

Australian Capital Territory

Road Transport (Third-Party Insurance) (Industry Deed) Approval 2013 (No 1)

Disallowable instrument DI2013–51

made under the

Road Transport (Third-Party Insurance) Regulation 2008, Section 6

EXPLANATORY STATEMENT

Outline

This instrument, the *Road Transport (Third-Party Insurance) (Industry Deed) Approval 2013 (No 1)* (the Determination), is issued in accordance with section 6 of the Road Transport (Third-Party Insurance) Regulation 2008 (the Regulation).

Schedule 1 of this instrument contains the Industry Deed (the Deed). The Deed establishes an industry agreement between the Australian Capital Territory, the Nominal Defendant who is currently the Australian Capital Territory Insurance Authority (ACTIA) and insurers licensed (licensed CTP insurers) under Part 5.2 of the *Road Transport (Third-Party Insurance) Act 2008* (the Act).

The industry agreement in the Deed makes provisions for the administration and business processes of licensed CTP insurers in the ACT, in addition to claims sharing arrangements and other machinery matters.

Detail

Schedule 1

Clause 1 provides definitions and interpretation under Chapters 14 and 15 of the *Legislation Act 2001*.

Clause 2 includes a requirement that a person intending to become a licensed CTP insurer and is not already a party to this Deed, may become a party to this Deed by executing an accession deed.

Clause 3 requires that all licensed CTP insurers follow the Administration and Business Rules as approved by the CTP Regulator.

Clause 4 is a sharing agreement. It provides for the sharing of motor accident claims; processes for dispute resolution; methods for sharing claim costs; the conduct of claims; cooperation amongst insurers, and the making of sharing guidelines.

Clause 5 provides for bulk billing arrangements.

Clause 6 provides generally for the obligations of insurers; namely, the arrangements for the exchange of information.

Clause 7 provides for adverse action by the Territory, including a CTP insurer's right to surrender its licence upon the occurrence of certain events led by the Territory, or the Nominal Defendant; the provision of compensation; the deeming of adverse affects; compensation to suspended insurers; retrospective changes to amounts payable under motor accident claims; dispute resolution, and the extent of Territory liability.

Clause 8 provides for agreement amongst CTP insurers.

Clauses 9 to 16 provide for other machinery provisions such as applicable law, notices, waiver, the entire agreement, amendments or variation, assignment, costs and arbitration.

Schedule 1 makes for the provision of addresses of CTP insurers for the delivery of notices.

Schedule 2 is the Accession Deed as provided for under Clause 2.