

## Pearson, Barbera AG:EX

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**From:** Dargie, Cathy GCPE:EX  
**Sent:** Wednesday, October 9, 2019 1:36 PM  
**To:** Nelson, Tiffany AG:EX; Cairns, Holly AG:EX  
**Cc:** Groot, Jeff GCPE:EX  
**Subject:** For approval please - ICBC DRAFT response to Rob Shaw - OOP and New Residents  
**Attachments:** RobShaw-New Residents-EN.docx

**Importance:** High

Hi Tiffany and Holly:

Can you please review ICBC's draft response to Rob Shaw re: OOP and New Residents as soon as you can and let me know if it meets your approval, or if you'd like to made additional changes? Tim has reviewed and his edits are included (track changes on). Tim is awaiting info. on two outstanding issues from ICBC but asked that I start moving this now. Thanks very much for your help!

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**Cc:** XT:Henderson, Doug GCPE:IN <[Doug.Henderson@icbc.com](mailto:Doug.Henderson@icbc.com)>; Danard, Susan <[Susan.Danard@icbc.com](mailto:Susan.Danard@icbc.com)>; XT:Taylor,

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#### **OUT-OF-PROVINCE DRIVERS (CUSTOMERS WHO DON'T LIVE IN BC, BUT INSURE A CAR IN BC)**

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- Now that we've moved to a driver-based model that heavily considers driving experience in our province, drivers who insure a vehicle but don't hold B.C. licence will not see the same level of discounts as they previously had.
- Instead of insuring their vehicle for driving use the whole year, short-term visitors may want to consider purchasing a storage policy for when the vehicle isn't in use and to purchase short-term policies for when it is. ICBC sells temporary operating permits that last up to 15 days, as well as three-month policies.
- Out-of-province drivers are eligible for discounts if their vehicles have automatic emergency braking, and if they drive fewer than 5,000 kilometres in a year.
- ICBC's mandate is to provide universal auto insurance for all British Columbians.

#### **NEW RESIDENTS**

- New residents to B.C. are now credited with up to 15 years of non-B.C. driving experience under the new model, up from the current eight years.
- Furthermore, new residents will no longer be asked to provide a record of their claims history from previous insurers, a process that was challenging for many customers. Now, we only require proof of your years of driving experience – how long you've held a full driver's licence.
- Crash data shows that new residents represent a higher risk for the first three years of driving in B.C. To account for this, the model applies a risk premium in their first three years of driving in B.C. A basic risk premium of 15% will apply for a new resident's first year of driving, 10% in the second year, and 5% in the third year. After three years, this premium no longer applies.
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s.13; s.22

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Joanna Linsangan  
Media Relations

Phone: 604-250-1155

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[Contact Us](#)

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s.13 Overall, drivers who only drive occasionally in BC pose a greater risk when compared to permanent BC residents. Similarly, drivers who have recently moved to B.C., also pose a greater risk of getting into a crash. While we've seen some individual examples in the media, insurance pricing is based on the overall risk level of groups of drivers — and, for our new model, we've identified that new residents and drivers who don't regularly drive in B.C. as a higher risk group.

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s.13; s.22

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**From:** Cairns, Holly AG:EX  
**Sent:** Wednesday, October 9, 2019 1:55 PM  
**To:** Nelson, Tiffany AG:EX  
**Subject:** RE: With edits: For approval please - ICBC DRAFT response to Rob Shaw - OOP and New Residents

No, it looks fine to me. Thanks

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**Media Relations**  
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