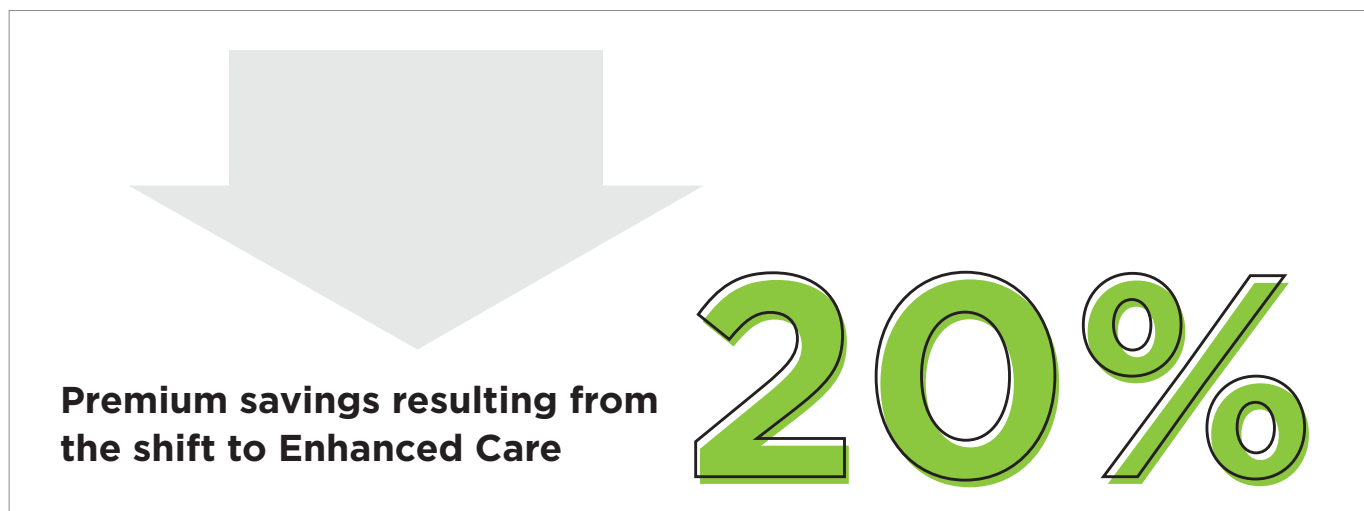


ICBC insurance rates for 2021 and beyond



Enhanced Care savings

More affordable auto insurance and better benefits are on the way for British Columbians. With the introduction of ICBC's new Enhanced Care coverage on May 1, 2021, customers with full Basic and Optional ICBC coverage will begin seeing average savings of 20% or approximately \$400 on their vehicle insurance.



15% savings on Basic insurance rates

As a key part of the overall Enhanced Care savings, we are filing for our largest Basic insurance rate decrease in more than 40 years - a decrease of 15%. For most customers this Basic decrease translates into average savings of about \$150. These savings on Basic insurance are only a portion of the overall savings you will see thanks to Enhanced Care. If you have both ICBC Basic and Optional, which most of our customers do, you'll save an average of 20% on your full policy - about \$400. Of course, some drivers will save even more, while some will see less-than-average savings.



How are these changes possible?

There are many factors that go into determining insurance rates, such as the anticipated number of crashes and injury and material damage costs. The most significant factor to determine rates for 2021 is based on the changes coming from the move to Enhanced Care. The costs associated with our current litigation-based system, like those for lawyers and legal fees, are largely removed. Those savings will go toward lowering rates and improving benefits.



You deserve affordable auto insurance that takes care of you when you need it and this is exactly what Enhanced Care will deliver. You can read more about this at icbc.com/2021.

When will I see these savings?

Changes to Basic insurance rates must be approved by the British Columbia Utilities Commission (BCUC). We typically file an application in December each year for the Basic insurance rate for the next spring. The rate is set based on what is anticipated over the year ahead, not what has already happened.

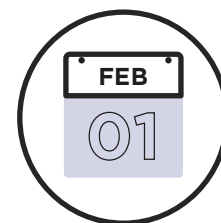
If the 15% decrease to Basic insurance rates is approved by the BCUC, you will see those savings on your first renewal on or after May 1, 2021. If you also purchase Optional Third-Party Liability insurance with ICBC – as most customers do – then you will also see those Enhanced Care savings when you renew too.



A pro-rated refund will also be issued in spring 2021 for the cost difference between the previous Autoplan and the new lower rates of Enhanced Care. The amount of your refund will depend on how much time remains on your current insurance policy beyond May 1, 2021.

Optional rate decrease

If you have ICBC Optional Third-Party Liability and a renewal date of February 1, 2021, or after you will see some savings attributed to Enhanced Care at that time – even earlier than expected. From May 1, 2021, all drivers will realize the full savings and benefits of Enhanced Care. In addition, ICBC is lowering rates for its Collision and Comprehensive coverages to reflect lower costs on February 1, 2021.



As always, we may continue to make changes to Optional rates throughout the year in response to changes in claims experience and market conditions.

Basic rate stability

Enhanced Care helps make auto insurance in B.C. more affordable and our goal is to keep it that way. To help provide you with more stability on your insurance rates in future years;

- we won't file for another Basic rate change next December, so this Basic rate application will cover the next two years:
- and we're building a rate stabilization fund to help us manage potential unexpected volatility in costs and keep rates as stable as possible into the future.



rate stabilization fund

What determines my savings under Enhanced Care?



Your savings under Enhanced Care will depend on a variety of factors, including:

- Most notably, if you purchase both Basic and ICBC Optional Third-Party Extended Liability insurance versus Basic insurance only.
- Driving experience of you and your listed drivers - including crash history and driving convictions.
- Where you live, the type of vehicle you drive and how you use your vehicle.

Why would I see less-than-average savings?

If you only purchase Basic insurance coverage with ICBC, you will not benefit from the savings that come from ICBC's Optional insurance coverage but you will still see average Basic insurance savings of 15%.

If you use seasonal vehicles like motorcycles or trailers, or own a collector vehicle (where your insurance is typically less expensive) you will see lower-than-average savings. This would also be the case if you live in an area of the province where auto insurance is already less expensive.

If you operate a vehicle mostly outside of B.C. - like a long-haul vehicle or out-of-province bus - you still face a risk of being sued under another jurisdiction's auto insurance system and, as a result, you may see limited to no savings from the move to Enhanced Care.

To learn more about Enhanced Care, visit icbc.com/2021.