

performance standards for independent adjusters



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1. Conditions to Providing Independent Adjuster (IA) Services

ICBC will maintain a list of pre-qualified IAs and IA firms. Pre-qualified IA firms will be assigned ICBC supplier numbers and IAs will be assigned resource numbers. All assignments and instructions will come directly from an ICBC claims contact. IAs cannot accept any instructions from counsel or a non-ICBC claims contact unless specifically instructed to do so by the ICBC claims contact.

No IA can perform any work on behalf of ICBC without first having a valid ICBC resource number. IA firms will not refer work to any adjuster that does not have a valid ICBC resource number. ICBC will not pay for work performed by unauthorized personnel. Adjuster resource numbers are not transferrable from one firm to another unless approved in advance by ICBC. ICBC has the sole discretion in deciding whether to approve the transfer of an adjuster resource number from one IA firm to another.

Each IA is accountable for the quality of the services provided to ICBC and for adhering to these Performance Standards for Independent Adjusters. In addition, the principal of each firm is responsible for ensuring IAs in their employ or providing services on their behalf meet the expectations outlined in these Performance Standards.

2. Administrative Standards

2.1 General Requirements

IAs must:

- Provide uniform and prompt service to the ICBC customer and claims contact.
- Adhere to the Independent Adjusters' Code of Conduct.
- Confirm that a Criminal Records Check has been completed in accordance with the Independent Adjuster licensing requirements.
- Act in an honest, ethical, straightforward and fair manner in accordance with ICBC's Code of Ethics. See Section 7.3 for further information.
- Observe confidentiality of information.
- Comply with these Performance Standards.
- Conduct themselves in a professional manner at all times with all parties.
- Identify who they are and who they are representing at the outset of any discussions with all concerned parties.
- Comply with all legislation applicable to the IA and to ICBC, including without limitation, the *Freedom of Information and Protection of Privacy Act*. See Section 7.1 for further information with respect to privacy legislation.

ICBC may conduct reviews to ensure that IAs are meeting the performance standards set herein. The IA shall provide ICBC with access to all relevant records and premises during regular business hours upon receiving five calendar days' notice.

With respect to assignments outside of British Columbia (B.C.), IAs must adhere to the equivalent standards as IAs within B.C. There are references in this document to legislation and licensing requirements specific to B.C. IAs outside of B.C. must comply with comparable legislation and licensing in each jurisdiction where services are performed and with B.C. legislation, to the extent that it does not conflict with legislation in their jurisdiction.

2.2 Licencing

All pre-qualified IA firms will comply with the following:

- Obtain and maintain a valid City/Municipal Business Licence for the premises/business as required by applicable laws.
- Obtain and maintain applicable certification from the BC Ministry of Finance and Corporate Relations (or other equivalent body) showing that the principals and all staff adjusters of the firms are licenced as required by applicable laws.

2.3 Insurance

All pre-qualified IA firms will comply with the following:

- 1) **Commercial General Liability Insurance.** An IA firm will obtain and maintain, at its sole cost and expense, throughout the term of this Agreement, including its renewals, if any, commercial general liability insurance (the "CGL Policy") with limits of not less than one million dollars (\$1,000,000) per occurrence and with general aggregate limits of not less than two million dollars (\$2,000,000), in respect of the operations of the IA firm and its employees under this Agreement, for bodily injury, death, and damage to property (including loss of use) and which includes the following coverage:

Premises and Operations Liability, Contractors' Equipment, Products and Completed Operations Liability, Blanket Contractual Liability, Contingent Employer's Liability, Personal Injury Liability, "Occurrence" basis coverage for Bodily Injury and Property Damage, "Broad Form" Property Damage coverage, including "Broad Form" Completed Operations coverage, "Broad Form" Loss of Use of Property coverage, and Non-Owned Automobile Liability insurance (including coverage for hired vehicles).

The CGL Policy will expressly provide as follows:

1. ICBC will be included as an additional insured under the CGL Policy;
2. The CGL Policy is primary and non-contributory insurance with respect to liability arising out of IA's negligence and in connection with the Agreement only, and any insurance or self-insurance maintained by ICBC will be in excess, and not in contribution to, the coverage provided under the CGL Policy;
3. Any failure to comply with the reporting requirements of the CGL Policy will not affect the coverage provided to ICBC under the CGL Policy; and
4. The coverage provided by the CGL Policy will apply separately with respect to each insured. The CGL Policy will include a "cross liability" or "severability of interests" clause.

- 2) **Professional Liability Insurance.** IAs will obtain and maintain, at its sole cost and expense, throughout the term of this Agreement, including its renewals, if any, professional liability (errors and omissions) insurance with a limit of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the aggregate.
- 3) **Automobile Liability Insurance.** All vehicles used for ICBC investigations will be appropriately registered, insured and rated for their use, and will carry at least \$1,000,000 of Third Party Liability insurance.

If requested, the IA firm will provide ICBC with supporting documentation in compliance with the administrative standards within 14 calendar days.
- 4) The firm must be registered in good standing with WorkSafeBC and carry WorkSafeBC coverage for the firm's principals and workers while they are engaging in the work of Independent Adjusters for ICBC.

2.4 Notification of changes

Pre-qualified IA firms will notify ICBC in writing within 14 calendar days when:

- An approved adjuster leaves their employment for any reason.
- An approved adjuster is relocated to a different office.
- The firm ceases doing business or amalgamates with another company.
- The firm closes any of its offices.
- The firm changes its address, phone, e-mail or fax number at any of its offices. (Submit a CL174D, New/Change Vendor Application—Professional.)
- The firm opens a new office from which an ICBC approved adjuster will be working. (Submit a CL174D, New/Change Vendor Application—Professional.)
- The firm hires an approved adjuster who was previously working for another firm. (Submit for approval a CL174D, New/Change Vendor Application—Professional, plus a copy of the adjuster's licence from the Ministry of Finance and Corporate Relations attaching the adjuster to your company.)
- The firm cancels its Professional Liability Insurance or it has been cancelled by the carrier.
- The firm cancels its Commercial General Liability Insurance or it has been cancelled by the carrier.
- The firm cancels its WorkSafeBC coverage or is no longer in good standing with WorkSafeBC.
- An adjuster within the firm has his or her certificate from the Ministry of Finance and Corporate Relations suspended for any reason.
- An adjuster within the firm has his or her driver's licence suspended or prohibited for any reason.
- An adjuster no longer has valid automobile liability insurance on its vehicle used for ICBC services.

In order for a new resource to be added to the firms pre-qualified list, the firm must submit a CL174D, New/Change Vendor Application — Professional, with the required documentation. The firm must also confirm that the IA has, at a minimum, a British Columbia Independent Adjuster level one Licence, or equivalent in its jurisdiction, and has at least 1 year's experience handling casualty claims.

All changes will be forwarded to supplierprograms@icbc.com. Supplier Programs & Administration will process all requests for change and will provide written communication to the Independent Adjusting firm advising when the change request has been completed.

3. Basic Service Standards for Assignments

3.1 ICBC's Strategic Direction

ICBC's mandate, as provided through the *Insurance Corporation Act*, *Insurance (Vehicle) Act* and the *Motor Vehicle Act*, is to provide Basic and Optional vehicle insurance for B.C. motorists. In addition, ICBC provides driver licensing, vehicle registration and licensing, and violation ticket and government fine collections services on behalf of the Province under a Service Agreement between government and ICBC. ICBC also implements road safety initiatives to reduce crashes and losses on B.C. roads and to assist in managing claims costs.

In line with Government's commitment to make life more affordable for British Columbians, while delivering services that people can count on, ICBC is dedicated to providing customers with the best insurance coverage and service, at the lowest possible cost.

To support this, the corporate strategy focuses on four key goals:

- Enable financial stability;
- Deliver value and service to customers;
- Deliver operational excellence; and
- Align people and business capabilities.

ICBC expects IAs performing work on behalf of ICBC to align themselves with these objectives and to commit to providing high-quality, cost-effective, and results-oriented adjusting services. Working together, IAs and ICBC will create positive experiences for our mutual customers by demonstrating our shared values of integrity, dedication to customers, accountability, and caring during each customer interaction.

IAs are expected to act as representatives of ICBC, and help provide our customers with a good experience by:

Establishing rapport with your customer:

- Acknowledge your customer's point of view.
- Keep your customer engaged throughout the experience.
- Demonstrate your personal commitment.

Identifying and responding to your customer's needs:

- Allow your customer to tell their story.
- Adapt the service experience to meet your customer's needs.
- Take accountability for each experience.

Building customer understanding:

- Communicate clearly.
- Ensure your customer understands what to expect.
- Be transparent.

Following through on your commitments:

- Provide realistic time frames for completion of tasks.
- Keep your customer informed.
- Deliver on your promise.

In addition to this, customers should be treated with respect and dignity at all times, with sensitivity and empathy to the customer's perspective of the event. IAs must convey information in a clear and straightforward manner using plain language that the customer can understand.

IAs will work with ICBC, as valued business partners, to deliver effective claims services to our customers in a timely manner. The IA's adherence to performance standards and quality of services will be measured through:

- Claims contact evaluation surveys;
- Claims file reviews;
- Customer surveys; and
- Review of all documented customer feedback.

3.2 Independent Adjusting Assignment Service Standards

There are two types of assignments for each segment of work; standard or specialized. Standard assignments include, but are not limited to:

- Scene investigation;
- Initial investigation;
- Initial claimant interview;
- Statement(s);
- Full file handling;
- Wage loss/employer interview;
- Collateral investigation;
- Trial preparation; and
- Settlement/negotiation.

Specialized assignments may relate to full file assignments requiring critical thinking and defence development, interview of claimant or immediate family members, interview of key collateral witnesses regarding deceased claimants, or settlement negotiations on:

- Family compensation claims;
- Brain injury/severe psychological injury;
- Vocational retraining; and
- Catastrophic injuries such as paraplegia, quadriplegia, amputation, deafness, blindness, brachial plexus, etc.

Other types of assignments that are subject to specialized rates are:

- Interviews with high profile individuals or medical professionals; or
- Investigations directly related to exploring policy limit defences.

IAs may only accept a new assignment if:

- They are capable of performing the assignment within the required timelines;
- There is no conflict of interest; and
- They have the appropriate expertise and resources to successfully complete the assignment.

Upon receiving instructions from the ICBC claims contact, IAs must clarify any ambiguities in the scope of the assignment with the ICBC claims contact prior to proceeding with the assignment.

ICBC requires that the degree of investigation undertaken on a claim file is proportionate to the complexity and risk associated with the claim. IAs must use discretion and common sense regarding the amount of information gathered in preparation of all reports. When conducting an investigation, it must be done in the least obtrusive way possible.

If an IA believes a more in-depth investigation is warranted, the IA must discuss the file with the ICBC claims contact before engaging in additional investigation. If an IA feels that more explicit information is needed from ICBC to narrow the focus of the investigation, they must seek clarification from the ICBC claims contact prior to commencing their assignment. ICBC will not pay for an investigation that was not pre-approved. IAs must not accept assignments or instructions directly from counsel or third parties.

3.2.1 Deliverables and Time Requirements

The following sets out the time requirements for IAs who accept an assignment of work:

1. Submit written acknowledgment of assignment and confirmation of instructions within 1 business day to the claims contact.
2. Contact claimant(s) within 2 calendar days of acceptance of assignment and meet with the claimant(s) within 5 calendar days of acceptance of assignment.
3. Provide preliminary reports within 10 calendar days of the assignment, if requested by the ICBC claims contact.
4. Provide a full detailed report within 30 calendar days of the assignment.
5. Provide subsequent reports as instructed by the ICBC claims contact.
6. Forward copies of all correspondence sent and received to ICBC with reports.

Initial response to a customer's needs, timely investigation, and resolution are key to managing financial risk.

3.2.2 Contact with Claimants

IAs must attempt to make initial contact with all claimants within 2 calendar days, following acceptance of the assignment.

IAs must, unless otherwise approved, attempt to meet face-to-face with the claimant within 5 calendar days of assignment and at that meeting obtain or provide the following documentation and information:

To be obtained:

1. Subject to Section 3.2.7, written statements and scene diagrams from the insured, bodily injury claimant(s) and all assigned witnesses.
2. CL24 *Accident Benefits Application*.
3. CL237 *Authorization to Furnish Employment and Benefits Information*.
4. CL237A *Authorization to Provide Medical Information*.
5. CL237B *Authorization for Release of Patient Information* or applicable Hospital Release form (if applicable).
6. CL237D *Authorization to Release Educational Information* (if applicable).
7. Any and all medical and disability benefit insurer(s).
8. Information on safety belt use; headrest use and proper adjustment; helmet use, in the case of cyclists and motorcyclists; and cellphone or other electronic equipment use.

9. Driver's licence number and postal code from all claimants. In addition, a Personal Health Number for bodily injury claimants.
10. Confirmation from the claimant that all of their immediate needs have been met or clarification on which issues are outstanding.

To be provided to the claimant:

11. A full explanation of the ICBC claims process and clarification of their Part 7 benefit entitlements. Any questions that cannot be answered by the IA should be brought to the attention of the ICBC claims contact within 2 business days.
12. Arrange for prompt payment of any Part 7 benefits during this meeting. Where Part 7 benefits are indemnified, identify and report weekly indemnity entitlements and document all eligible out-of-pocket expenses incurred.
13. Advice as to next steps in the claims process.
14. Appropriate ICBC brochures and icbc.com website address.

The above should be done in a manner that is in accordance to ICBC's service standards for customer service, as laid out in Section 3.1.

3.2.3 Documentation Requirements

All written communications with ICBC must include:

1. The claim number;
2. ICBC claims contact's name and resource number; and
3. Insured's name/claimant's name.

ICBC requires legible originals of all statements and original medical reports, employment verifications, and professional services reports. IAs must not write on original documents. Typewritten copies of signed statements are not required (unless requested by the ICBC claims contact).

Completed reports must be submitted to ICBC by email to Independent.Adjusters@icbc.com within the timeframes specified in this guide or as directed by your ICBC claims contact.

3.2.4 Preliminary Report

If a preliminary report is requested by the ICBC claims contact, the IA will provide the preliminary report within 10 calendar days, outlining the progress that has been made on the assignment. The preliminary report must include a timeline of upcoming scheduled events and be clear and concise. The ICBC claims contact may authorize this information to be provided verbally or by email.

3.2.5 30-Day Report

The 30-day report must summarize the IA's investigation to date and make recommendations for further investigation, if any. The report must be clear and concise, covering, but not limited to:

- Coverage, limits, and any potential coverage issues identified;
- Permissive use (if applicable);
- Confirming evidence of any coverage breaches;
- Use of vehicle (for rating purposes);
- Liability;

- Contributory negligence and any other relevant defences;
- Witnesses (if applicable);
- Claimant information (discussion of each injury), confirmation of any physical limitations, and any current functional abilities;
- Profile (includes an ongoing update of claimant condition and attitude);
- Pre-existing injury or disease;
- Legal representation (if applicable);
- Treatment plan and treatment received to date;
- Disability (with focus on functional impairment and return to work);
- Wage loss details from all sources of employment;
- Medical expenses;
- Collateral benefit entitlements, including any and all medical and disability benefit insurer(s);
- Injury compensability, due to minor damage claim, minimal injury, and subsequent or intervening injury; and
- Recommended reserves (include all heads of damage).

The IA's assessment of the recommended reserve will help the ICBC claims contact evaluate the risk associated with the claim and ensure the appropriate reserves are in place. When calculating the recommended reserves for the 30-day report, IAs should base the recommendation on the "ultimate probable cost" to ICBC.

The final report must be submitted within 30 calendar days of assignment acceptance unless otherwise specified by the ICBC contact.

3.2.6 Subsequent Reports

When requested to provide a subsequent report, the report must clearly and concisely provide new information only.

IAs must forward copies of all correspondence sent and received to ICBC with reports.

3.2.7 Statements

IAs must obtain signed statements from bodily injury claimants in all circumstances except where the claimant refuses or is incapable of giving a statement (for example due to hospitalization or medication). IAs must summarize all recorded statements in a typed summary, and submit to ICBC together with the statement digital file within 14 calendar days of completion. Statements must include all necessary information relative to liability, injury (including how the injury was sustained and the immediate aftermath), as well as the pertinent facts of the accident in the summary. IAs must also confirm the identity of all claimants and witnesses when obtaining statements.

If the summary is thorough, IAs will not be required to transcribe recorded statements unless requested by ICBC. If the summary is incomplete, it will be returned to the IA for completion and may be considered substandard work for the purposes of Section 9, category B.

If a statement is required from a minor who is 16 years of age or older, the IA must give the minor the option of requesting that a parent, guardian, or lawyer be present during the statement taking. If the minor chooses not to include an adult, the IA can proceed to take a statement.

However, if a minor is under the age of 16, a parent or guardian must be present during the statement taking. When interviewing multiple witnesses to an accident, each witness must be interviewed separately in order to avoid contamination of evidence and to preserve each party's account of the incident.

3.2.8 Collateral Investigations

When conducting collateral investigation, it must be conducted in the least obtrusive way possible and IAs must never misrepresent their status or identity. The objective of an investigation should be limited to ascertaining whether the claim being pursued is forthright and reasonable. The purpose of all investigative techniques must be fact-finding and intended to test the evidence being advanced. It must not be to intimidate or embarrass the claimant. A "shotgun approach" to contacting a host of potential witnesses should be avoided and contacting collateral witnesses should be done with restraint and incrementally, as opposed to all at once.

Arriving unannounced at the home of a third party, to attempt to obtain information, should be done after the IA has attempted to contact that witness through other mediums first (email, text message, phone, etc.). "Cold calls" and neighbourhood canvasses must be used sparingly and the level of investigation must be proportionate to the claim being advanced.

3.2.9 Experts and Medical/Employment Reports

ICBC will not pay for third party or expert services without prior approval. Any engagement of expert services or third party service reports will be provided by ICBC or pre-approved.

IAs must order a medical report only where instructed by the ICBC claims contact to do so. When an IA receives instruction to order a report, ICBC will only pay the amount set out in the BCMA fee guidelines (posted on the IA business partners page at icbc.com) applicable at the time the report is delivered. If the IA agrees to pay a higher amount without authority from the ICBC claims contact, the IA will be responsible to pay the amount in excess of the applicable BCMA fee guidelines amount.

IAs must provide as part of an employment and wage verification investigation a CL15—*Certificate of Earnings* and a copy of the claimant's job description from the employer or CL432—*Functional Requirements Questionnaire*.

The ICBC claims contact may provide instructions for a more detailed investigation, including interviews with employers, supervisors/managers, and co-workers, and worksite evaluations with photographs/video of the workstation and job function. IAs must not undertake any of the foregoing investigation without explicit instruction from the ICBC claims contact.

3.2.10 Cyber Research

IAs must not undertake any internet or other electronic research and investigation unless instructed by an ICBC claims contact. Any such investigation, when requested, is subject to the following restrictions:

- The IA may not misrepresent their identity or the purpose for accessing, requesting, or collecting any information through internet research.
- The IA will not contact claimants or their associates online or attempt to "befriend" them to gain access to their social networking profiles.
- The IA will not conduct online investigations on claimants under the age of 16. Any exception must be approved by the ICBC claims manager and the Independent Adjuster liaison must be advised.

- “Common friends” should not be used to gain access to claimants’ profiles.
- Cloaking software should be used to prevent the claimant from tracing an IP address that may show an investigator has accessed the profile.

The IA must document the online “pathing” used to locate the cyber information including the uniform resource locator (URL) address of the document. Photographs and evidence should not be preserved in JPEG format. Photographs and evidence must be captured in portable document format (PDF) and stored on a CD/DVD that cannot be edited or over-written.

3.2.11 Limitation Periods

If claimants ask about the expiry date of their tort claim, IAs must explain that in most cases they have two years from the date of the accident to commence legal action. If claimants are under 19 years of age and have a tort claim, IAs must explain that they generally have two years from the date they turn 19, to start a legal action. In all cases, IAs must advise claimants that in some circumstances other limitation periods may apply.

Due to the complicated nature of limitation periods, IAs must not advise claimants on the specific limitation period that would apply in their case.

3.2.12 Settlement Negotiations

IAs do not have authority to enter into settlement negotiations or to settle claims without first receiving specific authority and instructions from the ICBC claims contact.

IAs must confirm the offer and the outcome of settlement negotiations in writing to the claimant and within one business day, confirm offer dates, amounts, and negotiation outcomes to the ICBC claims contact.

3.2.13 Releases and Proofs of Loss

Accident benefits

Part 7 benefits are set out in the Regulations; therefore, a release or proof of loss is usually not required for these payments. Settlements should release all tort claims and leave Part 7 unreleased. This means that for the vast majority of claims, Part 7 will not be included on the Final Release.

Note: ICBC will refrain from paying costs and disbursements on Part 7 actions in cases where ICBC has met and/or continues to meet its contractual obligations under Part 7. IAs must contact the ICBC claims contact for instructions if such costs are presented for payment.

Bodily injury

IAs must obtain a properly completed and signed CL39—*Final Release* as part of all tort settlements, subject to the following exceptions, where IAs must obtain the documentation as set out:

Uninsured motorist claims

A CL39D—*Release and Assignment* is required for all claims payable under Section 20 of the Insurance (Vehicle) Act (uninsured motorist claims). This applies to claims involving injury or property damage. Only an insured motorist should be named and the release should not include the uninsured driver or owner. If an IA fails to obtain a CL39D or releases the uninsured motorist on the CL39D, the IA may prejudice ICBC’s right of recovery. This may be considered as substandard work for the purpose of Section 9, category B.

Breach claims

A CL39A—*Release and Agreement* is required for all breach claim settlements. All defendants need to be properly included in the release, whether in breach or not.

Hit and run claims

A CL39—*Final Release* is required for all claims that are properly payable under Section 24 (unidentified motorist) of the *Insurance (Vehicle) Act*.

Infant claims

In no circumstances will a release be obtained from an infant or monies be paid or promised to parents or legal representatives. An infant is defined as any person under the age of 19 years at the time of settlement.

3.2.14 Accepted formats

IAs will submit documentation to ICBC in the following approved file formats:

- Text: MS Excel, MS Word, Txt, PDF;
- Images: JPEG, PNG, TIFF/TIF, BMP;
- Audio: MP4, WAV; and/or
- Video: MP4, MOV/M4V, AVI.

Approved file formats and size requirements may be subject to change with notice from ICBC. Emailed submission of documents is limited to 25MB.

4. Employee Claims Requirements

When ICBC requires IAs for assignments involving ICBC employees and their family members, ICBC will specifically identify the employee claims files to the IA.

4.1 Additional Requirements

IAs who receive assignments involving ICBC employees and their family members must comply with the following in addition to the basic service requirements set out in Section 3:

- Mark all reports confidential and send to the attention of the Employee Claims Specialist.
- Report to the Employee Claims Specialist within 30 calendar days with the completed CL24—*Customer Injury Information—Insurance Claim Application* and applicable authorizations to release information.
- If the claim is concluded within 60 calendar days of assignment, submit a closing report within 14 calendar days of settlement indicating the basis of settlement.
- If the claim is outstanding beyond 60 calendar days, submit a full report covering reserves and recommended future handling with plan of action for settlement.
- All requests for any information from the ICBC Occupational Health Unit and/or the Human Resources Department must be submitted to the Employee Claims Specialist, for approval in advance of the request being made.

4.2 Conflict of Interest

To prevent any potential for conflict of interest, IAs shall not handle existing assignments or accept new assignments from an ICBC employee while handling that employee's open claim.

4.3 Maintaining Claim File Records

In addition to the requirements set out in Section 7.1, IAs handling employee claims must comply with the requirements of this section.

ICBC requires that IAs handling employee claims maintain all claim file records outside of ICBC's claim management systems. Records must be stored in a lockable room with locking filing cabinets. Claim file records must only be sent through a secure fax or can be emailed to employeeclaims@icbc.com. Only the responsible ICBC claims contact and the IA assigned to the employee claim and their administrative staff may have access to the file records. Computer records must be password protected and must not be saved on a computer desktop. No records may be stored outside of Canada.

5. Payment

5.1 Invoices

IAs must submit invoices for payment as follows:

- Invoices must be submitted to ICBC every 30 calendar days, unless the total amount payable is less than \$500. If the total amount is less than \$500, then an account must be submitted by 90 calendar days.
- The final invoice must be submitted within 14 calendar days of the completion of the assignment.
- All invoices must be submitted using a CL315—*Independent Adjuster Invoice* with the white copy submitted to ICBC. All invoices must show the firm's supplier number and the adjuster resource number. Receipts must be provided with the invoice for all assignment related expenses.
- A CL315A—*Independent Adjuster Activity Log* must be attached to all invoices. The log must provide a breakdown of fees for each task performed and of the time spent on each.
- All invoices must be sent to independent.adjusters@ICBC.com.

ICBC will not make payment on any invoice if a supporting activity log is not attached. ICBC will not make payment on invoices submitted more than 90 calendar days after the completion of the assignment, unless approval has been given by the ICBC claims contact in advance for a later submission of the invoice.

ICBC may update or change its billing process and vendor payment system from time to time. IAs will be notified of any changes and are expected to comply with these changes. Without limiting the generality of the foregoing, IAs may be required to submit their invoices in electronic format using pre-determined billing codes. ICBC reserves the right to remove IAs from the pre-qualification list who are unable or unwilling to comply with billing process requirements.

6. Forms and Procedures

All forms referenced in the Performance Standards and used by ICBC pre-qualified IAs are available on the business partners page at icbc.com.

Copies of ICBC claims bulletins and claims memos pertinent to the work of IAs can also be found on the business partners page. IAs must be aware of and comply with current ICBC claims bulletins and memos that pertain to their assignment. Claims bulletins and memos will be deemed to be in effect on the date that they are posted on the business partners page. ICBC will send a notice to all pre-qualified IA firms when memos and bulletins are added to the IAs partners page. However, IAs remain accountable to comply with the claims bulletins and memos from their effective date. Therefore, they should continually check the business partners page and not rely on any notice provided.

7. Release of Information and Code of Ethics

7.1 Freedom of Information and Protection of Privacy Act

As defined by the BC *Freedom of Information and Protection of Privacy Act* ("FIPPA"), IAs that have been retained by ICBC are service providers of ICBC. ICBC and its service providers must comply with the provisions of FIPPA regarding collection, use, protection, disclosure, and retention of personal information. Therefore, IAs must ensure that personal information is collected, used or disclosed in a manner that is authorized by FIPPA. As well, IAs must always consider and respect the privacy interests of individuals and ensure their actions are consistent with ICBC's brand promise of "Building Trust, Driving Confidence".

7.1.1 Personal Information Defined

FIPPA defines 'personal information' as "recorded information about an identifiable individual other than contact information (defined below)." This can include but is not limited to:

- Name
- Address
- Gender
- Date of birth
- Driver's Licence number
- Vehicle registration number
- Medical reports
- Wage loss information
- Licence plate number
- Registered owner name & address
- Licence status

All personal information that is necessary for the IA to perform their duties (and no more) disclosed on an as-needed basis. Under FIPPA, 'contact information' means "information to enable an individual at a place of business to be contacted, and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual."

IAs must not disclose or ask ICBC staff to disclose personal information except as permitted by FIPPA.

In situations where the right to disclose personal information is unclear, the IA should seek clarification from the ICBC claims contact.

IAs must promptly notify ICBC of any misuse, unauthorized disclosure, or misappropriation of personal information and will inform ICBC of any steps undertaken to rectify the problem.

7.1.2 Request for Information under FIPPA

If an IA is contacted directly by an ICBC customer or any other party with a request for information under FIPPA relating to an ICBC investigation (also known as an "FOI request"), the IA must immediately forward the request to the ICBC claims contact or that person's manager.

There are strict legislated timelines for responding to requests made by the claimant or insured for information or records under FIPPA. These requests must be referred without delay to the designated ICBC claims contact. A copy of the request must be sent to the Manager, Freedom of Information, Privacy and Freedom of Information Department, 151 W. Esplanade, North Vancouver BC, V7M 3H9.

7.1.3 Security of Records and Information

In the course of conducting their duties, IAs are provided with the personal information of claimants and insureds. Since FIPPA prohibits the use or disclosure of this information for any purpose other than the adjustment of the claim, IAs must take security measures to prevent the theft, unauthorized use, disclosure, or disposal of personal information.

Without limiting the generality of the foregoing, ICBC expects IAs to maintain their ICBC files in a secure location that protects them from fire, flood, natural disaster, criminal activity, or unauthorized access (electronic or physical). IAs must refrain from discussing file particulars with a customer in a public area such as coffee shops or other facilities. It is recommended that personal information be discussed only within the IA's workplace or a designated area.

All notes, reports, information, computers, computer file data, and digital media must be stored in a secure environment to ensure confidentiality. All of these documents and information must be stored in a locked cabinet or other designated area which is kept secure at all times. For home-based IAs, ICBC materials should be entirely separated from normal household papers and neither accessible nor viewable by household members or guests not associated with the business. (This applies to information in all mediums, e.g., personal computers.)

If sensitive ICBC-related information (personal or confidential) is stored on a computer hard drive, the information should be properly encrypted, using a 128 bit encryption system. Access to the information must be appropriately secured to prevent unauthorized users from accessing this information. The security controls would include all of the following:

- Each individual user will have a unique password.
- If emailing personal information, avoid the use of webmail services such as Hotmail, Google, and Yahoo! because many use mail servers outside of Canada, and service providers are prohibited under FIPPA from storing or having personal information accessible outside Canada.
- All information to be sent electronically should be reasonably encrypted through protocols such as Secure Socket Layer (SSL) or Transport Layer Security (TLS).
- Use appropriate information security controls such as anti-virus software, firewalls, and updated security patches if the computer is connected to a network and/or internet.

Another way to ensure the security of information stored in an electronic format is to save confidential information on diskettes, CD's, DVD's, USBs, or flash media which can be locked away separately. If information is stored this way it should also be encrypted using industry standard, non-proprietary encryption system, which is a 128 bit or greater.

Approved IAs are permitted to remove records containing confidential information and personal information from the IA firms office only when it is absolutely necessary for the purposes of carrying out their services. In which case, the following protocols must be followed:

- The details of the records containing confidential information or personal information removed from the IA firms office must be recorded on a sign-out sheet that includes the following information: approved IA's name, a description of the records, the names of the individuals whose personal information is being removed, and the date the records were removed.
- All records and digital storage devices must be transported in a locked briefcase or sealed box.
- Records must not be opened or viewed in public, including while using public transportation.
- All records and digital storage devices must not be left unattended at any time, including in vehicles.
- Where an approved IA is working in a location away from the IA firms office, paper records and digital storage devices must be stored in a locked room, cabinet, or drawer when not in use.

If any records are missing, lost, or stolen, the IA firms must inform ICBC immediately and provide ICBC with a list of the affected records. If the records were stolen, the IA firms must report the incident to the police, and provide the police case number to ICBC.

7.1.4 Retention and Disposal

All ICBC material must be retained by the IA firms to whom the assignment is given. No ICBC material is to remain in the possession of individual approved IAs after an assignment is completed.

Where an assigned IA is no longer associated with the IA firm, all files assigned to that IA must remain with the IA firm, and can be reassigned to another IA at the IA firm, with ICBC's written consent.

The original medium on which information or digital media was recorded, must be stored in a locked cabinet or other designated area which is kept secure. Copies can be provided to the ICBC claims contact, but the original documents must be retained by the IA firms and available for use in court.

All notes, files, reports, information, and digital media must be retained for a period of three (3) years after ICBC closes its file, with the exception of infant files, which IAs must retain until three years after the infant turns 19. At the end of this retention period, IAs must destroy the files by secure shredding. This can be done by contacting the ICBC IA liaison. Electronic files must be securely disposed at the same time as the paper file.

The destruction of files can be done annually or on a monthly basis. Closed files can be kept off site at a secure commercial file storage facility located within Canada, provided that the security and protection of personal information requirements are met.

a) Paper documentation:

- All paper documentation must be securely shredded. Where an IA firm shreds its own documents, it must use "cross-cut" or "confetti" shredding machines. Where an IA firm retains a third party, shredding must be conducted by a bonded, confidential destruction service. Alternatively, the IA firm can arrange shredding at an ICBC facility by contacting ICBC.

b) Information stored on computer or digital media:

- It is mandatory that all digital records be securely destroyed. Erasing or deleting records on digital media is not sufficient. Steps must be taken to ensure that all information contained on digital media (e.g. hard drive, computer disks, USBs, flash media) are rendered irretrievable.

- The most effective way to ensure that information cannot be retrieved is to remove the hard drive and destroy it. Alternately, disk wipe software that meets current industry standards should be used to ensure all data contained on the disk is rendered irretrievable. Please contact ICBC, to determine the latest industry standard. Alternatively, the media may be forwarded to ICBC for destruction.

In the event that an IA firm ceases doing business, the firm's principals must immediately contact the ICBC IA liaison to make arrangements for all ICBC claim-related materials to be returned to ICBC within 30 days. The claim-related materials are to be surrendered to ICBC without any cost to ICBC.

7.2 Personal Information Protection Act

The BC *Personal Information Protection Act* (PIPA) regulates the collection, use, and disclosure of personal information by persons and organizations (generally private sector organizations) not otherwise subject to other provincial or federal privacy legislation.

IAs must not warn or advise a representative of an organization from whom information is being sought that the organization may be subject to PIPA, as providing such warning or advice could constitute offering legal advice for which IAs are not qualified.

If the representative of an organization subject to PIPA being interviewed raises a concern about divulging personal information, the IA must acknowledge that the information is being sought subject to the relevant privacy laws and refrain from inducing or encouraging the representative of the organization to divulge such information.

7.3 ICBC Code of Ethics

ICBC's Code of Ethics applies to all ICBC Board members, employees, and contractors. Service providers hired by ICBC or who represent ICBC are also expected to adhere to the same high standards. ICBC's Code of Ethics may be viewed through ICBC's website at icbc.com.

ICBC expects business partners to understand our Code of Ethics and to conduct themselves in accordance with the Code of Ethics. Contravening ICBC's Code of Ethics may result in termination of services and/or removal from the pre-qualified list.

While in no way limiting the scope of the Code of Ethics, IAs are referred to the section Acceptance of Gifts and Entertainment. ICBC employees are restricted in their ability to accept gifts and entertainment from suppliers or service providers. IAs may contact Claims Programs with any questions concerning the ICBC Code of Ethics.

7.4 Media Inquiries/High Profile Claims

ICBC's Media Relations Department responds to all ICBC-related questions from the media on behalf of ICBC. If an IA receives an inquiry from the media or is told that the claimant has spoken with or intends to speak with the media, the IA must immediately inform the ICBC claims contact or that person's manager. The IA should try to identify the reporter, the publication or broadcast agency and the nature of the inquiry. The ICBC claims staff will then refer the matter to ICBC's Media Relations Department.

If an IA believes that a claim has potential to attract high profile media attention, the IA should immediately advise the ICBC claims handler and ICBC media relations department. "High profile" includes issues that may have a reputational risk for ICBC, pose a threat to current legislation or regulations, and/or involve well-known or high profile individuals.

7.5 Release of Files to ICBC for the Purpose of an Audit or File Review

The IA firm will make available legible and unaltered copies of all original documentation, as specified in the program documentation requirements, for the purpose of a file review which may take place off-site. All associated costs will be absorbed by the IA firms. All original documentation required by ICBC will be made available upon request. If the IA firm's files are stored electronically ICBC may request the IA firms to provide printed copies. At the request of ICBC, that documentation may be removed from the IA firm's office in order to conduct the review.

All documentation will be returned to the IA firms within 30 calendar days of the conclusion of the review.

8. Withdrawal from the Pre-Qualification List

IAs may withdraw from the pre-qualified list at any time by notifying in writing to the ICBC Suppliers Program Administration.

IAs withdrawing must immediately make arrangements for all ICBC claim-related materials to be returned to ICBC. The claim-related materials are to be surrendered to ICBC without any cost to ICBC.

9. Governance — Removal or Suspension from the Pre-Qualification List

By giving written notice to the IA firms and/or the IA, ICBC may, in its sole discretion, suspend or remove an IA firm from the pre-qualified list, or take action against an IA firm or IA as a result of the defaults listed below including but not limited to:

1. failing to abide by the licensing, licensing body, or any other requirements of the *Financial Institution Act* or equivalent in your jurisdiction;
2. failing to abide by the terms of these Performance Standards to the satisfaction of ICBC;
3. making a misrepresentation to ICBC or a customer including having provided misleading information or misrepresenting treatments or visits;
4. charging or collecting from the customer fees in excess of those prescribed in these Performance Standards;
5. failing to abide by securing personal information as out lined in Section 7;
6. breach of the Agreement between ICBC and the Independent Adjuster or Independent Adjusting firm;
7. action potentially detrimental to the reputation of ICBC, including, but not limited Withdrawal of Services; and

8. breach these Performance Standards set out in the categories below:

Category A

- misrepresentation;
- fraud;
- contravention of ICBC's Code of Ethics Section 7.3;
- failure to meet minimum requirements

Category B

- substandard work—failing to meet service agreements as defined by these Performance Standards;
- unprofessional conduct (e.g., as defined in the—Code of Conduct or other professional standards);
- contravention of the *Freedom of Information and Protection of Privacy Act*;
- breach of confidentiality;
- breach of the Agreement between ICBC and the pre-qualified firm including Performance Standards for Independent Adjusters not otherwise set out in Category A or C;
- conflict of interest;
- failure to cooperate with requested instruction by ICBC claims;
- actions or omissions detrimental to the reputation of ICBC;
- other reasons related to the performance of the services outlined in the Agreement as determined by ICBC;

Category C

- failure to adhere to pricing requirements as set out; and
- failure to comply with licencing, certificate, or insurance requirements.

If the occurrence of any of the defaults noted above by an IA or an IA firm are identified or suspected, ICBC may, but is not required to, conduct an investigation to better its course of action.

ICBC will decide on a course of action, which may include:

1. Category A—termination of all existing assignments, removal from the IA list, and termination of the signed Agreement for services.
2. Category B—disciplinary action up to and including suspension of existing or future assignments as determined by ICBC.
3. Category C—suspension of existing or future assignments as determined by ICBC. Failure to correct the deficiency in the timeframe determined by ICBC will result in further disciplinary such as removal from the list and termination of the signed Agreement for services.

ICBC will provide written notice of removal to the approved IA firm or IA. Such removal will not result in any penalty or liability to ICBC.

10. Audits

ICBC may initiate an audit of any IA firm based on various criteria including, but not limited to:

- Results from past file reviews—variance/compliance concerns may be serious enough to warrant further investigation to determine whether the issues are isolated or systemic, or related to poor business practices/file management;
- Customer/claimant complaints or tips; and
- Regularly scheduled audits.

The purpose of audits are to:

- Determine whether the IA firm is complying with ICBC's policies and standards as stated in the Performance Standards and in the Claims Procedures. The number of files reviewed and level of detail for each audit corresponds to the firm's ICBC file assignment volume and to potential issues and/or risks identified through past visits or reviews; and
- Provide information for use in future file reviews and audits.

ICBC will document audit results. These results will be placed in the supplier file specific to each IA location where performance and/or compliance information about each location is maintained. ICBC will use these results to facilitate any required follow-up in the form of future file reviews and/or audits. Where applicable, the results may also be used to support specific consequences.

11. Changes to the Performance Standards for Independent Adjusters

ICBC is entitled to periodically update the Performance Standards for IAs. ICBC may, from time to time, issue notice of a change via email, but has no obligation to provide such notice. All changes will be posted on the business partners' page at icbc.com. IAs are expected to regularly check this site for updates. Changes to the Performance Standards will come into effect 14 calendar days after they are posted unless otherwise indicated.

12. IA Feedback

An IA firm or IA participant may document a comment or an issue for resolution. This feedback can be sent to the IA liaison or to IAfeedback@ICBC.com. ICBC will track and monitor the feedback in order to quickly resolve issues as they arise.