

*In the case of any discrepancy between the French version of this Code and the English translation, the French version shall prevail.*

## I. GENERAL PROVISIONS

- I.1 Under section 171 of the *Automobile Insurance Act*, Groupement des assureurs automobiles (hereinafter "GAA") is responsible for determining the minimum requirements applicable to the activity of an automobile damage appraiser.
- I.2 This Code of Ethics (hereinafter "Code") contains a set of rules of conduct that any holder of a Certificate of Qualification as an automobile damage appraiser, issued by GAA under section 171 of the *Automobile Insurance Act*, agrees to abide by, in the exercise of his professional activities.

## II. DEFINITIONS

- II.1 In this Code, unless the context indicates otherwise:

**Appraisal firm** means a certified appraisal centre, a non-certified firm.

**Appraiser** means any individual holding a Certificate of Qualification as an automobile damage appraiser or apprentice-appraiser who performs his main activities with an appraisal firm or as an employee of an authorized insurer and, where applicable, who may perform such other activities related to automobile damage appraisal as are approved by GAA.

**Assessment of the market value of a vehicle for Quebec sales tax (QST) calculation purposes:** an assessment of the market value of an automobile used in a transaction for Quebec sales tax calculation purposes by *Société de l'assurance automobile du Québec (SAAQ)*.

**Authorized insurer** means, under section 156, paragraph 2 of the *Automobile Insurance Act* of Quebec, an insurer authorized to transact automobile insurance under the *Act respecting insurance* (chapter A-32), holding a permit issued by *Autorité des marchés financiers*, except a person who transacts exclusively in reinsurance.

**Automobile** means any vehicle propelled by any power other than muscular force and adapted for transportation on public highways but not on rails.

**Certificate of Qualification** as an automobile damage appraiser means a certificate issued by GAA under section 171 of the *Automobile Insurance Act* to persons wishing to act as automobile damage appraisers.

**Certified appraisal centre** means any appraisal centre certified by GAA under section 171 of the *Automobile Insurance Act*.

**Lessor of vehicles** means any person or entity engaged in the automobile leasing business.

**Main activity** means the preparation of an appraisal of the amount of damage to an automobile on behalf of an appraisal firm or an authorized insurer in order to determine the amount payable. Certain incidental activities may be included.

**Non-certified firm** means any automobile damage appraisal firm that is not certified by GAA.

**Recycler** means any person or entity engaged, directly or indirectly, in the business of salvaging, storing, stripping or reselling automobile parts or damaged or used automobiles.

**Repairer** means any person or entity engaged in reconditioning damaged automobiles.

## III. DUTIES AND OBLIGATIONS OF THE APPRAISER

- III.1 The appraiser must devote himself mainly to automobile damage appraisals, and this, in each of the categories on his Certificate of Qualification. The assessment of the market value of an automobile for insurance purposes is a permitted incidental activity. The assessment of the market value of a vehicle for Quebec sales tax calculation purposes is an incidental activity allowed only if the assessment is prepared by an appraiser in the practice of his profession with a certified appraisal centre.
- III.2 The appraiser must practice his activities with an appraisal firm having its place of business in Quebec or with an authorized insurer.
- III.3 The appraiser must identify himself clearly in the performance of his activities. He must show proof that he has been qualified by GAA, more specifically by producing his Certificate of Qualification on request.

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### **III. DUTIES AND OBLIGATIONS OF THE APPRAISER**

- III.4 In the practice of his profession, the appraiser must limit his activities to those allowed under the category(ies) stated on his Certificate of Qualification as an automobile damage appraiser, under the provisions of this Code and under any legislation that might restrict his activities.
- III.5 The appraiser must at all times fulfill his professional obligations diligently and competently.
- III.6 The appraiser must act with courtesy, dignity, discretion, moderation and objectivity.
- III.7 Before accepting or continuing a mandate, the appraiser must take into account the limitations of his Certificate of Qualification as an automobile damage appraiser, his abilities, knowledge and experience, as well as the means at his disposal.
- III.8 In the performance of his duties, the appraiser must always ensure that he has a clear mandate from his principal before preparing an appraisal on behalf of the latter.
- III.9 The appraiser must, in accordance with the laws respecting the protection of personal information, refrain from disclosing or using any confidential information obtained in the course of his professional activities for any purposes other than those for which such information was provided to him, including in order to obtain, directly or indirectly, a benefit for himself or another person.
- III.10 The appraiser must at all times co-operate with the authorized insurer and its representatives, the policyholder, the agent or the broker, as well as the repairer, and must endeavour to maintain good relations with these parties.
- III.11 The appraiser must respect the honour and the integrity of the profession.
- III.12 In the course of his work, the appraiser must comply at all times with the instructions, standards and procedures adopted by GAA, as well as with any other instructions issued by the authorized insurer to the extent that these instructions are more favourable to the policyholder.
- III.13 The appraiser must refuse to take part, directly or indirectly, in any fraudulent act or any misrepresentation, concealment, dishonest act, distortion of facts or falsification of documents, and other harmful practices.
- III.14 The appraiser must inform GAA as well as his principal or his principal's representatives of any case of fraud, misrepresentation, concealment, dishonest act, distortion of facts or falsification of documents and also of any attempt by anyone to influence the content of his appraisal or report.
- III.15 The appraiser must cease acting on behalf of a principal if the latter urges him to commit illegal, unfair, immoral or fraudulent acts.
- III.16 The appraiser must report to the person that mandated him any situation in which he observes that the repairs made to an automobile have not been made in accordance with the damage appraisal he has prepared.
- III.17 The appraiser must avoid putting himself, directly or indirectly, in a conflict-of-interest situation or in a situation where his professional objectivity might be jeopardized. In particular, he must report to his principal any situation where family ties or other relationships may influence or affect the objectivity required to prepare an appraisal.
- III.18 The appraiser must, if he maintains his practice, inform GAA of any change in the information and documents provided on the status or the name of the firm that employs him or that he operates within 30 days following the change.
- III.19 The appraiser must inform GAA as soon as possible of any temporary or permanent withdrawal from his activities as an automobile damage appraiser.

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### **III. DUTIES AND OBLIGATIONS OF THE APPRAISER**

III.20 With respect to the audit of his professional activities and the verification of his competence, the appraiser must at all times co-operate with GAA and its representatives, by allowing them to access, examine and make a copy of any document or by providing them, on request, with such documents relating to his activities as are necessary for purposes of this audit.

### **IV. PROHIBITED ACTS**

IV.1 The appraiser may not act as a GAA-qualified appraiser if his Certificate of Qualification as an automobile damage appraiser has been suspended or has not been renewed.

IV.2 The appraiser must not, through fraud, trickery or other deceitful means, evade or attempt to evade his professional liability.

IV.3 The appraiser must not seek to obtain, directly or indirectly, business from an authorized insurer or a repairer by offering an employee of an authorized insurer or its representatives (brokers, agents or claims adjusters) or a repairer or one of its employees, any personal gratuity or financial benefit in return for obtaining a particular appraisal mandate or a certain business volume.

IV.4 In the performance of his duties, the appraiser must refrain from receiving remuneration for activities other than those allowed under the category(ies) listed on his Certificate of Qualification as an automobile damage appraiser and under any relevant legislation.

IV.5 The appraiser must refrain from referring a policyholder to a repairer, a lessor of vehicles or a recycler.

IV.6 The appraiser must refuse any gratuity or financial benefit offered by a firm engaged in activities listed in Section IV.8 of this Code or by one of its employees, except for any compensation for preparing an appraisal for damage to an automobile.

IV.7 The appraiser may not prepare an automobile damage appraisal at the request of a repairer, unless he is employed by a certified appraisal centre.

IV.8 An appraiser is prohibited from doing business with or having a direct or indirect interest in a firm that carries out one or more of the following activities:

- automobile repair of any kind;
- a purchase, sale, rental, leasing or recycling of automobiles, parts or automobile accessories, whether new or used;
- salvage of automobiles;
- representing automobile manufacturers.

IV.9 The appraiser must not denigrate, belittle or discredit another appraiser or file a mischievous complaint against another appraiser with the Disciplinary Committee.

IV.10 The appraiser must not intimidate a person nor retaliate or threaten to retaliate against a person who has:  
i. exposed or who intends to expose conduct or behaviour that violates this Code;  
ii. taken part or co-operated or intends to take part or co-operate in an investigation into conduct or behaviour that violates this Code.

IV.11 The appraiser must not insistently or repeatedly urge a person to use his professional services. With respect to the client of his principal, he must not exert any pressure whatsoever that might tarnish the image of the activity of appraiser.

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**V. DISCIPLINARY COMMITTEE**

- V.1 The appraiser agrees to submit to the disciplinary procedure in effect set up by GAA to handle any complaints concerning a breach of the Code by an appraiser. GAA will notify the appraiser of any update to the said disciplinary procedure.
- V.2 When a complaint is made against an appraiser, the appraiser must co-operate at all times with the Complaints Officer and the Ethics Analyst, especially by allowing them to access, examine and make copies of any documents related to the activities of the appraiser that are required to complete the investigation.
- V.3 In addition, the appraiser must allow any person who has the care, custody or control of books, records, accounts, files or other documents that may be related to the investigation, to release them or to facilitate their examination by the Complaints Officer and the Ethics Analyst.
- V.4 The appraiser agrees to submit to the decision of the Disciplinary Committee which, following a hearing, may impose sanctions on him for breach of the provisions of this Code, subject to the appraiser's right to contest the decision.
- V.5 When an appraiser believes that the decision of GAA's Disciplinary Committee ruling that he has breached the Code is unfounded, he may bring the dispute before the Reviewer of the Disciplinary Committee's decision, in accordance with the disciplinary procedure in effect.
- V.6 The decision of the Reviewer of the Disciplinary Committee's decision shall be final and binding on the parties. The appraiser shall abide by the decision.

**VI. SANCTIONS**

- VI.1 The appraiser agrees that any complaint concerning a breach of the provisions of this Code can be submitted to the Disciplinary Committee that may, after investigation, recommend the appropriate sanction, more specifically a reprimand, a suspension or the complete and final withdrawal of the Certificate of Qualification as an automobile damage appraiser.
- VI.2 Should a sanction be imposed, the appraiser accepts that the decision of the Disciplinary Committee or of the Reviewer of the Disciplinary Committee's decision pertaining to him be transmitted to insurers and appraisal firms. The decisions will also be made available on GAA's web site in the section reserved for members.

I, \_\_\_\_\_

hereby declare that I have read and understood this Code as well as the document entitled "Disciplinary Procedure for Automobile Damage Appraisers" and have signed it, this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

\_\_\_\_\_  
SIGNATURE OF APPRAISER

The employer acknowledges having reviewed the provisions of this Code to which its employee is subject.

\_\_\_\_\_  
SIGNATURE OF EMPLOYER'S REPRESENTATIVE

\_\_\_\_\_  
NAME OF EMPLOYER'S REPRESENTATIVE  
(IN BLOCK LETTERS)