



NOTIFICATION OF SCHEME
(*Civil Law (Wrongs) Act 2002 (ACT)*)

Notification is hereby given pursuant to Schedule 4 Section 4.5 of the *Civil Law (Wrongs) Act 2002 (ACT)* of a scheme prepared by the Institute of Chartered Accountants in Australia (ICAA). The scheme:

1. Applies to all members of ICAA ('participants'), including affiliate members and practice entity members, with a Certificate of Public Practice issued by the ICAA except financial services licensees, unless exempted by the ICAA.
2. Limits the occupational liability of participants, in accordance with the following:
 - a) for services associated with auditors and various aspects of the auditing process, an amount equal to a reasonable charge for services provided by the participant, multiplied by 10, where that amount is above \$1m, up to a maximum of \$75 million;
 - b) for services associated with liquidation, receivership and bankruptcy, an amount equal to the highest fee received by the participant in a single financial year for similar services provided by the participant, multiplied by 10, where that amount is above \$1m, up to a maximum of \$20 million; and
 - c) for services other than the above and those provided by financial services licensees, an amount equal to a reasonable charge for services provided by the participant, multiplied by 10, where that amount is above \$1m, up to a maximum of \$20 million;
3. Requires the participants to have insurance and/or business assets for occupational liability of an amount not less than the amount of their limited liability.

ICAA requires the participants to comply with relevant risk management strategies.

The scheme may commence on 1 July 2013 or a day sooner than 2 months after the date of the gazettal of the scheme (but subsequent to the date of its gazettal) as may be specified in the scheme when approved, whichever being the later. The scheme may remain in force for a period of up to 5 years.

A copy of the scheme may be obtained from or inspected at the office or website of the Professional Standards Council.

Before approving the scheme, the Council hereby invites comments and submissions to be made in writing to be received by the Executive Officer, Office of the Professional Standards Councils within 28 days after the publication of this notice.

The Office of the Professional Standards Councils is located at the Parramatta Justice Offices, Level 2, 160 Marsden St, PARRAMATTA NSW 2150. Locked Bag 5111, PARRAMATTA 2124.

Website: www.psc.gov.au

Email: pscinfo@psc.gov.au

Telephone: 1300 555 772 / (02) 8688 8060. Fax: (02) 8688 9675.

Comments and submissions received will be public unless confidentiality is specifically requested, and will be subject to the *Freedom of Information Act 1989 (ACT)*.

Professional Standards Council