

To Whom It May Concern,

I am a motorcycle rider with 20 years of collision-free experience under my belt, and I am writing regarding the proposed rate review process for motorcycles in Saskatchewan.

My main thoughts centre around the huge sums of insurance money paid out for sport bike repairs. I am personally a sportbike rider, and it has long upset me that even small tipovers result in many thousands of dollars in insurance payout in order to replace scratched plastic body panels or scuffed exhaust pipes. I can understand how having a large number of these claims means that SGI feels that it needs to increase rates to cover costs, but I have an alternative suggestion:

Riders could have 2 choices for their insurance level:

- * Full coverage insurance (as with the current system)
- * Non-cosmetic insurance coverage – this would be insurance to cover any damage to the bike that interferes with the fundamental operation of the motorcycle, but no coverage for claims that are merely for cosmetic purposes (ex/ scratches, paint chips, cracks to non-essential bike parts (ie. Body work/plastic/chrome finish).

Obviously, the Non-cosmetic insurance coverage rate would be considerably lower than the full-coverage option.

I think there would be several benefits to this system:

- * It would considerably cut down on SGI's claims costs
- * It would offer riders a lower-cost functional coverage alternative
- * It would offer riders a higher-cost alternative to protect their pristine investment
- * It would significantly reduce unnecessary claims – many riders would choose to fix salvageable parts instead of simply getting brand new replacements.

Let me provide a sample scenario to help illustrate this concept:

- * Consider 2 riders with 600cc sportbikes. Rider A chooses the Full Coverage option (\$1400/yr), while Rider B chooses the Non-cosmetic coverage option (\$800/year).

- * Both riders are at fault for accidents in which the left-side bodywork and tail-section bodywork is scratched and the exhaust system is bent and non-functional.

- * Rider A pays his deductible amount and has his bike fixed back to as-new condition (cost to SGI = \$4000 minus deductible)

- * Rider B receives no coverage for the scratched bodywork but she will get the exhaust system replaced under insurance (a functioning exhaust system is an essential bike part), minus her deductible (cost to SGI = \$1000 minus deductible).

In closing, I value this opportunity for input on this important decision before it gets made, and I hope that my suggestion is considered. Please feel free to contact me for clarification on my above suggestion.