



ACS Insurance Standards

In order to apply and be accepted under the scheme, eligible members are required to maintain a Professional Indemnity Insurance policy with the following minimum requirements.

1. The member must have the benefit of an insurance policy in respect of damages for 'occupational liability' limited by the applicable Cover of Excellence scheme. The amount of indemnity cover must not be less than the amount of limited liability applicable to the member or other minimum amount of cover applicable under these standards.
2. The policy of insurance must:
 - i. Cover the members to whom the scheme applies [including the company or firm, its directors, principals, partners and employees].
 - ii. Cover acts, errors, and omissions of the insured or other person to whom the cover extends (such as employees)
 - iii. Cover misleading and deceptive conduct under the Trade Practices Act (and state fair trading legislation), the Corporations Act, and ASIC Act where relevant,
 - iv. Not exclude liability that would be limited by the scheme,
 - v. Not have a deductible (if applicable) greater than 3% of the insured's annual gross fees (as a sole trader, partnership or company) for the financial year immediately preceding the policy year and not greater than 5% of the indemnity cover,
 - vi. Provide at least one automatic reinstatement where the policy limits the aggregate of claims to the indemnity limit,
 - vii. For costs in addition insurance, as a minimum the indemnity limit must be \$2,000,000.
 - viii. For costs-inclusive insurance, as a minimum the indemnity limit must be \$2,500,000.
 - ix. Be on a "claims made" basis. Where the policy has a retroactive date it is reasonably expected that the date shall not be later than the date the Cover of Excellence scheme commenced to apply to the member.
 - x. Where the scheme ceases to apply because the scheme expires, the insured ceases to trade or practice, or retires, or the insured entity merges with another firm, the member shall have run-off cover for at least seven years, where such cover is available.
3. The member must not insure with an unauthorised foreign insurer.