

March 24, 2022

Attn: Collision Repair Program Participants

**RE:** Effective date - Paint and Body material rate increase

## **Dear Collision Repair Partners,**

Earlier this year, we announced we're increasing the rate for the paint and body material allowances, including updates to the rate for Feather, Prime and Block.

I'm pleased to let you know that the new rates will take effect March 28, 2022. As a reminder, the new paint material rate is increasing to \$50.81 and the body material rate is increasing to \$6.52.

Also starting March 28, 2022, the User Defined 1 labour rate for the Feather, Prime and Block operation will be adjusted to reflect the material increase. The new rate will be increased to \$88.31 per labour hour. This modified labour rate only applies to the Feather, Prime and Block allowance. A breakdown of the rate is available below:

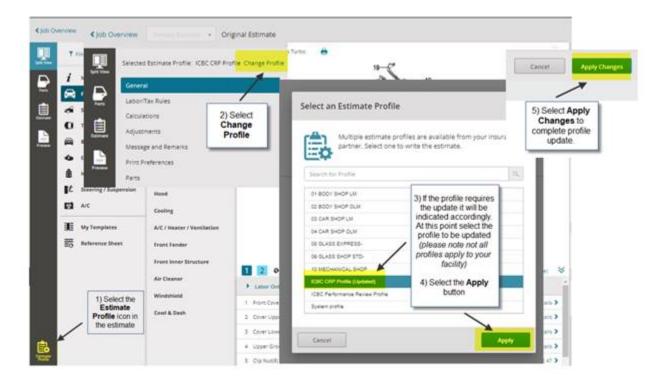
 \$75.30 labour rate + \$13.01 modified Refinish material rate = \$88.31 new User Defined 1 labour rate.

The new rates will apply as follows:

- For estimates in-progress as of March 28, 2022, you will need to re-apply the estimate profile to receive the new rates.
- For new estimates starting March 28, 2022 or after, you will automatically receive the new rates.

We've included a guide below to help you apply the updated estimate profile to in-progress estimates.





We understand there is uncertainty in the supply chain and the potential for rapid changes in pricing and material availability, so we have committed to another review of material allowances next year. We know this is important to you and moving forward, we will be reviewing these cost allowances on an annual basis.

If you have any questions, please contact your ICBC <u>Account Services Representative</u>.

Sincerely,

Alden Li, Director, Claims Customer and MD strategy