

PART 13 - GENERAL

Professional Liability Insurance

- 1301/1 (1) Registered firms must maintain the following minimum levels of professional liability insurance, in a form satisfactory to CPABC, for each authorized practising office of the firm, covering the acts and omissions of all members engaged in public practice at or in association with the authorized practising office:
- (a) \$1,000,000 per claim, if there is one member with a proprietary interest in the firm who is engaged in public practice at or in association with the authorized practising office;
 - (b) \$1,500,000 per claim, if there are two or three members with a proprietary interest in the firm who are engaged in public practice at or in association with the authorized practising office;
 - (c) \$2,000,000 per claim, if there are four or more members with a proprietary interest in the firm who are engaged in public practice at or in association with the authorized practising office.
- (2) A member holding a public practice licence who is engaged in public practice, and whose practice is not covered by professional liability insurance maintained by a registered firm that satisfies the requirements in subsection (1), must maintain professional liability insurance, in a form satisfactory to CPABC, of at least \$1,000,000 per claim in a form satisfactory to CPABC.
- (3) Every member who holds a proprietary interest in a registered firm and engages in public practice at or in association with an authorized practising office of the firm is personally responsible for ensuring that the firm maintains sufficient professional liability insurance coverage to satisfy the requirements in subsection (1).
- (4) To satisfy the requirements in subsection (1) or (2), a professional liability insurance policy must be with a recognized insurance company, and must be endorsed with a requirement for the insurance company to notify CPABC in writing forthwith of
- (a) any cancellation or non-renewal of the policy, or
 - (b) any insurance coverage that is below the minimum level required under subsection (1) or (2).
- (5) Members holding a public practice licence must ensure that prior acts and omissions are covered by adequate professional liability insurance either through riders to an ongoing insurance policy or a separate discovery policy, for a minimum of six years after ceasing to be in public practice.
- (6) The minimum levels of professional liability insurance coverage in this section are subject to the commercial availability of such insurance to members and registered firms engaged in public practice.

- (7) An Auditor General's office, and members engaged in public practice exclusively at or in association with an Auditor General's office, are exempt from the minimum professional liability insurance coverage requirements in this section.

Transition

- 1301/2 (1) In this section:

“legacy requirements” means, in respect of a legacy member or a registered firm in which a legacy member holds a proprietary interest, all applicable professional liability insurance requirements previously established by the legacy member's legacy body that were in effect immediately before the transition date;

“pre-existing coverage” means professional liability insurance coverage from the same insurance provider with which a legacy member or registered firm maintained professional liability insurance coverage immediately before the transition date.

- (2) Before September 1, 2019,
- (a) a registered firm in which one or more legacy members holds a proprietary interest is deemed to satisfy the requirements in Regulation 1301/1(1) and (4) if the firm maintains pre-existing coverage that satisfies the legacy requirements of the legacy body of each legacy member holding a proprietary interest in the firm, and
 - (b) a legacy member is deemed to satisfy the requirements in Regulation 1301/1(2), (4) and (5) if the member maintains pre-existing coverage that satisfies the legacy requirements of the member's legacy body.