

August 28, 2013

NOTICE TO ALL REGISTERED ACCOUNT HOLDERS

Re: Administrative Fee Display and PST

To: Repair shop owners and managers (with the exception of commercial vehicle estimates and glass-only claims)

Administrative Fee is a GST and PST Taxable Item

On Aug.1 2013, a new administration fee was introduced for all estimates, excluding commercial and glass-only claims. This new fee was implemented in Ultramate and subject to GST only. On the evening of Aug. 27, 2013, MPI initiated a software push to ensure both the GST and PST are applied to the administrative fee.

Bodyshops who were paid the administrative fee excluding PST will receive a lump sum payment from MPI equal to the amount of PST that should have been paid.

- We are currently developing a process to identify these claims.
- Further information on the process and anticipated timing of payments will be provided to our registered account holders within the next two weeks.

Revised Administrative Fee Description on the Estimate

On Aug.15, 2013, we provided notice to you, our registered account holders, that we were working with Mitchell to provide clearer wording on estimates for the new administration fee. We are pleased to announce that new wording was pushed to Ultramate on Aug. 27, 2013.

As of Aug. 28, 2013, the Administration Fee will now display on the estimate as follows:

| Entry Number | Operation | Line Item Description | Dollar Amount |
|--------------|-------------|-----------------------|---------------|
| 936009 | Add'L Costs | Estimate Charge | \$15.00 |
| | | Administration Fee | |

If you have any questions about this process, please contact our Estimating Coordinators: Jim Backstrom at (204) 985-7397 <u>jbackstrom@mpi.mb.ca</u> or Blair Wagner at (204) 985-7829 <u>bwagner@mpi.mb.ca</u>.

Sincerely,

Marnie Kacher Director, Service Operations Control & Compliance Manitoba Public Insurance Corporation