

## About extension of the AIBS PSS Liability Cap

Under the AIBS Professional Standards Scheme (Scheme), AIBS has the authority to approve increases to the limitation of liability for members based upon an application for such a variation to avoid potential restriction in commercial opportunities. The maximum liability cap allowed under the Scheme is \$10 million.

Where a higher limit has been approved, the authorised member will be required to maintain professional indemnity insurance that meets the requirements of the AIBS Insurance Standards at a level of indemnity which is not less than the approved higher limit from the date of approval of the higher limit for a period of not less than 6 years from the last date the member operated in reliance on that higher limit.

AIBS will only approve an increase in the liability limit where it considers that to not allow such an increase would severely inhibit the member's commercial opportunities. Examples include demands by various government departments for limits of liability higher than the standard limit agreed to under the Scheme.

Once approved, an increased limit will apply to all of the work undertaken by the member throughout the entire period for which the increased limit is authorised.

Whilst AIBS will consider a number of issues in assessing an application, certain specific criteria will be instrumental in determining whether to approve an application for an increased liability limit. Accordingly, applicants must address the following specific criteria in their application.

1. The circumstances giving rise to the application and the potential impact that a denial of the application would have on your professional activities and the commercial success of the business; and
2. The professional experience, expertise, reputational standing and history of the member making the application; and
3. The financial capacity the member has to fund any deductible / excess under the insurance policy and to retain cover for 6 years from the last date of reliance on the extended liability limit.

**Please note:** AIBS will also consider the broader impact approval of an application may have on the Scheme and on the AIBS and the profession generally: – i.e., would the granting of an increase impact the viability of the Scheme if the consequence was that all other members also wanted to secure higher limits to remain competitive?

## Application

This form is to be completed by an AIBS Practicing Member seeking an increase in the permitted Liability Cap under the Scheme.

**Note:** This form **must** be approved and an acceptable policy of insurance **must** be in place prior to any engagement of the member where the increased liability cap is required for the project the subject of the engagement.

The AIBS Professional Practice Panel will have sole responsibility for assessing and approving or rejecting applications for extension of the liability cap.

**Applicant Information**

Full Name: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Postal Address: \_\_\_\_\_  
Email: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Gender:            Male                      Female                      Prefer not to say  
Name of Business: \_\_\_\_\_

**Criteria:**

(Please address each area in the box below or attach a separate document)

**Please provide details of the following:**

- 1) **Details of the level of liability cap being sought.**
- 2) **Details of the deductible / excess under the policy.**
- 3) **A copy of the policy.**
- 4) **Details of the “Term” for which the extended liability cap is being sought.**

**Please outline the reasons you are making this application and the potential impact that a denial of the application would have on your professional activities and the commercial success of the business:**

**Please outline your professional experience, expertise, reputational standing and practicing history for the Panel:**

**What financial capacity do you have to fund the deductible / excess under the insurance policy as to meet premium requirements for 6 years from the date the reliance on the extended liability limit expires:**

**Please provide any comments or general information you wish to make in support of this application:**

**Declaration:**

I, \_\_\_\_\_  
confirm and declare that the information provided on this form is true and correct.

**SIGNATURE**

**DATE**

|  |
|--|
|  |
|  |

.....

**OFFICE USE ONLY**

|                                   | Date | Actioned By |
|-----------------------------------|------|-------------|
| Application received              |      |             |
| Application reviewed              |      |             |
| Application approved/not approved |      |             |
| Member notified                   |      |             |