

NOTICE

INSURANCE COUNCIL OF BRITISH COLUMBIA

CHANGES TO MOBILE ROAD SERVICE EFFECTIVE OCTOBER 15, 2007

The Insurance Corporation of British Columbia (“ICBC”), the Credit Union Insurance Services Association (“CUISA”) and the Insurance Brokers Association of British Columbia (“IBABC”) formed a Mobile Road Service (“MRS”) task force to review the manner in which MRS business is conducted by general insurance agents and salespersons (“MRS agents”). The task force consulted widely on the matter and published a final report in April 2007. The *Mobile Road Service Task Force Report* is available from the Autoplan Extranet, which all ICBC agents should have access to.

The task force recommendations take effect on October 15, 2007. In many cases, this will change what has been the usual business practice for MRS agents, including what qualifies as an eligible MRS transaction, restrictions on remote access to ICBC systems, new customer disclosure requirements, tighter inventory control procedures and a prohibition on inducements in relation to MRS business.

The Insurance Council of British Columbia (“Council”) has observed a variety of problems arising out of existing MRS practices and believes the changes being implemented provide a greater measure of public protection. Accordingly, Council supports this initiative.

Supervising Level 3 general insurance agents and nominees are responsible for the insurance practice and business conduct of the agency and its employees. Council expects these licensees to be familiar with the MRS agreement, the task force recommendations and ICBC policy guidelines. Where necessary, procedures should be instituted to ensure agency staff conduct MRS business accordingly.

Licensees have a duty under Council Rules and its Code of Conduct to comply with the authority granted to them by insurers. Failure to do so may result in disciplinary action.

For additional information or clarification regarding the changes to MRS business practices, please contact your regional ICBC representative.

If you have questions or concerns regarding a licensee’s duties and obligations under Council Rules or its Code of Conduct, Council’s Regulatory Services Department can assist you. Please call Council’s office at 604-688-0321, or toll-free within B.C. at 1-877-688-0321, at the main menu press “2”.

July 30, 2007
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