

Notice to all Light Vehicle Accredited Repair Shops

Final Cost of Repairs Reminder

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MPI has seen an increased number of claims where repair shops did not provide an accurate final cost of repair (FCOR) prior to the shops starting repairs.

Any additions to the estimate after the FCOR estimate has been approved for repair, can deem the vehicle a total loss. Upon first estimates and approval of an FCOR, MPI will add a Maximum Repair Threshold note when ACV exceeds 70%. If there is no note or clear direction given on MPI's approval, shops are to contact the estimator for clarity. Shops must make all reasonable efforts to source and use alternate parts when there is a potential total loss. MPI will review any estimate when there is a potential total loss, and may perform part type sourcing if required.

Please review the following reminders to help reduce delays and impacts to customers and repair shops:

Shop checklist prior to ordering parts and completing repairs

- For potential total losses, avoid ordering parts off an MPI first estimate until a proper teardown and FCOR has been approved.
- Provide MPI with an accurate FCOR when ACV is over 70%.
- Be aware of any possible LOU costs based on vehicle arrival date to completed time, as this is factored into repair costs by adjusters.
- Notify MPI of any repair delay concerns by following the repair delay process on MPI Partners.
- When mileage on an initial estimate/supplement is unknown (entered asas 999,999 km) ,update it based on current vehicle mileage.
- Read the max repair value note published in activity notes.
- Review estimate approval note from estimator as to whether it is "ok to proceed with repairs" or "hold and contact adjuster".



Links to reference

- <u>Light Vehicle Accreditation Agreement</u> Schedule 7.5
- Direct Repair Guide Section 2.3, 2.5, 5.4
- <u>Direct Repair Procedures</u> Section 6
- Estimating Standards Marginal Repair
- NTT Max Repair Threshold
- Temporary Repairs and Repair Delays

If you have any questions regarding this notice, please contact <u>SRA@mpi.mb.ca</u> or your assigned Shop Relationship Advisor.