

**Direct Repair** 

**Program Guide** 



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### 1. Introduction and Overview

Direct Repair (DR) provides participating repair shops the opportunity to write the first estimate on eligible claims. It offers shops a greater opportunity to effectively manage workflow, increase public profile, and improve control over repair cycles and customer intake, all to better serve customers and increase repair volume.

The DR program is a voluntary program open to all accredited light vehicle repair shops that meet the eligibility criteria and successfully complete the onboarding process.

### 1.1. How Direct Repair Works

A customer reports their claim to MPI. During the call, if the claim is eligible for the DR program, the customer is asked if they would like to go to a repair shop for their estimate and bypass an MPI Service Centre. If they agree, they are directed to contact their DR shop of choice and make an appointment for their estimate and repair.

When the customer brings in their vehicle, the DR shop performs an estimate of the damage, following MPI Estimating Standards, business rules, policies, and procedures. The shop explains details of the estimate and books a repair appointment, if agreed to by customer.

Repair shops will accept all estimate requests but understand that the customer is not obligated to repair their vehicle at the DR shop, even if the shop performs the estimate.

If the shop has no intention of repairing the vehicle, the shop must advise the customer of this prior to booking an estimate appointment.

#### 1.2. Customer Benefits

The DR program benefits customers through:

- Increased convenience and greater flexibility
- A streamlined process for first estimate and repairs which removes the need to attend an MPI Service Centre.
- Customers may still need to visit MPI for an adjuster appointment.
- The ability to have all components of an estimate and repair performed at one location.

Customers may still need to visit MPI for an adjuster appointment.

### 1.3. Repair Shops Benefits

The DR program may benefit repair shops by:

- Allowing shops to perform the first estimate, therefore reducing supplements.
- Providing a better opportunity to manage shop workflow, customer intake, and cycle time.
- Improving the customer service experience.



# 2. DR Shop Obligations

- **2.1.** As a DR shop in the DR program, you will:
  - Maintain your light vehicle accreditation agreement in good standing.
  - Continue to meet or exceed the DR eligibility criteria, as outlined in <u>Section 4.1 Becoming a Direct Repair Shop</u>.
  - Provide an accurate as possible first estimate or supplement of the damage incurred as part of a customer's physical damage claim.
  - Keep your appointment and client schedule up to date.
  - Ensure all your representatives involved in the DR program and supporting practices:
    - Complete any required training
    - Review all Estimating Standards and DR documentation
    - Are available to work with and able to explain their estimates to MPI
    - Are available to attend internal MPI claim dispute resolution processes, civil, criminal, or other court or administrative proceedings to provide testimony related to their first estimates or services when required
  - Contact your assigned Shop Relationship Advisor if you have any questions related to the DR Program, or use the Shop Support Line to contact other MPI departments.
  - Meet with a Shop Relationship Advisor to review shop measures.
  - Ensure that staff who write estimates are available to explain their estimate when required to MPI and the customer.
  - To explain their estimates to MPI, and to attend internal MPI claim dispute resolution processes, civil, criminal, or other court or administrative proceedings in order to provide testimony related to their First Estimates or services when required.
- 2.2. There will be no additional compensation paid to you by MPI for provision of the First Estimate, other than for services provided under the <u>Light Vehicle Accreditation Agreement</u>.
- **2.3.** The completion of the first estimate is required to establish the following information:
  - Which areas and associated damage are part of the current physical damage claim.
  - Which areas and associated damage are not part of the current physical damage claim or prior damage which may or may not be part of a prior physical damage claim.
  - Preparation of a complete accurate First Estimate for the purposes of establishing repairability or total loss determination.
- 2.4. If MPI assesses the vehicle as repairable and approved the review whether through auto approval or manual review where you may proceed with the repair process.
- 2.5. If the total value of the completed estimate (including all supplements) is over the current actual cash value (ACV) threshold:



- Follow the process on the MPI Partners website, Marginal Repairs & Price Outs for contacting MPI on the proper vehicle disposition.
- Await direction from MPI before proceeding with ordering any parts or commencing repairs.
- Understand that you may not be reimbursed for any unauthorized repair work and costs associated with repairs for a vehicle where the total repair costs exceed the vehicle's current ACV.
- Unauthorized work includes activity that would normally fall under your current Earned Approval Limit. In this case you would contact the estimating supervisor of the assigned service center to have it reviewed.
- 2.6. You must prepare the first estimate as per MPI's current Estimating Standards, policies and procedures, and guidelines.
- 2.7. If the customer's vehicle is safely drivable, or you can complete temporary repairs to make it safely drivable, you must allow the customer to continue to drive the vehicle until you can complete the repairs. Any costs to complete temporary repairs must be pre-approved and will be exempt from the Earned Approval Limit.
- 2.8. You understand that the customer is not obligated to have their vehicle repaired at your DR shop even if you wrote the first estimate.

## 3. MPI's Obligations

- 3.1. MPI may provide you with additional information, including but not limited to loss details, to assist in making decisions regarding the cause and extent of damage as described by the customer.
- 3.2. MPI will arrange for any training, including providing all materials, Estimating Standards, policies and procedures, and processes MPI identifies as necessary for you to participate in the DR program. Any changes of use to the Mitchell products will be communicated to you as required under the Light Vehicle Accreditation Agreement.
- 3.3. MPI will continue to use the established processes for processing and authorizing payment under the Light Vehicle Accreditation Agreement. Your continued proper use of the Mitchell products is necessary for timely and complete payment for your completed services.
- **3.4.** MPI will provide your individual DR shop measures results within the service standard time as indicated on the MPI Partners website.
- 3.5. Your assigned Shop Relationship Advisor (SRA) will discuss the impact of the shop measures and handle any questions you have regarding the DR program.
- **3.6.** Notwithstanding anything else in this Program Guide, MPI reserves the right to perform any estimates in its sole discretion.
- 3.7. Upon joining the DR program, you will be assigned to a Tier with an associated Earned Approval Limit. MPI reserves the right to make changes to the Tiers, Earned Approval Limits,



and other associated privileges. You may not use the Light Vehicle Accreditation Agreement's dispute resolution provisions to appeal any issues related to them. You will be notified of updated versions in accordance with the notification requirements within the Light Vehicle Accreditation Agreement.

## 4. Eligibility and Onboarding

The DR program is available to all accredited light vehicle shops that meet the eligibility criteria. Acceptance is at the discretion of MPI. Once accepted, shops must successfully complete all phases of the DR program onboarding process. The eligibility criteria and the onboarding process are designed to help shops become successful in the program.

## 4.1. Becoming a Direct Repair Shop

New applicants must meet the following eligibility criteria:

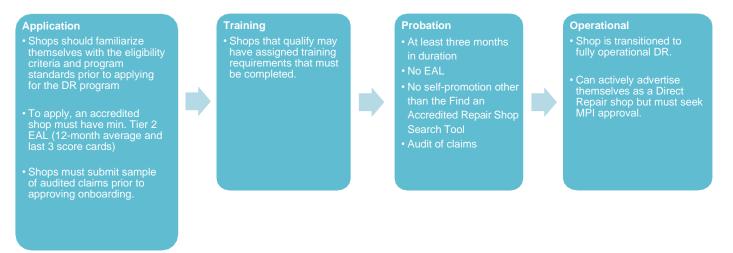
- The applicant must be an accredited repair shop under the Light Vehicle Accreditation Agreement.
  - The applicant must follow the Estimating Standards, business rules, policies and procedures, as set out on mpipartners.ca.
  - The applicant, like all MPI accredited repair shops, must complete proper repairs in a cost-effective manner and meet all safety and quality standards.
  - The applicant must receive access to business systems and software to be able to perform estimates on MPI customers' vehicles.
  - The applicant must not have a history of non-compliance with MPI policies, procedures, or standards during a minimum of 3 months up to 12 months of time that resulted in a verbal or written warning.
- The applicant must not have valid customer complaints that include issues of improper or incomplete repairs in the last six months that MPI feels would impact the shop's ability to be a DR shop. A valid customer complaint is one that has been escalated to the MPI Accredited Repair department for resolution and the shop has been directed to undertake activities to resolve the matter.
- The applicant must meet the requirements for Tier 2 or higher as defined in the Expedited Approval Program Guide, using the most recent rolling 3-month performance results immediately preceding the date of application.
- The same requirements apply to newly accredited shops. Tier 2 requires a minimum composite score of 60 percent, and an absolute Ask-Approve Variance of 2.63 percent or less.
- Shop volume for the latest scorecard (3 months) used for determining eligibility
  must have a minimum claim volume of 12 claims in the 3 months. If claim
  volume has not been met, onboarding is delayed until the volume has been
  met along with all other criteria.
- The applicant must have a positive trend of their 3-month rolling average Tier 2 or better over three consecutive scorecards as a CE shop. (This ensures the shop can maintain shop measures through supplementing MPI estimates.) The first card may be 1 month of volume opposed to 3 months though.
- MPI reserves the right to:
  - Accept you into the DR program
  - Deny you entry into the DR program until you qualify



If you are accepted into the DR program, the following sections of this Program Guide will apply to you effective on the date determined by MPI in your application process.

## 4.2. Direct Repair Onboarding Process

DR shops undergo a four-stage onboarding process to become fully operational in DR:



\*Shops must maintain a rolling 3-month average throughout the onboarding phases.

### 4.3. Application

To ensure that interested shops are able to enroll in the program efficiently, MPI accredited repair shops should familiarize themselves with the eligibility criteria outlined in <u>Section 4.1 - Becoming a Direct Repair Shop</u> and program standards outlined in <u>Section 5 - Program Standards</u> prior to applying for the DR program.

Any MPI accredited light vehicle repair shop that meets the eligibility requirements can apply. The <u>Direct Repair Application</u> form, available on the MPI Partners Website, must be completed and sent to <u>SRA@mpi.mb.ca</u>.

Upon receipt by MPI, MPI will confirm the shop's application was received within 24 business hours. Then, the application form will be reviewed to confirm the shop meets the minimum eligibility requirements.

MPI will audit a sample of claims to assess shops prior to approving onboarding.

Shops should talk to their Shop Relationship Advisor, or email <u>SRA@mpi.mb.ca</u> with any questions about applying for the DR program.

### 4.4. Training

In the Training phase, shops must complete all training requirements as arranged by the SRA and listed on MPI partners. Such as "Intro to DR", "Validation of Loss Related Damage" and all estimating systems related training.

During onboarding, a requirement for onsite training is provided by the SRA.

The Training stage provides participants with critical knowledge and skills to:

Effectively use current software when writing a first estimate and supplements.



- Perform damage analysis on all type of MPI claims.
- Adhere to the MPI Estimating Standards when writing a first estimate and supplements.
- Positively influence shop measures.
- Adhere to all requirements of the DR program.

Shops are responsible for ensuring that the number of personnel completing all training is appropriate for anyone involved in the claim handling process-

#### 4.5. Probation

The Probation phase lasts at least three months. During this time, a shop will:

- Maintain performance at Tier 2 or higher.
- Maintain consistency of accurate and complete estimates and supplements.
- Have their Earned Approval Limit temporarily removed so all reviews are approved by MPI.

During the Probation stage, shops may advertise themselves as DR shops **only to their existing customers** by email or word of mouth. Following the guidelines <u>Section 9.1 - Advertising Policy</u>. Shops in Probation will be included in the list of DR participants on the <u>Find an Accredited Repair Shop Search Tool</u> at <u>mpi.mb.ca</u>.

MPI uses Mitchell products to process submission and approval of repair estimates and supplements. It is critical that these products are up-to-date and properly configured on each workstation at the repair shop.

The Probation passing decision is based on the last scorecard making up the 3 months of probation.

If a shop fails the Probation phase, the Probation phase may be extended past three months or the shop may be removed from the DR program.

### 4.6. Operational

Upon successful completion of the Probation phase, shops become fully operational DR participants and can actively advertise themselves as DR shops according to <a href="Section 9.1">Section 9.1</a> – <a href="Advertising Policy">Advertising Policy</a>.

Shops must continue to follow the program standards (see <u>Section 5 – Program Standards</u>) and maintain an Earned Approval Limit (EAL) of Tier 2 or higher to maintain their DR status.

Shops who fail to comply with the program standards or maintain Tier 2 may be exited from the DR program at the sole discretion of MPI. (See <u>Section 7.2 – Performance Review</u> and <u>Section 7.4 – Exit from Direct Repair Program</u> for more information).

# 5. Program Standards

Eligible claims, quality, program standards, and their relation to shop measures are outlined below.



### 5.1. Eligible claims

Eligible claims are identified on the assignment details as "Estimate Responsibility: DR Shop".

Example messaging: "Refer to the notes for further direction if there is a hold on repairs or the action to contact the adjuster."

If there is any conflicting information between the customer, messaging notes, and the estimate responsibility, please contact your SRA to review.

Claim eligibility can be more than just the claim type so shops are expected to follow the dispatch report and contact their Shop Relationship Advisor for support if required.

### 5.2. Shop Measures

Shops must maintain Tier 2 or higher performance. Full details on shop measures can be found in the <u>Shop Measures Information Guide</u>, and information on the Expedited Approval program is available in the <u>Expedited Approval Program Guide</u>. Both guides are available on the MPI Partners website.

### 5.3. **Program Standards**

There are three key quality standards in the DR program:

- · Quality of Estimate
- Quality of Service
- Quality of Repair

Each of these standards are associated with one or more shop measures. These standards are monitored and documented through the estimate and supplement approval process, site visits, review of submitted final invoices for payment, audit processes, and at other times as determined by MPI.

Shops have the right to refuse a repair for a customer, but not a DR estimate. Shops are expected to let the customer know prior to booking the estimate appointment if they don't intend on repairing the vehicle for the customer.

### 5.4. Quality of Estimate

All first estimates and supplements submitted by shops are required to comply with MPI <u>Estimating Standards</u>. They must be complete, and accurately reflect the insured damage specific to the customer's vehicle under the claim.

First estimates and supplements must be submitted and approved before a shop begins repairs.

The guidelines for completing a first estimate, including evaluating potential total losses, can be found in <u>Section 6 – first estimate Requirements</u>.

There are three shop measures associated with quality of estimate:

- Ask-Approve Variance
- Average Supplement per Estimate
- Realized Parts Savings Variance



### 5.5. Quality of Service

In the DR program, a shop interacts with the customer on three principal occasions.

Not following the steps below can impact the customers experience and the quality of a shop's estimates. The shop measure associated with Quality of Service is the Net Promoter Score.

- 1. Customer calls the shop to schedule the estimate. The shop will:
  - Confirm the claim's eligibility for the DR program.
  - Gather general information about the damage.
  - Explain the estimating process.
  - Schedule the appointment.
  - Retrieve the appraisal assignment from Mitchell Connect any time after the estimate appointment is scheduled and confirmed.
- 2. Customer visits the shop for an estimate appointment. The shop will:
  - Get the customer's authorization to complete the estimate (Authorization to Estimate on the <u>Final Repair Account Signature Sheet</u>).
  - Inspect the damage with the customer and review the loss details noted in the dispatch report (appraisal assignment).
  - Write the first estimate.
  - Review the estimate with the customer.
  - Explain the next steps.
  - Schedule a repair appointment if the customer wants to have their vehicle repaired at the shop.
  - Get the customer's authorization to start the repair (Authorization to Repair on the <u>Final Repair Account Signature Sheet</u>).
- 3. Customer drops vehicle off for repair appointment (same as any other claim). The shop will:
  - Review the approved estimate with the customer, noting any changes from the first estimate.
  - Update customer of any changes to the estimate throughout the repairs.
  - Repair the vehicle.
  - Have the customer sign the Certification of Repair on the <u>Final Repair</u> <u>Account Signature Sheet</u>.

For more information on estimating, refer to detailed step-by-step <u>Direct Repair Claim Procedures</u> available on the MPI Partners website.



### 5.6. Quality of Repair

DR program participants are required to complete proper repairs that are safe and reliable, and to provide warranties for their work.

The shop measures associated with Quality of Repair are Repair Status Usage, Repair Records on File, and Repair Accuracy. For more information, please refer to the <a href="Shop Measures Information Guide">Shop Measures Information Guide</a> on the MPI Partners website. More information regarding proper repair can be found in the <a href="Light Vehicle Accreditation Agreement">Light Vehicle Accreditation Agreement</a>.

## 6. Program Management

Program management is essential to maintain DR program standards. This section outlines MPI's DR program management methods and practices.

### 6.1. Monitoring

Estimates and invoicing are monitored and documented for compliance on the items below. Monitoring is conducted through:

- Estimate/supplement approvals
- Claim audits
- Shop inspections
- Performance reviews
- Other audit processes, as determined by MPI

Issues identified in Categories 1 & 2 (shown below) may result in a performance review or other action as required. In addition, concerns identified in an audit may result in recoveries for failing to comply with MPI policies and procedures.

#### 6.1.1. Category 1: Estimates

- Estimate/Supplement Quality (compliance, My Templates in Mitchell Cloud Estimating, dispatch instructions, application of labour rates)
- Recycled and aftermarket parts usage (MAPP and CPP use)
- Submitting for non-existent/unrelated damages
- Judgment times
- Total-loss indicator
- Repair vs. Replace
- Customer complaints
- Confirm type of loss
- Photos (attachments)
- Documenting multiple claims (prior claims)
- Betterment and allowances applied
- Items broken on removal



#### 6.1.2. Category 2: Billing

- Billing for labour not performed or parts not supplied
- Billing unrelated damages
- Repair quality issues, including not following proper repair policy
- Billing for non-existent damages
- Commencing repairs prior to submitting estimate or supplement
- NAGS glass
- Wheel repair and replacement discount lines and labour hours
- Sublet invoices
- FRA sheets/photos
- Deductible
- Taxes
- Manually entered part prices
- Compliance with RPS

### 6.1.3 Inspections and Reviews

- Any estimate or supplement you have prepared for the DR program may be randomly selected by MPI for review at any point in the repair process, including but not limited to in-progress or completed repairs.
- Any estimate or supplement you have prepared for the DR program that
  has been approved by the Mitchell products based on the total value of
  the estimate, up to and including your current Earned Approval Limit,
  may be randomly selected by MPI for review as part of MPI's on-going
  quality assurance process. MPI will notify you if you have not provided an
  accurate estimate.
- As part of the DR program, you must upload all required documents and
  customer authorization signatures to the Mitchell products along with
  the estimate in accordance with information found in MPI Partners site.
  You must retain these documents in accordance with the <u>Light Vehicle</u>
  <u>Accreditation Agreement</u>. MPI reserves the right to request copies of
  these documents at any time, with or without prior notification.

### 6.2. Performance Reviews

Shop Relationship Advisors reviews a DR shop's performance when the shop's three-month rolling average is below the Tier 2 requirements for the DR program. Performance reviews include claim audits and shop inspections, claims of interest, and shop measure reviews. This provides insight into the effectiveness of a repair shop's operations and supports the repair shops by bringing attention to areas requiring improvement.



#### 6.2.1 Corrective Action Plan

Performance

- Shop not meeting Tier 2 requirements over a rolling 3 month average
- Performance Review sent to shop via email
- SRA reviews PR with the shop to provide insights to performance concerns
- · Warning of potential CAP given
- Shop takes the necessary actions to correct performance issues

Month 1

- Shop not meeting Tier 2 requirements over a rolling 3 month average
- Performance Review sent to shop via email
- SRA reviews PR with the shop to provide insights to performance concerns
- Warning of potential CAP if next scorecard not meeting 3 month rolling average Tier 2
- Shop may lose Tier placement and Earned approval limits
- Shop takes the necessary actions to correct performance issues

Performance concern Month 2

- If performance hasn't met Tier 2, then shop placed in a Corrective Action Plan
- Performance Review sent to shop via email
- SRA reviews PR with the shop to provide insights to performance concerns
- Shop has lost Tier placement and Earned Approval Limits
- Shop remains on DR during CAP
- Shop takes the necessary actions to correct performance issues

Performance concern Month 3

If a shop is not meeting program standards, a Corrective Action Plan may be required. This plan outlines objectives, how a shop expects to achieve the objectives, and a timeline for achieving the objectives. Shop Relationship Advisor will develop a Corrective Action Plan, and provide support to shops. SRA monitors milestones in the plans to help shop avoid an exit from the DR program.



• Shop is placed in a Corrective Action Plan.

- SRA provides repair shop with a CAP form to document the action plan to follow through on and milestones.
- · CAPs are a minimum of 3 months.
- · Shop has lost Tier placement and earned approval limits.
- Shop remains on DR during CAP.

Corrective Action Plan Initiated

- Shop takes the necessary actions to correct performance issues.
- Performance Review sent to shop via email each month of the CAP.
- SRA reviews PR with the shop to provide insights to performance concerns.

Corrective Action Plan
Month 1 review

- Performance Review sent to shop via email each month of the CAP.
- SRA reviews PR with the shop to provide insights to performance concerns.
- Shop and SRA review action plan and milestone and provides progress status.

- Performance Review sent to shop via email each month of the CAP.
- SRA reviews PR with the shop to provide insights to performance concerns.
- Shop and SRA reviews action plan and milestone and provides progress status.

Corrective Action Plan
Month 2 review

- Final Performance Review sent to shop via email.
- SRA reviews PR with the shop as well as the action plan and milestone and provides progress status update.
- Decision is made based on the current card meeting a 3 month rolling average of Tier 2 or greater as well as completion of all actions required as noted on the CAP form.
- $\bullet$  If pass, shop remains on DR and EAL is reinstated.
- If fail, shop follows the DR exit and re-entry process.

Corrective Action Plan Month 3 Review and decision



### 6.3. Exit from Direct Repair Program

A shop may be exited from the DR program by MPI decision or by shop choice.

A DR shop's failure to meet milestones in a Corrective Action Plan may also trigger exit, as follows:

- Shop Relationship Advisor will recommend exit.
- MPI leadership will review the recommendation and decide.
- The shop will be informed of the decision. Shops have a right to appeal, as outlined in Section 7.6 – Appeal Process below.

A shop may voluntarily withdraw from the DR program by giving 30 days written notice.

After exiting the DR program, a shop will cease all program-related promotions as per Section 9.1 – Advertising Policy. The shop will no longer appear in Direct Repair searches on the Find an Accredited Repair Shop Search Tool at mpi.mb.ca.

If your participation in the DR program is terminated in accordance with this Program Guide or the <u>Light Vehicle Accreditation Agreement</u>, and you want to re-enter the DR program, you will need to re-apply according to the current DR program application process at the time of re-application, and re-qualify for all entry portions of the DR eligibility criteria that are in place at the time of re-application.

### 6.4. Direct Repair Program Re-entry

Shops exited from DR can re-apply to the program once all current DR eligibility criteria is met (see <u>Section 4.1 – Becoming a Direct Repair Shop</u> for complete requirements). This provides MPI with the confidence that the shop is supplementing claims properly and following all other MPI policies and procedures.

### 6.5. Appeal Process

Accredited repair shops may appeal any MPI decision regarding their performance. The first step to resolve a concern is to discuss it with your Shop Relationship Advisor.

If a consensus cannot be reached through discussions, and if the shop feels that their performance has not been accurately reflected by MPI, the shop can request an appeal. If consensus still cannot be reached, the dispute resolution process outlined in Article 18 of the Accreditation Agreement can be invoked by the repair shop. This is a formal procedure that is used to review the shop's issue and to determine if a change in decision is warranted. A Shop Relationship Advisor can answer any questions about the process.



## 7. Support

MPI is committed to providing support for shops participating in the DR program.

### 7.1. Shop Support

Each accredited light vehicle repair shop has a designated Shop Relationship Advisor who functions as a liaison between the shop and MPI for all performance-related activities.

Shops are encouraged to contact their Shop Relationship Advisor anytime they have questions or require assistance on:

- DR program eligibility
- Creation of first estimates and applying MPI policies and Estimating Standards
- Performance improvement

The following contacts are available to DR participants:

Partner Support: 1-855-882-4313

• Email: <u>SRA@mpi.mb.ca</u>

Information on additional types of support can be found at mpipartners.ca.

### 7.2. Court and Regulatory Appearance Fees

Accredited repair shop representatives may sometimes be required to attend MPI claim dispute resolution process. This can include civil, criminal, or other court or administrative proceedings, to provide testimony related to their estimates or services.

When required, MPI reimburses the representative's repair shop at an hourly rate for appearance and calls as well as travel-related expenses. If you receive an appearance request, talk to your Shop Relationship Advisor or email <a href="mailto:SRA@mpi.mb.ca">SRA@mpi.mb.ca</a> with any questions you may have. Your advisor can supply you with details of the policy and the Court and Regulatory Appearance Reimbursement Application form that you will need to complete and submit to MPI.



#### 7.3. Issues Resolution

Accredited repair shops may appeal certain disputes with MPI in accordance with its accreditation agreement and this policy. The accreditation agreement identifies certain disputes which may not have to follow this policy.

The first step to resolve a dispute is to discuss it with the appropriate MPI representative. Refer to the <u>Issues Resolution</u> page on the MPI Partners website for expected resolution timelines, and levels of escalation.

## 8. Advertising Policy and Logo Usage Requirements

DR shops can advertise their participation in the program as a means of raising their shop's public profile following the guidelines below. DR program participants are required to adhere to the advertising policies below, which outline the use of MPI's Direct Repair logo and the standards that must be followed when using it.

Shops with multiple locations may only advertise the DR program at locations participating in DR.

### 8.1. Advertising Policy

### 8.1.1 Use of MPI Intellectual Property

DR program participants shall not use any MPI names, logos, or any other trademark, logo, business name, or trade name which is owned and/or used by MPI ("MPI Intellectual Property") without complying with this advertising policy and without specific approval from MPI. Any MPI Intellectual Property that is provided to you and any modifications to same and all associated intellectual property will remain the property of MPI. For the avoidance of doubt, modifications made by you to MPI's Intellectual Property shall be owned by MPI.

### 8.1.2 Use of MPI Logos and Advertising

DR participants may use the Direct Repair logo within the requirements specified below. No logo or registered trademark of MPI may be advertised in conjunction with the products, company name or corporate identification of competing automobile insurers.

#### 8.1.3 Obtaining MPI Logos

All DR participants must request and obtain the Direct Repair logo from MPI's Creative & Digital Engagement Services department directly. They cannot obtain a logo from any other source, including but not limited to a sign maker, a design house, advertising agency or any other third party.

To obtain our logos, please contact MPI's Creative & Digital Engagement Services at <a href="mailto:creative@mpi.mb.ca">creative@mpi.mb.ca</a>.



### 8.1.4 Approval for Usage

All use of the Direct Repair logo in advertising and promotional material (print, signage, web, etc.) must be approved by the Creative & Digital Engagement Services department **before** said material is used, published, produced, and/or printed.

DR participants shall submit electronic PDF proofs to creative@mpi.mb.ca for review/approval.

Approval of all creative advertising elements includes but is not limited to:

- Print advertising
- Letterhead
- Broadcast (radio and television advertising)
- Interior and Exterior signage
- Vehicular signage
- Outdoor advertising
- Digital, such as:
- Advertising posted on DR participant's website
- Electronic newsletters
- Digital advertising posted on the world wide web or through social media
- Video advertising posted on the world wide web or through social media
- Any other forms of advertising that may be developed

Each new creative element a DR participant proposes to use must be approved.

Elements that have previously been approved can be used again without approval as long as there have not been substantive changes made to the element since it was last approved.

#### 8.1.5 Directing Customers

When describing the DR program, all public advertising must **explicitly state** and clearly direct customers to:

- Call MPI first to report their claim
- Obtain an eligible claim number from MPI
- Call {DR shop name} to book an estimate and to arrange for repairs

### 8.1.6 Promotion, Promotional Material, and Information

MPI may promote the availability of the Accreditation program or the DR program and advise qualifying customers of these services by providing customers a list of accredited shops and DR participants in their area that are both qualified and have the technical expertise to complete the required repairs to their light vehicle.



MPI may, at its timing and discretion, choose to introduce or make an overall message for the entire province, and may invite the light vehicle repair industry to participate in these activities.

MPI may provide informational materials to DR participants for distribution and display at their premises in the form of brochures, posters, and/or other items.

Promotional and other material/information shall be displayed and distributed at the designated location in accordance with the specifications provided by MPI.

### 8.1.7 General Promotion, Programs, and Events

DR participants can identify themselves as Direct Repair shops in accordance with the advertising policy and logo usage requirements, including usage on letterhead and other business correspondence.

DR shops can identify themselves in all media formats provided that such identification is making proper use of the MPI Intellectual Property. As a basic rule, DR shops must use the Direct Repair materials in the form and design as set out by MPI in this document or as instructed to them when so provided with the materials.

### 8.1.8 Badges and Signage

Material such as door decals identifying the shop as a Direct Repair shop may be made available to DR participants by MPI on a cost recovery basis to the DR participant.

Other badges or signage of MPI Intellectual Property that DR participants create is at their own expense. Prior approval of design is required in accordance with this policy.

#### 8.1.9 Incentives

Solicitation of business through offers of draws, raffles, rebates, giveaways, contests, or other incentives is prohibited.

#### 8.1.10 Sponsorships

The Direct Repair logo, wordmark, or tagline may not be used by DR participants in any form to sponsor charitable events, promotions, events, galas, etc., unless special request is made to and granted by MPI at least thirty (30) days in advance of such event.



#### 8.1.11 Customer and Reputational Protection

Further, should a DR participant at any time be deemed to be in violation of this policy or the accreditation agreement, the DR participant will comply with MPI's directions which may include, but are not limited to:

- Removing and ceasing to use all permitted Direct Repair signage
- Ceasing all advertising immediately
- Ensuring all communication with customers does not include reference to the DR program
- Paying for any costs associated with removing signage, ceasing advertising, and updating communications

### 8.2. Logo Usage Requirements

### 8.2.1 Direct Repair Logos

A consistent image is important because it promotes professionalism and reliability. These qualities are valued to all customers, whether they deal with MPI directly or with one of the DR partners.

All DR participants in good standing, as defined by the DR program, are eligible to use the Direct Repair logo.

Our Direct Repair logo is composed of the title "Direct Repair", a stylized "M" symbol inside a solid circular background (representing MPI) and associated tagline "Accredited Estimate & Repair".

The logo must not be cropped, so as to obscure or remove the stylized "M" symbol and tagline "Accredited Estimate & Repair" from the image.

Always use the official, digitally supplied artwork as provided. Never attempt to recreate the logo.

#### 8.2.2 Obtaining Our Direct Repair Logos

To obtain our logo, please contact MPI's advertising department at <a href="mailto:creative@mpi.mb.ca">creative@mpi.mb.ca</a>.

When you submit a request for a logo, you will need to provide the following information:

- The name of the business partner you represent
- The physical address of the shop
- Your name and contact details
- A brief description of the intended use for our Direct Repair logo
- The colour of the logo you require (e.g., black, reversed, etc.)
- The format of the logo file you require (e.g., JPEG, EPS, etc.)



#### 8.2.3 Obtaining Approval for Usage

All usage of our Direct Repair logo in material (print, signage, web, etc.) produced by a DR participant must be approved by the <u>Creative & Digital Engagement</u> <u>Services</u> department **before** said material is published, produced, and/or printed.

### 8.2.4 Acceptable Versions

The current versions of our Direct Repair logo are the only versions authorized for use. There are three approved versions of the logo:

#### 8.2.5 Colour Version

The preferred way to reproduce the logo is using the colour version on a white field. Never reproduce this version over anything other than white.



#### 8.2.6 Grey Version

When colour is not available, use the grey version of the logo.



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### 8.2.7 Black Version

Use this version only when colour is unavailable. For black and white reproduction over a background lighter than 25% black, use the black logo.



ACCREDITED ESTIMATE AND REPAIR



#### 8.2.8 Reverse Version

This is the alternative way to reproduce the logo: reversed out of a solid colour or photograph. For black and white reproduction over a background darker than 25% black, use the white reverse logo. When placing the logo over a photo, use the reverse logo.



#### 8.2.9 White Version

Use the white reverse logo only when a one colour, reverse version is required.



### 8.2.10 Colours

The three authorized colours for our Direct Repair logo are:

1. PMS 144 Orange: 0/51/100/0

2. PMS 3115 Teal: 59/0/14/0

3. 70 % Black

Pantone 3115 CMYK: 59,0,14,0 Pantone 144 CMYK: 0,51,100,0

#### 8.2.11 Placement

The space between Direct Repair logo components (the title and the tagline) must not be altered. The logo must remain intact as a single image and the components must not be separated.

Never reset the typeface in the logotype, reposition, or alter the scale of any of the logo elements in any way. The logo's proportions must be maintained at all times.

Resizing the logo must not result in skewing or stretching.



### 8.2.12 Minimum Size of Logo

To protect the legibility of the logo, it must never be reproduced in sizes smaller than those shown here:



### 8.2.13 Staging the Logo

Always maintain the minimum clear space around the logo to preserve its integrity. To maintain clarity and impact, the logo must never appear to be linked to or crowded by copy, photographs, graphic elements, or the edge of the layout.



Minimum white space around the logo.



## 9. Termination of the Direct Repair Program

- 9.1. MPI may cancel the DR program, or any portion thereof, at any time in its sole discretion, and shall provide you notice of such, and the application of this Program Guide and your ability to perform Direct Repair first estimates will be deemed to be terminated upon the receipt of such notice.
- 9.2. MPI may terminate or suspend the application of this program to your shop for any reason by giving thirty (30) days' prior written notice to you.
- 9.3. You may withdraw from the DR program by giving thirty (30) days prior written notice. MPI shall notify you in writing that your participation in the DR program has been terminated.
- 9.4. In addition to its rights under this Program Guide, and without restricting any other remedies available, MPI may, at its sole option, immediately suspend or restrict your ability to participate in the DR program, or any portion thereof, and/or terminate participation in the program if:
  - You make an assignment for the benefit of creditors or take any other action for the benefit of creditors, become bankrupt or insolvent, or take the benefit of or become subject to any legislation in force relating to bankruptcy and insolvency; or,
  - In the opinion of MPI, you have failed to comply with or breached any other term or condition of this Program Guide, or your Accreditation Agreement.
- 9.5. Upon written notice of suspension or termination of the application of this program, you shall cease to prepare first estimates, cease to participate in the DR program, and you shall follow all additional directions from MPI required to cease participation in the DR program. If termination of this Program Guide is made pursuant to Section 10.4, MPI may also refuse to do direct business with you in accordance with the <u>Light Vehicle Accreditation Agreement</u>.
- 9.6. If your Accreditation Agreement is terminated for any reason under the <u>Light Vehicle</u> <u>Accreditation Agreement</u>, your Direct Repair Application is also terminated as of the date of the termination of the Accreditation Agreement.
- **9.7.** Termination of the application of this Program Guide shall not terminate the <u>Light Vehicle</u> Accreditation Agreement.
- 9.8. You may use the <u>Light Vehicle Accreditation Agreement</u>'s dispute resolution provisions to appeal a termination of your DR shop's participation in the DR program, but you may not appeal a decision to terminate under Section 10.1 of this Program Guide.

### 10. Notification

Notwithstanding anything else in this guide, MPI may deliver updates to any Estimating Standards, guidelines, documentation, policies and procedures, processes, and advertising rules related to the DR program to you electronically to an email address of your choosing, until the MPI Partners website is established for dissemination of such updates, or in any other manner that MPI deems appropriate.



# 11. Appendices

#### 11.1. Related Materials

Under the new Light Vehicle Accreditation Agreement, several new programs are being introduced to ensure physical damage claims are handled efficiently and seamlessly for Manitobans. The following documents provide related and supplemental information to this guide:

 <u>Light Vehicle Accreditation Agreement and schedules</u>, available on the MPI Partners website.

The LVAA provides the overall framework of how the accredited repair shops interact and do business with MPI.

2. Expedited Approval:

<u>Expedited Approval Program Guide</u> available on the MPI Partners website. This guide provides full details on Performance Recognition.

3. Shop Measures Information Guide, available on the MPI Partners website.

The Shop Measures Information Guide outlines the purpose and calculation of shop measures.

- 4. MPI Policies & Procedures, available on the MPI Partners website.
- 5. <u>Direct Repair Claim Procedures (end to end)</u>, available on the MPI Partners website.

Step-by-step procedures for the entire DR process including writing the estimate and completing the repairs.

## 11.2. Direct Repair Application Form

A fillable PDF of the <u>Direct Repair Application form</u> is available on the MPI Partners website.