

INSPECTION SERVICE AGREEMENT WITH RESPECT TO A CHIEFLY RESIDENTIAL IMMOVABLE

ISA- 99999999

1. PARTIES

Between:

MD Inspect Plus Inc.

48 Valois Bay
Pointe-Claire, Quebec H9R 4B3
514-318-8067
www.MDInspectplus.com

Name _____

Current Address _____

City _____

Postal Code _____

E-mail _____

Phone # _____

Represented by: _____ **Inspector's Name**
(hereinafter referred to as **THE INSPECTOR**)

(hereinafter referred to as **THE CUSTOMER**)

This document is drawn in the English language at the request of the parties hereto. / La présente convention est rédigée en anglais à la demande des parties.

2. PURPOSE OF THE AGREEMENT

THE INSPECTOR's services are hereby retained by **THE CUSTOMER** to perform a:

- PRE-PURCHASE inspection of **THE IMMOVABLE** covered by this Inspection Service Agreement.
- PRE-LISTING inspection of **THE IMMOVABLE** covered by this Inspection Service Agreement.

3. WAIVER OF EXHAUSTIVE INSPECTION

THE CUSTOMER hereby confirms that he has been duly advised of the limits of the present inspection as well as of the advantages of an exhaustive inspection of the immovable involving the services of several professionals requiring an average of 24 to 36 hours of work and thousands of dollars. This information having been supplied, **THE CUSTOMER** hereby refuses to have such an exhaustive inspection of **THE IMMOVABLE** covered by this Agreement performed. See 'A La Carte Services' for extras.

Customer's Initials

4. DESCRIPTION OF THIS IMMOVABLE

The inspection shall be performed on the chiefly residential immovable located at: _____

If applicable: _____

- The immovable is held in divided co-ownership (condominium) and the present inspection shall be subject to the terms and conditions contained in Appendix C attached hereto to form an integral part hereof.

NO

YES

AC-

5. PERFORMANCE OF SERVICES

5.1 Date and Time of the Inspection

THE IMMOVABLE shall be inspected on _____ at _____ a.m./p.m.

5.2 Preparation of the Inspection Report

THE INSPECTOR shall prepare the inspection report within _____ day(s) of the visual inspection of **THE IMMOVABLE**. **THE CUSTOMER** hereby pledges to **THE INSPECTOR** that he will take no decision to purchase **THE IMMOVABLE** until he has obtained the written inspection report, carefully read such report and if required discussed the same with **THE INSPECTOR**, in order to ensure that he fully understands the report. Note that the inspection report takes precedence over any verbal discussions during the inspection.

5.3 Content of the Inspection

The inspection includes one (1) visit of **THE IMMOVABLE** and the preparation of one (1) inspection report that is emailed to the client.

5.4 Scope and limitations of the Inspection

- The inspection consists of a visual examination of the readily accessible systems and components of **THE IMMOVABLE**, as listed in the Standards of Practice of the Professional Home and Property Inspectors of Canada (PHPIC). Such an examination shall be careful but brief and is intended to provide **THE CUSTOMER** with the necessary information required for a better understanding of the condition of **THE IMMOVABLE**, as observed at the time of the inspection.
- The inspection is not aimed at discovering, nor to allow for the discovery of latent defects affecting **THE IMMOVABLE**, but is aimed at discovering apparent defects and signs revealing problems, that could substantially affect the integrity and the usefulness of **THE IMMOVABLE**, as well as meeting the requirement of a prudent and diligent examination of **THE IMMOVABLE** that is imposed on a given buyer by article 1726 of the Civil Code of Quebec, all in order to protect **THE CUSTOMER's** right to allow claims for latent defects against the seller.

6. CUSTOMER'S OBLIGATIONS

6.1 Duty to Disclose

THE CUSTOMER pledges to provide all documents and information that are required for the performance of THE INSPECTOR's services, namely the Promise to Purchase and its Annexes if these contain information related to the condition of THE IMMOVABLE, the Owners/Seller's declaration and warranty documents. THE CUSTOMER pledges also to disclose to THE INSPECTOR any known defects of which he is aware, whether apparent or not, and any problem that may affect the integrity and use of THE IMMOVABLE.

Vendor Declaration No Vendor Declaration Vendor Declaration Not Required

Customer's Initials box

6.2 Fees and Additional Services

In consideration of the professional services provided in the present agreement, THE CUSTOMER shall pay to THE INSPECTOR the fees indicated at paragraph 16 of the present agreement, plus applicable taxes.

THE CUSTOMER shall pay the fees to THE INSPECTOR on the day the inspection is performed as per paragraph 5.1.

It is understood that additional services not provided for in the present agreement, such as additional visits of the premises, preparation of an additional inspection report, providing a printed copy of the report or, by request of THE CUSTOMER, the appearance of THE INSPECTOR as a witness before a court of law, shall be subject to an additional agreement between the parties, specially with respect to additional fees that THE CUSTOMER will have to pay, according to the rates indicated at paragraph 16 of the present agreement.

7. COMMON ASSENT FOR MEDIATION AND DENUNCIATION OF A CONFLICT RELATIVE TO THE AGREEMENT

THE CUSTOMER commits himself to give a written notice without delay to the inspector about any conflict or disagreement concerning the present agreement. Both parties agree to submit any disagreement to mediation in order to resolve the conflict amicably. For this purpose, they will choose a mediator whose fees will be paid equally between the parties. They also commit themselves to take an active part in this mediation.

If mediation fails or one of the parties refuses to take part in the process of mediation, either one or the other of the parties will be able to request that the disagreement be submitted to arbitration or to a civil court in order to obtain a decision or a judgement concerning the disagreement. The parties are committed to respect and accept the provisions as provided in the Code of Civil Procedure of Quebec.

The parties recognize that mediation cannot be requested if the disagreement is related to THE INSPECTOR's fees collection proceedings according to clause 9 of the present service agreement.

THE CUSTOMER hereby declares that he agrees to accept this clause.

Customer's Initials box

8. ADDITIONS OR MODIFICATIONS TO THIS AGREEMENT

Any modifications to this contract must appear on the Appendix M.

NO YES AM- [] [] [] [] [] [] [] [] [] []

9. FEES

For the professional services rendered, THE CUSTOMER shall pay THE INSPECTOR the following fees upon completion of the inspection:

FEE: GST: QST: TOTAL:

TPS /GST #: 820208429 TVQ/QST #: 1215088096

Payment received on: By:

In the event that any additional service would be required, THE CUSTOMER shall pay THE INSPECTOR additional fees at an hourly rate of \$75, plus applicable taxes and for a minimum of two(2) hours of work.

10. SIGNATURES

IN WITNESS WHEREOF, THE PARTIES HAVE SIGNED AT THIS DAY OF, 2012.

INSPECTOR CUSTOMER 1 (or his authorized representative) CUSTOMER 2 (if applicable)

Your Inspector will bring a copy for you to sign.

COMPLIANCE WITH PHPIC STANDARDS OF PRACTICE

The inspection shall be performed in accordance with the Standards of Practice of the Professional Home and Property Inspectors of Canada (PHPIC), which forms an integral part of the present agreement and is available on the phpic.ca or MD Inspect Plus websites.

THE CUSTOMER hereby confirms, that he has read and fully understood, prior to the inspection, the complete document "Standards of Practice for Building Inspections" and that he has been given the necessary time to review, discuss and make comments, if any, with **THE INSPECTOR** to fully understand these Standards.

The professional services provided herein shall be performed in accordance with the State-of-the-Art by **THE INSPECTOR**.

In addition, **THE INSPECTOR** pledges to act in a prudent and diligent manner in the best interests of **THE CUSTOMER**. In this regard, **THE INSPECTOR** confirms also that he does not have any financial interest in **THE IMMOVABLE** covered by the present inspection.

PERFORMANCE OF SERVICES

THE INSPECTOR may perform a basic InfraRed scan of **THE IMMOVABLE** during the visual inspection. The basic InfraRed scan may not identify all of the anomalies or might indicate false anomalies if all of the required parameters are not met. If you wish to perform a full InfraRed scan of **THE IMMOVABLE**, please talk to **THE INSPECTOR** to coordinate a date to perform this test for additional fees.

Any costs of eventual repairs stated by the inspector either verbally or in the report, if applicable, are to be understood as being approximate only and may vary from region to region. Moreover, such costs do not constitute any firm tender and consequences must be checked by a licensed contractor.

DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY

THE INSPECTOR hereby disclaims any and all risks related to a real estate transaction. An inspection performed in accordance to the state-of-the-art shall not constitute any warranty or insurance against repairs, improvements, or work whether at the past, present or and future work to be performed on **THE IMMOVABLE**.

OWNERSHIP AND TRANSMISSION OF THE INSPECTION REPORT

The inspection, including the production of the written report, shall be performed solely for and on behalf of **THE CUSTOMER** in relation to a potential real estate transaction. Consequently, **THE INSPECTOR** will not deliver a copy of the inspection report to a third party without **THE CUSTOMER**'s prior written consent or pursuant to a court order.

However, **THE INSPECTOR** hereby acknowledges also, that even if the inspection report that he provides to **THE CUSTOMER** under the present agreement is intended to become the sole property of **THE CUSTOMER**, **THE CUSTOMER** has the right to transmit said report to any person of his choice.

OBSERVANCE OF THE LAW

THE INSPECTOR shall comply with all laws, regulations or orders applicable to the kind of services that he provides. This agreement shall be governed by the applicable laws in the Province of Quebec.

FORCE MAJEURE

No party shall be considered in default in the performance of the obligations herewith where such performance is delayed, prevented or hindered as a result of, that is, any event that is beyond the parties' control, that the parties could not foresee or prevent and that rendered the performance of the obligation herewith absolutely impossible.

INTERPRETATION

Where applicable, the use of a word in masculine form shall apply also to the feminine form and vice versa and any word in singular form shall apply also to the plural form and vice versa.

CONTINUATION OR CANCELLATION

In such case that the present agreement contains any prohibited provision, all other provisions shall remain in full force and shall be binding to the parties unless the provision that derogates from applicable law is essential to the proper utilization of the agreement or to the balance of respective prestations to the parties thereof, and unless such interpretation compatible with applicable laws cannot correct this deficiency, in which case the agreement shall be declared null and void ab initio.

'A LA CARTE' SERVICES

Since the basic non-exhaustive visual inspection does not cover the inspection of the components or the following elements taking in consideration the expected fees, it is possible for you to have them inspected by concerned professionals or experts with additional fees :

	Expected Fees
1. Any detached building (ex: garage, shed, garden house, etc...)	50\$ and up
2. Chimney, fireplace, wood stove by a specialist	200\$ and up
3. Electricity: Complete verification by a certified electrician	250\$ and up
4. Plumbing: Complete verification by a master plumber	250\$ and up
5. HVAC systems: Complete verification by a certified technician	175\$ and up

Furthermore, according to specific needs, some additional expertise's may be done by the appropriate professional/contractor. **These are not included, even in an exhaustive inspection.**

1. Air quality test: Mold, radon or other testing	400\$ and up
2. Detailed infrared thermography	300\$ and up
3. French drain test with a camera	275\$ and up
4. Code inspection	1500\$ and up
5. Security inspection	1000\$ and up
6. Septic, leech field inspection	to be determined
7. Surface or artesian well inspection	to be determined
8. In ground pool inspection	300\$ and up
9. Foundation wall expertise following movement or any major defect	300\$ and up
10. Foundation wall expertise for crack repairs	50\$ and up
11. Pyrite test	400\$ and up
12. Cost estimations for repairs	75\$/hr and up

CIVIL CODE OF QUEBEC

Art. 1726. The seller is bound to warrant the buyer that the property and its accessories are, at the time of the sale, free of latent defects which render it unfit for the use for which it was intended or which so diminish its usefulness that the buyer would not have bought it or paid so high a price if he had been aware of them. The seller is not bound, however, to warrant against any latent defect known to the buyer or any apparent defect; an apparent defect is a defect that can be perceived by a prudent and diligent buyer without any need of expert assistance.

Art. 1728. If the seller was aware or could not have been unaware of the latent defect, he is bound not only to restore the price, but to pay all damages suffered by the buyer.

Art. 1739. A buyer who ascertains that the property is defective may give notice in writing of the defect to the seller only within a reasonable time after discovering it. The time begins to run, where the defect appears gradually, on the day that the buyer could have suspected the seriousness and extent of the defect. The seller may not invoke tardy notice from the buyer if he was aware of the defect or could not have been unaware of it.