



## Frequently Asked Questions – for Lessors

# Changes to the Leased Vehicle Framework

## Table of Contents

<b>General Info .....</b>	<b>1</b>
<b>About the CGI Report .....</b>	<b>3</b>
<b>Working with Brokers .....</b>	<b>4</b>
<b>Working with Lessees .....</b>	<b>5</b>
<b>About Letters of Authorization (LOA) .....</b>	<b>6</b>

## General Info

### What is changing to the leased vehicle framework?

Lessees, rather than the lessor, will be the vehicle license and insurance policyholder. The lessee will be solely responsible for ensuring their leased vehicle is licensed and insured in accordance with their lease agreement. This includes the ability to purchase, make changes to, renew, and cancel the insurance policy without prior authorization from the lessor. Lessees can perform these transactions through any of our 900+ brokers or if eligible, our online insurance services.

While the lessor remains the registered owner of the leased vehicle, they are no longer responsible for or authorized to conduct vehicle license and insurance transactions. Certain vehicle description changes may still require a Letter of Authorization (LOA) for the lessee to sign, while others will not.

### When did these changes take place?

Changes apply to new policies and those that are renewed with an effective date on or after January 6, 2025. Policies with an effective date prior to January 6, 2025 will continue to follow the previous framework.

### Will there be a co-existence period?

Yes. Changes will apply to new policies, and those that are renewed, with an effective date on or after January 6, 2025. That means there will be a co-existence period during the first year of implementation, where we will have policies under both the old and the new framework.

We understand that co-existence can create confusion and increase the likelihood of mistakes being made so we're identifying the common possible mistakes and have focused broker training on mitigating errors.

**Have all leasing companies been notified of this change?**

Yes, ICBC has notified all leasing companies operating in BC via mailed communications. Stakeholder engagement will continue after implementation as required.

**What kind of notification has been provided to lessors in other jurisdictions across Canada?**

As part of ICBC's stakeholder engagement plan, all leasing companies operating in BC, regardless of their location, were notified of changes and have been kept apprised of progress through mailed notifications.

Stakeholder engagement is ongoing, with updates communicated to stakeholders and web content on icbc.com. Industry webinars were also held in September 2024 to ensure those impacted by the changes could prepare and are ready for the effective date.

**How were stakeholders consulted about this change?**

ICBC developed a robust stakeholder plan, which identified impacted stakeholders and designed consultations to understand their views on changes and how they would like to be supported through the change management process.

Initial consultations began in early 2022 with stakeholder representatives from:

- Insurance brokers
- Insurance Bureau of Canada and private insurers
- Leasing companies Industry associations such as Canadian Finance Leasing Associations, New Car Dealers Association, Automotive Retailers Association, Vehicle Sales Authority and BC Trucking Association

Stakeholder engagement is ongoing, with updates communicated to stakeholders and web content on icbc.com. Industry information webinars were held in September 2024 to ensure those impacted by the changes were consulted before changes come into effect.

**Will lessees be notified of this change? If so, how?**

Yes, lessees are being notified of the change through messaging on their insurance renewal reminder for their leased vehicle, in addition to information on icbc.com and our social media channels. The renewal reminder will have a link to icbc.com where additional information will be available.

**Will lessees be able to renew online? If so, when?**

Yes, if they're eligible, lessees may be able to renew online. For eligibility requirements, please visit [ICBC.com](https://www.icbc.com).

**How will this change affect new transactions, such as a new registration or new plate?**

As the registered owner of the leased vehicle, the lessor is responsible for completing a new vehicle registration, this includes naming the lessee(s).

Under the new changes, the lessee is responsible for obtaining a new plate and insurance for the leased vehicle.

**Will there be changes or updates to ICBC policy wordings or forms?**

Yes, all impacted ICBC policies and forms will be updated to reflect any necessary changes. This includes changes to policy wordings, the Basic Insurance Tariff and the Optional Policy Booklet.

**How many leased vehicles are there in British Columbia?**

There are approximately 230,000 leased vehicles in the province, making up around 5% of the total insured vehicle population in BC.

## About the CGI Report

**Why has ICBC contracted with CGI rather than provide a way for lessors to receive the data directly from ICBC?**

After extensive analysis, we concluded that CGI is the best service provider that can distribute the report to lessors using reliable data sharing methods combined with industry-leading cybersecurity practices and procedures. CGI is certified under the world's best-known standard for information security. Additionally, our contract with CGI has clauses on data security, confidentiality and protection of data.

**What information does the CGI report capture?**

For subscribed lessors, the CGI report will capture all vehicles that have ICBC coverage. Note that if optional coverage is insured by an insurer other than ICBC, it will not be captured in the CGI report.

**How does a lessor register for the CGI report?**

If you'd like to register for reporting services with CGI, you can get started at [their registration site](#).

**Can lessors provide brokers with a CGI user account to log into the CGI portal on their behalf?**

Yes, lessors who have registered with CGI can appoint or delegate other parties to log into the CGI portal on their behalf, including brokers.

**How will lessors be notified about cancellations or renewals? What if the leasing company does not create an account with CGI?**

Lessors will not be notified directly about cancellations or renewals. [However, lessors can check the insurance status of leased vehicles through CGI. Without a CGI account, lessors will have to contact the lessee directly to confirm vehicle coverage.



**Does the CGI report display information for all leased vehicles or do you have to look up each vehicle individually?**

Lessors have two options:

1. They can obtain a CGI Online iValu Report, which is a report for a single Vehicle Identification Number (VIN), and which can be printed as a *.PDF* document.
2. They can obtain a Batch report, which lists all VINs where the lessor is a registered owner, in *.XML* format, and which can be converted to *.XLSX*.

**Can I get a bulk report from CGI?**

Yes, a lessor can request a bulk report for all vehicle identification numbers (VINs) for which they are a registered owner.

**How long does it take for ICBC to upload updated information to CGI?**

Currently, the data is uploaded on a biweekly basis, on Tuesdays by 7 p.m. Work is underway for ICBC to provide data to CGI on a daily basis, starting summer 2025. Data sent to CGI will include the results of transactions that were done up to 11:59 p.m. on the prior day.

**What are the fees for obtaining the CGI reports?**

Lessors can contact CGI directly at [AutoPlus@cgi.com](mailto:AutoPlus@cgi.com).

**Do CGI reports include luxury (RG98) vehicles?**

Yes, Basic insurance and third party liability for a rate group 98 (RG98) vehicle (high-value vehicle) would show up in a CGI report. However, CGI does not provide information on additional products such as the Special Risk Own Damage Policy (APV274).

## Working with Brokers

**Will brokers be responsible for providing lessors with vehicle coverage reports?**

No. If a lessor wants to confirm coverage, they can sign up for the reporting service available through CGI or contact the lessee directly. Lessors can choose to add a broker agency as an authorized user on their CGI account to run a report from CGI on the lessor's behalf.

**Can brokers provide insurance coverage about a leased vehicle if requested by a lessor?**

Upon subscribing to the CGI report, lessors can appoint or delegate other parties to log into the CGI portal on their behalf, including brokers. With this, brokers are permitted to provide specific insurance coverage information to a lessor about a leased vehicle in the following circumstances only:

1. A broker has accessed and reviewed a lessor's CGI report and determined/confirmed that a specific vehicle is uninsured or underinsured, AND
2. The lessor initiates a request for the broker to confirm insurance coverage in PolicyCenter.

**Can brokers send documents to the lessor if requested by the lessee?**

Brokers are permitted to provide a copy of the APV250 to the lessor only when the lessee:

- Has completed a transaction that generates an Owner's Certificate of Insurance and Vehicle Licence (APV250), and
- Requests a copy to be provided to the lessor.

**Can the lessor ask a broker to place a storage policy on one of their vehicles if they determine (ie. through their CGI report) that the lessee has cancelled their policy or has not renewed?**

Yes. A lessor may act as the lessee's representative and may sign a storage policy (APV345). The lessor should be advised of the restrictions on the storage policy, to ensure lessors understand there is no coverage while the vehicle is operated or when the vehicle is on a highway.

**Will ICBC accept digital signatures from lessors on the vehicle registration portion of the Owner's Certificate of Insurance and Vehicle Licence (APV250)?**

ICBC does not accept digital signatures from lessors. Lessors must sign the physical APV250 document and it cannot be faxed or emailed.

## Working with Lessees

**What address will renewal reminders be sent to?**

Renewal reminders are sent to the address that is listed on the APV250. If a lessee asks for the lessor address to be their mailing address, then all correspondence, including any rebates or refunds, will be mailed to the lessor's address.

**Lessors may request their addresses display on the APV250 – is this allowed?**

For policies with an effective date on or after January 6, 2025, the lessee is responsible for declaring the mailing address that prints on the APV250. The address they choose may be the lessee's, the lessor's, or another one.

**Will lessees be able to cancel their insurance without lessor authorization?**

Yes. For policies with an effective date of on or after January 6, 2025, the changes will mean that the lessee, rather than the lessor, will be the vehicle licensee and the insurance policyholder. The lessee will be able to purchase, make changes to and renew the insurance for the vehicle they are leasing, without prior authorization from the lessor. This includes removing coverages and policy cancellations.

**How will lessors confirm whether their leased vehicles have active insurance coverage?**

Lessors can confirm ICBC coverage on vehicles they own through CGI's reporting service. CGI currently makes an updated report available to subscribed lessors every two weeks. Work is underway to make this report available on a daily basis, starting in summer 2025. If lessors do not have CGI accounts, they will need to contact the lessee directly to confirm vehicle coverage.

**In a total loss scenario, how is the claim paid out?**

There are no changes to how claims are adjusted or settled. Total loss payments are generally issued jointly to the lessor and lessee.

**What happens if a lessee renews with coverage that doesn't meet the lessor's coverage requirements set out their lease agreement? Who will be responsible for ensuring lessees meet lessor/lessee agreement?**

Meeting minimum coverage requirements will be strictly the responsibility of the lessee, since neither ICBC nor brokers are not party to the lease agreement.

To support lessors with monitoring insurance coverage changes on their vehicles, ICBC has established reporting services through CGI, an external vendor.

Note: CGI reporting does not capture coverage that is not obtained through ICBC. For example, if collision or comprehensive coverage is purchased through another insurer, this information will not be captured in the CGI report.

## About Letters of Authorization (LOA)

**What is a Letter of Authorization (LOA)?**

A Letter of Authorization can be signed by one party to authorize another party to complete specific transactions on their behalf. Examples include, but are not limited to:

- Lessors can sign and provide a LOA to a lessee to grant authority for the lessee to sign for initial registrations or changes to the vehicle description.
- Lessees can sign and provide an [ICBC issued LOA](#) to a lessor to grant authority for the lessor to renew an expiring or expired policy, or to increase or add coverage.

**What scenarios require a Letter of Authorization (LOA) from a lessor?**

There are some registration transactions that require a lessor's signature and would therefore require a LOA in order to authorize another person to transact on the lessor's behalf. See your Autoplan broker for details.

**Does the lessee require a Letter of Authorization from the lessor to cancel their insurance?**

No, for leased vehicle policies with an effective date of January 6, 2025 or later, a lessee does not require a LOA from the lessor to cancel their insurance.

**If the lessee wants the lessor to obtain insurance for them, is this allowed?**

Yes, in certain circumstances. For leased vehicle policies with an effective date of January 6, 2025 or later, lessees can sign a [LOA provided by ICBC](#) to authorize lessors to renew or add coverage on policy for their leased vehicles. With this LOA from the lessee, a lessor can purchase renew insurance on behalf of the lessee when the lessee fails to renew or maintain adequate coverage.



**Can a lessor authorize a lessee to register a leased vehicle on their behalf?**

Yes. If a lessor cannot sign a registration for a leased vehicle, the lessor may provide a lessee a LOA to register the vehicle on their behalf.

**Will ICBC accept digital signatures from lessees on the LOA?**

ICBC does not accept digital signatures. One option is that the lessor can print out and sign the LOA, then scan and email it to the Autoplan Broker to proceed with next steps. Note that a faxed or emailed copy of the LOA is only acceptable when the sender's name printed across the top of the copy is that of the company granting the authority.

**What if lessors want employees and/or contractors to complete transactions on their behalf, even when they're technically not signing officers. Is this allowed?**

The signature requirements for a corporation or organization have not changed. The "authorized representative" must sign the document when transactions are completed in the name of a company or an organization. These are people who have the authority to sign legal documents on behalf of the corporation, such as directors or officers. Usually, contractors or other types of temporary staff are not granted such authority, but a corporation can decide whether to issue signing authority to that person.