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December 10, 2008

Attention: ICBC rental vehicle supplier

I am writing to inform you of changes to the way ICBC handles rental vehicles for customers with Loss of Use coverage.

As you're aware, ICBC recently completed a procurement process and as a result established contracts with Hertz Canada to provide rental vehicles to ICBC customers across the province, and Ron Ridley Rentals to provide rental vehicles to ICBC customers in Williams Lake. By establishing these contracts, ICBC and its customers will save money and are guaranteed to continue to receive a high level of service. Savings will be used to help to keep insurance rates low and stable.

The contracts are effective January 2, 2009 to April 30, 2012, with a possible two-year extension. ICBC will refer customers to Hertz Canada and Ron Ridley Rentals when the customer has Loss of Use coverage – they have either purchased the coverage or are not at-fault for the claim, and their vehicle is not drivable or the body shop repairing their vehicle is unable to provide alternate transportation.

Implementation will be phased in over six months. ICBC will begin referring customers to these suppliers as locations are ready and training is completed. Until then, it will be business as usual for rental vehicles for ICBC customers. Customers in communities without Hertz Canada and Ron Ridley Rentals locations can go to other rental car companies and those companies can continue to bill ICBC directly at the posted 2008 daily rental rates. We will communicate with you further on new procedures as we implement in your area.

Once fully implemented, customers can continue to choose which rental vehicle company they want to use. If a customer with Loss of Use coverage chooses a rental vehicle company other than Hertz Canada and Ron Ridley Rentals, the rental vehicle company will be paid directly by the customer. ICBC will reimburse the customer once they have submitted the receipt to their adjuster. Customers will be reimbursed up to the price ICBC has negotiated with Hertz Canada and Ron Ridley Rentals.

It is in the best interest of our customers to find ways to keep rates low and stable. Our new approach to handling rental vehicles takes into account the large volume of rental vehicles routinely required by ICBC customers, provides the benefit of reduced prices and guarantees customers continue to receive the current high level of service.



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While only a few companies chose to respond to this recent procurement process, all rental vehicle companies will again have the opportunity to participate when the contacts expire and ICBC again conducts an open selection process.

If you have any questions or concerns regarding ICBC's new approach to handling rental vehicles, feel free to contact me directly.

Kindest regards,

A handwritten signature in blue ink, appearing to read "Darcy Gorchynski", is located below the text "Kindest regards,". The signature is stylized and somewhat abstract.

Darcy Gorchynski
ICBC Director, MD Services