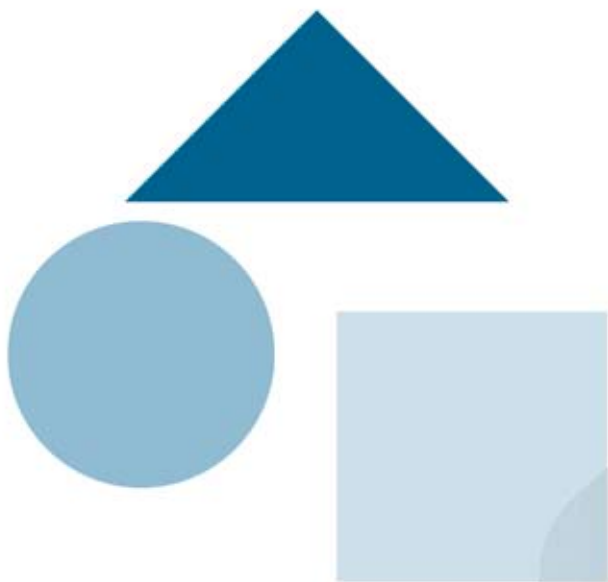


La Garantie des maisons neuves de l'APCHQ



CONCILIATION

Get all the facts about
the claims process



*“ “ You reach an agreement.
Congratulations!
No agreement?
Thankfully, there is the
claims process! ” ”*



The claims process



You have filed a claim with *La Garantie des maisons neuves (GMN) de l'Association provinciale des constructeurs d'habitations du Québec (APCHQ)*.

The Contractor has not given suit to your claim.

La GMN de l'APCHQ must now decide your claim, within the confines of the guarantee plan. Inspection is a very important step in the process leading to the resolution of your claim.

The following pages provide a summary of the claims process.



Processing your claim: How does it work?



The claims process begins by sending a written demand to your contractor, with a copy to *La GMN de l'APCHQ*. If your contractor does not give suit to your demand, you must advise *La GMN de l'APCHQ*, who will then formally begin the conciliation process.

La GMN de l'APCHQ will first notify the contractor of your claim, and ask him to intervene. If the contractor fails to intervene, *La GMN de l'APCHQ* will then convene the parties to a meeting on the premises.

During that meeting, *La GMN de l'APCHQ* will attempt to bring the parties closer, so as to favour an agreement between the beneficiary and the contractor. If there is an agreement, the inspector will prepare a detailed report of it and communicate the report to the parties.

However, if no agreement is possible, then the inspector will carry out an inspection of the building to ascertain the situations that are the subject matter of the claim (see "**The Inspection**" on page 6).

Following the inspection, the inspector will prepare a detailed report; the inspector decides whether or not each item of the claim is covered by the guarantee plan (see "**What's covered?**" on the next page).



What's covered?

The guarantee contract sets out which claims are covered under the guarantee plan. The covered claims are:

- Claims related to completion of work and repairs to poor workmanship, notice of which is given in writing at the time of **acceptance**, or that appear within one year following **acceptance**;
- Claims related to hidden defects that appear within 3 years following **acceptance**;
- Claims related to major defects that appear within 5 years following the **end of the work** on the building;
- Claims for the reimbursement of down payments, if the contractor fails to deliver the building;
- Claims related to indemnification for lateness in the delivery of the building, namely moving and storage costs, and relocation costs including meals and accommodation.

The guarantee contract specifies the limits of coverage, as well as the steps to make a claim.



Inspection

More often than not, the beneficiary and the contractor entertain the hope of amicably settling their dispute. For this reason, the inspector will take a few moments to clarify everyone's expectations, in light of the contract that was entered into, of each other's position, and in keeping with the guarantee plan.

Who will be there?

All parties will be invited to the inspection meeting, including the contractor. Each party can be accompanied, whether by a friend or colleague, or by an expert. The contractor may, if he deems it appropriate, be accompanied by one of his sub-contractors.

Be Zen!

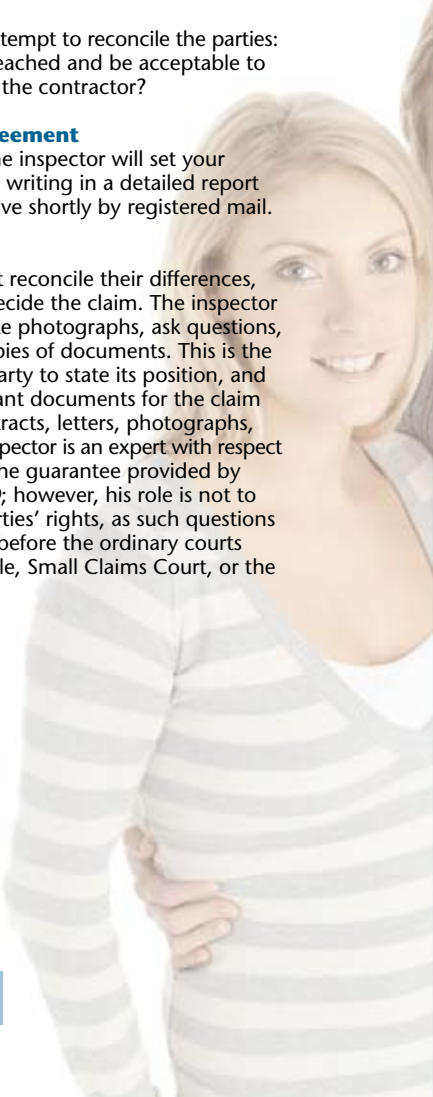
The inspector will attempt to reconcile the parties: Can a solution be reached and be acceptable to the beneficiary and the contractor?

You reach an agreement

Congratulations! The inspector will set your agreement down in writing in a detailed report which you will receive shortly by registered mail.

No agreement

If the parties cannot reconcile their differences, the inspector will decide the claim. The inspector will make notes, take photographs, ask questions, and may ask for copies of documents. This is the occasion for each party to state its position, and submit all the relevant documents for the claim to be decided (contracts, letters, photographs, videos, etc.). The inspector is an expert with respect to the contents of the guarantee provided by *La GMN de l'APCHQ*; however, his role is not to decide all of the parties' rights, as such questions should be brought before the ordinary courts (such as, for example, Small Claims Court, or the Superior Court).



The Decision



Following the inspection, the inspector prepares a detailed written report setting down any agreement that may have been reached by the parties.

The report also decides any claim with respect to which no agreement has been reached by the parties, the whole under the terms and conditions of the guarantee plan.

This report is a decision by *La GMN de l'APCHQ*, as manager of the guarantee plan.

If the claim is covered under the guarantee plan, *La GMN de l'APCHQ* will order the contractor to reimburse the cost of necessary and urgent conservatory repairs, or to complete or correct the work within an agreed delay.

If a claim is not covered by the guarantee plan (for example, if the guarantee has lapsed, or if an exclusion applies), the report will set out why the claim is not covered.



Remedy

A beneficiary or contractor who is dissatisfied with a decision of the manager shall, in order for the guarantee to apply, submit the dispute to arbitration within **30 days** following receipt by registered mail of the manager's decision, unless the beneficiary and contractor agree to submit the dispute, within the same period, to a mediator chosen from a list established by the Minister of Labour in order to try and reach an agreement. In that case, the deadline to submit the dispute to arbitration is **30 days** following receipt by registered mail of the mediator's advice concluding to the partial or total failure of the mediation.

Should you wish to obtain more information with respect to arbitration, you may obtain the pamphlet entitled "Everything you need to know about arbitration", available from *La GMN de l'APCHQ*.

Note:

In case of any discrepancy between this pamphlet and the text of the Regulation respecting the guarantee plan for new residential buildings (R.S.Q., c. B-1.1, r.0.2), the latter shall prevail.

What claims are excluded?

The guarantee contract provides that certain claims are excluded from coverage. The exclusions are with respect to the following claims:

- 1** Repairs to defects in the materials and equipment supplied and installed by the beneficiary;
- 2** Repairs made necessary by normal behaviour of materials, such as cracks or shrinkage;
- 3** Repairs made necessary by a fault of the beneficiary, such as inadequate maintenance or misuse of the building, as well as by alterations, deletions or additions made by the beneficiary;
- 4** Deterioration brought about by normal wear and tear;
- 5** The obligation to relocate, move or store the beneficiary's property and repairs made necessary following an event of force majeure, such as an earthquake, a flood, exceptional climatic conditions, a strike or a lock-out;
- 6** Repairs to damage resulting from the contractor's extra-contractual civil liability;
- 7** Repairs to damage resulting from contaminated soil, and replacement of the soil itself;
- 8** The obligation of a public utility to supply the building with natural gas or electricity;
- 9** Parking areas or storage rooms located outside the building containing the dwelling units, and any works located outside the building such as swimming pools, earthwork, sidewalks, driveways or surface water drainage systems;
- 10** Promises of a vendor concerning costs for use or energy consumption of appliances, systems or equipment included in the construction of a building;
- 11** Claims from the persons who contributed to the construction of the building.

Information:

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