

## TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.: TRAN TB 10/13

T.B. MAJOR MEETING DATE: NOVEMBER 22, 2012

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### TITLE: ICBC – ANNUAL PRESENTATION

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#### ISSUE SUMMARY:

- The Insurance Corporation of BC (ICBC) annual presentation to TB includes:
  - A request for approval of ICBC's financial forecast;
  - An overview of ICBC's operational issues and its actions in response to the Government review; and

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#### *Previous reviews of the proposal*

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#### *Timelines*

- ICBC has been directed by BCUC to file a plan to address the MCT shortfall by January 4, 2013.

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#### RECOMMENDATION:

- Accept ICBC's financial forecast as provided.
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**CONTEXT:**

- ICBC is a Commercial Crown corporation and its net income is consolidated into government's bottom line. In addition, excess capital from ICBC's optional business is transferred to the consolidated revenue fund (CRF) on an annual basis, reducing government's borrowing requirement. Since 2010, \$677M in cash has been transferred from ICBC to the CRF.
- ICBC runs two lines of insurance business, optional and basic. Additionally, they provide a range of non-insurance services including vehicle registration, driver licensing and fee/fine collection.
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- ICBC conducts a number of projects on behalf of government, primarily related to systems development and revenue collection. ICBC typically undertakes these projects on a cost recovery basis, with an aim not to impact insurance rates.

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**DISCUSSION:**

*Financial Overview (for more detail, please see table in Appendix A)*

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Pages 3 through 7 redacted for the following reasons:

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## Treasury Board Submission Request for Decision

Minister: Mary Polak

Ministry: Transportation and Infrastructure

Date: November 22, 2012

Ministry Document #: TB 10/13

**Title: Insurance Corporation of BC – Financial Overview**

### Issue:

The Insurance Corporation of British Columbia's (ICBC) presentation provides Treasury Board with an overview of the Corporation's financial situation, including assumptions and risk factors, along with information on the main issues being addressed by the Corporation, especially those affecting the fiscal plan.

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**Request:**

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Pages 10 through 25 redacted for the following reasons:

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**Background and Financial Forecasts**

- ICBC is a provincial Crown corporation established in 1973 to provide universal (Basic) auto insurance to B.C. motorists. ICBC also offers Optional auto insurance in the competitive marketplace. In addition, the Corporation provides driver licensing, vehicle registration and licensing, violation ticket administration and fees and fines collection on behalf of the provincial government.
- ICBC's customers consist of all licensed motor vehicle owners and licensed drivers in B.C. Our claimants include policyholders as well as pedestrians, cyclists and the non-driving public who use B.C.'s roads.

**Insurance Services**

- ICBC offers insurance products to more than 3 million policyholders through a network of approximately 900 brokers, government agents and appointed agents. ICBC processes almost 900,000 claims per year through a telephone claims handling facility and a network of claims centres throughout B.C.
- Basic ICBC Autoplan Insurance includes coverage for accident benefits, third party liability, underinsured motorist protection, and hit and run.
- Optional insurance provides additional coverage for vehicles (e.g. collision and comprehensive) and equipment, and additional coverages such as extended third party liability, excess underinsured motorist protection and loss of use.
- In setting Basic premiums, ICBC does not discriminate on the basis of age, gender, or marital status. ICBC also applies this model to its Optional insurance business.
- The B.C. Utilities Commission is responsible for approving ICBC's Basic insurance rates.

**Non-Insurance Services**

- Non-insurance services include driver licensing, vehicle registration and licensing, and government fees and fines collection. The costs of non-insurance services are paid from Basic insurance premiums and were approximately \$113 million in 2011.



## APPENDIX B – Background and Financial Forecasts

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- On behalf of the Province, ICBC also collects over \$550 million annually in provincial licences and fines revenues, virtually all of which is transferred to the Province.

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Pages 28 through 36 redacted for the following reasons:

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# ICBC Performance and Evaluation Benchmarking Study

For the Fiscal Year Ended  
December 31, 2011



building trust. driving confidence.

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Attachment B: Summary of Comparators	6
Attachment C: Comparators per Metric	7

<sup>(1)</sup> In 2008, Deloitte was engaged to assist ICBC in developing a Performance and Evaluation Benchmarking Framework for use in annual reporting to Treasury Board. ICBC has updated this study on an annual basis for presentation to Treasury Board every Fall.

## 2011 Summary Performance and Evaluation Benchmarking Dashboard

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## Dashboard Summary - Considerations

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## Summary of Results

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## Summary of Results

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## Attachment B: Summary of Comparators

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## Attachment C: Comparators per Metric

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Pages 46 through 71 redacted for the following reasons:

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## Epp, Don FIN:EX

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**From:** Broadbent, Sam FIN:EX  
**Sent:** Friday, November 2, 2012 14:44  
**To:** Epp, Don FIN:EX; XT:Chaudhry, Anwar FIN:IN  
**Cc:** XT:Prior, Geri CASE:IN  
**Subject:** RE: ICBC Submission Comments

Hi Anwar,

I'll echo Don's sentiment that this is a well done document. I have a few comments in addition to Don's:

- In Appendix C on page 6, Appendix A is referenced. This was momentarily confusing as there are two Appendix A's in the document.
- The table on page 6 of Appendix C references a base case rate change of 11.2% s12
- s12, I think you've done a good job emphasizing that we will continue to work together and come back to Cabinet for approval. That said, we will need to have a conversation at the staff level around this so that I can get a better understanding of some of the principles around this idea. Is there a time next week that you and I could chat? (not Friday, I am out of the office).
- s12 Treasury Board major minutes are reported to Cabinet and TB is better equipped to deal with the fairly technical discussion that this might entail.
- Lastly, I will echo Don and suggest that the length of the document be cut down and that any duplicate sections be referenced once. Most of the issue is in the body of the document (and only a little in the appendices)

That's all from me and I'll wait for the additional appendix on the response to the review.

-Sam

Sam Broadbent  
Treasury Board Analyst, Ministry of Finance  
(250) 387-9080  
Sam.Broadbent@gov.bc.ca

---

**From:** Epp, Don FIN:EX  
**Sent:** Friday, November 2, 2012 1:16 PM  
**To:** XT:Chaudhry, Anwar FIN:IN  
**Cc:** Broadbent, Sam FIN:EX; XT:Prior, Geri CASE:IN  
**Subject:** Re: ICBC Submission Comments

Thanks Anwar.

With respect to the amount of Optional capital available for transfer to Basic, please either use the amount from the Q2 forecast (your Q3) that you just sent to us or send us a revised forecast. We cannot have two sets of numbers going to our minister for the same thing.

Don

---

**From:** Chaudhry, Anwar [<mailto:Anwar.Chaudhry@icbc.com>]  
**Sent:** Friday, November 02, 2012 01:02 PM  
**To:** Epp, Don FIN:EX

**Cc:** Broadbent, Sam FIN:EX; XT:Prior, Geri CASE:IN; XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: ICBC Submission Comments

Don, thanks for your feedback. Please see my responses below.

.....  
**Anwar Chaudhry, CA**

**Corporate Controller**

**ICBC** building trust. driving confidence.

.....  
Head Office | #517 - 151 W. Esplanade

North Vancouver | British Columbia | V7M 3H9

**direct:** 604-982-6663 | **facsimile:** 604-982-4733

**Assistant - Wendy Granade :** 604-982-2799

Save trees. Print only when necessary.

---

**From:** Epp, Don FIN:EX [<mailto:Don.Epp@gov.bc.ca>]

**Sent:** Friday, November 02, 2012 11:12 AM

**To:** Chaudhry, Anwar

**Cc:** Broadbent, Sam FIN:EX; Prior, Geri

**Subject:** ICBC Submission Comments

Anwar,

Sam forwarded your submission to me for comment. Overall , I feel it is a very good product, but I do have a few suggestions and need clarification on one point.

- The main body is a bit long and provides the same detail almost word for word that is found in the appendices, especially in regards to Appendix C. Further summarization in the main body would be helpful.

Ok we will try to streamline where possible and take duplication out. I will also await Sheila/Sam's feedback.

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We will see how we can show this better thru a chart

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Good suggestion. We will do that.

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That's it for me.

Regards,

***Don Epp***

Executive Director

Treasury Board Staff

Phone: (250) 387-9008

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## Epp, Don FIN:EX

---

**From:** Granade, Wendy [Wendy.Granade@icbc.com] on behalf of Chaudhry, Anwar [Anwar.Chaudhry@icbc.com]  
**Sent:** Tuesday, November 13, 2012 11:45  
**To:** Broadbent, Sam FIN:EX; Taylor, Sheila A FIN:EX  
**Cc:** Epp, Don FIN:EX; Bain, Nancy TRAN:EX; Bishop, Carol TRAN:EX; XT:Prior, Geri CASE:IN; Blucher, Mark; Caul, Doug D TRAN:EX; Lewthwaite, Jennifer TRAN:EX; Salling, Tammy L FIN:EX; XT:Chaudhry, Anwar FIN:IN  
**Subject:** ICBC Treasury Board Submission  
**Attachments:** Portfolio - ICBC TB Submission - FINAL.pdf.pdf

Attached please find our revised Treasury Board Submission.

Please contact me with any questions you have.

Kind regards,

.....  
**Anwar Chaudhry, CA**

**Corporate Controller**

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.....  
Head Office | #517 - 151 W. Esplanade

North Vancouver | British Columbia | V7M 3H9

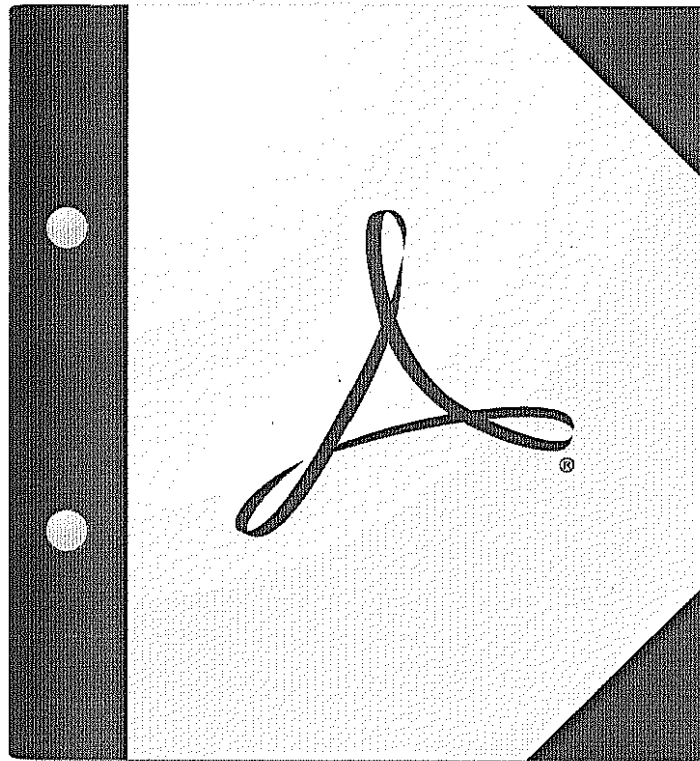
**direct:** 604-661-6663 | **facsimile:** 604-982-4733

**Assistant - Wendy Granade :** 604-982-2799

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## Treasury Board Submission

### Request for Decision

**Minister:** The Honourable Mary Polak

**Ministry:** Minister of Transportation and Infrastructure and the Minister  
Responsible for ICBC

**Date:** November 22, 2012

Ministry Document #:

**Title:**

#### Issue:

The Insurance Corporation of British Columbia's (ICBC) presentation provides Treasury Board with an overview of the Corporation's financial situation, including assumptions and risk factors, along with information on the main issues being addressed by the Corporation, especially those affecting the fiscal plan.

s12



s12

**Request:**

s12

Pages 79 through 96 redacted for the following reasons:

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s12



### **Background and Financial Forecasts**

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- ICBC's customers consist of all licensed motor vehicle owners and licensed drivers in B.C. Our claimants include policyholders as well as pedestrians, cyclists and the non-driving public who use B.C.'s roads.

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### **Non-Insurance Services**

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## **APPENDIX B – Background and Financial Forecasts**

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- On behalf of the Province, ICBC also collects over \$550 million annually in provincial licences and fines revenues, virtually all of which is transferred to the Province.

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Pages 99 through 107 redacted for the following reasons:

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s12

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s12

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s12

## Attachment B: Summary of Comparators

s12

## Attachment C: Comparators per Metric

s12

Pages 117 through 142 redacted for the following reasons:

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s12



## Epp, Don FIN:EX

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**From:** Broadbent, Sam FIN:EX  
**Sent:** Monday, November 26, 2012 12:02  
**To:** XT:Prior, Geri CASE:IN; Taylor, Sheila A FIN:EX; Epp, Don FIN:EX  
**Cc:** XT:Prior, Geri CASE:IN; Crombie, Steve  
**Subject:** RE: Follow up re ICBC TB Submission

Hello Geri,

Thank you, and I appreciate your and Anwar's assistance in dealing with my information requests in advance of the meeting. I think everyone was well prepared and that enabled TB members to better understand the issues presented.

From TBS, you'll be dealing with Don Epp and myself on s12 We are both available until December 20<sup>th</sup>, with Don available until the 24<sup>th</sup> (I'm on holiday from December 20<sup>th</sup> to 30<sup>th</sup>). We're both back in January. Once we get closer to a finished product, we can take it to Sheila.

At TRAN, I'd suggest you get in touch with Carol Bishop and/or Doug Caul (not sure if you were asking us for suggestions, but just in case...). I think you've met both of them and Carol is the Executive Director for Crown Agencies from their Finance Team. I understand Doug is the program area ADM responsible.

Please keep Don/me posted on timeframes and we will endeavour to make ourselves available.

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s12 As such, I am sure you can have a little flexibility on returning to Treasury Board (of note. January and February TB availability can be limited due to Budget related decisions).

s12

s12

Thanks and we will await for something to be scheduled,  
Sam

Sam Broadbent  
Treasury Board Analyst, Ministry of Finance  
(250) 387-9080  
[Sam.Broadbent@gov.bc.ca](mailto:Sam.Broadbent@gov.bc.ca)

---

**From:** Prior, Geri [<mailto:Geri.Prior@icbc.com>]  
**Sent:** Monday, November 26, 2012 8:56 AM  
**To:** Taylor, Sheila A FIN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Prior, Geri CASE:IN; Crombie, Steve  
**Subject:** Follow up re ICBC TB Submission

I want to thank both of you for really helping us with the Treasury Board submission and for being proactive in keeping everyone in the loop along the way. I know how important it is to keep all of the right people up to speed so that there are no surprises and to make sure everyone has a chance to voice any concerns. This allows us time to respond to those concerns and/or to clear up misunderstandings. It's been a lot of hard work on everyone's part and we are really happy with the progress made to date.

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What would be helpful is if you could let us know the availability of the individuals we need to work with throughout November and December so that we can plan accordingly.

Thanks  
Geri

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## **Epp, Don FIN:EX**

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**From:** Elder, June [June.Elder@icbc.com]  
**Sent:** Tuesday, December 4, 2012 19:08  
**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** Timing: ICBC Transfer s12  
**Attachments:** OIC 223, 2010 - Optional capital payment order.pdf; OIC - IC2 - Capital - 2005.pdf

Hi Carol, Sam and Don

It was nice to meet with you in person yesterday, and thank you again for your feedback.

I wanted to follow-up with you on the timing of the OICs for the two items we discussed yesterday (i) transfer of excess optional capital available to Basic insurance and s12

s12

s12, s13

For your reference, I have enclosed a copy of the Optional Capital Payment Order and, as an example, the 2005 Government Directive that transferred optional capital to Basic. ICBC could do an initial draft of government directive letter if that would be helpful. I'm not sure if you would engage Ron Bell and or Ken Downing for drafting the accompanying OIC.

s12

If you would like to discuss or have any questions, please give me or Anwar a call or send us an email.

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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.....

N.V. Head Office - Room 339| 151 W. Esplanade  
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facsimile: 604-982-7209



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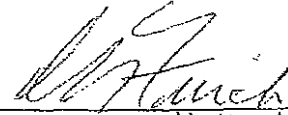
**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

Order in Council No.

223

, Approved and Ordered

APR 29 2010



~~Lieutenant Governor~~  
Administrator

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the ~~Lieutenant Governor~~ <sup>Administrator</sup>, by and with the advice and consent of the Executive Council, orders that the following order is made:

**OPTIONAL CAPITAL PAYMENT ORDER**

**Calculation of payment**

1 (1) In this order:

"Act" means the *Insurance Corporation Act*;

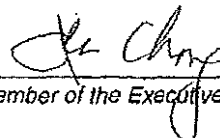
"excess optional capital available", in relation to a calendar year, means the amount of the corporation's optional capital available as at the end of the calendar year that is in excess of the minimum optional capital available as at the end of that calendar year;

"minimum optional capital available" means the amount of optional capital available that is required so that the ratio of the corporation's optional capital available to the corporation's optional capital required does not fall below the ratio that is the management target.

- (2) Subject to section 26 (3) (b) of the Act, before July 1, 2010, the corporation must make a \$300 million payment to the government from the corporation's optional capital available.
- (3) For each calendar year, including 2010, the corporation must disclose, in the corporation's financial statements for that calendar year, as a liability payable to government, the excess optional capital available for that calendar year less any deduction approved by Treasury Board for that calendar year.
- (4) Subject to section 26 (3) (b) of the Act, the corporation must, before July 1 of each calendar year after 2010, pay to the government, from the corporation's optional capital available, the amount disclosed in the financial statements for the previous calendar year as a liability payable to government under subsection (3).



Minister of Finance and Deputy Premier



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Insurance Corporation Act, R.S.B.C. 1996, c. 228, s. 26

Other (specify):-

April 20, 2010

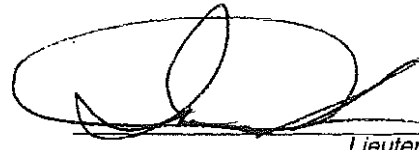
Resub O/149/2010/7

page 1 of 1

PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 734, Approved and Ordered OCT ~ 5 2005

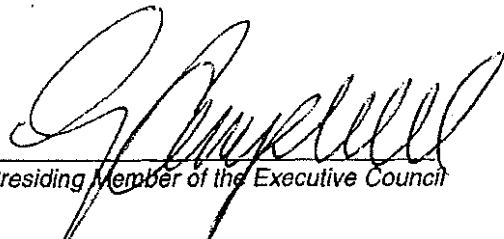
  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that approval is given to the directive issued by the Minister of Public Safety and Solicitor General to the corporation dated October 5, 2005.



Minister of Public Safety and Solicitor General



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Insurance Corporation Act, R.S.B.C. 1996, c. 228, section 47

Other (specify):-

September 28, 2005

863/2005/7



RECEIVED  
OCT 14 2004



October 5, 2005

Mr. T. Richard Turner  
Chair, Board of Directors  
Insurance Corporation of British Columbia  
Executive Office  
Room 517, 151 West Esplanade  
North Vancouver BC V7M 3H9

Dear Mr. Turner:

In recognition of the concern raised by the British Columbia Utilities Commission (BCUC), in its decision of January 19, 2005, resulting from the allocation of capital between the Insurance Corporation of British Columbia's (ICBC) optional automobile insurance and universal compulsory automobile insurance businesses, ICBC is hereby directed to transfer \$530 million of its optional automobile insurance capital available from its optional automobile insurance business to its universal compulsory automobile insurance business in order to cause the capital available for its universal compulsory automobile insurance business to achieve at least 100% of MCT as of December 31, 2005, and to enable maintenance of low and stable rates for universal compulsory automobile insurance.

This letter of direction is a government directive within the meaning of that term as it may be defined in *Special Direction IC2 to the British Columbia Utilities Commission* (B.C. Reg. 307/2004).

Yours truly,

John Les  
Solicitor General

pc: The Honourable Carole Taylor  
Paul Taylor

## Epp, Don FIN:EX

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**From:** Bishop, Carol TRAN:EX  
**Sent:** Wednesday, December 5, 2012 09:52  
**To:** 'Elder, June'; Epp, Don FIN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

Will do – Letter is being drafted, I have a meeting with Doug Caul tomorrow to bring him up to speed on next steps and to determine Minister's availability. I've briefed Kirk Rockerbie (who handles OICs for MOTI) on the issue  
Talk to you soon

Cheers  
Carol

*Carol Bishop, CA*  
*Executive Director, Crowns*

*Ministry of Transportation and Infrastructure*

*Telephone (250) 387-1936*

---

**From:** Elder, June [mailto:June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 8:48 AM  
**To:** Epp, Don FIN:EX; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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.....  
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North Vancouver | British Columbia | V7M 3H9

**direct:** 604-982-2489  
**facsimile:** 604-982-7209



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**From:** Epp, Don FIN:EX [mailto:Don.Epp@gov.bc.ca]  
**Sent:** Wednesday, December 05, 2012 8:31 AM  
**To:** Elder, June; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX



**Cc:** Chaudhry, Anwar

**Subject:** RE: Timing: ICBC Transfer

s12

Thanks, June.

s12

Don

---

**From:** Elder, June [mailto:June.Elder@icbc.com]

**Sent:** Tuesday, December 4, 2012 19:08

**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX

**Cc:** XT:Chaudhry, Anwar FIN:IN

**Subject:** Timing: ICBC Transfer

s12

Hi Carol, Sam and Don

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## Epp, Don FIN:EX

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**From:** Elder, June [June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 11:36  
**To:** Broadbent, Sam FIN:EX; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
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**Subject:** RE: Timing: ICBC Transfer s12

Hi Sam

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Thanks & regards,  
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**From:** Broadbent, Sam FIN:EX [mailto:Sam.Broadbent@gov.bc.ca]  
**Sent:** Wednesday, December 05, 2012 9:02 AM  
**To:** Elder, June; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Hi June,

s12

Sam

---

**From:** Elder, June [mailto:June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 8:48 AM  
**To:** Epp, Don FIN:EX; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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.....  
N.V. Head Office - Room 339| 151 W. Esplanade  
North Vancouver | British Columbia | V7M 3H9

**direct:** 604-982-2489  
**facsimile:** 604-982-7209



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---

**From:** Epp, Don FIN:EX [<mailto:Don.Epp@gov.bc.ca>]  
**Sent:** Wednesday, December 05, 2012 8:31 AM  
**To:** Elder, June; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Thanks, June.

s.12

Don

---

**From:** Elder, June [<mailto:June.Elder@icbc.com>]  
**Sent:** Tuesday, December 4, 2012 19:08  
**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** Timing: ICBC Transfer s12

Hi Carol, Sam and Don

It was nice to meet with you in person yesterday, and thank you again for your feedback.

I wanted to follow-up with you on the timing of the OICs for the two items we discussed yesterday (i) transfer of excess optional capital available to Basic insurance and

s12

s12

s12, s13

For your reference, I have enclosed a copy of the Optional Capital Payment Order and, as an example, the 2005 Government Directive that transferred optional capital to Basic. ICBC could do an initial draft of government directive letter if that would be helpful. I'm not sure if you would engage Ron Bell and or Ken Downing for drafting the accompanying OIC.

s12

If you would like to discuss or have any questions, please give me or Anwar a call or send us an email.

Thanks & regards,  
June

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**June Elder, MA**

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---

## Epp, Don FIN:EX

---

**From:** Elder, June [June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 11:40  
**To:** Bishop, Carol TRAN:EX; Epp, Don FIN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

Thanks very much, Carol. I just picked up a voicemail from Kirk so will give him a call back.

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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**facsimile:** 604-982-7209



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**From:** Bishop, Carol TRAN:EX [mailto:Carol.Bishop@gov.bc.ca]  
**Sent:** Wednesday, December 05, 2012 9:52 AM  
**To:** Elder, June; Epp, Don FIN:EX; Broadbent, Sam FIN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Will do – Letter is being drafted, I have a meeting with Doug Caul tomorrow to bring him up to speed on next steps and to determine Minister's availability. I've briefed Kirk Rockerbie (who handles OICs for MOTI) on the issue  
Talk to you soon

Cheers  
Carol

**Carol Bishop, CA**  
*Executive Director, Crowns*

*Ministry of Transportation and Infrastructure*

*Telephone (250) 387-1936*

---

**From:** Elder, June [mailto:June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 8:48 AM  
**To:** Epp, Don FIN:EX; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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---

**From:** Epp, Don FIN:EX [<mailto:Don.Epp@gov.bc.ca>]  
**Sent:** Wednesday, December 05, 2012 8:31 AM  
**To:** Elder, June; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer | s12

Thanks, June.

s.12

Don

---

**From:** Elder, June [<mailto:June.Elder@icbc.com>]  
**Sent:** Tuesday, December 4, 2012 19:08  
**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** Timing: ICBC Transfer & s12

Hi Carol, Sam and Don

It was nice to meet with you in person yesterday, and thank you again for your feedback.

I wanted to follow-up with you on the timing of the OICs for the two items we discussed yesterday (i) transfer of excess optional capital available to Basic insurance and s12

s12

s12, s13

For your reference, I have enclosed a copy of the Optional Capital Payment Order and, as an example, the 2005 Government Directive that transferred optional capital to Basic. ICBC could do an initial draft of government directive letter if that would be helpful. I'm not sure if you would engage Ron Bell and or Ken Downing for drafting the accompanying OIC.

s12

If you would like to discuss or have any questions, please give me or Anwar a call or send us an email.

Thanks & regards,  
June

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**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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## Epp, Don FIN:EX

---

**From:** Epp, Don FIN:EX  
**Sent:** Wednesday, December 5, 2012 12:03  
**To:** XT:Chaudhry, Anwar FIN:IN; Elder, June; Broadbent, Sam FIN:EX; Bishop, Carol TRAN:EX  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Don

---

**From:** Chaudhry, Anwar [mailto:Anwar.Chaudhry@icbc.com]  
**Sent:** Wednesday, December 5, 2012 11:58  
**To:** Elder, June; Broadbent, Sam FIN:EX; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Subject:** RE: Timing: ICBC Transfer s12

s12

.....  
**Anwar Chaudhry, CA**  
**Corporate Controller**  
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.....  
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North Vancouver | British Columbia | V7M 3H9  
**direct:** 604-982-6663 | **facsimile:** 604-982-4733  
**Assistant - Wendy Granade :** 604-982-2799  
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**From:** Elder, June  
**Sent:** Wednesday, December 05, 2012 11:36 AM  
**To:** Broadbent, Sam FIN:EX; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfe s12

Hi Sam

s12

Thanks & regards,  
June

.....  
**June Elder, MA**  
**Manager,**  
Corporate Regulatory Affairs

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North Vancouver | British Columbia | V7M 3H9

direct: 604-982-2489  
facsimile: 604-982-7209



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---

**From:** Broadbent, Sam FIN:EX [<mailto:Sam.Broadbent@gov.bc.ca>]  
**Sent:** Wednesday, December 05, 2012 9:02 AM  
**To:** Elder, June; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Hi June,

s12

---

**From:** Elder, June [<mailto:June.Elder@icbc.com>]  
**Sent:** Wednesday, December 5, 2012 8:48 AM  
**To:** Epp, Don FIN:EX; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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facsimile: 604-982-7209



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---

**From:** Epp, Don FIN:EX [<mailto:Don.Epp@gov.bc.ca>]  
**Sent:** Wednesday, December 05, 2012 8:31 AM  
**To:** Elder, June; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Thanks, June.

s12

2

s12

Don

---

**From:** Elder, June [mailto:June.Elder@icbc.com]  
**Sent:** Tuesday, December 4, 2012 19:08  
**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX  
**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** Timing: ICBC Transfer s12

Hi Carol, Sam and Don

It was nice to meet with you in person yesterday, and thank you again for your feedback.

I wanted to follow-up with you on the timing of the OICs for the two items we discussed yesterday (i) transfer of excess optional capital available to Basic Insurance and s12

s12

s12, s13

For your reference, I have enclosed a copy of the Optional Capital Payment Order and, as an example, the 2005 Government Directive that transferred optional capital to Basic. ICBC could do an initial draft of government directive letter if that would be helpful. I'm not sure if you would engage Ron Bell and or Ken Downing for drafting the accompanying OIC.

s12

If you would like to discuss or have any questions, please give me or Anwar a call or send us an email.

Thanks & regards,  
June

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## Epp, Don FIN:EX

---

**From:** Elder, June [June.Elder@icbc.com]  
**Sent:** Wednesday, December 5, 2012 14:37  
**To:** Epp, Don FIN:EX; XT:Chaudhry, Anwar FIN:IN; Broadbent, Sam FIN:EX; Bishop, Carol TRAN:EX  
**Subject:** RE: Timing: ICBC Transfe s12

Thanks Don, that is my understanding.

Carol, I spoke to Kirk Rockerbie who advised that the upcoming Cabinet meeting in December is not dealing with OICs, and we really don't qualify for a corridor order. Kirk advises the next Cabinet meeting then is January 16<sup>th</sup> for which he would need a signed Government Directive letter and accompanying draft OIC by 10am on December 31 to make that Jan 16<sup>th</sup> agenda.

Thanks & regards,  
June

.....  
**June Elder, MA**

**Manager,**  
Corporate Regulatory Affairs

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**facsimile:** 604-982-7209



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**From:** Epp, Don FIN:EX [mailto:Don.Epp@gov.bc.ca]  
**Sent:** Wednesday, December 05, 2012 12:03 PM  
**To:** Chaudhry, Anwar; Elder, June; Broadbent, Sam FIN:EX; Bishop, Carol TRAN:EX  
**Subject:** RE: Timing: ICBC Transfer s12

s12

Don

---

**From:** Chaudhry, Anwar [mailto:Anwar.Chaudhry@icbc.com]  
**Sent:** Wednesday, December 5, 2012 11:58  
**To:** Elder, June; Broadbent, Sam FIN:EX; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Subject:** RE: Timing: ICBC Transfer s12

s12

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Corporate Controller

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**From:** Elder, June  
**Sent:** Wednesday, December 05, 2012 11:36 AM  
**To:** Broadbent, Sam FIN:EX; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
**Cc:** Chaudhry, Anwar  
**Subject:** RE: Timing: ICBC Transfer s12

Hi Sam

s12

Thanks & regards,  
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**Sent:** Wednesday, December 05, 2012 9:02 AM  
**To:** Elder, June; Epp, Don FIN:EX; Bishop, Carol TRAN:EX  
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Hi June.

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Sam

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**Sent:** Wednesday, December 5, 2012 8:48 AM  
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**Cc:** XT:Chaudhry, Anwar FIN:IN  
**Subject:** RE: Timing: ICBC Transfer s12

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**From:** Epp, Don FIN:EX [<mailto:Don.Epp@gov.bc.ca>]

**Sent:** Wednesday, December 05, 2012 8:31 AM

**To:** Elder, June; Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX

**Cc:** Chaudhry, Anwar

**Subject:** RE: Timing: ICBC Transfer

s12

Thanks, June.

s12

Don

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**From:** Elder, June [<mailto:June.Elder@icbc.com>]

**Sent:** Tuesday, December 4, 2012 19:08

**To:** Bishop, Carol TRAN:EX; Broadbent, Sam FIN:EX; Epp, Don FIN:EX

**Cc:** XT:Chaudhry, Anwar FIN:IN

**Subject:** Timing: ICBC Transfer

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s12, s13

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