

Notice to all Accredited Autobody and Glass Shops

2021 LVAA Paint Material Compensation Increase – Effective April 1, 2022

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Following input and consultation with the Automotive Trades Association, the Manitoba Motor Dealers Association, and members of the Program & Accreditation Consultation Committee, MPI will be increasing the Paint Material rate by 10.5%, effective April 1, 2022. View the schedule <u>here</u>.

The 2021 Light Vehicle Accreditation Agreement (LVAA) compensation schedule provided for a 2.4% increase on June 14, 2022. However, recognizing the impact of higher than anticipated prices for paint material, the 10.5% increase will be effective April 1, 2022. Subsequent paint material increases in the compensation schedule will be based on this higher 2022 rate. MPI will continue to work with the Program & Accreditation Consultation Committee to monitor paint material costs during the remainder of this year.

Under Section 21.5 of the LVAA, MPI is required to provide 30 days' notice of any changes. As such, MPI will be making system changes effective May 1, 2022, and will complete retroactive payments of the paint material increase on claims submitted for payment after March 31, 2022, up to April 30, 2022. Estimates will not be supplemented by MPI during this process.

If you have any questions about this notice, please contact <u>MPI Partners</u> or your SRA.