Australian Capital Territory

# Construction Practitioners Registration Regulations Amendment

**Subordinate Law 2001 No 4**

The Australian Capital Territory Executive makes the following regulations under the *Construction Practitioners Registration Act 1998*.

Dated 30 January 2001.

BRENDAN SMYTH
Minister

BILL STEFANIAK
Minister

Australian Capital Territory

# Construction Practitioners Registration Regulations Amendment

**Subordinate Law 2001 No 4**

made under the

*Construction Practitioners Registration Act 1998*

## 1 Commencement

These regulations commence when the Construction Practitioners Registration Amendment Act 2000 commences.

## 2 Regulations amended

These regulations amend the Construction Practitioners Registration Regulations.

## 3 Regulation 1

*substitute*

### 1 Name of regulations

These regulations are the *Construction Practitioners Registration Regulations 1998*.

## 4 Regulation 5

*substitute*

### 5 Insurance for practitioners registered as building surveyors

(1) For section 3A of the Act, this regulation prescribes the particulars of insurance to be held by a person who is, or is applying to be, registered as a principal building surveyor or building surveyor, for the person to be covered by insurance.

(2) The insurance must be professional indemnity insurance that—

(a) is taken out with an insurer approved in writing by the chief executive; and

(b) provides indemnity against claims for breach of professional duty as a certifier.

(3) The insurance must provide—

(a) a minimum limit of indemnity of $1,000,000 for any 1 claim against the insured; and

(b) a minimum limit of indemnity of $1,000,000 for the total of all claims against the insured made in the period of cover; and

(c) if the limit of indemnity for all claims against the insured made during the period of cover is exceeded, a right to reinstatement of the cover provided by the policy with a limit of indemnity of not less than $1,000,000 for the total of all further claims made during the period of cover; and

(d) in addition to the indemnities mentioned in paragraphs (a), (b) and (c)—a minimum limit of indemnity for the costs and expenses, incurred by the insured with the consent of the insurer, of defending or settling a claim of 20% of the limit of indemnity for the claim; and

(e) a run-off provision that, subject to this regulation, continues all indemnities for 10 years after the insured ceases to be covered by insurance if the insured ceases to practise as a certifier during or at the expiry of the period of insurance.

(4) Insurance does not fail to comply with subregulation (3) only because it requires the insured to bear an excess at the insured's risk that does not exceed $5,000 in relation to any one claim.

(5) Despite paragraph (3) (e), insurance does not fail to comply with subregulation (3) merely because the terms of the relevant policy provide that the run-off cover may cease—

(a) for insurance provided under a scheme for the provision of professional indemnity insurance—if insurance stops being provided under the scheme on a day that is—

(i) at least 3 months after the insurer has given to the insured written notice of the insurer's intention to stop providing the insurance; and

(ii) on or after the next anniversary of the start of the scheme after the written notice is given; or

(b) if the insurer intends to stop carrying on the business of providing professional indemnity insurance for registered construction practitioners on a day that is—

(i) at least 3 months after the insurer has given to the insured written notice of the insurer's intention to stop providing the insurance; and

(ii) on or after the next anniversary of the start of the insurance after the written notice is given; or

(c) on or after a day the insurance is lawfully cancelled; or

(d) on or after a day the insurer stops trading as insurer; or

(e) if, during the period of effectiveness of the run-off provision, the insured becomes again covered by professional indemnity insurance that complies with this regulation.

(6) A run-off provision mentioned in paragraph (3) (e) must not require the insured, at the time of cessation of registration—

(a) to apply for the run-off cover; or

(b) to pay an additional premium for it.

### 5A Insurance for practitioners registered as plumbing plan certifiers

For section 3A of the Act, the insurance to be held by a person who is, or is applying to be, registered as a plumbing plan certifier must be professional indemnity insurance that provides—

(a) indemnity against claims for breach of professional duty as a certifier; and

(b) a minimum limit of liability of $1,000,000 for each period of insurance.

## Endnotes

1 SL 1998 No 38 (not republished).

### Notification

2 Notified in Gazette 2001 No 7 on 15 February 2001.

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