

INSPECTION SERVICE AGREEMENT WITH RESPECT TO A RESIDENTIAL BUILDING

Contract Number

1 PARTIES

Between:

and:

Mose Home Inspection Services

82 Brunswick Drive, Beaconsfield, QC. H9W 5H2

Tel/Fax 514 426 1095

Represented by:

Member No.

(hereinafter referred to as "The Inspector")

(hereinafter referred to as "The Customer")

G.S.T. #: 123950719

Q.S.T. #: 1160871159

2 PURPOSE OF THE AGREEMENT

The Inspector's services are hereby retained by the purchaser (The customer) to perform a pre-purchase inspection of the residential building covered in this inspection service agreement.

3 WAIVER OF AN 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 residential building, the services of several professionals requiring an average of 24 to 36 hours of work. This information having been supplied. The Customer hereby refuses such an inspection of the residential building covered by this agreement.

Customer's
Initials

4 DESCRIPTION OF THE RESIDENTIAL BUILDING

The inspection shall be performed on a residential building located at:

If applicable:

- This residential building is held in divided co-ownership (condominium) and the present inspection shall be subjected to the terms and conditions contained in appendix C, joined to the present to form an integral part. **No**
Yes
- This building, although principally a residential building, includes premises that are operated by a business and the present inspection shall be subjected to the terms and condition in appendix E, joined to the present to form an integral part. **No**
Yes

5 MODALITIES OF SERVICES

5.1 Date and time of the inspection

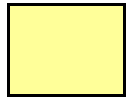
The residential building will be inspected on _____ at _____ h

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Inspector	Customer 1	Customer 2						

5.2 Preparation of the inspection report

The **inspector** shall prepare the inspection report within 2 day (s) of the visual inspection of the mentioned residential building.

The **customer** hereby agrees to **The Inspector** that he will take no decision to purchase **The property** until he obtains the written report, reads such report, and if required discuss the report with **The Inspector**, in order to ensure his full understanding of the report.



Customer's Initials

5.3 Content of the inspection

The inspection includes one (1) visit of the **Residential building** and the preparation of one (1) inspection report.

5.4 Scope and limitation of the inspection

- The inspection consists of a visual examination of the accessible systems and components of the **Residential building** as listed in the *Standards of Practice of the Quebec Association of Building Inspectors* (QABI) attached hereto. Such an examination shall be attentive but brief and is intended to provide **The customer** with the necessary information for a better understanding of the condition of the **residential building**, on the day of the inspection.
- The inspection is not aimed at discovering, nor to allow the discovery of latent defects affecting the **Residential building**, but is aimed at identifying apparent defects and signs revealing problems that could substantially affect the integrity and the usefulness of **The building**. Its intention is to meet the requirement of a prudent and diligent examination of **The building** that is imposed on a given buyer by article 1726 of the Civil Code of Quebec, printed on the reverse. The principal purpose being the protection of **The customer's** rights to lay claims for latent defects against the seller.
- The cost of eventual repairs referred to in the unit cost table annexed to the present inspection 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 consequently must be checked by a licensed contractor.

6 COMPLIANCE WITH QABI'S STANDARDS OF PRACTICE

The **inspection** will be performed in accordance with the *Standards of Practice of the Quebec Association of Building Inspectors*, which forms an integral part of the present agreement.

The **customer** hereby confirms, that he has read and fully understands, prior to the inspection, the complete document "**Standards of Practice for Building Inspections**" attached hereto 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.



Customer's Initials

The professional services provided herein shall be performed in accordance with The Standards of Practice by the **Inspector**.

In addition, **the inspector** agrees 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 building** covered by the present inspection.

7 CUSTOMER'S OBLIGATIONS

7.1 Duty to Disclose

The **customer** agrees 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 building**, the Owners Seller's declaration and warranty documents. **The customer** agrees 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 building**.

7.2 Inspection Completion Certificate

The **customer** pledges, upon completion of the inspection, to sign or have signed by any person that he may appoint to accompany **the inspector** on the day of the inspection, a form entitled **Inspection Completion Certificate for residential building**.

7.3 Fees and additional Services

In consideration of the professional services provided in the present agreement, **the customer** shall pay **the inspector** the fees indicated at paragraph 17 of the present agreement, plus applicable taxes.

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Inspector	Customer 1	Customer 2			

The customer shall pay the fees to **the inspector** on the day that 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 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, especially with respect to additional fees that **the customer** will have to pay, according to the rates indicated at paragraph 17 of the present agreement.

8 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 with "**Standards of Practice**" shall not constitute any warranty or insurance against repairs, improvements, or work whether it be past, present or future work to be performed on the **residential building**.

9 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 ordered to by a court of law.

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.

10 OBSERVANCE OF THE LAW

The inspector shall comply with all laws, regulations or orders applicable to the kind of services that he provides.

11 UNCONTROLLED EVENTS

No party shall be considered in default in the performance of the obligations herewith where such performance is delayed or hindered as a result of an uncontrolled event beyond the parties "control" This is to say that the parties could not foresee, or prevent which rendered the performance of the obligation herewith absolutely impossible.

12 APPLICABLE LAWS

The inspection service agreement shall be governed by the applicable laws in the Province of Quebec

13 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.

14 CONTINUATION OR ANNULATIONS

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.

15 ARBITRATION AND PRIOR NOTICE CLAUSE

15.1 Arbitration

Subject to the terms of paragraph 15.3, any contested claim arising directly or indirectly from this agreement, any disagreement relating to the performance thereof, including its cancellation, as well as any dispute stemming from a problem of interpretation of the agreement shall be submitted to arbitration, **to the exclusion of any court of law**.

The parties mutually waive the right to initiate any proceeding against each other, other than by an arbitration process established hereunder, whether the claim is of contractual or extra-contractual nature, a direct claim against the other party in the case of a warranty claim, a forced intervention of any nature or a proceeding involving more than one plaintiff or defendant.

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Inspector	Customer 1	Customer 2			

15.1 Arbitrage

the parties hereto agree that all arbitration costs shall be shared equally between them and that the provisions of articles 940 following the *Civil Code Procedure, R.S.Q.,c.C-25* shall govern any arbitration held under this section.

The parties agree that the arbitrary decision shall be final, binding and without appeal.

15.2 Prior notice

The customer agrees to promptly notify the inspector of the discovery of any latent defect, deficiency or problem of any nature affecting the residential building for which the inspector could be held liable.

In the event that the customer fails to give notice in accordance with the provision of the preceding paragraph, the customer agrees to unconditionally waive the right to exercise any claim against the inspector and this before any judicial, extra-judicial, administrative, arbitration or any other body, court or tribunal.

15.3 Recovery of the inspector fees

Notwithstanding the preceeding provisions of paragraph 15.1 and 15.2 the present arbitration clause shall not be applicable for any case where the claim submitted by the inspector has the sole purpose to recover from the customer the fees for his professional services provided as per clause 17 hereof.

The customer hereby declares that he agrees and accepts this clause.



Customer's Initials

16 ADDITIONS OR MODIFICATIONS TO THIS AGREEMENT

17 FEES

For the professional services rendered, the customer shall pay the inspector the following fees:

Payment received on: _____

By: _____

Fees: _____
GST: _____
QST: _____
Total: _____

In the event that additional services would be required, the customer shall pay the inspector additional fees at an hourly rate of \$ 100.00 plus applicable taxes and for a minimum of four (4) hours of work.

18 SIGNATURES

In witness whereof, the parties signed at _____ this _____ day of _____ 2005

THE INSPECTOR

THE CUSTOMER

The inspector or his authorized representative

CUSTOMER 1

CUSTOMER 2 (if applicable)