

Term & Implementation

The compensation schedule, are in effect for a four year term as of **March 16, 2021 until June 13th 2025**. Rates will go into effect based on the date MPI receives a shop's signed LVAA.

**Due to required system changes to rates and long expansion file, shops will not be able to add these items to their estimates until these changes are completed. MPI will reconcile all applicable accounts retroactively for labour rates listed below only. Shops will be notified when system changes are available to them.*

2021 LVAA Amendments

1. **Section 12.1 Giveaways** - The permitted value of the giveaway has been reduced from \$50.00 CAD to \$25.00 CAD.

Previous language:

12.1 Giveaways

Giveaways (other than Prohibited Giveaways) of products or services related to repairs are permitted provided they are for a value of \$50.00 CAD or less. You are not permitted to provide: 14 (i) Giveaways of products and services related to repairs that exceed a value of \$50.00 CAD; or (ii) Prohibited Giveaways. You understand and accept your obligation under this Agreement to collect deductibles, depreciation, and taxes from Customers, and that any attempt by you to waive or circumvent this requirement is prohibited. For clarity the prohibitions in this section do not apply to Customer financing described in subsection 7.7(e)

New Language:

12.1 Giveaways

Giveaways (other than Prohibited Giveaways) of products or services related to repairs are permitted provided they are for a value of \$25.00 CAD or less. You are not permitted to provide: 14 (i) Giveaways of products and services related to repairs that exceed a value of \$25.00 CAD; or (ii) Prohibited Giveaways. You understand and accept your obligation under this Agreement to collect deductibles, depreciation, and taxes from Customers, and that any attempt by you to waive or circumvent this requirement is prohibited. For clarity the prohibitions in this section do not apply to Customer financing described in subsection 7.7(e)

2021 Compensation Schedule Amendments

General Amendments

1. Amended the "Compensation Schedule Term" at the top of the document – March 16, 2021 to June 13, 2025.
2. Added Year 3 and Year 4 to the Legend
3. Added Year 3 and Year 4 to Southern and Northern Manitoba Labour Rate tables

4. Updated Southern and Northern Manitoba Labour Rate tables for Body, Refinish, Glass, Frame, Mechanical, Aluminum/Carbon Fiber, Glass only windshield, tempered labour and Paint Material compensation allowances.
5. Replaced Sealant with Urethane to align with Estimating Standards
6. Added further clarification to Note 2 under both the Southern and Northern labour rate tables:
(2) Aluminum/Carbon Fiber: to be eligible, accredited shop must meet aluminum tooling requirements. Please refer to the [Labour Rate Estimating Standard](#) on the MPI Partners site for eligible operations.

Retroactive Rates (labour & refinish material)

MPI will process payments to repair facilities for retroactive payments. Estimates will not be supplemented by MPI during this process. The following are the only applicable changes to compensation:

- Body labour rate
- Refinish labour rate
- Frame labour rate
- Glass labour rates
- Paint material allowance

Shops who have not previously signed the 2021 LVAA

- All payments submitted to MPI on or after April 15th up until the date you have submitted a signed 2021 LVAA signature page to MPI will be eligible for the following rate increase.

Shops who have previously signed the 2021 LVAA, but it was after April 15th

- All payments submitted to MPI from the date you've submitted a signed 2021 LVAA signature page to MPI for claims submitted April 15th 2021 onwards, until your Estimating Profiles have been authorized for updating will be eligible for the following rate increase.

Shops who have previously signed the 2021 LVAA prior to April 15th

- All payments submitted to MPI from the date you've submitted a signed 2021 LVAA signature page to MPI for claims submitted from the date you submitted your LVAA until your estimating Profiles have been authorized for updating will be eligible for the following rate increase.

Criteria for New Compensation

Physical Damage

Please refer to the [Light Vehicle Repair Industry Agreement Compensation Schedule](#) for all applicable rates (reference only).

Until estimating system profiles can be updated, continue to submit under 2020 rates and 2020 estimating standards.

Estimating Standards

MPI completed a review of all Estimating Standards to reduce, merge, clarify, and create procedures where applicable, to assist shops in proper application of our Estimating Standards. For a comprehensive explanation of all updates to the Estimating Standards stemming from the 2021 LVAA, please review [Estimating Standards - Summary of Changes](#).

Glass

Effective on the signed and submitted 2021 LVAA date, a repair shop may request any applicable Glass Standards on new claims, or in progress claims submitted for MPI review. For claims that a repair shop may have already submitted for payment after signing and submitting the 2021 LVAA, MPI will adjust those claims to reflect the changes in rates by the first week of September 2021.

All Glass Standards will be in effect as of a shop's signed and submitted 2021 LVAA.

MPI completed a review of all Glass Standards to reduce, merge, clarify, and create procedures where applicable, to assist shops in proper application of our glass standards. For a comprehensive explanation of all updates to Glass Standards, please review Glass Standards - Summary of Changes.

Glass Standards

- Please see [2021 LVAA Glass Changes](#) for details.
- For a list of all 2021 Glass Standards, please [click here](#).

Light Vehicle Accreditation

Light vehicle accreditation requirements are set out in the Light Vehicle Accreditation Agreement and in the policies on the MPI Partners Website.

Cost Effective Repairs

Accredited repair shops are responsible for completing repairs in a cost effective manner while ensuring a Proper Repair. This means taking the appropriate steps to minimize the intrusive nature of repairs and making sure that unnecessary repairs are not completed.

2021 LVAA Notices

- [July 12, 2021 - Joint Statement from MPI, ATA and MMDA on New LVAA Model Agreement](#)

Questions

- Please see [New Light Vehicle Accreditation Agreement – FAQs](#).
- For further questions please use the [Repair Shop Support Line](#) to contact the applicable department:
 - Accreditation – Accredited Repair department
 - Estimating Standards – Estimating department
 - Glass Standards – Claims Audit Unit (glass-only claims)
 - Shop Measures and Direct Repair – Shop Relationship Advisors