

# HOW TO BECOME An Automobile Damage APPRAISER

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## DEFINITIONS

**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 the 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. (*Automobile Insurance Act*, R.S.Q., chapter A-25).

**CATEGORY** means a notation recorded on the certificate of professional qualification as an automobile damage appraiser in order to make the distinction between a qualified appraiser and an apprentice-appraiser and to determine the appraiser's sector of activities.

**POTENTIAL EMPLOYER** means an employer having its place of business in Quebec who is prepared to hire an individual seeking a certificate of professional qualification as an automobile damage appraiser and who will employ this individual as an apprentice-appraiser or appraiser.

**APPRAISAL FIRM** means a GAA-approved appraisal centre, a GAA-accredited firm, a non-accredited firm or a self-employed worker.

**APPRAISER** means any individual holding a certificate of professional 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 who may perform such other activities related to automobile damage appraisal as are approved by the GAA.

**CANDIDATE** means a person who applies for a certificate of professional qualification as an automobile damage appraiser, or applies to operate his own appraisal firm or to obtain the status of self-employed worker.

**AUTHORIZED REPRESENTATIVE** means the chief executive officer of the firm or any person he authorizes to act on his behalf.

**NOTE:** The use of the masculine gender includes the feminine gender throughout this document.

### Introduction

Under section 171 of the *Automobile Insurance Act*, the Groupement des assureurs automobiles (GAA) is responsible for the qualification of individuals acting as appraisers. For this reason, the GAA administers training programs and determines the minimum requirements applicable to the activity of an appraiser.

The GAA has recently revised the minimum requirements for automobile damage appraisers and introduced a new procedure for obtaining a certificate of professional qualification as an automobile damage appraiser for all appraisers, regardless of employer.

This new procedure provides for the creation of the apprentice-apraiser category, as well as mandating an apprenticeship period for new appraisers.

### Code of Ethics for Automobile Damage Appraisers

The GAA has also revised the Code of Ethics for Automobile Damage Appraisers and all appraisers, regardless of employer, will henceforth be subject to the same rules of conduct and will have to sign this document to meet the requirements of their profession.

We would invite the appraiser to carefully read the new Code of Ethics for Automobile Damage Appraisers.

### Automobile Damage Appraisers' Disciplinary Committee

In 1998, the GAA set up a disciplinary committee whose mandate is to ensure compliance with the rules governing automobile damage appraisal.

Any complaint relating to a breach of the Code of Ethics for Automobile Damage Appraisers will be sent to the automobile damage appraisers' disciplinary committee, which will, after undertaking an investigation, make recommendations that it deems appropriate.

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## DUTIES OF THE APPRAISER

The automobile damage appraiser acts on behalf of insurers, consumers, public authorities, etc. For any automobile, he must be able to:

1. identify the vehicle;
2. accurately ascertain damage arising from an accident and relating only to this accident;
3. seek and determine the origin and causes of an accident;
4. assess the adequate method of repair in accordance with the rules of the profession and regulations;
5. assess the cost of repairs taking the competitive environment into account and comply with GAA automobile damage appraisal standards and procedures;
6. determine the value of any vehicle;
7. check the quality of vehicle repairs;
8. ensure that an automobile damage appraisal meets required standards;
9. prepare and document any reports required in connection with his activities.

## APPRENTICESHIP PERIOD

This mandatory apprenticeship period which follows the obtaining of a certificate of professional qualification as an automobile damage appraiser - Category 2A "apprentice-appraiser"- is really a full-time job that allows the apprentice-appraiser to take part in appraisal operations with the help and under the supervision of a duly qualified Category 1A appraiser.

Thus, the apprentice-appraiser receives "on-the-job" training to enable him to acquire the skills of the profession. He remains under the supervision of a duly qualified appraiser until he passes the written examination.

The GAA has set the minimum length of the apprenticeship period at **6 months** before one can take the written examination.

## QUALIFICATIONS

The appraiser candidate must be aware that he will need to:

1. preferably possess a thorough knowledge of automobile damage obtained through practical experience of automobile damage repair;
2. at the very least, possess knowledge of automobile damage appraisal obtained through training in automobile damage appraisal and/or through a practical experience of automobile damage appraisal and/or a practical experience of automobile damage repairs;
3. obtain an apprentice-appraiser certificate and complete an apprenticeship period;
4. adapt his knowledge to new developments in automobile damage appraisal and repair techniques;
5. be familiar with the automobile field;
6. possess indisputable human qualities such as moral integrity, impartiality and good judgment.

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## OBTAINING A CERTIFICATE OF PROFESSIONAL QUALIFICATION AS AN AUTOMOBILE DAMAGE APPRAISER

### Category 2A – Apprentice-Appraiser – Automobile

#### PERMITTED ACTIVITIES

1. The person holding a certificate of professional qualification as an automobile damage appraiser - Category 2A "apprentice-appraiser" - may, under the supervision of a qualified appraiser holding a Category 1A certificate:
  - a) prepare automobile damage appraisals on behalf of an appraisal firm or an authorized insurer and this practice must constitute his main activity.
2. If he is employed by an appraisal firm, the apprentice-appraiser may also, under the supervision of a qualified appraiser holding a Category 1A certificate, perform the following incidental activities:
  - a) assess the market value of automobiles for Quebec sales tax calculation purposes in the course of his professional activities only if he is employed by a GAA-approved appraisal centre or a GAA-accredited firm;
  - b) assess the market value of automobiles for insurance purposes.

#### MINIMUM REQUIREMENTS – NEW CANDIDATES

1. Have a "potential" employer and submit a letter to the GAA demonstrating this employer's interest in the candidate.
2. Hold a high school diploma or a Secondary School Vocational Diploma in body repair work including:
  - a) proof of having passed the course "Appraisal I – Introduction to Appraisal" given by the GAA; or
  - b) proof of having passed an equivalent course given by the *Vale Technical Institute*; or
  - c) proof of at least one year's experience in the field of automobile body repair work; or
  - d) proof of at least one year's experience in the field of automobile damage appraisal.
3. Complete the form "Application for Professional Qualification" and enclose all documents required by the GAA with it.
4. Sign the Code of Ethics for Automobile Damage Appraisers.
5. Complete an apprenticeship period in automobile damage appraisal with an appraisal firm or an authorized insurer for a continuous period of at least six months and a continuous period of not more than one year.

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## OBTAINING A CERTIFICATE OF PROFESSIONAL QUALIFICATION AS AN AUTOMOBILE DAMAGE APPRAISER

### Category 2A – Apprentice-Appraiser – Automobile

#### APPRENTICESHIP PERIOD

The apprenticeship period must last at least 6 months and not more than 1 year.

#### THE SUPERVISOR...

1. ...is a qualified appraiser authorized to practice during the apprenticeship period of the apprentice-appraiser;
2. ...must hold certificate of professional qualification as a Category 1A automobile damage appraiser, issued by the GAA the status of which is "active";
3. ...must not, during the three years preceding the apprenticeship period of the apprentice-appraiser, have been suspended, excluded or dismissed by a disciplinary committee.

#### General Obligations of the Supervisor

1. Supervise a maximum of five apprentice-appraisers. An apprentice-appraiser may, however, be supervised by more than one person during his apprenticeship period.
2. Supervise the actions of his apprentice-appraiser, without however being accountable for them before the GAA automobile damage appraisers' disciplinary committee.
3. Contact each apprentice-appraiser at least once per week in order to check the files on which he has been working.

#### Specific Obligation of the Supervisor

1. The qualified supervisor who supervises an apprentice-appraiser must review and assess whether the work of the apprentice-appraiser complies with acceptable standards, approve revised appraisals, provide any necessary support and ensure that the apprentice-appraiser performs only permitted activities.

#### THE APPRENTICE-APPRAISER...

1. ... must, in order to commence his activities as an apprentice-appraiser, hold a certificate of professional qualification as an automobile damage appraiser - Category 2A "apprentice-appraiser" - issued by the GAA.

#### Obligations of the Apprentice-Appraiser

1. When the apprentice-appraiser does not complete his apprenticeship period with the same employer, he must obtain a confirmation letter from each employer evidencing the period during which he was in the employ of each employer. The apprentice-appraiser may therefore complete his apprenticeship period working for more than one employer, but the period must be continuous.
2. At the end of the apprenticeship period, as previously described, the apprentice-appraiser must provide the GAA with confirmation letter(s) from the employer(s) with which his apprenticeship period has been completed on a continuous basis.
3. The apprentice-appraiser must inform the GAA of any change to his file that affects his situation, including any change of employer or withdrawal from the profession, in order to comply with the Code of Ethics for Automobile Damage Appraisers.
4. The apprentice-appraiser must always comply with the Code of Ethics for Automobile Damage Appraisers.

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## OBTAINING A CERTIFICATE OF PROFESSIONAL QUALIFICATION AS AN AUTOMOBILE DAMAGE APPRAISER

### Category 1A – Appraiser – Automobile

#### PERMITTED ACTIVITIES

1. Prepare automobile damage appraisals on behalf of an appraisal firm or an authorized insurer and this practice must constitute his main activity.
2. Supervise a maximum of five automobile damage apprentice-appraisers during their apprenticeship period.
3. If he is employed by an appraisal firm, the Category 1A automobile damage appraiser may also perform the following incidental activities:
  - a) assess the market value of automobiles for Quebec sales tax calculation purposes in the course of his professional activities only if he is employed by a GAA-approved appraisal centre or a GAA-accredited firm;
  - b) assess the market value of automobiles for insurance purposes.

#### MINIMUM REQUIREMENTS – NEW CANDIDATES

1. Hold a certificate of professional qualification as an automobile damage appraiser - Category 2A "apprentice-appraiser" - and demonstrate that he has completed an apprenticeship period in automobile damage appraisal with an appraisal firm or an authorized insurer for a continuous period of at least six months.
2. After completing the apprenticeship period, pass a written exam with a mark of 70%.
3. Have a potential employer with supporting documentation to prove it.
4. Complete the form "Application for Professional Qualification" and enclose all documents required by the GAA with it.
5. Sign the Code of Ethics for Automobile Damage Appraisers.

#### Reactivating a Certificate of Professional Qualification as an Automobile Damage Appraiser

1. In order to reactivate a certificate the status of which has been declared **"inactive" for at least one year**, the individual must meet the following requirements:
  - a) demonstrate that he acted as an automobile damage appraiser on a regular basis and that this practice constituted his main activity immediately prior to his status being declared "inactive"; if this is not the case, the Groupement reserves the right to require the candidate to pass a practical examination;
  - b) have a potential employer with supporting documentation to prove it;
  - c) complete the form "Application for Professional Qualification" and enclose all documents required by the GAA with it;
  - d) sign the Code of Ethics for Automobile Damage Appraisers.
2. In order to reactivate a certificate the status of which has been declared **"inactive" for more than one year but less than three years**, the individual must, in order to avoid having to comply with all criteria applicable to new candidates, meet the following requirements:
  - a) demonstrate that he acted as an automobile damage appraiser on a regular basis and that this practice constituted his main activity immediately prior to his status being declared "inactive" ;
  - b) have a potential employer with supporting documentation to prove it;
  - c) pass the written and practical examinations;
  - d) complete the form "Application for Professional Qualification" and enclose all documents required by the GAA with it;
  - e) sign the Code of Ethics for Automobile Damage Appraisers.
3. In order to reactivate a certificate the status of which has been declared **"inactive" for more than three years**, the individual must obtain a certificate of professional qualification as an automobile damage appraiser - Category 2A "apprentice-appraiser" (see pages 5 and 6).

## OPERATOR OF APPRAISAL FIRM OR SELF-EMPLOYED APPRAISAL WORKER SELF

### PERMITTED ACTIVITIES

1. The individual who holds a Category 1A certificate of professional qualification as an automobile damage appraiser, and who meets the eligibility criteria described hereinafter may:
  - a) perform any activities permitted a Category 1A appraiser - (see page 7);
  - b) operate his own automobile damage appraisal firm under own name or under a trade name, as a partnership or as legal entity (company or business corporation);
  - c) offer his services to various automobile damage appraisal firms as a self-employed worker; the appraiser must, however, register with the GAA as a self-employed worker.

### MINIMUM REQUIREMENTS – NEW CANDIDATES

1. Hold a Category 1A certificate of professional qualification as an automobile damage appraiser **for at least three years without interruption** and demonstrate that he has acted as an automobile damage appraiser for at least three years on a regular basis.
2. Pass the practical examination.
3. Complete the form “Application to Operate an Automobile Damage Appraisal Firm” and enclose all documents required by the GAA with it..
4. Sign the Code of Ethics for Automobile Damage Appraisers.

**NOTE:** In all cases, the GAA reserves the right to require any relevant documents.