

**INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")**

**MOTOR VEHICLE DEALERSHIPS
("Dealerships")
INSPECTION NOTICE**

In 2011, Council inspected the insurance practices of licensed Dealerships. The inspections identified concerns which resulted in new requirements in the sale of insurance by Dealerships, which were designed to enhance consumer protection. Those new requirements were put in place effective October 5, 2012 and are outlined in Council Notice ICN 12-006 *Granting Restricted General Insurance Licences to Motor Vehicle Dealers*, which is available on Council's website.

As a follow-up to those changes, Council will be conducting inspections of Dealerships to confirm all requirements are understood and have been implemented. Inspections will include, but not be limited to, a review of whether Dealerships:

- are only selling insurance products authorized under their licence conditions;
- are providing clear and concise disclosure to consumers about all insurance coverages;
- are providing the required written disclosure to consumers, as set out in Council's *Important Consumer Information* document, attached to this Notice;
- are supervised by a general insurance agent as required;
- are maintaining the required errors and omissions insurance.

Any Dealership not meeting Council requirements may be subject to disciplinary action. Disciplinary action could include a fine and/or the suspension or cancellation of the Dealership's insurance licence. Dealerships should be aware that if a breach of Council requirements has occurred, the Motor Vehicle Sales Authority of British Columbia may also undertake a review of the matter.

If you have any questions regarding this Notice, please contact Regulatory Services by calling Council's main number, and at the prompt press "2".

September 30, 2013
ICN 13-002

NOTICE

IMPORTANT CONSUMER INFORMATION

You are about to purchase optional insurance coverage for a motor vehicle. Before finalizing your decision, please note:

- You are not required to purchase this insurance coverage, and
- You are not subject to any penalty or additional fees if you choose not to purchase this insurance coverage.

Should you choose to purchase this insurance, make sure any questions you have about the product are answered to your satisfaction. In advance of purchasing the insurance, you must also be provided with clear and concise written disclosure of all coverages and exclusions of the insurance product, including cancellation provisions. These materials must tell you what coverage you have purchased and what your responsibilities are if you need to make a claim.

Product Cost

Insurance Premium:	\$	_____
Motor Vehicle Dealer Fee:	\$	_____
Other Fees or Costs:		
Description: _____	\$	_____
Description: _____	\$	_____
Description: _____	\$	_____
Description: _____	\$	_____
Your Total Cost:	\$	_____

- ☐ I have read and understand the information in this document.
- ☐ I understand that I am not required to purchase this optional insurance coverage.

Consumer Name (Print Clearly)

Signature

Date

Dealer Representative Name

Legal Name of Dealership