either (i) protected by solid steel bars, grilles, lockable gates, expanded metal or weld-mesh or, (ii) officially designated as a fire exit by the fire authority.

**Electronic Office Equipment** – In respect of each individual item of portable electronic office equipment with a replacement value between £1,000 and £2,500 to be either (i) permanently and prominently marked with the owner's name (or company logo) and postcode, or (ii) securely anchored to the desk, workstation or to the structure of the building by a lock down device. In respect of each individual item of portable electronic office equipment with a replacement value over £2,500 to be securely anchored to the desk, workstation or to the structure of the building by a lock down device. Keys to lock down devices must be removed from the premises or alternatively held in a locked security safe, the combination/keys to which must be removed from the premises, whenever the premises are left unattended.

**Portable Power Tools** – In respect of portable power tools with a combined replacement value over £2,500 all portable power tools when not in use to be kept within a metal box or cabinet securely anchored to the floor or structure of the building. The metal box or cabinet to be secured by either (i) a mortice deadlock conforming to BS3621 together with a compatible boxed striking plate, or (ii) a close shackle padlock with a minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

**Loss or damage resulting from Boiler Explosion:** The insurers shall not be liable for injury or damage caused by boiler or pressure vessel explosion unless:

- a) the boiler or pressure vessel concerned has at the time of the incident a valid thorough examination certificate issued against a suitable Written Scheme of Examination drawn up by either an inspection authority affiliated to the Safety Assessment Federation (SAFed) or by the National Traction Engine Trust or
- b) the boiler or pressure vessel concerned has at the time of the incident a valid thorough examination certificate issued by a person or body appearing on the National Traction Engine Trust Register of Boiler Inspectors or
- c) the boiler or pressure vessel concerned has at the time of the incident a valid certificate of hydraulic test and a valid certificate of annual examination and steam test both issued following examinations conforming with the Examination and Testing of Miniature Steam Boilers (New Edition 2006) and any subsequent revisions or
- d) the vessel concerned is a small boiler namely that it has a capacity of not more than 3 bar litres or the vessel concerned is a gas tank with a capacity of not more than 180ml when cover shall be in force whether or not a valid thorough examination certificate has been issued or
- e) the boiler or pressure vessel concerned is undergoing test by an authorised boiler tester when cover shall be in force whether or not a valid thorough examination certificate has been issued.

Note: It is recommended that small boiler safety valves are tested at least every 12 months in order to ensure correct operation at the correct release pressure and that the boiler the engine and the pipework installation are also checked at least every 12 months.

**Reinstatement/Indemnity:** The policy is written on a reinstatement basis which means that in the event of a claim the amount paid by the insurance company will be the replacement as new value or reinstatement value, at the time of the loss, of the damaged or destroyed items. It therefore follows that the sum insured shown for each item should be the current replacement as new or rebuilding value. The two exceptions to that are:

1. Sub-Section E - Workshop Machinery: - the basis of settlement is indemnity which means that the sum insured should represent what it would cost to replace the machinery with similar machinery of a similar age and a similar condition

2. Sub Section I - Locomotives, carriages, riding cars, rolling stock and the like: - the sum insured should be based on the current market value, that is the price which could be obtained if the locomotive, carriage, riding car or rolling stock was put up for sale or the price which would have to be paid to buy a similar the locomotive, carriage, riding car or rolling stock in a similar condition plus, if required, an amount in respect of professional repairs.

In common with other commercial insurance policies cover is subject to the underinsurance clause which means that unless the sum insured is 100% of the value at risk the claim payment will be reduced by the same proportion that the sum insured bears to the value at risk. Expressed as a formula: -

$$\frac{\text{Sum Insured}}{\text{Value at Risk}} \text{ multiplied by Amount of Claim} = \text{Settlement Amount}$$

Example: - 
$$\frac{\text{Sum Insured (say) } \pounds 12,000}{\text{Value at Risk (say) } \pounds 15,000} \text{ multiplied by Amount of Claim (say) } \pounds 10,000 = \text{Settlement Amount } \pounds 8,000$$

The example shows that selecting correct sums insured is imperative if claims are to be fully settled.

The section has 9 sub-sections and a separate sum insured must be selected for those sub-sections required.

- A. Buildings, all outbuildings, stations, signal boxes and the like
- Buildings of standard, mainly non combustible, construction i.e. brick stone or concrete built and roofed with slates or tiles.  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured on the first £50,000 sum insured and £5.00 (inc 5% IPT) per £1,000 sum insured on any sum insured above £50,000**  
Buildings of non standard construction i.e. any other combination of building or roofing materials
  - Premium rate £11.80 (inc 5% IPT) per £1,000 sum insured on the first £50,000 sum insured and £10.00 (inc 5% IPT) per £1,000 sum insured on any sum insured above £50,000**
- B. Signals, switchgear, track terminals, connecting cables, pipework ducting and the like  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**
- C. Walls Gates and Fences  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**
- D. General contents of item A (excluding workshop machinery which should be covered under sub-section E and locomotives, carriages, riding cars, rolling stock etc which should be covered under sub-section H) including, if applicable, landlords fixtures and fittings, tenants improvements and decorations, stock and property held in trust.  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured on the first £50,000 sum insured and £4.80 (inc 5% IPT) per £1,000 sum insured on any sum insured above £50,000**
- E. Workshop Machinery contained in Item A (sum insured to represent replacement with machinery of a similar model, age and condition)  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured on the first £50,000 sum insured and £4.80 (inc 5% IPT) per £1,000 sum insured on any sum insured above £50,000**
- F. Fixed trackwork  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**
- G. Portable trackwork  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**
- H. Bridges  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**
- I. Locomotives, carriages, riding cars, rolling stock and the like, belonging to you or under your custody or control (each item insured under this section must be individually mentioned and have a separate sum insured - several items of the same nature and value may be grouped together e.g. 7 riding cars at £500 each total £3,500)  
**Premium rate £6.15 (inc 5% IPT) per £1,000 sum insured**

**Special Note:** The policy only covers locomotives etc specified on the schedule. This means that there is no cover for locomotives etc which are not specified, for example locomotives etc belonging to supporters or visitors – separate cover is available for them to take out in their own name.

**Special Note - Theft of Fixed Trackwork:** Loss or damage following theft or attempted theft of fixed trackwork including turntables, traversers and the like in the open whether ground level or raised is covered provided the fixed trackwork including turntables, traversers and the like is laid and fastened to sleepers and/or trackbed and is subject to an increased excess of £200 each and every claim.

**Claims -** Claims involving theft must be reported to the police. In the event of a claim, other than a theft claim, you will retain ownership

In respect of locomotives/rolling stock etc the amount payable in the event of a total loss claim (for example a theft) will be the sum insured and the amount payable in the event of a partial loss claim (for example damage) will be: -

- if repairs are to be carried out by you - 200% of the cost of materials for repair until that amount exceeds 75% of the sum insured when the full sum insured will be payable or
- if repairs are to be carried out professionally – invoice cost limited to the sum insured (comparative estimates will be required) or
- a combination of a) and b)

**Loss of Value following Repair:** Insurers will only commit to repairing a locomotive etc or to pay its market value not to paying for any reduction in its value as a result of having been involved in an accident and/or theft

## **SECTION 2 - BUSINESS INTERRUPTION**

The Business Interruption section provides cover for the loss of Gross Profit that would occur if events at your premises had to be cancelled following an insured incident at your premises. Also included is cover for increased cost of working. The incident must have been caused by one of the insured perils which are the same as those covered in Section 1 namely: -

- |                                                                  |                                                          |
|------------------------------------------------------------------|----------------------------------------------------------|
| a) Fire, Explosion, Lightning & Aircraft                         | f) Sprinkler Leakage                                     |
| b) Earthquake                                                    | g) Theft                                                 |
| c) Riot/Civil Commotion/Malicious Damage                         | h) Subsidence ground heave or landslip                   |
| d) Storm, Flood, Escape of water from any tank apparatus or pipe | i) Boiler explosion                                      |
| e) Impact by any Road and/or Rail vehicle                        | j) Any other accident (which includes accidental damage) |

The section also provides cover for closure of your premises as a result of a notifiable human disease manifesting itself at the premises, injury or illness arising from foreign or injurious matter in food or drink supplied, closure of the whole or part of your premises by the Public Authority consequent upon defects in drains or other sanitary equipment, murder or suicide on your premises, vermin and pests at your premises and loss destruction or damage to property in the vicinity of your premises which prevents or hinders the use of or access to your premises.

The indemnity period (i.e. the period during which a claim will be paid) is 12 months and commences from the date of the fire or incident which gives rise to the claim. The sum insured for the section must be your anticipated annual gross profit (gross profit is defined as Turnover plus closing stock less purchases plus opening stock). The underinsurance clause applies to this section in the same way that it applies to Section 1.

**Premium rate £10.75 (inc 5% IPT) per £1,000 sum insured (minimum premium £107.50 inc 5% IPT)**

### **SECTION 3 - ROAD TRAILERS**

**What is Insured:** Your road trailer if damaged stolen or taken without your permission anywhere in the United Kingdom or Europe. The perils covered are: -

- |                                                                         |                                                                 |
|-------------------------------------------------------------------------|-----------------------------------------------------------------|
| a) <b>Fire, Explosion, Lightning &amp; Aircraft</b>                     | f) <b>Sprinkler Leakage</b>                                     |
| b) <b>Earthquake</b>                                                    | g) <b>Theft</b>                                                 |
| c) <b>Riot/Civil Commotion/Malicious Damage</b>                         | h) <b>Subsidence ground heave or landslip</b>                   |
| d) <b>Storm, Flood, Escape of water from any tank apparatus or pipe</b> | i) <b>Any other accident (which includes accidental damage)</b> |
| e) <b>Impact by any Road and/or Rail vehicle</b>                        |                                                                 |

**Exclusions: -**

The first £100 of each and every claim is excluded increased to £500 if the trailer is not fitted with either a wheel clamp or a hitchlock

Loss of use loss or of market value for any reason

Loss or damage caused by mechanical or electrical faults failures breakdowns or derangements

Loss or damage caused by wear tear deterioration insect vermin mildew wet & dry rot woodworm atmospheric conditions corrosion act of light heat or any other gradually operating cause

Damage to tyres from breaking or by punctures cuts or bursts

Loss of or damage to your trailer resulting from someone taking it by fraud or trickery

Theft of money or securities of any description

**Loss of Value following Repair:** Insurers will only commit to repairing a trailer or to pay its market value not to paying for any reduction in its value as a result of having been involved in an accident and/or theft

When the trailer is left unattended and unattached from the towing vehicle it is required that the trailer is fitted with either a wheel clamp or a hitchlock. The trailer will still be covered if this requirement is not met however if the trailer is stolen the usual £100 excess will be increased to £500. Although this security requirement does not apply when the trailer is attached to the towing vehicle the insurance of the trailer contents, insured under Section 1 of this policy, does require additional security when the trailer is left unattended and loaded. It should be noted that many trailer thefts occur in lay-bys and motorway service areas.

Also included is cover for the hire of an alternative trailer following theft or damage to the trailer insured subject to a maximum amount of £20 per day (maximum 10 days). The need for an alternative trailer must be a commercial miniature railway related activity.

**Driving a car or van with a trailer:** All drivers who passed a car test before 1 January 1997 retain their existing entitlement to tow trailers until their licence expires. This means that they are generally entitled to drive a vehicle and trailer combination up to 8.25 tonnes MAM (Maximum Authorised Mass). They also have the entitlement to drive a minibus with a trailer over 750kgs MAM. Drivers who passed their car test on or after 1 January 1997 are required to pass an additional driving test in order to gain entitlement to category B+E which allows them to tow caravans and trailers. If you require more information about driving a car or a van with a trailer you should obtain the Driver and Vehicle Licensing Agency (DVLA) factsheet INF30 'Towing Trailers in Great Britain'

**Towing Vehicle's Motor Insurance:** The class of use on some motor insurance policies, particularly motor insurance policies issued on a van, does not automatically include the towing of trailers. It is therefore recommended that before towing a trailer the motor insurance policy of the towing vehicle is checked in order to confirm that the towing of trailers is permitted. Public liability insurance cover for the trailer falls under the towing vehicle's insurance policy whilst the trailer is attached.

**Premium rate £8.25 (inc 5% IPT) per £1,000 sum insured (minimum premium £24.75 inc 5% IPT per trailer)**

### **SECTION 4 – PUBLIC, PRODUCTS and EMPLOYERS LIABILITY**

#### **Public Liability**

**What is Insured:** Public liability is liability to third parties. It is liability that arises following damage to third party property or injury to third party persons (injury means bodily injury, mental injury, death, disease, illness, wrongful arrest or false imprisonment) and this section provides cover for your liability arising out of your business running a commercial miniature railway anywhere in the United Kingdom or Europe and ancillary activities anywhere in the world. Cover extends to include the liability of one member/volunteer helper to another member/volunteer helper and cover applies to persons of all ages - there is no upper or lower age limit.

You may select the indemnity limit required from £2,000,000 to £5,000,000 in £1m increments. The limit of indemnity for Public Liability cover applies to any one event.

Cover for sparks and ashes, exhibitions, open days, rallies etc is automatically included – there is no need for any additional cover.

Legal defence costs are included with an indemnity limit of £250,000 representing the total amount payable in respect of all costs and expenses arising out of claims during any period of insurance.

The following restrictions/conditions should be noted: -

1. In respect of railways cover applies to railway locomotives, rolling stock and trackwork up to and including 2ft gauge owned and/or operated by the insured.

2. Cover as required by the Road Traffic Act is not provided

3. Loss or damage resulting from Boiler Explosion: The insurers shall not be liable for injury or damage caused by boiler or pressure vessel explosion unless:

a) the boiler or pressure vessel concerned has at the time of the incident a valid thorough examination certificate issued against a suitable Written Scheme of Examination drawn up by either an inspection authority affiliated to the Safety Assessment Federation (SAFed) or by the National Traction Engine Trust or

b) the boiler or pressure vessel concerned has at the time of the incident a valid thorough examination certificate issued by a person or body appearing on the National Traction Engine Trust Register of Boiler Inspectors or

c) the boiler or pressure vessel concerned has at the time of the incident a valid certificate of hydraulic test and a valid certificate of annual examination and steam test both issued following examinations conforming with the Examination and Testing of Miniature Steam Boilers (New Edition 2006) and any subsequent revisions or

d) the vessel concerned is a small boiler namely that it has a capacity of not more than 3 bar litres or the vessel concerned is a gas tank with a capacity of not more than 180ml when cover shall be in force whether or not a valid thorough examination certificate has been issued or

e) the boiler or pressure vessel concerned is undergoing test by an authorised boiler tester when cover shall be in force whether or not a valid thorough examination certificate has been issued.

Note: It is recommended that small boiler safety valves are tested at least every 12 months in order to ensure correct operation at the correct release pressure and that the boiler the engine and the pipework installation are also checked at least every 12 months.

4. Pollution and contamination is excluded unless the pollution and contamination emanated from an identifiable single source and occurred at an identifiable time.

5. Models must be driven or operated with reasonable care for and attention to the safety of other persons and property and to comply with any statutory enactment or instrument, bye law or other regulation.

6. Indemnity will not apply to legal liability arising out of advice design or specification provided for a fee

7. The railway must be run in accordance with Health & Safety Executive guidelines as applicable and as published either in HSG216 – Passenger-carrying Miniature Railways Guidance on safe practice or in Railway Safety Principles and Guidance (see part 2 section H - Guidance on minor railways)

The section is subject to a £250 excess in respect of damage to third party property. It is strongly recommended that spark arresters are fitted to chimneys, that handholds are fitted to passenger carrying trailers/rolling stock and that non-slip paint is used on any non-upholstered passenger seating.

**Driving:** - Within the geographical limits of the United Kingdom and Europe any person authorised by you aged 16 or over may drive any locomotive owned by you and also any locomotive in your custody or control.

Within the geographical limits of the United Kingdom and Europe any person authorised by you aged under age 16 may drive any locomotive owned by you and also any locomotive in your custody or control

There is no upper age limit for drivers.

**Use:** - Authorised drivers age 16 or over may carry as passengers any person including members of the general public either gratuitously or fare paying

Authorised drivers under the age of 16 may not carry as passengers members of the public whether gratuitously or fare paying but may carry as passengers any of your voluntary/unpaid helpers and employees and/or any fellow authorised drivers and/or members of a bona fide model engineering club or society and/or members of their own family providing the authorised driver under age 16 is supervised by a responsible and competent authorised driver age 16 or over and all reasonable precautions are taken.

**Negligent Acts of Passengers:** - Cover extends to include your liability arising out of the negligent acts of passengers

**Health and Safety Executive:** - Cover for legal expenses incurred defending Health & Safety Executive prosecutions is included in the policy cover. There is, however, no cover for any fines imposed.

**Gas Turbine Locomotives:** Cover extends to include gas turbine powered locomotives

**Visiting Locomotives:** - Cover for your liability for death or injury to third parties and for loss or damage to third party property arising out of visiting locomotives and/or locomotives not under your custody or control is included and is subject to the owners/drivers of visiting locomotives and/or locomotives not under your custody or control providing evidence, before being allowed to steam and/or run, of: -

a) if applicable, a current boiler test certificate issued by the Northern Association of Model Engineers, the Southern Federation of Model Engineering Societies, the 7¼" Gauge Society following a test conforming with the Examination and Testing of Miniature Steam Boilers (New Edition 2006) and any subsequent revisions or following a test by an authorised body

b) public liability insurance which includes cover for: -

i) carrying members of the public as passengers

ii) injury or damage caused by sparks and ashes and

iii) which has a limit of indemnity of at least £2,000,000

c) boiler explosion insurance cover which has a limit of indemnity of at least £2,000,000

**Excess Layer Cover:** Where the limit of indemnity under this section is higher than the limit of indemnity provided by the public liability insurance carried by a visitor this policy will provide cover for the difference in indemnity limit between the visitor's policy and this policy providing the visitor has produced satisfactory evidence of a current and valid policy including evidence of the limit of indemnity provided by that policy

**Excess:** The section is subject to a £250 excess in respect of damage to third party property.

**Abuse:** Insurers shall not be liable for claims arising from abuse. Abuse shall mean: -

- a) acts of hurting or injuring mentally or physically by maltreatment or ill-use
- b) acts of forcing sexual activity rape or molestation, or
- c) repeated or continuing contemptuous coarse or insulting words or behaviours

**Asbestos: Fear of asbestos and removal Costs Exclusion:**

Asbestos shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials

Asbestos Dust shall mean fibres or particles of asbestos

Asbestos Containing Materials shall mean any material containing Asbestos or Asbestos Dust

Indemnity will not apply to legal liability for bodily injury or mental injury to or death disease or illness of any person employed arising out of and in the course of employment by the insured in the business

Indemnity will not apply to legal liability for the costs of remedying

- a) any defect or alleged defect
- b) the presence of Asbestos, Asbestos Dust, or Asbestos containing Materials in premises disposed of by the insured

Indemnity will not apply to legal liability for mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos, Asbestos Dust or Asbestos Containing Materials

Indemnity will not apply to legal liability for the costs of management (including those of any persons under statutory duty to manage) removal repair alterations recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos, Asbestos Dust or Asbestos Containing Materials

**Terrorism Exclusion:** The Company shall not be liable for injury or loss of or damage to Property in respect of legal liability arising directly or indirectly out of terrorism.

Terrorism shall mean an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto.

### **Products Liability**

**What is Insured:** Products liability is your liability following damage to third party property or injury to third party persons (injury means bodily injury, mental injury, death, disease, illness, wrongful arrest or false imprisonment) arising out of any product supplied by you during or by reason of your business running a commercial miniature railway and ancillary activities. Such products may include refreshments tea coffee soft drinks confectionery and souvenirs and also general model engineering services and supplies

Cover is worldwide excluding United States of America and Canada and excludes any liability arising out of advice and design

The indemnity limit chosen for Public Liability will apply also to Products Liability but it should be noted that the limit of indemnity for Products Liability cover applies to any one event and in any one period of insurance.

Legal defence costs are included with an indemnity limit of £250,000 representing the total amount payable in respect of all costs and expenses arising out of claims during any period of insurance.

### **Employers Liability**

**What is Insured:** Provides cover in accordance with the Employers Liability (Compulsory Insurance) Regulations 1998 for your legal liability for damages in respect of injury to employees, staff, volunteers and helpers. The limit of indemnity provided is £10,000,000

Legal defence costs are included with an indemnity limit of £250,000 representing the total amount payable in respect of all costs and expenses arising out of claims during any period of insurance.

**Terrorism Endorsement –** The claims for injury to employee limit of liability arising directly or indirectly out of terrorism shall not exceed £5,000,000

**Definition of Terrorism –** Terrorism shall mean any act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto

### **Premium**

The annual premium for the liability section is dependent upon the level of public/products indemnity required and also your anticipated turnover for the next 12 months. Your premium will be confirmed upon receipt of your completed proposal form.

## **SECTION 5 - PERSONAL ACCIDENT**

If the insured person (partner, employee or volunteer helper) sustains accidental bodily injury, which within two years, is the sole cause of death or disablement the insurers will pay the appropriate benefit to the insured.

If the insured person suffers death or disablement as the result of exposure to the elements the insurers will consider that as having been caused by accidental bodily injury. Bodily injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause (this means that death by a heart attack, for example, is not covered).

There are three categories of insured person:

- A - Any partner, director, employee or voluntary helper aged 16 to 64
- B - Any partner, director, employee or voluntary helper aged under 16
- C - Any partner, director, employee or voluntary helper aged 65 or over

The geographical limits are the United Kingdom and Europe and the operative time of the cover is while the insured person is undertaking his/her duties for and on behalf of the insured railway.

The schedule of benefits is: -

|                                                                                                                                         | <u>Category A</u> | <u>Category B</u> | <u>Category C</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| 1. Death                                                                                                                                | £10,000           | £ 2,000           | £ 2,000           |
| 2. Loss of two or more limbs or both eyes or one of each                                                                                | £10,000           | £ 2,000           | £ 2,000           |
| 3. Loss of one limb or eye                                                                                                              | £10,000           | £ 2,000           | £ 2,000           |
| 4. Permanent Total Disablement other than by loss of limb or eye from gainful employment of any and every kind                          | £10,000           | £ 2,000           | £ 2,000           |
| 5. Temporary Total Disablement from usual occupation payable for a maximum of 104 weeks not necessarily consecutive                     | £100 per week     | nil               | nil               |
| 6. Whilst attending hospital either as an in patient or as an out patient payable for a maximum of 13 weeks not necessarily consecutive | Nil               | Nil               | £50 per week      |

Exclusions to the cover are: -

if bodily injury results from:-

A) the insured person engaging in or practising for any of the excluded activities which are: -

|                                                                                                           |                                                                                    |
|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Aqualung diving                                                                                           | Mountaineering or cliff or rock climbing                                           |
| Flying other than as a passenger or as a member of the crew or in order to carry out work in the aircraft | Parachuting                                                                        |
| Football other than association football as an Amateur                                                    | Potholing                                                                          |
| Hangliding                                                                                                | Racing other than on foot or in dinghies                                           |
| Hunting on horseback                                                                                      | Using power driven woodworking machinery in connection with business or occupation |
| Motor competitions                                                                                        | Winter sports other than curling or skating                                        |
| Motorcycling as a rider or passenger                                                                      |                                                                                    |

B) the insured person committing or attempting to commit suicide

C) war invasion act of foreign enemy etc

2. if bodily injury or death or disablement is the result of or is contributed by the insured person having taken a drug unless it is taken on proper medical advice and is not for the treatment of drug addiction or
3. if death or disablement is the result of or contributed to by the pregnancy (including childbirth) of the insured person

The following are removed from the list of excluded activities insofar as they relate to the insured persons activities with the insured railway: flying, motor competitions, racing other than on foot or in dinghies, using power driven woodworking machinery in connection with business or occupation.

It is not necessary to name individuals but only to declare, at either inception or renewal, the overall total number of all partners, directors, employees or voluntary helpers. Additional premiums for increasing the number of persons covered during the year will not be charged nor will refund premiums be given for a reduced number of persons covered during the year. The premium rate is the same for all regardless of age.

If the person claiming benefit under any category of this section also has personal accident insurance cover by reason of another policy issued under the Walker Midgley Insurance Brokers insurance schemes the person shall be entitled to claim only for whichever benefit is greater

**Premium: - £21.85 (inc 5% IPT) per partner director employee or volunteer helper**

## **SECTION 6 - MONEY**

**What is Insured:** cover for cash whilst on your premises during business hours, in transit, in an adult person's control and also whilst in a private dwelling.

The limits of cover are: -

|                                                                                                                             |        |
|-----------------------------------------------------------------------------------------------------------------------------|--------|
| 1. Cash whilst in the insured's premises when open for business                                                             | £1,500 |
| 2. Cash in transit or whilst under an authorised responsible adult person's control other than whilst in a private dwelling | £1,500 |
| 3. Cash whilst at the private dwelling of an authorised responsible adult person: -                                         |        |
| a) whilst the private dwelling is occupied by a responsible adult person                                                    | £1,500 |
| b) whilst the private dwelling is not occupied by a responsible adult person                                                | £750   |

There is a £25 excess each and every claim

**Premium £54.60 including 5% IPT**

## **SECTION 7 – DIRECTORS AND OFFICERS LIABILITY**

Directors and Officers can incur personal liability arising out of any act which is negligent, outside their authority or in breach of duty or trust. Such liability may not necessarily follow an incident covered under Section 4 Public, Products and Employers Liability. The increasingly litigious society in which we live means that the possibility of legal action being taken against Directors and Officers is increasing as the years go by – and the responsibilities can be onerous, the personal liability extends to include all personal assets of the Director or Officer and in a worse case scenario could lead to the bankruptcy of the Director or Officer. The costs of rebutting even a frivolous claim could be significant. Claims scenarios are notoriously difficult to predict - they could include:-

- Corporate Manslaughter
- Pollution
- Health & Safety
- Libel & Slander
- Failure to arrange adequate insurance cover
- Financial Irregularity
- Breach of Trust
- Negligent Acts or Omissions

The Limit of Indemnity provided is either £500,000 or £1,000,000 and cover extends to include all past, present and future directors and officers.

Claims arising out of or by reason of employment, employees, Inland Revenue or Customs & Excise are excluded but they can be included subject to separate arrangements and a premium quotation will be provided on request.

**Territorial Limits** – Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

**Claims:** Notice of a claim or of circumstances which may give rise to a claim must be reported to Walker Midgley Insurance Brokers as soon as practical after the claim is received or after a possible claim is discovered. You must not admit any liability, enter in to any settlement agreements or incur any defence costs without the prior consent of Royal & Sun Alliance Insurance plc

Cover under this section cannot be taken in isolation and must be taken in conjunction with Section 4 - Liability.

**Annual premium: - Limit of Indemnity £500,000 Premium £188.40 including 5% IPT**  
**Limit of Indemnity £1,000,000 Premium £282.60 including 5% IPT**

## **SECTION 8 – PROFESSIONAL INDEMNITY**

This section provides indemnity for liability of loss arising from any claim or claims made and reported to the insurers during the policy period by reason of any neglect error or omission committed in the conduct of your business. It is a condition of this insurance that you keep full and proper records of all designs and of any advice or instruction given

Cover excludes any design or advice given in USA or Canada

The retroactive date of cover will be 2 years prior to the inception date of cover under this section. This means that the policy cover will include any claim arising out of any design advice or instruction given in the two years preceding cover being granted under this policy.

The limit of indemnity is £1,000,000 for each and every claim including defence costs incurred with the prior consent of insurers. There is a costs inclusive excess of £500 each and every claim. Cover under this section cannot be taken in isolation and must be taken in conjunction with Section 4 - Liability.

**Premium £273.00 including 5% IPT**

## **TERRORISM EXCLUSION**

The insurance provided by Sections 1, 2, 3, and 6 does not cover Damage or loss resulting from Damage occasioned by or happening through or in consequence directly or indirectly of: -

- a) terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and
- b) in Northern Ireland civil commotion

This policy also excludes damage or loss resulting from damage directly or indirectly caused by resulting from or in connection with any action aimed in controlling preventing suppressing or in any way relating to an act of Terrorism

Terrorism means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

In any action suit or other proceedings where the insurers alleges that by reason of this exclusion any damage or loss resulting from damage is not covered by this policy the burden of proving that such damage or loss is covered shall be upon the insured

**Data Protection Notice** - Please read the following carefully as it contains important information relating to details that you may give us. You should show this notice to any other party related to this insurance. We are required to send you this information to comply with current Data Protection legislation. It explains how Royal & Sun Alliance Insurance may use your details and tells you about the systems they have in place that allow them to detect and prevent fraudulent applications and claims. The savings that they make help them to keep premiums and products competitive.

**Data Protection Act 1998** - All personal information supplied by you will be treated in confidence by Royal & Sun Alliance Insurance Group of companies and will not be disclosed to any third parties except where your consent has been received or where permitted by law. In order to provide you with products and services this information will be held in the data systems of Royal & Sun Alliance Insurance Group of companies or agents or subcontractors. The Royal & Sun Alliance Group of companies may pass your personal information to other companies for processing on its behalf. Some of these companies may be based outside Europe in countries which may not have laws to protect your personal information, but in all cases the Group will ensure that it is kept securely and only used for the purpose for which you provided it. Details of the companies and countries involved can be provided to you on request.

**Fraud Prevention, Detection & Claims History** - In order to prevent and detect fraud Royal & Sun Alliance may at any time share information about you with other organisations and public bodies including the Police, check and/or file your details with fraud prevention agencies and databases, and if you give Royal & Sun Alliance false or inaccurate information and they suspect fraud, they will record this. Royal & Sun Alliance and other organisations may also search these agencies and databases to a) help make decisions about the provision and administration of insurance, credit and related services for you and members of your household, b) trace debtors or beneficiaries, recover debt, prevent fraud and to manage your accounts or insurance policies, c) check your identity to prevent money laundering, unless you furnish other satisfactory proof of identity, d) undertake credit searches and additional fraud searches. Royal & Sun Alliance can supply on request further details of the databases they access or contribute to (see below – How to contact Royal & Sun Alliance).

**Claims History** - Insurers pass information to the Claims and Underwriting Exchange Register, run by Insurance Database Services Ltd (IDS Ltd) and the Motor Insurance Anti-Fraud and Theft Register, run by the Association of British Insurers (ABI). The aim is to help Royal & Sun Alliance to check information provided and also to prevent fraudulent claims. When they deal with a request for insurance, they may search these registers. Under the conditions of your policy, you must tell us about any incident (such as an accident or theft) which may or may not give rise to a claim. When you tell us about an incident, insurers will pass information relating to it to the registers. They may search these databases when you apply for insurance, in the event of any incident or claim, or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

**How to contact Royal & Sun Alliance** - On payment of a small fee you are entitled to receive a copy of the information Royal & Sun Alliance hold about you. If you have any questions, or you would like to find out more about this notice you can write to The Data Protection Liaison Officer, Royal & Sun Alliance Insurance plc, Customer Relations Office, Bowling Mill, Dean Clough Industrial Park, Halifax HX3

## **ELECTRONIC DATA EXCLUSION**

Notwithstanding anything stated herein to the contrary and subject always to the terms exceptions and conditions of the Policy this insurance does not cover: -

- A. Damage to Data which shall include but not be limited to
  - 1) damage to or corruption of Data whether in whole or in part
  - 2) unauthorised appropriation of use of access to or modification of Data
  - 3) unauthorised transmission of Data to any third parties
  - 4) damage arising out of any misinterpretation use or misuse of Data
  - 5) damage arising out of any operator error in respect of Data
- B. Damage to the property insured (if insured) or money (if insured) arising directly or indirectly from
  - 1) the transmission or impact of any Virus
  - 2) unauthorised access to a System
  - 3) interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
  - 4) failure of a System
  - 5) anything described in A) above

But in respect of B.1, B.2, B.3 and B.4 this shall not exclude subsequent damage which itself results from any of the covers insured provided that such damage does not arise by reason of any malicious act or omission.

Definitions: -

|                     |                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Damage              | means loss or destruction or damage                                                                                                                                                                                                                                                                                                                                           |
| Data                | means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware                                                                                                                                                                                                           |
| Failure of a System | means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise whether or not owned by the insured to operate at any time as described as specified or as required in the circumstances of the insured's business activities                                                                               |
| System              | includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation                                                                                              |
| Microchip           | a unit of packaged computer circuitry manufactured in a small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers                                                                                                                                                                               |
| Virus               | programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not |

## **Complaints Process - Royal & Sun Alliance Insurance plc**

Royal & Sun Alliance aim to provide you with a first class service. If they have not delivered the service that you expect or you are concerned with the service provided they would like the opportunity to put things right.

Initially contact Walker Midgley Insurance Brokers Ltd, Yorkshire Bank Chambers, Fargate, Sheffield S1 2HD telephone 0114 250 2770 Fax 0114 250 2777 (email enquiries@walkermidgley.co.uk) If your complaint is against Royal and Sun Alliance Insurance plc alone, it will be passed to their nominated contact within 24 hours. This will also happen if we believe that we cannot resolve your complaint without the involvement of Royal and Sun Alliance Insurance plc or there is any query relating to the complaint. The complaints procedure of Royal and Sun Alliance Insurance plc will then apply.

If your complaint is not resolved or you are not happy with the response and course of action proposed by Royal and Sun Alliance Insurance plc, you can progress your complaint to Royal and Sun Alliance Insurance plc Customer Relations Office, whose address is Dean Clough Industrial Park, Bowling Mill, Halifax HX3 5WA Email: crt.halifax@uk.rsagroup.com Telephone: 0800 1076160 Fax: 01422 325146. A separate investigation will then be carried out in an attempt to resolve your complaint and a final decision issued. However if resolution is not possible they will issue a response within 8 weeks of your original complaint.

**What to do if you are still not satisfied:**

If you are still not satisfied Royal and Sun Alliance Insurance plc are regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service, and you may be able to refer your complaint to them at South Quay Plaza, 183 Marsh Wall, London E14 9SR Telephone: 0845 0801800 Email enquiries@financial-ombudsman.org.uk www.financial-ombudsman.org.uk). However, the Financial Ombudsman Service will not adjudicate on any cases where legal action has commenced or where a final decision has not been issued.

**Your rights:**

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaint procedures referred to above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

**Registered Office:**

The registered office of Royal & Sun Alliance Insurance plc is St Marks Court, Chart Way, Horsham, West Sussex RH12 1XL

**Financial Services Compensation Scheme:**

Royal & Sun Alliance Insurance plc is a member of the Financial Services Compensation Scheme (FSCS). This scheme provides compensation in case any of its members go out of business or in to liquidation and are unable to meet any valid claim under its policies. You may be entitled to compensation from the scheme if Royal & Sun Alliance are unable to meet their obligations. This depends on the type of business and the circumstances of the claim. The first £2000 of a claim is protected in full. Above this threshold, 90% of the remainder of the claim will be met. For compulsory classes of insurance 100% of the claim would be met without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

**Cancellation Rights:**

If having checked your policy you decide not to proceed with our insurance you have a statutory right to cancel it within 14 days starting on the date you receive your policy documentation. To cancel please write to the address or call the number shown on your policy documentation. On receipt of your notice and return of your Motor Insurance Certificate(s) we will refund any premiums paid, except when you have already made a claim under your policy.

**Termination of the Contract:**

You may cancel the contract by giving us 14 days notice in writing. If you cancel the policy you may be entitled to a refund of premium provided that no claim has been made during the current period of insurance.

We may cancel this policy by giving you at least 14 days notice at your last known address. If we cancel the policy, we will refund any premiums already paid for the remainder of the current period of insurance.

Royal & Sun Alliance Insurance plc (No. 93792). Registered in England and Wales at St Mark's Court, Chart Way, Horsham, RH12 1XL  
 Authorised and regulated by the Financial Services Authority

**MEETING YOUR DEMANDS & NEEDS**

The Select Insurance Cover for Commercial Miniature Railways Insurance Scheme allows you to choose the level of cover from a range of options. The choices you make will depend on your own particular circumstances. The covers listed below meet the demands & needs of those wishing to benefit from the following protection:

|                                                                          |                                                                                                                      |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Section 1 – Property Damage                                              | The structure and contents of your premises and other property against loss or damage by specified causes            |
| Section 2 – Business Interruption                                        | Loss of your gross profit by specified causes                                                                        |
| Section 3 – Road Trailers                                                | Loss or damage to road trailers by specified causes                                                                  |
| Section 4 – Public Liability, Products Liability and Employers Liability | Your legal liability for injury to persons or damage to third party property                                         |
| Section 5 – Personal Accident                                            | Compensation for bodily injury to any partner employee or volunteer helper whilst undertaking his/her duties for you |
| Section 6 – Money                                                        | Theft or loss of cash                                                                                                |
| Section 7 – Directors & Officers Liability                               | Legal liability for any act which is negligent outside their authority or in breach of duty or trust                 |
| Section 8 – Professional Indemnity                                       | Legal liability for any negligent act error or omission                                                              |

Further details of these and other benefits can be found in pages 1 to 8 of this document

For the Select Insurance Cover for Commercial Miniature Railways Insurance Scheme we use Royal & Sun Alliance Insurance plc who we have selected as offering value for money and quality service.

This statement does not form part of the terms and conditions of your policy.

## **WALKER MIDGLEY INSURANCE BROKERS LIMITED - TERMS OF BUSINESS:**

**By accepting these Terms of Business, you are giving your consent to the actions described in the following sections. Please read this document carefully.**

**COMPANY DETAILS:** Walker Midgley Insurance Brokers Ltd, Yorkshire Bank Chambers, Fargate, Sheffield, S1 2HD Telephone: 0114 250 2770 Fax: 0114 250 2777. Walker Midgley Insurance Brokers Limited is authorised and regulated by the Financial Services Authority. Our Firm Reference Number (FRN) is 144231. You can check this on the FSA register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or telephone the FSA on 0845 606 1234.

**OUR SERVICE:** We offer a wide range of insurance products and have access to leading insurers in the marketplace. For the Select Insurance Cover for Commercial Miniature Railways Scheme we have selected Royal Sun Alliance Insurance plc as offering value for money and quality service. We will explain the main features of the products and services that we offer you including details of the provider, main details of cover and benefits, any unusual restrictions or exclusions, any significant conditions or obligations and the period of cover. We will make a recommendation for you after we have assessed your needs, or advise you if we are unable to place your insurance. Our normal office hours are 9am to 5pm Monday to Friday.

**CONFIDENTIALITY AND DATA PROTECTION:** All information about you of a sensitive or personal nature will be treated as private and confidential. We will however use and disclose the information we have about you in the course of arranging, placing and administering your insurance. This may involve passing information about you to insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved (directly or indirectly) in your insurance. We may also pass information about you to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and, in particular, where you have requested a premium instalment plan – this may include details of your payment record with us. We may also pass information about you to other companies with which we are associated. We or they may also use the information we hold about you to provide you with information on other products and services we or they can offer and which we or they feel may be of interest to you. If you do not wish to receive marketing information from us or them, or for us to disclose information about you to other parties for marketing purposes, please contact us immediately. In the interests of security and to improve our service, telephone calls you make to us may be monitored and /or recorded.

**YOUR DUTY TO DISCLOSE INFORMATION:** It is your responsibility to provide complete and accurate information to insurers when you take out an insurance policy, throughout the life of the policy, and when you renew your insurance. It is important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. Please also note that any renewal of insurance will be made in reliance upon the information provided by you in connection with your previous insurance policy – we will assume that such information remains correct unless you tell us otherwise. Please note that if you fail to disclose any material information to us and your insurers, this could invalidate your insurance cover and could mean that part or all of a claim may not be paid. You should take particular care to check the accuracy of all information you provide.

**NOTIFICATION OF INCIDENTS/CLAIMS:** It is essential to notify us immediately of all incidents that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Any letter or claim received by you must be passed to us immediately, without acknowledgement. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests. Your policy summary and/or policy document will provide you with details on who to contact to make a claim. Claims payment will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation for your request. Please contact us for guidance on claiming under your policy.

**CANCELLATION:** Your policy document will detail your rights to cancel your insurance once you have taken it out. Depending on the type of policy you have purchased, you may be entitled to cancel within 14 or 30 days of either conclusion of the contract or receiving your policy documentation, whichever occurs later. Where you cancel a policy before renewal you will be responsible for paying a charge to meet the cost of cover provided and administration expenses. Please see the Charges section. To enable your insurer to process the cancellation, you will need to return certificates and any official documents to our office within 30 days of your notice to cancel.

**COMPLAINTS:** It is our intention to provide you with the highest possible level of customer service at all times. However we recognise that things can go wrong occasionally and if this occurs we are committed to resolving matters promptly and fairly. Should you wish to complain you may do so:

- In writing to the Complaints Manager Mr A P Wood
- By telephone on 0114 250 2770
- By Fax on 0114 250 2777
- By e-mail at [enquiries@walkermidgley.co.uk](mailto:enquiries@walkermidgley.co.uk)
- In person by visiting our office (see above for address)

Should you not be satisfied with our final response, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS). Further details will be supplied at the time of responding to your complaint.

**SOLVENCY OF INSURERS:** We cannot guarantee the solvency of any insurer with which we place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become insolvent.

**TERMS OF PAYMENT:** Our payment terms are as follows (unless specifically agreed by us in writing to the contrary):

- New policies: immediate payment on or before the inception date of the policy
- Alterations to existing policies: immediate payment on or before the effective date of the change
- Renewals: due in full before the renewal date

If payment is not received from you in accordance with the above terms, we, or your insurer may be forced to cancel or lapse the relevant policy/policies, which could mean that part or all of a claim may not be paid. When renewal is invited and the policy is paid by monthly direct debit, we will issue a notice to you. To ensure you are not left without cover, the absence of a response to this notice will be deemed as your consent to cover being renewed automatically. If any direct debit or other payment due in respect of any credit agreement you enter into to pay insurance premiums is not met when presented for payment or if you end the credit agreement we will be informed of such events by the credit provider. If you do not make other arrangements with us to pay the insurance premiums you acknowledge and agree that we may, at any time after being so informed, instruct on your behalf the relevant insurer to cancel the insurance and to collect any refund of premiums which may be made by the insurer and if any money is owed under your credit agreement pay it to the credit provider or if we have already been debited with the amount outstanding use it to offset our costs. You will be responsible for paying any time on risk charge and putting in place any alternative insurance and/or payment arrangements you need.

Any payment we receive from you will be held by The Broker Network Ltd, which pays insurers on our behalf, in a Non Statutory Client Trust Bank Account held with RBS, HSBC or Alliance and Leicester. In some cases the payment we receive will be held on behalf of the provider with whom we arrange your policy as their agent. This means that any payment you make to us will be regarded as having been paid to the provider. This is known as risk transfer. By operating a Non Statutory Trust The Broker Network Ltd is permitted to, and may use such monies to cross fund clients premiums and claims. Please make all cheques payable to "The Broker Network Ltd" By instructing us to place insurance on your behalf you give your informed consent to these Client Money procedures. If there are any matters which you do not understand, or do not accept, you should discuss them with us before proceeding. We may pass the money you pay us to another intermediary. We will only do this where it is a necessary part of the process of arranging cover for you. Where this includes intermediaries outside the UK, the legal and regulatory regime may be different from that of the UK. In the event of the intermediary failing money may be treated differently than if it was held by an intermediary in the UK. You may notify us if you do not wish your money to be passed to a person in a particular jurisdiction. No interest will be payable to customers in respect of the client account. Any interest earned will remain in the ownership of The Broker Network Ltd.

**FINANCIAL SERVICES COMPENSATION SCHEME (FSCS):** We are covered by the Financial Services Compensation Scheme and you may be entitled to compensation from the scheme if we cannot meet our obligations. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk)

**CHARGES:** In addition to the amount charged by insurers we also make charges to cover the administration of your insurance as detailed below: -

|                                |        |                       |        |
|--------------------------------|--------|-----------------------|--------|
| Non refundable arrangement fee | £16.00 | Mid-Term Amendments   | £16.00 |
| Renewals                       | £16.00 | Lost papers/documents | £16.00 |
| Reissue of Cover               | £16.00 | Temporary change      | £16.00 |

Where we arrange low or non-commission paying products, we will charge an arrangement fee not exceeding 30% of the premium, and will advise you of the actual amount at the time of quotation or renewal. These fees may be subject to change. Where there are changes, we will confirm this clearly and the actual amount will always be disclosed to you before you commit to purchasing the product. As insurance brokers we earn our income predominantly from commission paid to us by insurers based on the amount they charge you. You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing or renewing your insurance cover. We may occasionally receive additional remuneration from certain insurers for insurance policies we place with them. Please ask us should you require further information

**REFUNDS:** Where a policy is cancelled before renewal, insurers charge to cover their costs, with the balance refunded to you, subject to no claim having been made. The following scale of refund will apply: -

|                              |                 |                 |                 |
|------------------------------|-----------------|-----------------|-----------------|
| Period of Cover              | Up to 120 days  | 121 to 150 days | 151 to 180 days |
| % of Annual Premium Refunded | 50%             | 40%             | 30%             |
| Period of Cover              | 181 to 210 days | 211 to 240 days | Over 241 days   |
| % of Annual Premium Refunded | 20%             | 10%             | Nil             |

In the event of an adjustment giving rise to a return of premium the amount may be refunded or held to credit. Insurers reclaim commission paid to us when you cancel a policy before renewal or where there is a mid-term alteration to your policy which results in a refund of premium. The amount reclaimed is based on the number of days until the planned renewal date. As a consequence, we will make a deduction to the value of the commission reclaimed, from any return premium owing to you. For certain commercial insurance policies, insurers will only provide cover where the premium is due in full on inception of the policy. This means that no refund will be paid if the policy is cancelled before renewal. We will advise you if this affects you. In view of the cost involved in making changes to your policy we will not issue refunds of less than £31.50.

**GENERAL:** If any provision of these Terms is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms and the remainder of the provision in question will not be affected. These Terms shall be governed by the laws of England and Wales and the parties agree herewith that any dispute arising out of it shall be subject to the exclusive jurisdiction of the relevant court. These Terms supersede all proposals, prior discussions and representations (whether oral or written) between us relating to our appointment as your agent in connection with the arranging and administration of your insurance. These Terms constitute an offer by us to act on your behalf in the arranging and administration of your insurance. In the absence of any specific acceptance communicated to us by you (whether verbal or written) you are deemed to accept our offer to act for you on the basis of these Terms, by conduct, upon your instructing us to arrange, renew or otherwise act for you in connection with insurance matters.



Authorised and regulated by the Financial Services Authority  
 Yorkshire Bank Chambers, Fargate, Sheffield S1 2HD  
 Tel 0114 250 2770 Fax 0114 250 2777 www.walkermidgley.co.uk



For your protection telephone calls will be recorded and may be monitored

# SELECT INSURANCE COVER FOR COMMERCIAL MINIATURE RAILWAYS

Arranged by Walker Midgley Insurance Brokers and Underwritten by Royal & Sun Alliance Insurance plc

## Proposal Form

**Full Name of Proposer (inc name of Railway):**

**Name and Address for correspondence: -**

Surname Initials Mr / Mrs / Miss / Ms  
Address  
Post Code

Telephone Home Work

Email Address

**Address of Railway: -**

Telephone Post Code

Web Site address

What is the gauge of the  
Railway?  
(tick appropriate box/boxes)

|      |       |       |      |      |     |                          |
|------|-------|-------|------|------|-----|--------------------------|
| 7¼in | 10¼in | 12¼in | 15in | 20in | 2ft | Other<br>(Please detail) |
|------|-------|-------|------|------|-----|--------------------------|

What date do you wish cover to commence?

### **SECTION 1 – PROPERTY DAMAGE**

Do you require cover under this section? Yes / No

If 'Yes' please state sums insured required: -

- A - Buildings, all outbuildings, stations, signals & signal boxes including all switchgear, track terminals, connecting cables pipework, ducting and the like £ \_\_\_\_\_
- 1) Buildings of standard construction (brick stone or concrete built and roofed with slates or tiles) £ \_\_\_\_\_
- 2) Buildings of non-standard construction (any other combination of building or roofing materials) £ \_\_\_\_\_
- B - Signals switchgear track terminals, connecting cables pipework ducting and the like £ \_\_\_\_\_
- C - Walls, gates and fences £ \_\_\_\_\_
- D - General contents of A1 and A2 above excluding workshop machinery models locomotives riding cars etc but including if applicable landlords fixtures and fittings, tenants improvements and decorations, stock and property held in trust for which you are responsible £ \_\_\_\_\_
- E - Workshop Machinery (sum insured to represent replacement with machinery of a similar model, age and condition) £ \_\_\_\_\_
- F - Fixed Trackwork £ \_\_\_\_\_

**SECTION 1 – PROPERTY DAMAGE (continued)**

G - Portable trackwork £ \_\_\_\_\_

H - Bridges £ \_\_\_\_\_

I - Locomotives, riding cars and the like belonging to you or for which you are responsible. Please specify below (if necessary continue on a separate sheet of paper): -

**Locomotives**

| Gauge | Wheel Arrangement | Description | Date of purchase or completion | Sum Insured |
|-------|-------------------|-------------|--------------------------------|-------------|
|       |                   |             |                                |             |
|       |                   |             |                                |             |
|       |                   |             |                                |             |
|       |                   |             |                                |             |
|       |                   |             |                                |             |

**Rolling Stock**

| Gauge | Description | Date of purchase or Completion | Sum Insured |
|-------|-------------|--------------------------------|-------------|
|       |             |                                |             |
|       |             |                                |             |
|       |             |                                |             |
|       |             |                                |             |

**Other Specified Items**

| Description | Sum insured |
|-------------|-------------|
|             |             |
|             |             |

**SECURITY**

Does the security of your doors, windows, electronic office equipment and portable power tools comply with the Physical Security Standard? Yes / No

(see pages 1 & 2 of the prospectus)

**SECTION 2 - BUSINESS INTERRUPTION**

Do you require cover under this section? Yes / No

If 'Yes' please give the Gross Profit sum insured required £ \_\_\_\_\_

**SECTION 3 – ROAD TRAILERS**

Do you require cover under this section? Yes / No

If "Yes" please complete the following in respect of the trailer: -

Make / Model \_\_\_\_\_

Year of Make \_\_\_\_\_

Identification/VIN/Serial No \_\_\_\_\_

Sum Insured £ \_\_\_\_\_

**SECTION 4 – PUBLIC LIABILITY / PRODUCTS LIABILITY / EMPLOYERS LIABILITY**

Do you require cover under this section? Yes / No

1. What limit of indemnity is required for Public / Products Liability?  
(please tick appropriate box)  
Note: - the Limit of Indemnity for Employers Liability is automatically £10,000,000

|            |            |            |            |
|------------|------------|------------|------------|
| £2,000,000 | £3,000,000 | £4,000,000 | £5,000,000 |
|------------|------------|------------|------------|

2. Do you operate a portable track? Yes / No

3. How many passengers were carried during the last 12 months? \_\_\_\_\_

4. What is the anticipated turnover for the running of the miniature railway and the sale of refreshments and souvenirs over the next 12 months? £ \_\_\_\_\_

5. Do you undertake any work or services other than the running of a miniature railway and the sale of refreshments and souvenirs? Yes / No

If 'Yes' :-

a) Please give details of the work or services undertaken: -

b) What is the anticipated total turnover for those work and services over the next 12 months split between the following areas?  
(NOTE: Products liability cover for USA/Canada is excluded)

United Kingdom £ \_\_\_\_\_

Europe £ \_\_\_\_\_

Rest of the World £ \_\_\_\_\_

**SECTION 5 – PERSONAL ACCIDENT**

Do you require cover under this section? Yes / No

If "Yes"

What is the total number of partners, directors, employees and/or voluntary helpers? \_\_\_\_\_

**SECTION 6 – MONEY**

Do you require cover under this section? Yes / No

**SECTION 7 – DIRECTORS AND OFFICERS LIABILITY**

(only available if Section 4 – Public/Products/Employers Liability has been selected)

Do you require cover under this section? Yes / No

If 'Yes' tick limit of indemnity required

|          |            |
|----------|------------|
| £500,000 | £1,000,000 |
|----------|------------|

Do you require cover for claims arising out of or by reason of employment, employees, Inland Revenue or Customs & Excise?  
(If 'Yes' cover is subject to separate arrangements and a premium quotation will be provided on request) Yes / No

**SECTION 8 – PROFESSIONAL INDEMNITY**

(only available if Section 4 – Public/Products/Employers Liability has been selected)

Do you require cover under this section? Yes / No

|                                                                                                                                                  |                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <p><b>MONTHLY PREMIUM PAYMENT</b> (only for premiums over £100)</p> <p>Would like to pay your premium by monthly direct debit?      Yes / No</p> | <p>If ' Yes ' please give: -<br/> Bank Account Name:<br/> Bank Sort Code:<br/> Bank Account Number:</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|

**General Questions**

1. In respect of the Sections now proposed have you ever held insurance before?      Yes / No  
If "Yes" please state: -  
Name of Insurer \_\_\_\_\_ Policy Number \_\_\_\_\_

2. During the last three years have you suffered any loss or damage whether covered by insurance or not?      Yes / No  
If "Yes" please give details

3. During the last three years have any claims been made against you?      Yes / No  
If "Yes" please give details

4. Has any actual or alleged claim been made or prosecution brought against the Directors or Officers during the last 10 years in respect of any neglect, error, omission or other wrongful act committed in the capacity of director or officer whether in relation to the activities of your Railway or any other company in which the directors or officers hold or have held office?      Yes / No  
If "Yes" please supply separate details including any paid or outstanding amounts

**LAW APPLICABLE TO THE POLICY** The parties to the Policy have the right to choose the law applicable to the Policy. Unless the parties agree otherwise in writing any dispute concerning the interpretation of this Proposal or the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales

**PROPOSER'S DECLARATION**

I/we declare that the information provided above and the following statements, including any modifications in e) below, whether written by me/us or by others on my/our behalf are true and complete to the best of my/our knowledge:-

a) the property which is the subject of this proposal shall be kept in good order and condition  
b) no accidents losses or claims have arisen in the last 5 years whether insured or not.  
c) no insurer has declined my/our proposal, cancelled or refused to renew my/our policy or increased the premium or required special terms or conditions in respect of any of the risks proposed.  
d) I/we have not withheld any material fact (see IMPORTANT NOTE below).  
e) I/we wish to modify the above statements and give details below: -

f) I/we understand that you will pass the information on this form and about any incident I/we may give details of to IDS Ltd and to ABI so that they can make it available to other insurers. I/we also understand that, in response to any searches you may make in connection with this application or any incident I/we have given details of, IDS Ltd and ABI may pass information it has received from other insurers about other incidents anyone has been involved in.

I/we agree that this Declaration, whether signed by me/us or caused to be signed for me/us, shall form the basis of the contract between Royal & Sun Alliance Insurance plc and myself/ourselves.

**Signature of Proposer**      **Date**

**Print Name**      **Position**

Royal & Sun Alliance Insurance plc (No. 93792). Registered in England and Wales at St Marks Court, Chart Way, Horsham, RH12 1XL  
Authorised and regulated by the Financial Services Authority

**IMPORTANT NOTES:** - Material Facts are those facts which are likely to influence an underwriter in the acceptance or assessment of this Proposal and it is essential that you disclose them. If you are in any doubt about whether a fact is material you should disclose it since failure to do so could invalidate your policy.  
If you have chosen to pay your premium by monthly direct debit full details will be sent direct to you by Premium Credit Limited.  
It is recommended that you keep copies of all correspondence and forms connected with this insurance.

