

**APPROVAL GUIDELINES**  
**PROFESSIONAL INDEMNITY INSURANCE POLICIES**  
**CONVEYANCERS LICENSING REGULATION 2015**  
**[Clause 6(2)(a)]**

Licensed conveyancers are required to be covered by a policy of professional indemnity insurance (unless the licensee carries out conveyancing work only in the licensee's capacity as an employee of a complying law practice). The policy must be one which has been approved by the Commissioner for Fair Trading, Department of Finance, Services and Innovation, in an order published in the NSW Government Gazette.

These Guidelines set out the matters required to be included in professional indemnity insurance policies submitted for the Commissioner's approval.

The terms "conveyancing business" and "employee" in these Guidelines have the same meaning as in the *Conveyancers Licensing Act 2003*.

**Guidelines:**

Proposed policies of professional indemnity insurance must:

1. Be presented in Plain English language.
2. Indemnify the licensee against civil liability incurred in connection with the conveyancing business.
3. Provide coverage for claims for at least \$3 million for any one claim with additional coverage for related costs.
4. Cover work done by directors, partners, employees, and former employees of the conveyancing business, including those who are licensed conveyancers.
5. Provide run-off cover for former licensees.
6. Provide cover for any claim on a matter arising before the commencement of the policy, where the policy holder had maintained professional indemnity insurance cover up to the time they are re-insured under the policy.
7. Provide for claims to be covered irrespective of whether the insured made false statements on, or omitted necessary information from, an application form.
8. Provide for claims to be covered irrespective of whether the licensee discloses the existence of an event that may give rise to a claim.
9. Provide for the possibility of cross-claims among licensees participating in group insurances.
10. Provide for fidelity insurance cover to indemnify the policy holder against any claim of financial loss caused by a failure to account where the act or omission from which such failure arose:
  - a) occurred before 1 February 1996, and
  - b) was by a licensee under the *Conveyancers Licensing Act 1992*, even if the claim is made on or after 1 February 1996.
11. Operate within a master policy framework.

Signed  
Rod Stowe, Commissioner for Fair Trading  
26 April 2017