



Manitoba Public Insurance

This Rental Vehicle Rates Agreement is made effective on the 1st day of December, 2018.

BETWEEN:

THE MANITOBA PUBLIC INSURANCE CORPORATION
(called "**Manitoba Public Insurance**")

- and -

MANITOBA CAR & TRUCK RENTAL ASSOCIATION
(called "**MCTRA**")

WHEREAS MCTRA and Manitoba Public Insurance wish to set out the terms for an agreed-upon compensation structure payable to rental companies that rent light passenger vehicles to MPI customers who have lost the use of their vehicles due to damage/loss caused by motor vehicle collisions.

NOW THEREFORE, the parties hereto agree as follows:

1.00 TERM AND TERMINOLOGY

1.01 This Agreement comes into effect as of December 1, 2018 and shall continue up to and including December 31, 2020 (the "**Term**"), unless earlier terminated in accordance with the terms and conditions contained herein.

1.02 In this Agreement, the following terms shall mean the following:

"Agreement" means this agreement between MCTRA and Manitoba Public Insurance;

"Agreement Signature Page" means the signature page to this Agreement, a sample form of which is attached hereto as Appendix I, and which, when completed and signed by a rental company, binds that rental company to the rate structure and other applicable terms and conditions of this Agreement, and further resulting in that rental company becoming a "Preferred Rental Company" as defined herein;

"ALE" means Auto Loss of Use extension;

"Business Rules" means the general business rules applicable to Preferred Rental Companies doing direct business with MPI, all of which are available on the MPI Partners Website;

"Customer" means a claimant that is insured by Manitoba Public Insurance who has incurred a loss of use of their Light Vehicle, and as a result, has rented a replacement vehicle from a Preferred Rental Company;

"Light Vehicle" means any passenger vehicle with a gross vehicle weight rating of less than 4500 kilograms;

“Loss of Use Portal Procedures” means the procedures applicable to Preferred Rental Companies doing direct business with MPI, all of which are available on the MPI Partners Website;

“Manitoba Public Insurance” or **“MPI”** means The Manitoba Public Insurance Corporation;

“MCTRA” means the Manitoba Car & Truck Rental Association;

“MPI Intellectual Property” has the meaning set out in subsection 3.01(h);

“MPI Partners Website” means the website administered by MPI located at <http://mpipartners.ca>;

“Preferred Rental Company” means a rental company that signs an Agreement Signature Page and is entitled to do direct business (direct bill) with Manitoba Public Insurance in accordance with the terms and conditions of this Agreement, the Business Rules and the Loss of Use Portal Procedures.

“Service Credits” means cash allowances to be applied towards the acquisition of services;

“Signing Officer” means a Preferred Rental Company’s signing officer authorized by MPI to sign on behalf of that Preferred Rental Company;

2.00 REPRESENTATION OF RENTAL VEHICLE INDUSTRY

2.01 The MCTRA represents and warrants that it has the authority to negotiate for its members the rates and other terms and conditions of this Agreement.

2.02 Any rental company in Manitoba (including but not limited to MCTRA members) that meets the requirements under this Agreement, the Business Rules and Loss of Use Portal Procedures, will be eligible to do direct business with Manitoba Public Insurance (i.e. direct bill Manitoba Public Insurance for rental services provided to MPI Customers) and advertise that they are a MPI Preferred Rental Company in accordance with the terms of this Agreement, the Business Rules and the Loss of Use Portal Procedures.

2.03 By completing and signing an Agreement Signature Page in substantially the same form attached as Appendix I, a rental company is agreeing to be bound by the terms and conditions of this Agreement and to become a Preferred Rental Company.

3.00 BUSINESS, OPERATIONAL AND SERVICE REQUIREMENTS

3.01 MCTRA understands and agrees that Preferred Rental Companies must provide rental services to MPI Customers in accordance with the following requirements:

(a) Preferred Rental Companies will rent Light Vehicles (passenger vehicles) to MPI Customers who have lost the use of their vehicles due to damage/loss caused by vehicle collisions. Preferred Rental Companies will deliver these rental services to all areas within the Province of Manitoba where they conduct business.

(b) The rental vehicles provided to MPI Customers must be no more than three model years old, free of body damage, cleaned prior to each rental, and mechanically

sound. These vehicles must be registered as a “U-Drive” and insured by Manitoba Public Insurance. Notwithstanding the foregoing, courtesy car rentals may be older than three model years; however, they must meet the other requirements in this subsection (b).

- (c) The Preferred Rental Company shall be responsible for explaining policy limits to each Customer, monitoring the repair process, determining reasons for delays and reporting these to Manitoba Public Insurance. The Preferred Rental Company is also responsible for notifying a Customer when rental coverage is not available, and advising the Customer of how they will be responsible for their own rental costs in those situations.
- (d) The Preferred Rental Company must operate a full-time rental vehicle business during normal business hours, and have a valid business licence, where applicable, for the area in which the business is located.
- (e) The Preferred Rental Company must notify Manitoba Public Insurance in writing if the name, ownership or location of its business is changing. If the Preferred Rental Company has advance knowledge of such a change, it must notify Manitoba Public Insurance not less than thirty (30) business days prior to the effective date of such change.
- (f) The Preferred Rental Company must have a computer with internet connection in order to access the MPI Loss of Use Web Portal, and possess the ability to produce electronic copies of invoices as requested by Manitoba Public Insurance. The Preferred Rental Company must always use its own registered account number and user ID with Manitoba Public Insurance, and it cannot not use a third party’s registered account number or user ID. The Preferred Rental Company shall not permit a third party to use its registered account number or user ID.
- (g) The Preferred Rental Company may advertise and market to Customers that it is a MPI Preferred Rental Company. However, prior to this advertising or marketing, the Preferred Rental Company must contact the MPI Loss of Use Coordinator, who will confirm that the Preferred Rental Company is in compliance with Manitoba Public Insurance’s specific marketing and advertising rules and restrictions. The Preferred Rental Company agrees to comply with all of Manitoba Public Insurance’s advertising and marketing rules and restrictions when advertising or marketing its preferred status.
- (h) The Preferred Rental Company shall not use any names, logos, or any other trademark which is owned and/or used by Manitoba Public Insurance (the “**MPI Intellectual Property**”), without the prior written permission of Manitoba Public Insurance. Upon request by Manitoba Public Insurance, the Preferred Rental Company must immediately remove the MPI Intellectual Property from its company’s premises. Failure to immediately remove the MPI Intellectual Property from the premises may result in MPI initiating legal proceedings, including but not limited to, proceedings requesting injunctive relief.

4.00 COMPLIANCE WITH LAWS AND MPI'S POLICIES AND PROCEDURES

4.01 MCTRA understands and agrees that Preferred Rental Companies must:

- (a) at all times comply with all laws which are applicable to their business and operations, and Preferred Rental Companies shall ensure that all of their employees, staff and other personnel do the same. Without limiting the generality of the foregoing, Preferred Rental Companies shall comply with all applicable laws governing their collection, use, retention, disclosure and destruction of Customers' personal information;
- (b) comply with all the Loss of Use Portal Procedures and the Business Rules which are located on the MPI Partners Website. Manitoba Public Insurance may unilaterally make changes to the Loss of Use Portal Procedures or the Business Rules. In such case, Manitoba Public Insurance will notify the MCTRA and Preferred Rental Companies promptly of any changes, and thereafter Preferred Rental Companies shall be responsible for compliance with same; and
- (c) ensure that all of their employees, staff and other personnel comply with the applicable terms and conditions of this Agreement, the Business Rules and Loss of Use Portal Rules.

4.02 Manitoba Public Insurance reserves the right from time to time to audit a number of claims involving rental vehicles in all areas of Manitoba on a continuing basis, in order to satisfy itself and Customers that good quality of service and rentals are being supplied in accordance with the terms and conditions of this Agreement and the Business Rules.

5.00 RENTAL RATES AND COMPENSATION STRUCTURE

5.01 Manitoba Public Insurance and MCTRA agree to the following rate and compensation structure for Preferred Rental Vehicles providing services to MPI Customers:

- (a) Preferred Rental Companies will rent replacement vehicles to those MPI Customers having first-party entitlement by virtue of the theft/attempted theft of their insured vehicles at a daily rate that does not exceed the legislated maximum of \$34.00 per day to an aggregate maximum of \$1,020.00 (inclusive of applicable taxes).
- (b) In the case of first party entitlement arising from the theft/attempted theft of an MPI Customer vehicle, the MPI Customer's entitlement to reimbursement is limited to expenses incurred during the period commencing 72 hours after the report of the loss. Preferred Rental Companies must not waive this time period and must not absorb the Customer's costs in respect to this time period.
- (c) For Customers who carry first party extension loss of use coverage, Preferred Rental Companies shall provide rental vehicles at a cost not to exceed \$39.02 per day to an aggregate maximum of \$1,170.60 for "Level 1" under the applicable legislation. Rates for "Level 2" Customers will not exceed \$68.00 per day to an aggregate maximum of \$2,040.00 (inclusive of applicable taxes).
- (d) Preferred Rental Companies shall rent replacement vehicles to those MPI Customers having third party entitlement at a cost not to exceed \$42.00 (plus

applicable taxes) per day. The class of vehicle that is rented to the Customer having third party entitlement must be comparable to or better than the class of vehicle that it is replacing, unless: (1) that class of vehicle is unavailable, in which case the Preferred Rental Company must rent the closest class of vehicle available; or (2) the Customer expressly agrees to a different vehicle class.

- (e) The rates and limits mentioned in subsections (a) – (d) above shall cover the entire daily rate for the rental vehicle provided and no additional charges of any kind whatsoever will be charged to the MPI Customer for the rental of a replacement vehicle, subject to any exceptions set out in the Loss of Use Portal Procedures and Business Rules.
- (f) Preferred Rental Companies shall at all times be free to identify vehicle licensing fees and airport access fees on their internal billing invoices for regulatory and reporting purposes. These fees will not be additional fees charged to Manitoba Public Insurance and will not increase a Preferred Rental Company's rate structure.
- (g) A Preferred Rental Company cannot contract out of any valid Autopac insurance coverage on any vehicle by entering into a separate agreement between itself and the Manitoba resident Customer. The Manitoba resident Customer will not be responsible for the cost of any damages to the vehicle in excess of the basic deductible where that damage falls within the scope of coverage under the Autopac plan. If the Customer chooses to reduce his/her liability lower than the basic deductible by way of a contractual agreement with the Preferred Rental Company; that cost will be borne by the Customer. The Preferred Rental Company will explain this to the Customer to Manitoba Public Insurance's reasonable satisfaction.
- (h) Manitoba Public Insurance will not pay for a mileage charge on a rental account. 150 kilometres per day must be provided at no charge to the Customer. Should the Customer use the rental vehicle in excess of 150 kilometres per day, the cost will be borne by the Customer at a rate of 15 cents per excess kilometre.
- (i) Administration fees will not be considered or paid by Manitoba Public Insurance and must not be charged to the Customer.
- (j) The Manitoba resident Customer will not be responsible for the cost of any damages to the vehicle in excess of the basic deductible, where the damage falls within scope of coverage under the Autopac plan. If the Customer chooses to reduce his/her liability lower than the basic deductible by way of contractual agreement with the Preferred Rental Company, such cost will be borne by the Customer. The Preferred Rental Company will explain this to the Customer to Manitoba Public Insurance's reasonable satisfaction.
- (k) The Preferred Rental Company shall collect the GST from Customers who are GST registrants and shall not waive or otherwise offset any applicable taxes.

- 5.02 If any legislative or regulatory changes made by the Government of Manitoba or another regulatory authority such as the Public Utilities Board of Manitoba result in additional significant costs to rental companies (including, but not limited an annual increase greater than 5% for Basic Autopac insurance rates applicable to rental company fleet vehicles), MCTRA may request Manitoba Public Insurance to review the rates in Section 5.01 that are related to the significant change in the underlying cost structure for rental companies.
- 5.03 If the Government of Manitoba makes any legislative or regulatory change which amends or has the effect of amending the rates, coverage levels and/or timelines described in Section 5.01 above, then this Agreement shall automatically be deemed to be amended to reflect those legislative or regulatory changes until such time as the parties formally execute an amendment to reflect the changes in writing.
- 5.04 Manitoba Public Insurance will:
- (a) recommend that each Customer with a loss of use entitlement rent a replacement vehicle from a Preferred Rental Company;
 - (b) with the consent of the Customer, pay any Preferred Rental Company directly;
 - (c) generate one consolidated payment to a given Preferred Rental Company once per week, which will be accompanied by a breakdown by claim;
 - (d) pay all rental accounts that conform to this Agreement within 30 days of receipt. Where there is a problem with an account, Manitoba Public Insurance will immediately advise the Preferred Rental Company;
 - (e) coordinate and expedite all rental claims through MPI's Claims Processing Unit at its Service Centre located at 15 Barnes Street, in Winnipeg, Manitoba, or such other location(s) as determined in Manitoba Public Insurance's sole discretion;
 - (f) provide payment to the Preferred Rental Company in accordance with the maximum amounts referred in Section 5.01 above;
 - (g) where a Preferred Rental Company makes a claim for loss of use of one of its own rental vehicles (referred to as claims for "Down Time" or "standby"), pay the claim in accordance with the Loss of Use Portal Procedures and Business Rules; and
 - (h) adjust claims for damage to Preferred Rental Company vehicles where MPI Customers have purchased rental car insurance policies, according to the Loss of Use Portal Procedures and Business Rules.

6.00 TERMINATION

- 6.01 Either Manitoba Public Insurance or MCTRA may terminate this Agreement for any reason with ninety (90) days' prior written notice to the other party.
- 6.02 A Preferred Rental Company or Manitoba Public Insurance may terminate that particular Preferred Rental Company's status as such, for any reason, by providing ninety (90) days' prior written notice to the other party.

- 6.03 Without restricting any other remedies available, Manitoba Public Insurance may immediately terminate a Preferred Rental Company's status (i.e. terminate that company's direct billing and marketing privileges) in writing, if:
- (a) the Preferred Rental Company makes an assignment for the benefit of creditors, takes any other action for the benefit of creditors, become bankrupt or insolvent, or takes the benefit of or becomes subject to any legislation in force relating to bankruptcy and insolvency;
 - (b) in the opinion of Manitoba Public Insurance, the Preferred Rental Company's provision of rental services to MPI Customers is unsatisfactory, inadequate, or otherwise improperly performed;
 - (c) in the opinion of Manitoba Public Insurance, the Preferred Rental Company has failed to comply with, or has breached any term or condition of their Preferred Rental Company requirements (see Section 6.04 below for further details); or
 - (d) in the opinion of Manitoba Public Insurance, continuing to engage the Preferred Rental Company under this Agreement may adversely affect Manitoba Public Insurance's public reputation.
- 6.04 For further clarity, failing to comply with, or a breach of any term or condition of Preferred Rental Company requirements (as provided in Section 6.03(c) above), includes but is not limited to:
- Failure to comply with any portion of the Loss of Use Portal Procedures or Business Rules;
 - Deliberate attempt to defraud Manitoba Public Insurance or a conviction of fraud with respect to a rental vehicle for which Manitoba Public Insurance has made payment;
 - Failure to collect GST;
 - Billing for rental vehicles that are not supplied or billing for excessive or additional days;
 - Failure to comply with any law which is applicable to the Preferred Rental Company's business and operations;
 - Taking advantage of an MPI system technical error (e.g. MPI's automated system allows more rental days than required beyond documented standard allowances), and failing to notify Manitoba Public Insurance of such error;
 - If applicable, taking actions that create an unnecessary or unreasonable delay in the completion of the Customer's vehicle repair, that result in the Customer renting the replacement vehicle from the Preferred Rental Company for an extended period; or
 - Breach of or non-compliance with any other term or condition set out herein.
- 6.05 Termination of a Preferred Rental Company's status for any reason will result in Manitoba Public Insurance no longer doing direct business with that rental company. That rental company will no longer have access to the Loss of Use Portal and will no longer be able to direct-bill Manitoba Public Insurance. That rental company will also no longer be entitled to advertise themselves as a MPI Preferred Rental Company or continue to use MPI Intellectual Property.

7.00 GENERAL PROVISIONS

- 7.01 The terms and conditions contained in this Agreement that are intended to survive the termination of this Agreement, shall survive any termination of this Agreement.
- 7.02 Neither party shall assign or transfer this Agreement or any of the rights or obligations under this Agreement without first obtaining written permission from the other party. No assignment or transfer of this Agreement shall relieve a party of any of its obligations under this Agreement, except to the extent they are properly performed by its permitted assigns.
- 7.03 This Agreement shall be interpreted, performed and enforced in accordance with the laws of Manitoba.
- 7.04 Any failure or delay by either party to exercise or partially exercise any right contained in this Agreement will not be deemed to be a waiver of such right. The waiver by either party of a breach of any term, condition or provision of this Agreement shall not be construed as a waiver of any subsequent breach.
- 7.05 The parties agree to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this agreement.
- 7.06 Any notice or other communication under this Agreement shall be delivered:
- To Manitoba Public Insurance:
- Attention: Manager, Bison Service Centre
15 Barnes Street
Winnipeg, MB R3T 2H9
- To MCTRA:
- Attention: Don Johal, President
Unit 5, 2140 McPhillips Street
Winnipeg, MB R2V 3C8
- 7.07 Any notice or communication:
- (a) sent by registered mail shall be deemed to have been received on the third business day following the date of mailing;
 - (b) sent by facsimile or other electronic transmission (including email) shall be deemed to have been received on the day of transmission; and,
 - (c) sent by courier or personal delivery shall be deemed to have been received on the day that it was delivered.

This Agreement has been executed on behalf of each party by their duly authorized representatives.

for **THE MANITOBA PUBLIC INSURANCE CORPORATION**

for **MANITOBA CAR & TRUCK RENTAL ASSOCIATION**

Per: _____
Benjamin Graham
President & CEO

Per: _____
Don Johal
President

Per: _____
Curtis Wennberg
Vice President, Customer Service & COO

Per: _____
Brian Oddy
Vice President

APPENDIX I

SAMPLE FORM OF AGREEMENT SIGNATURE PAGE



RENTAL VEHICLE AGREEMENT SIGNATURE PAGE

[Insert full legal name of rental company]
(referred to as the “**Rental Company**”, “**you**” or “**your**”)

Business Contact Information for the Rental Company:

Attention [Insert Name & Title]: _____

Mailing Address: _____

Email: _____

Facsimile: _____

Registered Account #: _____

By completing this form and by signing below, you agree to comply with the applicable terms and conditions of the Rental Vehicle Rates Agreement dated December 1, 2018, between Manitoba Public Insurance and the Manitoba Car & Truck Association (the “**Agreement**”), the Business Rules and the Loss of Use Portal Procedures, all of which are located on the MPI Partners Website. In doing so, you will be considered a “Preferred Rental Company”, as that term is defined in the Agreement, and you will be entitled to the privileges given to Preferred Rental Companies.

If your status as a Preferred Rental Company is terminated for any reason, either by Manitoba Public Insurance or by you, you understand and agree that you will no longer be entitled to the privileges given to Preferred Rental Companies.

for the **RENTAL COMPANY**

Per: _____

Name:

Title: