

## 2021 LVAA AND COMPENSATION SCHEDULE AMENDMENTS

### 2021 LVAA Amendments:

1. **“Sole and Unfettered Discretion”**

All references to MPI having “sole and unfettered discretion” throughout the LVAA have been removed.

2. **Section 1.3 – Same Agreement for all Accredited Shops**

New Section:

**1.3 Same Agreement for all Accredited Shops**

The same terms and conditions contained within this agreement and its schedules will be applied to all Accredited Shops, so that all Accredited Shops have the same contractual rights and obligations applying to the light vehicle repair services they perform for Customers.

3. **Section 7.7 – Policies & Procedures**

Previous language:

**7.7 Policies & Procedures**

You agree to comply with all Policies & Procedures that are applicable to your business and operations. The Policies & Procedures can be found on the MPI Partners Website. You understand and accept that if you do not comply with any of the Policies & Procedures, then your accreditation may be suspended and/or Manitoba Public Insurance may refuse to do direct business with you. Any amendments to the Policies & Procedures will be developed and finalized by Manitoba Public Insurance, and you will be notified of them in accordance with Section 21.10. The following paragraphs highlight some of the key Policies & Procedures that apply to your accreditation. However, the following paragraphs do not cover all of the Policies & Procedures, and it is your responsibility to review and ensure that you are in compliance with all of the Policies & Procedures applicable to your business and operations.

New Language:

**7.7 Policies & Procedures**

You agree to comply with all Policies & Procedures that are applicable to your business and operations. The Policies & Procedures can be found on the MPI Partners Website. You understand and accept that if you do not comply with any of the Policies & Procedures, then your accreditation may be suspended and/or Manitoba Public Insurance may refuse to do direct business with you. Any amendments to the Policies & Procedures will be developed and finalized by Manitoba Public Insurance, and you will be notified of them in accordance with Section 21.10. Manitoba Public Insurance will provide you with a minimum of thirty (30) calendar days’ notice in advance of implementing amendments to the Estimating Standards. The

following paragraphs highlight some of the key Policies & Procedures that apply to your accreditation. However, the following paragraphs do not cover all of the Policies & Procedures, and it is your responsibility to review and ensure that you are in compliance with all of the Policies & Procedures applicable to your business and operations.

#### 4. Section 10.1 – Current and Future Compensation

Previous Language:

##### **10.1 Current and Future Compensation**

Manitoba Public Insurance reserves the right to change and update the rates and fees in the Compensation Schedule and in the Estimating Standards from time to time. Changes to any rates and fees will be posted on the MPI Partners Website and you will be notified of such changes in accordance with Section 21.10. All rates and fees referred to in this Agreement shall be in Canadian Dollars unless otherwise specified. You agree to comply with the then current rates and fees on the MPI Partners Website, and that you will not charge either Manitoba Public Insurance or Customers more than those rates and fees. You agree to accept any rates and fees incurred under this Agreement via electronic funds transfer, or any other payment form as decided by Manitoba Public Insurance.

New Language:

##### **10.1 Current and Future Compensation**

At the end of a given Compensation Schedule Term, Manitoba Public Insurance will develop a new Compensation Schedule to take effect immediately after the expiring Compensation Schedule. Further, Manitoba Public Insurance reserves the right to change and update the rates and fees from time to time in:

- (a) a Compensation Schedule during its Compensation Schedule Term (subject to subsection 21.5(b) below); and
- (b) the Policies & Procedures.

Any new Compensation Schedule, or any other changes to rates and fees will be posted on the MPI Partners Website and you will be notified of the new Compensation Schedule or rate/fee changes in accordance with Section 21.10. All rates and fees referred to in this Agreement shall be in Canadian Dollars unless otherwise specified. You agree to comply with the then current rates and fees on the MPI Partners Website, and that you will not charge either Manitoba Public Insurance or Customers more than those rates and fees. You agree to accept any rates and fees incurred under this Agreement via electronic funds transfer, or any other payment form as decided by Manitoba Public Insurance.

Please note that a new definition of “Compensation Schedule Term” has been added in the definitions section of the LVAA:

“**Compensation Schedule Term**” means the effective period of a given Compensation Schedule, as set out in that Compensation Schedule.

#### 5. Section 15.4 – Third Party and Industry Consultation

Previous Language:

#### **15.4 Third Party and Industry Consultation**

Manitoba Public Insurance may, in its sole and unfettered discretion, elect to review issues in consultation with the repair industry (including individual repair shops) and with third party advisors, related to the labour and material rates and fees, the contents of the accreditation agreement, and other issues within the collision repair industry in Manitoba.

New Language:

#### **15.4 Third Party and Industry Consultation**

Manitoba Public Insurance recognizes the importance of understanding differing perspectives and gaining up-to-date information and as such may review issues in consultation with the repair industry (including individual repair shops), with industry associations (such as the Automotive Trades Association of Manitoba and the Manitoba Motor Dealers Association), and with third party advisors, related to the labour and material rates and fees, the contents of the accreditation agreement, and other issues within the collision repair industry in Manitoba.

### **6. Section 16.5 – Corrective Action Plan**

Previous Language:

#### **16.5 Corrective Action Plans**

Manitoba Public Insurance may take steps to resolve particular instances of unfulfilled Accreditation Requirements, breaches of this Agreement, one or more repair deficiencies, administrative methods and practices, or other such procedural matters. It may also take corrective measures to achieve a certain outcome of shop credentials (including Minimum Training Program Requirements), or technical capability including such items as staff training and development, installation of equipment, or introduction of new processes. Shops in the Direct Repair Program that fail to maintain the required level of performance as set out in the Direct Repair Program Guide may be placed in a Corrective Action Plan. Underperforming in specific shop measures as outlined on the MPI Partners site may also require a Corrective Action Plan. Shops following a Corrective Action Plan agreed to by Manitoba Public Insurance are considered in good standing per the terms of this Agreement. A Corrective Action Plan may note exceptions to and restrictions on certain provisions of this Agreement. Manitoba Public Insurance is the final arbiter of what constitutes an appropriate Corrective Action Plan. You are responsible for completing all actions/tasks in the Corrective Action Plan in the timelines required to resolve the matter(s). Failure to meet the requirements in the Corrective Action Plan in the timelines provided may be grounds for suspension of your accreditation. For clarity, Manitoba Public Insurance will normally attempt to correct deficiencies with Corrective Actions Plans; notwithstanding anything else in this Agreement, Manitoba Public Insurance is not required to utilize a Corrective Action Plan prior to suspending your accreditation or terminating this Agreement.

New Language:

### **16.5 Corrective Action Plans**

Prior to taking action such as suspending your accreditation or terminating this Agreement, Manitoba Public Insurance may take steps to resolve particular instances of unfulfilled Accreditation Requirements, breaches of this Agreement, one or more repair deficiencies, administrative methods and practices, or other such procedural matters. It may also take corrective measures to achieve a certain outcome of shop credentials (including Minimum Training Program Requirements), or technical capability including such items as staff training and development, installation of equipment, or introduction of new processes. Shops in the Direct Repair Program that fail to maintain the required level of performance as set out in the Direct Repair Program Guide may be placed in a Corrective Action Plan. Underperforming in specific shop measures as outlined on the MPI Partners site may also require a Corrective Action Plan. Shops following a Corrective Action Plan agreed to by Manitoba Public Insurance are considered in good standing per the terms of this Agreement. A Corrective Action Plan may note exceptions to and restrictions on certain provisions of this Agreement. Manitoba Public Insurance is the final arbiter of what constitutes an appropriate Corrective Action Plan. You are responsible for completing all actions/tasks in the Corrective Action Plan in the timelines required to resolve the matter(s). Failure to meet the requirements in the Corrective Action Plan in the timelines provided may be grounds for suspension of your accreditation. For clarity, Manitoba Public Insurance will normally attempt to correct deficiencies with Corrective Actions Plans; notwithstanding anything else in this Agreement, Manitoba Public Insurance is not required to utilize a Corrective Action Plan prior to suspending your accreditation or terminating this Agreement.

## **7. Section 17.1 – Reasons for Suspension**

Previous Language:

### **17.1 Reasons for Suspension**

Your accreditation may be suspended by Manitoba Public Insurance, in its sole and unfettered discretion, for the following reasons:

- (a) Failure to maintain the Accreditation Requirements, including failing to maintain your shop profile;
- (b) Failure to produce to Manitoba Public Insurance any requested records required under this Agreement within the required time;
- (c) Failure to collect deductibles;
- (d) Submission of false invoices;
- (e) Making false statements on applications and required submissions;
- (f) Unauthorized surcharging on parts;
- (g) Failure to comply with the stolen wrecked vehicle monitoring program rules and regulations in law or on the MPI Partners Website;
- (h) Improper invoicing for substitute transportation;

- (i) Conducting repairs for which you are not qualified or certified;
- (j) Failing to agree to a Corrective Action Plan;
- (k) Failure to follow or complete your requirements in the required timelines under any Corrective Action Plan;
- (l) Failure to maintain your Minimum Training Program Requirements;
- (m) Failure to comply with any of the Policies & Procedures;
- (n) Failure to comply with any term or condition of this Agreement, including any schedules;
- (o) Failure to comply with any law which is applicable to your business and operations;
- (p) Any attempt to defraud Manitoba Public Insurance;
- (q) Conviction of fraud with respect to services under this Agreement;
- (r) Any body integrity inspection station that has its ability to perform Body Integrity Inspections surrendered, revoked, suspended, or cancelled by Manitoba Public Insurance Vehicle Standards and Inspections;
- (s) Use any of the MPI Intellectual Property without complying with the advertising policy on the MPI Partners Website;
- (t) you have been convicted of a criminal offence; or,
- (u) one of your Representatives has been convicted of a criminal offence in connection to the services related to this Agreement.

New Language:

### **17.1 Reasons for Suspension**

Your accreditation may be suspended by Manitoba Public Insurance for the following reasons:

- (a) Failure to maintain the Accreditation Requirements, including failing to maintain your shop profile;
- (b) Failure to produce to Manitoba Public Insurance any requested records required under this Agreement within the required time;
- (c) Failure to collect deductibles;
- (d) Submission of false invoices;
- (e) Making false statements on applications and required submissions;
- (f) Unauthorized surcharging on parts;
- (g) Failure to comply with the stolen wrecked vehicle monitoring program rules and regulations in law or on the MPI Partners Website;
- (h) Improper invoicing for substitute transportation;
- (i) Conducting repairs for which you are not qualified or certified;
- (j) Failing to agree to a Corrective Action Plan;
- (k) Failure to follow or complete your requirements in the required timelines under any Corrective Action Plan;
- (l) Failure to maintain your Minimum Training Program Requirements;
- (m) Failure to comply with any of the Policies & Procedures;
- (n) Failure to comply with any term or condition of this Agreement, including any schedules;

- (o) Failure to comply with any law which is applicable to your business and operations;
- (p) Any attempt to defraud Manitoba Public Insurance;
- (q) Conviction of fraud with respect to services under this Agreement;
- (r) Any body integrity inspection station that has its ability to perform Body Integrity Inspections surrendered, revoked, suspended, or cancelled by Manitoba Public Insurance Vehicle Standards and Inspections;
- (s) Use any of the MPI Intellectual Property without complying with the advertising policy on the MPI Partners Website; or
- (t) you or one of your Representatives has been convicted of a criminal offence in connection to the services related to this Agreement.

8. **Section 19.2 – Arbitration of Disputes**

Previous Language:

**19.2 Arbitration of Disputes**

In the case where a dispute cannot be resolved under Section 19.1, and a party wishes to escalate the matter further, that party shall refer the dispute to arbitration in accordance with the notification procedures under Section 21.10 below. In such case, Manitoba Public Insurance shall select and appoint within thirty (30) days, a single arbitrator from the list of arbitrators set out on the MPI Partners Website, to arbitrate the matter in dispute. Manitoba Public Insurance may amend such list from time to time, but will ensure that anyone named on such list is not then currently employed by Manitoba Public Insurance or then currently contracted by Manitoba Public Insurance (other than to provide arbitration or other dispute resolution services). All disputes shall be governed by *The Arbitration Act* (Manitoba), as may be amended from time to time, insofar as that Act is not inconsistent with the provisions of this Agreement.

New Language:

**19.2 Arbitration of Disputes**

In the case where a dispute cannot be resolved under Section 19.1, and a party wishes to escalate the matter further, that party shall refer the dispute to arbitration in accordance with the notification procedures under Section 21.10 below. In such case, you shall select and appoint within thirty (30) days, a single arbitrator from the list of arbitrators set out on the MPI Partners Website, to arbitrate the matter in dispute, provided that you must select an arbitrator that is not in a conflict-of-interest position with any of the parties to the dispute. Manitoba Public Insurance may amend such list from time to time, but will ensure that anyone named on such list is not then currently employed by Manitoba Public Insurance or then currently contracted by Manitoba Public Insurance (other than to provide arbitration or other dispute resolution services). All disputes shall be governed by *The Arbitration Act* (Manitoba), as may be amended from time to time, insofar as that Act is not inconsistent with the provisions of this Agreement.

9. **Section 19.3 – Costs**

Previous Language:

### **19.3 Costs**

If an arbitration is initiated under Section 19.2 above, Manitoba Public Insurance will initially pay all Arbitration Costs. If the arbitrator decides the matter in favour of Manitoba Public Insurance, then you will be responsible to reimburse Manitoba Public Insurance 100% of the Arbitration Costs. If the arbitrator decides in your favour, then you will be not be responsible for any of the Arbitration Costs. If the arbitrator decides the matter partially in favour of Manitoba Public Insurance and partially in your favour, then the arbitrator may apportion the Arbitration Costs as he or she deems appropriate, in the arbitrator's sole and unfettered discretion. If you are responsible for all or any portion of the Arbitration Costs, you will reimburse Manitoba Public Insurance within 30 days after the decision of the arbitrator is rendered.

Each party shall be responsible for its own legal fees, other professional fees, witness fees or other fees incurred by a party in preparing for the arbitration. Notwithstanding the foregoing, the arbitrator may award additional costs in excess of Arbitration Costs under Section 53 of *The Arbitration Act* (Manitoba) to a party, in the arbitrator's sole and unfettered discretion.

New Language:

### **19.3 Costs**

If an arbitration is initiated under Section 19.2 above, Manitoba Public Insurance will initially pay all Arbitration Costs. Notwithstanding the foregoing, the arbitrator shall apportion the Arbitration Costs between the parties as the arbitrator deems appropriate, in the arbitrator's sole and unfettered discretion. If you are responsible for all or any portion of the Arbitration Costs, you will reimburse Manitoba Public Insurance within 30 days after the decision of the arbitrator is rendered.

Each party shall be responsible for its own legal fees, other professional fees, witness fees or other fees incurred by a party in preparing for the arbitration. Notwithstanding the foregoing, the arbitrator may award additional costs in excess of Arbitration Costs under Section 53 of *The Arbitration Act* (Manitoba) to a party, in the arbitrator's sole and unfettered discretion.

## **10. Section 19.4 – Disputes not subject to Arbitration and Other Relief**

19.4(a) Previous Language:

(a) Notwithstanding any of the other sections in this Article 19.0, you are not permitted to use the dispute resolution process in this Article 19.0 where:

- (i) you have been convicted of a criminal offence;
- (ii) one of your Representatives has been convicted of a criminal offence in relation to the services related to this Agreement, or,

- (iii) this Agreement specifically states that specific issues and disputes are not subject to this Article 19.0.

19.4(a) New Language:

(a) Notwithstanding any of the other sections in this Article 19.0, you are not permitted to use the dispute resolution process in this Article 19.0 (including arbitration) where:

- (i) you or one of your Representatives has been convicted of a criminal offence in relation to the services related to this Agreement, or,
- (ii) this Agreement specifically states that specific issues and disputes are not subject to this Article 19.0.

19.4(b)(iii) Previous Language:

(iii) if you oppose the contents of: this agreement and its schedules, the Compensation Schedule, the Policies & Procedures (including the Estimating Standards), any other rates and fees set out on the MPI Partners Website, or changes made by MPI to any of the foregoing; your sole recourse is to terminate this Agreement pursuant to Article 20.0 and you shall not have the ability to arbitrate such matters under this Article 19.0 or take any further legal action against MPI for same.

19.4(b)(iii) New Language:

(iii) the contents of the Compensation Schedule, the Policies & Procedures (including the Estimating Standards), any other rates and fees set out on the MPI Partners Website, or changes made by MPI to any of the foregoing, shall not be subject to arbitration under this Article 19.0.

11. **Section 20.3 – Specific Rights of Termination**

20.3(a) Previous Language:

(a) Manitoba Public Insurance may terminate this Agreement with ten (10) days' prior written notice to you if you fail to comply with any of the requirements of your suspension of accreditation. In the event that Manitoba Public Insurance suspends your accreditation status indefinitely, then this Agreement shall be deemed to be automatically terminated contemporaneously with that suspension.

20.3(a) New Language:

(a) Manitoba Public Insurance may terminate this Agreement with ten (10) days' prior written notice to you if you fail to comply with any of the requirements of your suspension of accreditation. In the event that Manitoba Public Insurance suspends your accreditation status indefinitely, then this Agreement shall be deemed to be automatically terminated



contemporaneously with that suspension. Notwithstanding the foregoing, before exercising such termination rights Manitoba Public Insurance will work with you on a Corrective Action Plan as per Section 16.5 in order to rectify the noncompliance.

Change to the definition of “Amendment Cooling Off Period” in the definitions section; this term is referenced in Section 20.3(b).

Previous definition:

“**Amendment Cooling Off Period**” means the period of thirty (30) calendar days beginning on the day that Manitoba Public Insurance provides notice of an amendment to this Agreement.

New definition:

“**Amendment Cooling Off Period**” means the period of thirty (30) calendar days beginning on the effective date of an amendment to this Agreement.

## 12. **Section 21.5 – Amendments**

Previous Language:

### **21.5 Amendments**

Manitoba Public Insurance may unilaterally make amendments to or restatements of this Agreement, from time to time. A given amendment or restatement will be effective and enforceable against you once it is posted to the Partners Website or sent directly to you. You agree that any such amendments or restatements of the Agreement do not require your written approval or signature to become valid and binding on the parties. By continuing to do direct business with Manitoba Public Insurance and by continuing to carry on as an accredited shop under this Agreement after a given amendment or restatement is posted, you are deemed to have accepted the amendment or restatement. You have the option of terminating this Agreement in accordance with Section 20.3 above if you do not wish to accept an amendment or restatement of the Agreement.

21.5 New Language:

### **21.5 Amendments**

(a) Subject to subsection (b) below, Manitoba Public Insurance may unilaterally make amendments to or restatements of this Agreement, from time to time with thirty (30) calendar days’ prior notice to you. You agree that any such amendments or restatements of the Agreement do not require your written approval or signature to become valid and binding on the parties. By continuing to do direct business with Manitoba Public Insurance and by continuing to carry on as an accredited shop under this Agreement after a given amendment or restatement is posted, you are deemed to have accepted the amendment or restatement. You have the option of terminating this Agreement in accordance with Section 20.3 above if you do not wish to accept an amendment or restatement of the Agreement.

(b) Notwithstanding subsection (a) above, Manitoba Public Insurance will not make amendments to a Compensation Schedule during its Compensation Schedule Term except for the purpose of increasing existing compensation, adding new compensation, making clarifications, or correcting errors as needed.

13. **Gender Neutral Pronouns**

In accordance with MPI's internal policies, the pronouns "her or she", "him or her", etc. have been changed throughout the document to "they", "their" or "them".

**2021 Compensation Schedule Amendments:**

14. Added the "Compensation Schedule Term" at the top of the document – March 16, 2021 to June 13, 2023.

15. Corrected a previous omission error to both the Southern and Northern labour rate tables: added Shop Material rates to both tables.

16. 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 MPI Partners Website for eligible operations.](#)

17. Administration Fee (page 3) has been amended as follows:

Previous Language:

**Administration Fee:**

For completed repairs where the vehicle has been returned to the customer with body, frame, and mechanical repair labour, a \$15.00 administration fee may be charged. In the event this schedule expires or is terminated, Manitoba Public Insurance is not obliged to pay for any such administration fees incurred after such expiry or termination.

New Language:

**Administration Fee:**

[For completed repairs where the vehicle has been returned to the customer with body, frame, and mechanical repair labour, a \\$15.00 administration fee may be charged.](#)