

Greetings Mr. Chairman and Board members

My name is Cam MacKay and I act as the General Manager for TappCar. We have operated in Manitoba for the past year and a half underneath the current insurance regime put in place by MPI. During this time period we have completed nearly 1 million rides, have recruited over 1200 full and part time drivers. We believe that the current rate increases proposed are manageable and fair for the coming year. We are also but one of many ridesharing companies that operate in Manitoba as the market has grown to over 18 ridesharing companies with dispatch licences within the city of Winnipeg and some others that operate outside of the Winnipeg area. We appreciate the opportunity to present to you and in addition to supporting the modest insurance rates for the coming year I would like to talk to you a little bit about the benefits of the insurance product you offer in regard to ridesharing. There are 4 primary benefits for consumers. More competition and choice in the marketplace, increased safety on the roads and there is no cross subsidization of ridesharing insurance by the public and the drivers can adequately manage his or her risk with time bands.

The Manitoba product Allows for more competition and market choice for consumers.

Other jurisdictions offer blanket insurance policies. This product is traditionally not available to smaller ridesharing companies in most markets and if it is available it will cost 6 figures to secure such a policy. For example, in Edmonton our blanket insurance policy costs nearly \$200,000 every year and there is only one company that offers such an insurance product. In most markets, insurance remains a barrier to entry that precludes companies from operating that do not have large blanket insurance policies that are only available to multi national companies that operate in many markets. Here in Winnipeg there are 18 companies with a ridesharing dispatch licences from the city of Winnipeg. There are ridesharing services that offer specialized products such as ridesharing for the disabled. To contrast In Edmonton there are 2 ridesharing services, Uber and TappCar, In Saskatoon there is one ridesharing company and in Regina there is one ridesharing company. In most cities in North America there are 1 or 2 ridesharing companies except in jurisdictions that make a concerted effort to enhance consumer choice by making consumer friendly regulations such as Manitoba Public insurance. Without the current Ridesharing insurance policy here in Manitoba there would only be 1 or 2 ridesharing companies offering services to the public.

The current insurance product enhances road safety. With the current ridesharing business model a ridesharing driver will put more kilometers on the road and will of course have a higher accident risk profile. Here in Manitoba if you are a poor or inexperienced driver with many accidents and tickets you pay more for your personal insurance. You will also pay more for your ridesharing insurance, if you wish to drive for a ridesharing company. This increased cost will discourage higher risk drivers from driving for a ridesharing company because they will have to pay more personally and they will either choose to pay more insurance to cover the increased risk profile or will simply not drive for a ridesharing company. Either way the roads are safer and the risk to the public and financial cost are covered.

The one person who can affect road safety the most is the driver and by providing them with a personal financial interest this will ensure that they do more to drive more safely and take more preventative action on the road.

This may surprise you but under the traditional ridesharing business model with blanket insurance coverage there is no additional cost to the driver to get on the road, regardless of personal driving or accident history. The insurance climate is changing however in many marketplaces this remains the case

and higher risk drivers do not bear any additional financial cost to being on the road. In Alberta you could have 5 or 6 accidents in the past few years and sign up to be a ridesharing driver. You will now be on the road driving 4 to 5 times the amount a regular driver would drive and as a result the roads will not be as safe and the insurance costs of the public will increase.

The MPI ridesharing product makes the roads safer and ensures that members of the public are not cross subsidizing the insurance costs of rideshare drivers. In Alberta the insurance product is divided into time periods 0,1,2 and 3. In time period 0 you do not have a fare and do not have the app turned on. In time period 1, you have the app on are on the road and waiting for a fare, In time period 2 the driver is on the way to pickup the customer, in time period 3 the driver has a passenger in the vehicle. During periods 0 and time period 1 the driver's personal insurance is in effect, During time periods 2 and 3 the Ridesharing companies' insurance will apply. Between 40-60% of a ridesharing drivers time will be spent in time period 0 driving around town. This dramatically increases the kilometers spent on the road and increases the risk profile. In Alberta the average driver will cross subsidize ridesharing insurance costs by incurring increased insurance risks at time period 1 as this period will increase a lot with ridesharing and the driver's personal insurance will cover these increased kilometers on the road. In Manitoba this does not occur as the driver will pay his fair share of the insurance related to increased driving time.

The other benefit of the MPI insurance product is that the driver has the flexibility to choose different time bands to drive. This product enables the driver to reduce his insurance costs and to reduce the driving risks from one-time band to another. If a driver is only free on weekends he can choose this product and not have to pay for insurance during other periods.

Overall we feel that MPI is one of the few insurance regulators and providers that really understands the in and outs of ridesharing and has made a product that creates an open and free marketplace, enhances consumer choice, ensures that the public does not subsidize the insurance costs related to ridesharing and has ensures that the roads in Manitoba will be safer.

For the Future we would like to work with MPI to enhance the MPI product and integrate it more fully into our app. We would like to work with MPI to share data from our platform so you can examine the results and be able to manage the risk of providing the ridesharing insurance product. This would enable you to make tweaks to the product on certain time bands to better manage the costs and be able to understand how the industry is progressing.

We would like to be able to pull data from MPI servers on whether or not a drivers insurance is up to date. We could then not allow them to access the platform instead of doing this manually on our end.

We would also like to work with MPI to create some brochures or a postcard for drivers that explain the ridesharing insurance to drivers that could be used by the entire industry. This brochure or postcard would explain the product, time bands and what drivers do if they are involved in an accident.

Thank you for your time today.