

Protect Your Assets

April 2011



PROTECT YOUR ASSETS

Family Day Care Australia (FDCA) is the national peak body for family day care. With our in-depth industry knowledge, we have negotiated a range of domestic and business insurance policies tailored to meet the individual needs of family day care and in-home care educators.

Following is a brief description of the policies we offer and what they cover. Conditions apply and a full explanation of cover is available in the policy wording and product disclosure statements available from the FDCA website (www.familydaycareaustralia.com.au)

Call the FDCA Business Unit on 1800 658 699 and speak to one of our friendly Member Services Consultants to discuss your insurance needs.

Changing needs

Just like there are changes to your residence when you begin operating a home-based child care service, so too will there be changes to your insurance policies. Your current insurer may regard your new circumstances as too great a risk and will not continue covering the policies for your home, contents, motor vehicle or personal insurance because it is changing from personal use to both business and personal use.

Am I covered?

To find out if your insurer will still cover you once you start your home based childcare service we recommend you contact your insurer and ask the following questions:

Questions	Answer from your current insurer	Answer from FDCA Home and Contents policy
1 I now operate a Family Day Care business from my home and am paid to care for children. Does this affect my house and/or contents policy in any way?		No
2 Is there any restriction on the area of my home I use for my business?		No
3 Would you consider the equipment I use for my childcare business such as beds, toys, electronic equipment etc as tools of trade? If yes, what is the limit of cover for tools of trade?		New for old repair or replacement as per policy conditions
4 If the children (my own or Family Day Care) break or damage any contents, will you pay for the replacement or repair new for old?		Yes under the Elite care policy
5 Will you <u>send me a letter</u> confirming that you have noted my Family Day Care business on my Home &/or Contents policy?		Yes. FDCA only offers policies that are endorsed to cover family day care/in-home care activities
6 I now operate a Family Day Care business and am paid to care for children. Some of the activities such as school runs and excursions will involve taking the children in the car. Will you still cover my car under a private use motor vehicle policy?		Yes

Protect Your Assets

April 2011



7	If I charge a separate fee to transport the children eg to and from school, on excursions etc will you still cover my car under a private use motor vehicle policy?		Yes as long as it is only minor commercial usage
8	I may have a number of child safety seats and booster seats to cater for the range of children I have in care. Will you cover the child seats on the policy?		Yes but they must be listed on the policy
9	If I have an accident and I am unable to use the car, will you cover the cost to hire a car?		Yes if you have selected this option
10	Will you <u>send me a letter</u> confirming that you have noted my family day care/in-home care business on my motor vehicle policy?		Yes upon request. FDCA only offers a policy that is endorsed to cover family day care/in-home care activities

If you are not satisfied with the answers from your current insurer please contact FDCA Member Services on 1800 658 699 for an obligation free quote. Educators operating an in-home care service from the parents home are also able to take advantage of the policies that FDCA offers.

Landlords Building Insurance

If you rent the home, the landlord may have concerns about you operating a childcare service from the premises. The landlord should contact their building and landlord's insurer and ask if they will still provide cover if a childcare service is operated from the premises.

If the landlord has concerns about insurance cover they can contact FDCA Member Services on 1800 658 699 and we can help them with their insurance needs.

Home and contents insurance

Concerns about Home and Contents insurance only apply if your child care service is operated from your home whether it be privately owned or rented. Many insurers may not cover you if you operate an early childhood education service from home.

Motor Vehicle Insurance

Concerns about motor vehicle insurance only apply if you use your car to transport children in care as part of your child care service. Your insurer may not cover you if you use your car for both personal and business purposes.

Other significant issues can occur if you charge a separate fee for transport as many insurers including the FDCA motor vehicle insurer will view that as two separate businesses – a childcare business and a separate transportation business and may require you to take out a commercial policy to cover the transportation business. Rather than charge a separate fee for transportation, many educators incorporate the fee into their child care fees as a school fee or excursion fee. This demonstrates that the fee is part of your child care service and you will only need your policy to cover both personal use and the child care activities.