



Starting September 2019, ICBC is moving to an insurance model that is more driver-based, where crashes follow the driver not the vehicle. This means driver experience and crash history will play a bigger role in determining premiums and all drivers will be held more accountable for their driving decisions.

What do these changes mean for (non-fleet) driving schools?

Crashes follow the driver, not the vehicle

Under the new model, at-fault crashes will follow the driver, not the vehicle. So if someone causes a crash, the claim is counted on their driving record - not on the registered owner of the vehicle. Driving school vehicle owners may no longer see impacts to their insurance discount if a student is responsible for a crash in a driving school vehicle.

For more information on ICBC's new insurance model visit the [Business Partners Page](#).

Understand who you should list

Listing those who drive the car helps to ensure the risk involved in insuring the car is more accurately assessed. Of the listed drivers, up to two driver factors, which represent a driver's risk on the road, will be used to determine your Basic insurance premium. As a registered owner, you will be asked to list those who drive your car. To help protect against financial consequences, driving schools should consider listing:

- All employees who will drive the vehicle(s);
- Customers who will drive any of the vehicles more than 12 days in any 12 month period;
- People who have already had an at-fault crash on any of the vehicles within the five years prior to the crash;
- Those who will drive the vehicle such as owner/operators, household members and regular drivers.

Adding drivers won't necessarily change your premium – it will depend on many factors including the driving experience and crash history of the listed drivers.

Adding the learner premium to your policy

The learner premium is intended to account for the additional risk learners represent on the road. Driving schools may have many learners – new drivers who have never held a licence - driving their vehicles throughout the year. As a driving school, your broker will be able to add the learner premium to your policy without you having to list learners. The learner premium does not apply to learners of higher class licences, for example a commercial licence learner who has a drivers licence.

When you renew your insurance, ask your broker to add the learner premium to your policy.

Unlisted Driver Protection for when an occasional driver causes a crash

Unlisted Driver Protection protects the registered owner from a potential one-time financial consequence in the event an occasional driver who is not listed on the policy causes a crash using their car. Unlisted Driver Protection protects driving schools when an unlisted customer (such as any student that drives the vehicle less than 12 days in any 12 month period) has an at-fault crash.

Ask your broker to add Unlisted Driver Protection to your policy – it’s free to start however unlisted driver crashes will increase the cost of this protection on next renewal.

Learn more about [Unlisted Driver Protection](#).

There are changes which may impact your employees

Moving to an insurance model that’s more driver-based means crashes will now follow the driver. So if one of your employees or customers has an at-fault crash in a non-fleet company vehicle that crash may now follow them and impact other policies they are listed on. Whether there is an impact depends on the rate class of the vehicle involved in the crash and whether that claim has been repaid.

Your vehicles belong to a rate class and these can be divided into three categories – personal rate classes, commercial rate classes, and rate classes that do not belong to a profile. The table below shows the rate classes within each category.

“Personal” rate classes	“Commercial” rate classes	Rate classes that do not belong to a profile
<ul style="list-style-type: none">• Pleasure/Commute/ Business/Artisan (001-007, 012)• U-Drive (008, 018, 058)• Motorhomes (051)• Motorcycles (310s)• Collectors (700s)• Decommissioned (005, 20s, 055, 320s, 705, 720s)• Temporary Operation Permit APV16 (850, 851, 852-859, 860s)	<ul style="list-style-type: none">• Light Comm. (009, 011, 013- 015, 017)• Heavy Comm. (100s, 110s, 120s, 150s, 170s)• U-Drive (160s)• Delivery (400s)• Bus/Taxi/Limo (600s)	<ul style="list-style-type: none">• ORV (030, 035, 036),• Trailers (500s)• Insurance exempt (919)• TOP (852 exclusively Type 6)• Storage (APV345 RC 200s)• Garage (800)• Fleet Reporting (900-906)• Emergency Vehicles (040, 041, 140, 141)

Figure 1: Rate Class Groups

Scenario 1: If a driver causes a crash while driving a vehicle with a **personal rate class** – for example a company car rated for business use – the claim may impact all policies where the driver is listed,

including their own personal insurance with personal or commercial rate classes where the driver is listed (non-fleet).

Scenario 2: If a driver causes a crash while driving a vehicle with a **commercial rate class** – for example, a bus – the claim will not impact the driver’s personal policies. It may only impact other policies with commercial rate classes where the driver is listed (non-fleet).

Scenario 3: If a driver causes a crash while driving a vehicle in a rate class that **doesn’t belong to a profile**, the claim will not follow the driver on any policy where they are listed.

Talking to your employees about this change...

Employees driving in personally rated vehicles:

- “Based on the rate class of the vehicle you drive, if you cause a crash it may impact all policies where you are listed as a driver, including your personal insurance policies. This includes any crashes you have caused in a non-fleet company vehicle.

Employees driving a commercially rated vehicles:

- “If you cause a crash while driving a commercially rated vehicle, the crash will impact other policies with commercial rate classes where you are listed as a driver. Fleets do not list drivers so this would only apply to policies for non-fleet commercially rated vehicles where you are listed.”

Additional information

- “Crashes where you are not at-fault (25% or less liable) will not have any impact on your driving record.”
- “You will be able to find out the impact of an at-fault crash when you go to renew your insurance with your Autoplan Broker.”

New discounts are available

Two new 10% discounts are available for eligible customers (for both fleet and non-fleet policies).

- The advanced safety technology discount may be available for vehicles that have original manufacturer-installed Autonomous Emergency Braking (AEB). If you’re not sure whether your vehicle has AEB, check with your dealership or look in your ownership manual.
- The low kilometer discount may be available for customers who drive their vehicles less than 5,000 kilometres a year

Speak to your broker about eligibility for these discounts.

What do these changes mean for driving schools that are fleet customers?

For the most part, fleet policies will continue to be rated the same as they are currently. Fleet operators will not be required to list the drivers that use their fleet vehicles, and at-fault crashes will continue to be factored into the policy which looks at the loss experience of the fleet. In addition, there are no changes to the claim repayment rules for fleet customers.

Fleet customers may be impacted by rate changes to rate class groups and territory pricing and could be eligible for two new discounts – the advanced safety technology discount and the low kilometre discount.

Additionally, from January 1, 2020 at-fault crashes in a fleet vehicle may impact fleet drivers as at-fault crashes will follow drivers on other policies they are listed on.

For more information, visit icbc.com/fleetplan or speak to your broker.