



MBR GRADING CHECKLIST MANUAL GUIDE

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Acronyms

BBBEE – Broad-Based Black Economic Empowerment
 MBR – Motor Body Repairer
 NSR – Non-Structural Repairer
 SAIA – South African Insurance Association
 SR – Structural Repairer

Introduction

Based on past experiences, the need arose to create a fair, equal, transparent and independent industry body standard (grading criteria) for all Motor Body Repairers (MBRs). This includes MBRs of all sizes, origins and ethnicities. It is also to create an industry which is reputable at large, competitive within itself, accessible as well as manageable for all Motor Insurance Companies.

The introduction of these standards will create an universal platform for all Motor Insurance companies within South Africa, with no variation between their standards and requirements concerning MBRs. This will help prevent discrimination, uncertainty and unwanted errors in the selection process.

Therefore, it was agreed in consensus among delegates from the MBR Associations and the South African Insurance Association (SAIA) to establish this tool which allows to evaluate the MBRs without prejudice. An independent Third Party, (Bureau Veritas), has been appointed to assist in creating and implementing this tool. The delegates of the industry believe that this document outlines a fair and equitable overview of the minimum compliance required to run a professional and well-equipped motor body repair business.

Purpose

The main purpose of the platform is that MBRs of all sizes, origins and ethnicity will be given an impartial and identical opportunity, without preconception, to comply with the reasonable grading criteria and become a graded MBR. MBRs will be treated fairly and similarly throughout the complete, transparent and unbiased process thereof.

The National Grading Criteria includes basic equipment, standard environment and employee requirements that have to be fulfilled. Therefore, MBRs that comply with the criteria will be able to deliver service on an equal quality level giving all MBRs equitable and identical opportunity at receiving work from insurance parties.

The quality of the service that certified MBRs deliver will be of good standard, the service will be delivered more time efficiently and effectively, increasing productivity and work load. Efficient and effective service delivery improves customer satisfaction and may increase work opportunities tremendously.

Unity will occur on various levels of this industry:

- There will be no variation between the standards and requirements of Insurance Industries in South Africa concerning MBRs.
 1. Therefore, all MBR's will feel that they are being treated fairly and the same by all Insurance Parties, creating assurance between the two parties.
 2. All insurance industries will therefore have a universal platform to communicate with one another without competitive concerns.
- All South African MBRs will be graded according to exactly the same National Grading Criteria, causing unity in the sense that all will be treated fairly in all circumstances. No bias will be experienced and therefore all MBRs will have a sense of equality towards each other.

Structure

The structure of the National Grading Criteria Check List is as follows:

1. Absolute Minimum Requirements (100% must be obtained for inspection to continue)
2. Minimum Qualification Requirements (100% must be obtained to qualify for certification)
 - NSR
 - SR

3. Optional Information (Additional points)
 - NSR
 - SR

Three Stages of the National Grading Criteria List

Absolute Minimum Requirements

- NSR & SR - 100% must be obtained
- Please note that these are the absolute requirements to qualify



Minimum Qualification Requirements

- NSR - 100% must be obtained to receive certification
- SR - 100% must be obtained to receive certification



Optional Information

- NSR - Additional Points
- SR - Additional Points

Process

A checklist and manual will be provided by the independent third party to all MBRs to assist and support their preparation to successfully comply with the standards (grading criteria). MBRs have the freedom to take as much time as required to prepare themselves to comply with the National Grading Criteria before they schedule their first audit. It is recommended that MBRs prepare and comply with the criteria as soon as possible so that they may receive certification sooner. By giving the MBRs efficient and effective support, assistance and time, we provide a fair chance to all MBRs to be successful with the National Grading Process.

MBRs should use this document to their advantage to increase their chances of a successful audit. It is recommended that MBRs conduct a self-audit according to the manual and grading criteria provided to them by the independent third party. When the MBRs have conducted the self-audit and feel that they have a successful result, only then should they schedule for the first official audit.

The audit will be conducted by an accredited independent third party that has been approved by the stated Associations. Please note that audits are conducted on an appointment basis. The audit will take place at the MBRs premises on a prescheduled day which the MBR owner has agreed upon. The audit will be conducted by an independent qualified auditor, who will personally confirm that all requirements are met as per the grading criteria. The MBR associations can appoint interested members as co-auditors who will join the lead auditor during the audits. With this method, we can guarantee skills transfers.

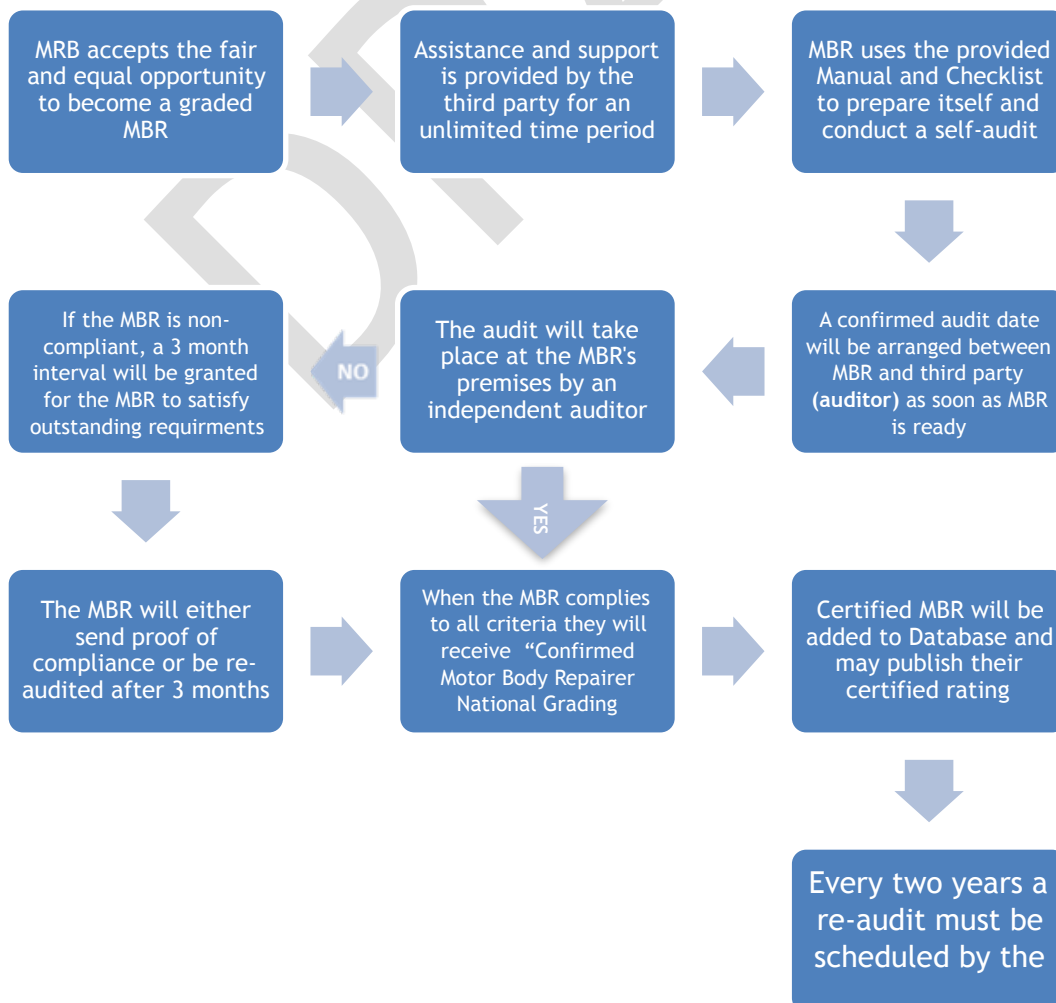
MBRs that comply with the grading criteria will receive a rating and will then be eligible to be added to an insurance panel and a database that is available to all insurance parties. By being listed on this database it serves as confirmation that the MBR will be able to deliver services on an equal quality level which gives all successfully audited MBRs fair and equitable opportunities at receiving work from insurance parties.

Therefore, in order to become a certified member of the Motor Body Repair in South Africa, your business must satisfy the grading criteria as outlined in this document.

The National Grading process is as follows:

1. Read through the MBR “National Grading Checklist Guide” document.
2. Choose whether you are “Structural Repair” or “Non-Structural Repair” or both.
3. Use the “National Grading Criteria Check List” to fulfil the requirements and collect all the relevant information as outlined in this document and conduct a self-audit.
4. A date will be arranged between the MBR and the accredited independent third party’s auditors for an audit to be done. Audits will take place on an appointment basis only.
5. The audit will take place at your MBR premises by an independent auditor.
6. When the MBR complies with these criteria, the MBR will be added to the Database for all insurance associations to see and receive a “Confirmed Motor Body Repairer National Grading Certificate”.
7. If the MBR does not comply with the criteria at the time of the audit, then a three-month interval will be granted to the MBR to accomplish the unsatisfied requirements before the auditor will either request proof of accomplishment or return for the completion of the audit.
8. MBRs that receive the “Confirmed Motor Body Repairer National Grading Certificate” have the right to publish that they meet the grading criteria.

Timeline and Steps



Database

A database which will list all certified MBRs will be created by the auditing third party. This database will be interfaced on the web page of all Motor Insurers, MBR Associations and SAIA. These Associations will have login details which will give them access to the relevant data of the relevant listed MBRs. This database will be updated on a regular basis by the third party only. The basic structure of the information in the database will be created in consent with the Motor Transformation and Sustainability Forum (MTSF).

Certificate

As soon as the MBR complies with all the criteria and is approved by the auditing third party, the MBR will receive its “Confirmed Motor Body Repairer National Grading Certificate” (which will reference whether the MBR has received NSR, SR or Both certification) within two weeks. When the MBR receives its certificate it has the right to publish that it is a certified MBR that meet the industry grading criteria. The certificate entails an unique number and a hologram which protects the industry from fraudulent certificates.

Validity

This certification will commence for a two-year period from the date of the agreement being signed. The agreement will expire after two years from the date of the certification being approved. To maintain the grading, all participating MBRs will definitely be re-inspected at least **every two years** to ensure that compliance is maintained. The responsibility of renewing the agreement falls solely to the MBR owner, at which point the process mentioned under “Process” must be followed.

At any point, the member may apply for a higher (SR) or lower (NSR) category. The MBR Grading process will need to be followed when applying for a different category.

When a rightful complaint is received from a client, the “Confirmed Motor Body Repairer National Grading Certificate” may be revoked.

When the ownership of a certified MBR changes with more than 50%, the MBR will be re-audited within six months. The certificate will remain valid throughout those six months. Failure of an audit within the six months will result in the certification’s validity to expire.

Appeals Process

An Appeals Process will be available to all MBRs should they feel that they are being treated unfairly in a judgemental or administrative way.

The Appeals process shall work as follows:

1. When an appeal is first filed the MTSF Standards Implementation and Oversight Committee will serve as the mediator between the MBR and the other concerning party involved in this National Grading Process. The Forum Committee is in a good position to judge whether the policies and procedures have been implemented correctly, as they created the processes and grading criteria.
2. The Committee will gather all the facts and bring them to the attention of the parties involved. Therefore, corrective action might be suggested or the MBR might be informed that the decisions or procedures were correct.
3. If a disagreement from one of the parties involved occurs, the appeals process will continue.

- An outside and unbiased arbitrator will make a final and binding resolution. The arbitrator reviews the case, asks questions, interviews witnesses, researches precedents, and so forth.

Checklist Manual Guide

Numbering System

Every criterion question has a number. The alphabet letter before the number refers to the Evaluation Area that the question belongs to.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown	Element Breakdown	NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questionnaire	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MICO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Evaluation Area

All criteria fall under different evaluation areas of an MBR. An alphabet letter is allocated to each Evaluation Area.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown	Element Breakdown	NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questionnaire	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MICO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
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D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Standard Operating Procedures (SOP)

All criteria are aligned to National and International standards. An SOP that take these standards into consideration has been designed for each criterion. This is to equip each user of the manual to know how to implement the criterion they should meet in order to be approved as an MBR. This SOP number that includes the related Evaluation Area alphabet letter will be listed next to each criterion as a reference.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown		NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questionnaire	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MBCO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Evaluation Element

These are sub-areas under the main evaluation area.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown		NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questionnaire	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MBCO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Element Breakdown Questionnaire

These evaluating questions are the equitable Grading Criteria Questions, put together by delegates of the MBR Associations and SAIA that need to be complied with in order to receive certified grading.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown		NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questionnaire	Notes				
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D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Element Breakdown Notes

Notes regarding the matching grading criteria question are made when further information or documentation copies are needed.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown	Element Breakdown	NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questions	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MIBCO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

SR or NSR

There are two types of Motor Body Repairers, Non-structural Repairs and Structural Repairers. The checklist has been created to accommodate both types. We will determine the type of the MBR by a number of criteria that are applicable to that particular MBR.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown	Element Breakdown	NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questions	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MIBCO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Compliance

Where indication is made of whether or not the MBR complies with the grading criteria.

MBR GRADING CHECKLIST									
Absolute Minimum Requirements (100%)									
No.	Evaluation Area	Reference	Evaluated Element	Element Breakdown	Element Breakdown	NSR	SR	Compliance	
		(Standard Operating Procedures Manual)		Questions	Notes				
D.2.1	D. Company Documents & H. Qualifications & Experience	SOP D.007	Business	Does the company have the following with regards to Mibco: 1. Letter of good standing 2. Letter of intent. 3. Letter of exemption or proof of confirmation application. 4. MIBCO Registration number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.2		SOP D.008	Business	Does the company have a Tax Clearance certificate / Deferred payment agreement with SARS?	If Yes - Attach Copy	Applicable	Applicable	Yes	No
D.2.3		SOP D.009	Business	Does the company have a Workman's Compensation / RMA (Rand Mutual Assurance) number?	If Yes - Attach Copy	Applicable	Applicable	Yes	No

Rating

Score System

These evaluating questions are the equitable Grading Criteria Questions, put together by delegates of the MBR Associations and SAIA that need to be complied with to receive certified grading.

MBR GRADING CHECKLIST													
NSR & SR Optional Information													
No.	Evaluation Area	Reference (Standard & Operating Procedure Manual)	Evaluated Element	Demand Breakdown		M30	M35	Single Entry System		Single Score System			
				Compliance	Notes			Compliance	Compliance	Weight (1-10)	Scale (Only Applies through the Standard & SOPs)	Weight	Score
A.1.1	A. Reception	SOP A.002	Signage	Is the Reception Sign mounted directly above the reception entrance?		Optional	Optional	Yes	No	Partially Yes	NA	0.6	
A.1.2		SOP A.003	Signage	Is the Office signage visible?		Optional	Optional	Yes	No	Partially Yes	NA	1	
A.1.4		SOP A.005	Signage	Are there clearly visible fire extinguisher points present?		Optional	Optional	Yes	No	Partially Yes	NA	0.9	
A.2.3		SOP A.009	Facilities	Are reception staff in uniform?		Optional	Optional	Yes	No	Partially Yes	NA	0.8	
A.2.4		SOP A.010	Signage	Are reception staff using name badges?		Optional	Optional	Yes	No	Partially Yes	NA	0.9	

Rating Explanation

Rating	Explanation
Yes	Meet requirement
No	Does not meet requirement
Partially Yes	Partially meets requirement
Not Applicable	Criteria does not apply to this MBR

Formula

Performance Indicator: Overall performance or rating of the MBR

Symbol = I

Interval: 0%-100%

Weight of the Criteria: This defines the importance of one category as compared to the other

Symbol: F

Interval: 0.1 < >1

Scale: The scale is defined as the extent to which a certain criterion was met in a case where the response is partially yes

Symbol: D

Interval: 0.25 < D > 0.75

Average number of answers:

Symbol: Q

Formula

$$I = Q_y + Q_p - Q_n$$

$Q_y = \text{YES}$ $Q_p = \text{Partially Yes}$ $Q_n = \text{No}$

Where

$$Q_y = \frac{\sum N_y \cdot F}{N - N_{NA}} \times 100$$

$\sum = \text{SUM}$ $F = \text{Weight}$ $N_y = \text{Number Yes}$ $N_{NA} = \text{Not Applicable}$

and

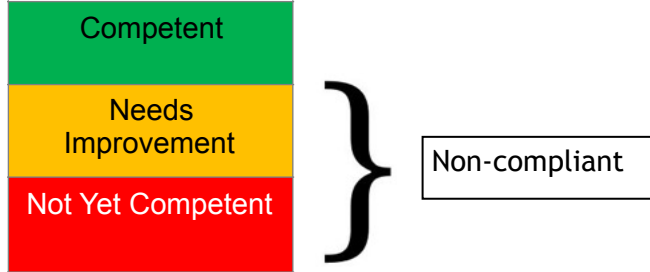
$$Q_n = \frac{\sum N_n \cdot F}{N - N_{NA}} \times 100$$

And where **Qp** is

$$\frac{\Sigma Np . F . D}{N-NNA} \times 100$$

Grading Results Table

100



-100

Terms and Conditions

In applying and accepting the final approval (agreement) for your National Grading Criteria, you are deemed to have read and agreed to the following terms and conditions:

Definition of Terms

1. **Certification** refers to this certification.
2. **Client, Member, you and your** refers to you, the MBR being inspected for Grading audit and accepting the terms and conditions.
3. **Independent auditor** means an auditor not in the employment of SAIA or the Member being audited.
4. **Party, parties or us** refers to both the client and ourselves, or either the client or ourselves.
5. **100 per cent compliance** – The programme is designed to ensure both consumer and insurer confidence that the body repair MBR grade has been achieved and is being maintained. As such, to be successful in achieving a high level, all requirements listed in the category must be satisfied. Throughout the document this is referred to as ‘100 per cent compliance’.

Privacy statement

We are committed to protecting your privacy. Only authorised employees of your state Association and the auditors can use any information collected from individual members for the purpose of MBR Grading.

Confidentiality

Client records are regarded as confidential and therefore will not be divulged to third parties unless legally required to do so by the appropriate authorities.

Charges and payment

An invoice from the Association will be sent to the Member. This invoice must be paid in full before the audit is to take place. In the case of a re-audit, meaning that the participating MBR

does not rectify the non-compliance within the given time period of three months after the audit has been conducted, an additional audit fee applies and must be paid in full.

Signage

All signage must be displayed by the Member in a prominent position and may not be altered in any way. All signage remains the property of the Association.

Termination of agreements and refunds policy

Both the Member and the Association have the right to terminate the National Grading Criteria certification. There will be no refund granted for monies paid during the agreement.

Availability

Unless otherwise stated, the MBR Grading process is only available to Members that can prove that they belong to an MBR Association.

Copyright notice

Copyright and other relevant intellectual rights exist on all text to the Association services and the full content of the MBR Grading process.

Communication

Contact details for MBR Grading can be found on the Association's website.

Notification of changes

The Association reserves the right to change these terms and conditions from time to time as it sees fit. Updated Terms and Conditions will be outlined on the website. The member will notify the state Association in writing of any changes made to the MBR if it affects the MBR Grading level.

Complaints resolution

All Members must comply with the complaints resolution process as determined by the Association.