

OFF-HIGHWAY THIRD PARTY LIABILITY

DISCUSSION GUIDE



For customer who purchase **\$1M, \$2M, \$3M or \$5M** in Off-Highway Third Party Liability coverage, brokers will follow a manual process to add this coverage to the APV250. For details, visit **Autoplan Procedures**.

Introduction to Off-Highway Third Party Liability for non-standard vehicles

Under Enhanced Care, licensed non-standard vehicles like golf carts in rate class 030, farm tractors in rate class 100 and industrial vehicles in rate class 170 will no longer have access to **ICBC's Basic and Extension Third Party Liability coverage** when used or operated off-highway, except those insured under a Garage Certificate (APV4). This change applies to all new and renew policies effective May 1, 2021. This will leave the owners of certain non-standard vehicles vulnerable to being sued, with no Third Party Liability coverage. In order to address this vulnerability, ICBC is introducing a new optional coverage, **Off-Highway Third Party Liability**, on the APV250.

What is Off-Highway Third Party Liability?



For our customers with licensed golf carts, utility vehicles, farm tractors and industrial vehicles (**rate classes 030, 100 and 170**), who operate off-highway (e.g. on logging roads or private land), **Off-highway Third Party Liability** will protect them in the event of an off-highway crash they are responsible for.

Off Highway Third Party Liability coverage is available in limits of **\$200K, \$1M, \$2M, \$3M and \$5M**.



There will be a **transition period** as the change in Basic Third Party liability exclusion does not apply to all certificates effective May 1, 2021. Any policy effective prior to **May 1, 2021** that includes **Basic Third Party Liability** will **retain** the off-highway coverage until the expiry date of the **policy**.

Why are we offering Off-Highway Third Party Liability?

Most crashes in B.C. happen on-highway and involve standard vehicles. Moving coverage for off-highway crashes involving non-standard vehicles to an Optional coverage means that only those policy holders who need and use this coverage are paying for it - making premiums more fair.

Optional Off-Highway Third Party Liability will ensure that the small subset of customers have the coverage they need when operating non-standard vehicles off-highway.

Off-Highway Third Party Liability Scenario



Lars is operating an excavator at a private residence that his construction company is renovating. The excavator is insured with ICBC's APV250 policy under rate class 170 and licensed with an X-plate. He misjudges the space he has available and crashes into the property owners vehicle which is parked in the driveway. Because the crash took place in a private driveway and involved a utility vehicle (rate class 170 Lars' **Off-Highway Third Party Liability coverage** for \$1M responds.

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i These changes do not impact the existing Third Party Liability coverage included in the [APV261](#) and [APV119](#) policies. These products will continue to exist and be offered on those vehicles that are eligible for them.



CURRENTLY

Basic and Extension Third Party Liability currently provide coverage for:

- Damages arising out of use or operation of a vehicle both on and off highway
- Does not make a distinction between **standard and non-standard vehicles** or **on vs. off highway crashes**



UNDER ENHANCED CARE

- Under Enhanced Care, there will be a limitation on lawsuits relating to injury/death and vehicle damage for most crashes in B.C. involving standard vehicles.
- The limitation on lawsuits will **not apply** to **off-highway** crashes involving **non-standard** vehicles
- **Basic and Extension Third Party Liability** will not cover off-highway crash involving non-standard vehicles
- This will only impact a small number of customers as the majority of vehicles on the road are standard vehicles

What is the difference between **on-highway** and **off-highway**?

It is a highway if:

- It is intended for or used by the general public for the passage of vehicles, regardless of who owns or maintains the road.

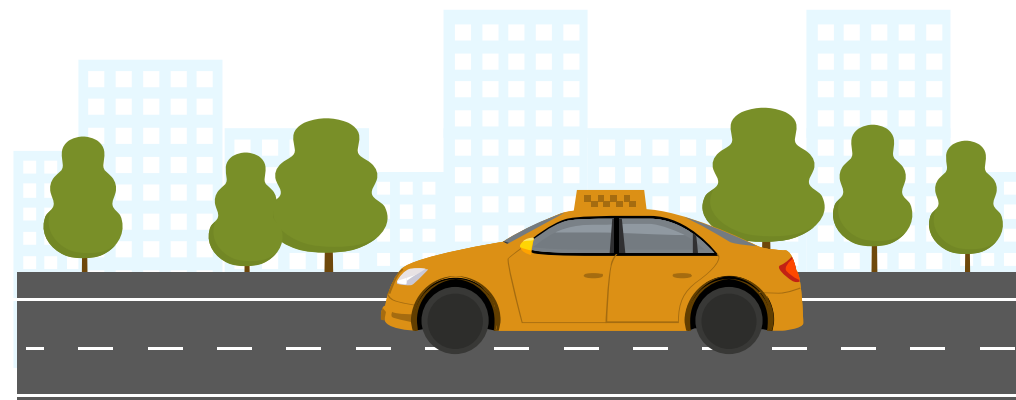
It is **NOT** a highway if:

- It is a private road or parking lot not used by the public or clearly designated by sign or gate to deter public use.
- It is an industrial road, a forest service road, or a petroleum development road.

You can view the 'Highway' Definition Guide (MV7521) for more details.

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- Off road vehicles (ORVs), golf carts, industrial machines, utility vehicles, and farm tractors are all examples of non-standard vehicles in rate classes 030, 100, and 170.
- Standard vehicles include cars, motorcycles, busses, trucks, and motorhomes.



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Top Frequently Asked Questions

Q1: Will there be different limits available for Off-Highway Third Party Liability?

A: The optional Off-Highway Third Party Liability policy is available with a \$200k, \$1M, \$2M, \$3M and \$5M limit.

Q2: Will Basic Third Party Liability exclude non-standard vehicle accidents off-highway effective May 1, 2021?

A: Basic and Extension Third Party Liability policies effective May 1, 2021 or later will exclude this scenario. However, there will be a transition period in which any Basic and Extension Third Party Liability policies issued prior to May 1, 2021 will continue to cover these losses until the policy expires or is cancelled. Basic Third Party Liability in a Garage Certificate (APV4) is not affected by this change.

Q3: How is this different from the APV261 and APV119 policies?

A: The new Off-Highway Third Party Liability coverage is meant to provide coverage for customers whose non-standard vehicles do not meet the eligibility criteria for the APV261 (e.g. meet requirements for Farm Fleet and Industrial fleet conditional licence) or the APV119 (e.g. ATV, golf carts in rate class 036). These products will continue to be offered for those customers who meet the eligibility requirements.

Q5: Will customers be able to sue for injury for those accidents involving non-standard vehicles off-highway?

A: Yes, customers would be able to sue for injury in these situations where they are not at-fault. Underinsured Motorist Protection will also apply in an off-highway crash involving a cyclist or pedestrian is struck by a non-standard vehicle that doesn't have enough coverage.

Q6: Why is a manual process required to add the higher limits (\$1M to \$5M) to the APV250?

A: The decision to include additional limits of \$1M, \$2M, \$3M, and \$5M was made following feedback from commercial customers and brokers. As this decision to include these limits was made after Enhanced Care technical requirements were in place, a manual process will be leveraged until PolicyCenter changes are in place. This process ensures that those customers who wish to have the higher limit will be covered in the event of a crash.

Learn more about Enhanced Care



See what we're sharing with our customers by visiting [ICBC.com/2021](https://www.icbc.com/2021)



Learn more about the Enhanced Care changes on [Broker Connect](#)



Have questions? Visit [Autoplan Procedures](#) for more details

