



Property, Stock and Business Agents Amendment (Professional Indemnity Insurance) Regulation 2013

under the

Property, Stock and Business Agents Act 2002

His Excellency the Lieutenant-Governor, with the advice of the Executive Council, has made the following Regulation under the *Property, Stock and Business Agents Act 2002*.

ANTHONY ROBERTS, MP
Minister for Fair Trading

Explanatory note

The object of this Regulation is to exempt licence holders under the *Property, Stock and Business Agents Act 2002* from the requirement to be insured under a policy of professional indemnity insurance in respect of the following activities:

- (a) dealings with any commercial property that exceeds \$10 million in value,
- (b) dealings with commercial property carried out by a corporation on behalf of a related body corporate (or other entity controlled by the corporation) that indemnifies the corporation against claims for civil liability.

This Regulation is made under the *Property, Stock and Business Agents Act 2002*, including sections 22 and 230 (the general regulation-making power).

2013 No 306

Property, Stock and Business Agents Amendment (Professional Indemnity
Insurance) Regulation 2013

**Property, Stock and Business Agents Amendment
(Professional Indemnity Insurance) Regulation 2013**

under the

Property, Stock and Business Agents Act 2002

1 Name of Regulation

This Regulation is the *Property, Stock and Business Agents Amendment (Professional Indemnity Insurance) Regulation 2013*.

2 Commencement

This Regulation commences on the day on which it is published on the NSW legislation website.

Schedule 1 Amendment of Property, Stock and Business Agents Regulation 2003

[1] Clause 13B Professional indemnity insurance

Insert after clause 13B (6):

- (6A) A licensee is not required to be insured under this clause in respect of civil liability arising in the conduct of either of the following activities:
- (a) commercial property agency work with respect to any property that exceeds \$10 million in value,
 - (b) commercial property agency work carried out by a corporation on behalf of an affiliate that has indemnified the corporation against claims in accordance with this clause.
- (6B) An indemnity provided to a corporation by its affiliate must cover:
- (a) any claim arising from a type of civil liability referred to in this clause, and
 - (b) an amount equivalent to the amount of cover that would otherwise be required for such claims under this clause.

[2] Clause 13B (7)

Insert in alphabetical order:

affiliate, in relation to a corporation, means:

- (a) a body corporate that is related (by virtue of section 50 of the Corporations Act) to the corporation, or
- (b) an entity that is controlled (within the meaning of section 50AA of the Corporations Act) by the corporation.

commercial property agency work means selling, purchasing, exchanging, leasing, managing or otherwise dealing with property that is not residential property.