



# A GUIDE FOR BUYERS AND VENDORS

# COMMERCIAL

# DISCLAIMER

Information made available in this guide in any form is for informational purposes only. It is not, and should not be taken as, legal advice. It is not in any circumstances a substitute for the advice or services of a notary or lawyer. You should not rely on, or take or fail to take any action based upon this information. Never disregard professional legal advice or delay in seeking legal advice because of something you have read in this guide.

For tailored advice for your specific legal issue, contact Sutton Secur.



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## BUY AND SELL WITH PEACE OF MIND

THANKS TO



An innovative legal coverage program, Sutton Secur was created to offer you greater security and peace of mind when buying or selling a commercial property.

Exclusive to Sutton - Québec, the Sutton Secur certificate is offered compliments of your real estate broker and covers you for up to \$4,000 in legal fees. Your coverage is valid from the time it is issued and protects you before, during and after the transaction. Even better, your Sutton Secur certificate is valid for life for a property you sell or purchase (or, in the case of a purchase, for as long as you continue to own the property for which the certificate was issued).

In the event of an issue or conflict, you will benefit from professional legal assistance from a qualified real estate attorney to resolve issues or disputes related to the transaction in the most efficient and cost-effective manner possible.



- Certificate compliments of your Sutton - Québec affiliated real estate broker
- \$4,000 in legal coverage
- Valid for the buyer or vendor
- Protection before, during and after the transaction
- Legal help within 48 hours of request
- Qualified real estate attorneys
- Fast and courteous service
- Valid for life\*

## WHAT THE SUTTON SECUR PROGRAM COVERS

Sutton Secur covers you, whether buyer or vendor, for issues such as:

- Hidden defects (infestation, cracked foundation, leaky roof, plumbing problem, mould, heating or cooling problem, electrical or wiring problem, undisclosed suicide or violent death, etc.)
- Problems relating to access to or limits of your property
- Passation of title in the event a party refuses to proceed to the notary
- Financing related to the property
- Environmental issues
- Issues related to servitude
- Recourse in warranty by one party against another
- Death of a contracting party prior to the title transfer at the notary

## WHAT IS NOT COVERED BY SUTTON SECUR

The Sutton Secur Certificate covers the above issues for properties qualified as commercial, industrial and plexes of 5 units and more, however the certificate does not cover:

- Pre-existing conditions or defects that were or are known prior to the purchase.
- Legal action taken against a Sutton - Québec affiliated real estate broker.

## HOW A SUTTON SECUR ATTORNEY CAN HELP

In the event of an issue or conflict, you can expect the highest level of service and professionalism to assist you in achieving a successful resolution for even the most complex issues or disputes.

In the event of a claim, our team of experienced real estate attorneys will assist you in the following ways:

- Quick intervention in order to bring the issue to a speedy and cost-effective resolution
- Send a demand letter to the concerned party or respond to one you have received
- Negotiate with the other party to settle the issue amicably.
- Assist you in preparing for Small Claims Court as plaintiff or defendant if the amount in question is \$15,000 or less.
- Assist you when compensation for renovations or repairs is sought, attempting to resolve the matter out of court, or if necessary, take legal action.

# HOW IT WORKS: SUTTON SECUR STEP BY STEP

Sutton Secur has been designed for maximum protection and maximum simplicity, so you can buy or sell with peace of mind knowing you're covered in case surprises arise. Our mission is to offer timely legal assistance to help resolve problems as early and as efficiently as possible and remove the uncertainty from commercial real estate transactions.

To understand how it works, we've outlined the program in 7 steps:

## ACCEPT A CERTIFICATE

Your Sutton -Québec affiliated real estate broker offers you a Sutton Secur certificate.

## WELCOME EMAIL

You receive the full details of the program by email, including the official certificate, a letter of welcome, the terms and conditions of the program, a FAQ, and details on how to proceed in the event that legal assistance is required.

## ASSISTANCE REQUEST

Should an issue or dispute arise, all you need to do is fill out the Sutton Secur online assistance request form at [SuttonSecur.com/Assistance](http://SuttonSecur.com/Assistance)

## ATTORNEY DISPATCHED WITHIN 48 HOURS

A lawyer will be assigned to you within 48 hours and will work to resolve the situation as quickly, efficiently and affordably as possible.

## YOU PAY NO LAWYER FEES

You pay no legal fees up to a maximum of \$4,000 (disbursements such as court stamps and bailiff fees are in addition).

## WORK TOWARD RESOLUTION

In the event you require additional legal assistance, your Sutton Secur attorney will continue to work with you at an agreed-upon rate until the situation is successfully resolved.

## ADD SUTTON SECUR TO OTHER COVERAGE

Do you already have coverage or insurance for your transaction? No problem! Sutton Secur coverage can be added to other real estate coverage or insurance programs, offering you additional protection and peace of mind.

# SUTTON SECUR VS INSURANCE PRODUCTS

Sutton Secur stands out in the marketplace as an innovative legal coverage program that offers buyers and sellers greater peace of mind before, during and after a real estate transaction. While a number of insurance products for real estate transactions exists in Quebec, Sutton Secur is different. Here are the six core differences.

## COVERAGE BEFORE, DURING AND AFTER THE TRANSACTION

Once active, the certificate is valid for issues that may occur before, during or after the transaction.

## IMMEDIATE COVERAGE

If the need for legal help arises, coverage is immediate, with no need to make a claim or wait for approval from the insurer.

## QUICK, HASSLE-FREE ACCESS TO AN ATTORNEY

Sutton Secur connects you with a lawyer within 48 hours of making a request for legal assistance. There is no need for you to search on your own for a lawyer nor cover fees for consultation or advice.

## NO OUT-OF-POCKET LAWYER FEES

With coverage of up to \$4,000, you do not need to pay out of pocket for any legal fees upfront for such legal steps as sending of a demand letter, negotiating with the other party, drafting legal proceedings, or getting help to prepare for Small Claims Court (disbursements such as court fees and bailiff fees are not included).

## NO TRANSACTIONAL RESTRICTIONS

Most insurance products for real estate transactions exclude of number of types of properties or situations from coverage such as estate sales, foreclosures, properties sold without warranty, investment properties and rental properties. The Sutton Secur program offers coverage for in each of these situations without limites restrictions.

## COVERAGE INDEPENDENT OF COURT RULING

Some insurance products will pay out only if you win in court. With Sutton Secur, you have access to immediate legal assistance without having to wait for the result of a court case.

# SUTTON SECUR: FREQUENTLY ASKED QUESTIONS

## 1. What is Sutton Secur?

Sutton Secur is an innovative legal coverage program that protects you in case of a dispute or issue related to the purchase or sale of a commercial property. One Sutton Secur certificate covers you for up to \$4,000 in legal fees should an issue or dispute arise. Your Sutton Secur certificate is valid for life for the vendor and buyer (or, in the case of a buyer, for as long as they continue to own the property covered by the certificate). Once a request for legal assistance is made, an attorney is assigned to you immediately, and a legal strategy is put in place to bring the situation to resolution as effectively and affordably as possible.

## 2. What are the benefits of the Sutton Secur certificate?

As an innovative legal coverage program, Sutton Secur is unique on the marketplace. Each certificate covers you for up to \$4,000 of legal fees in the event of a dispute or an issue related to the purchase or sale of a commercial property.

You will benefit from fast, courteous service and the assistance of a qualified real estate attorney who can help you resolve the dispute. In summary, Sutton Secur offers:

- Coverage of up to \$4,000 in legal fees
- Protects you before, during and after the transaction
- Assistance from an attorney within 48 hours of making a request for legal help
- Help from qualified real estate attorneys
- A customer-centric approach based on efficient and cost-effective problem resolution
- Certificate valid for life for vendor and buyer (or in the case of the buyer, for as long as he or she continues to own the property covered by the certificate)

## 3. What exactly is covered by a Sutton Secur certificate?

The Sutton Secur certificate offers coverage of up to \$4,000 in legal fees for commercial properties, for issues such as:

- Hidden defects (infestation, cracked foundation, leaky roof, plumbing problem, mould, heating or cooling problem, electrical or wiring problem, suicide or violent death, criminal activity or links to organized crime)
- A dispute or other issue with neighbours for unknown matters prior to the sale.
- Problems relating to access to or limits of your property

- Passation of title
- Refusal by contracting party to pass title.
- Financing related to the property
- Environmental issues
- Issues related to servitude
- Recourse in warranty by one party against the other
- Death of contracting party prior to the sale of the property.

#### 4. Is the preparation and sending of a demand letter or response to one included in the \$4,000?

Yes! In the case of a claim, a portion of this amount (\$750) will be used to prepare and send a demand letter so you can rest easy in knowing you do not have to incur in any out-of-pocket legal expenses to send or respond to a demand letter.

#### 5. Can Sutton Secur coverage be used for a case going to Small Claims Court?

Small Claims Court in Quebec hears cases for claims of \$15,000 and under. If you are going to Small Claims Court for an issue related to the property covered by the Sutton Secur certificate, while an attorney cannot represent you during the hearing, an attorney can help you prepare your case and work with you to maximize the chances of a ruling in your favour.

As part of your coverage, a Sutton Secur attorney can:

- Help you understand your rights according to the law
- Prepare and send a demand letter
- Draft an application to institute proceedings
- Organize and prepare your evidence before the hearing
- Research case law (jurisprudence) to assist you in arguing your case before the judge
- Prepare you to be comfortable and at ease in the courtroom and to speak persuasively to the judge

Please note that while the above services are covered by the Sutton Secur certificate, coverage of other disbursements such as court fees are not included and are your responsibility.

## 6. If the property is sold with known defects, are issues related to those defects covered by the certificate?

No, the certificate only covers issues unknown and/or undisclosed at the time of purchase.

If you are buying a property, the certificate covers defects or issues that were unknown and/or undisclosed at the time of purchase.

If you are selling a property, the certificate covers defects or issues that were unknown to you. If the you choose not to disclose known defects to the buyer as required by law, issues related to those defects will not be covered by the certificate.

## 7. What is not covered by the Sutton Secur certificate?

The Sutton Certificate covers the issues listed in question 3 for commercial properties. There are two things not covered by the Sutton Secur certificate:

- Pre-existing conditions or defects that were or are known prior to the purchase
- Legal action taken against a Sutton - Québec affiliated real estate broker

## 8. How long is Sutton Secur coverage valid for?

Once issued, the Sutton Secur certificate is valid for life, or in the case of a buyer, for as long as that buyer continues to own the property for which the certificate was issued.

During the validity of the certificate, you can make a request for legal assistance to Sutton Secur for any difficulty or dispute related to the property listed on the certificate. You will benefit from the full \$4,000 in legal coverage at no cost to you.

Please note that a certificate is assigned to a specific client or clients and property, and is not transferable. As such, if the property changes owners, the certificate cannot be transferred.

## 9. What is the difference between Sutton Secur and title insurance?

Commercial title insurance is an insurance policy that protects the homeowner or the lender, depending on the policy, against challenges to the “title”, or right to ownership of a property.

The policy provides coverage against losses due to title defects, title fraud, survey or problems with the title which prevent free and clear ownership such as rights of way, encroachments (from neighbouring properties), unpaid liens, etc.

In contrast, Sutton Secur is not a form of insurance and is not limited to issues related to the title. Sutton Secur offers coverage in the form of \$4,000 in legal fees if assistance is needed to handle a dispute with a wide range of potential issues as listed in question 3.

## 10. In the event of a legal problem and request for legal assistance, how can a Sutton Secur attorney help me?

Once a request for legal assistance is made using the online form available at [SuttonSecur.com/Assistance](https://SuttonSecur.com/Assistance), a meeting will be scheduled between you and a Sutton Secur attorney. During that meeting, the attorney will gather and clarify the details of the situation and set out a plan of action to work toward a successful resolution of the problem.

Depending on the issue or dispute, a Sutton Secur attorney will assist by:

- Sending a demand letter to the concerned party or responding to one you have received.
- Negotiating with the other party with the aim of finding a speedy solution to the problem.
- Assisting you in preparing for Small Claims Court as plaintiff or defendant if the amount in question is \$15,000 or less
- Assisting you when compensation for renovations or repairs is sought, attempting to resolve the matter out of court, or if necessary, take legal action.

## 11. Can Sutton Secur be used in combination with another real estate insurance program?

Yes. Sutton Secur can be used in conjunction with other real estate insurance programs.

In the case that you are covered by another program, you can use the Sutton Secur certificate first for coverage of up to \$4,000 of legal assistance. If further legal services are required beyond the amount covered by the certificate, a Sutton Secur attorney will continue working with you. You can then submit a claim to your insurance provider to cover the additional legal fees required to handle your file.

## 12. How does this certificate work when the property has been sold without legal warranty?

When a property is sold without legal warranty, whether its a succession sale, a foreclosure, or simply two parties who agree to complete the transfer of the property without legal warranty, a certificate may still be issued.

In the case where a property is sold without legal warranty, but the seller did not disclose known issues or defects, the buyer may still have legal recourse and the Sutton Secur certificate would be valid for assistance in taking legal action.

Additionally, in such as case, the certificate will cover issues such as disputes, conflicts, contractual issues, environmental issues, issues related to servitude and other aspects of the Sutton Secur coverage.

## 13. If my contract with my broker expires, is the certificate still valid?

Your Sutton Secur certificate is valid for the duration of your relationship with your Sutton Quebec real estate broker until the transaction is concluded, at which time your coverage continues to protect you from any issues that may arise with related to the property you bought or sold, depending on your certificate.

In the case that the brokerage contract expires before the transaction is concluded, it will need to be renewed with your Sutton Québec broker to be valid (or the transaction concluded).

## 14. Who are the lawyers selected to handle my requests for legal assistance?

Sutton Secur is powered by a network of experienced real estate attorneys committed to the highest standard of service, professionalism and transparency. Each attorney adheres to Sutton Secur's specific protocols and terms of service, ensuring a client-centered approach to problem-resolution and an exceptional level of client satisfaction.

In the case of a request for assistance, Sutton Secur attorneys agree to cover \$4,000 worth of legal fees at no cost to you and to work to settle the dispute in the most efficient and cost-effective manner possible. Should the legal intervention require more than \$4,000, your assigned lawyer and you will agree on a budget and on a course of action to continue to work towards the resolution of the situation.

All attorneys in the Sutton Secur network are experienced in practicing real estate law in Quebec and members of the Québec Bar in good standing.

## 15. How can I be sure that the attorney assigned to my file will work in my best interest and will aim to resolve the issue as affordably as possible?

The Sutton Secur client promise is to offer rapid, hassle-free support in the resolution of real estate disputes that may arise before, during or after the sale or purchase of a commercial property. As members of the Sutton Secur network, attorneys abide by the Sutton Secur terms of service and sign a professional services mandate with you, operating in your best interest and with full transparency to settle the issue in most efficient and cost-effective manner.

In addition, attorneys in Quebec are bound by the Code of Professional Conduct of advocates (Code de déontologie des avocats) which obliges them to act within their moral duty and always serve their client's best interests.

## 16. What rates apply to the use of the \$4,000 in coverage?

The average rate which applies to the use of the coverage is \$250 per hour for lawyers, but may be higher or lower depending on the experience of the attorney and complexity of the matter.

## 17. What happens once the \$4,000 is used up?

Once the value of a Sutton Secur certificate is used up, should you require additional legal support, you may continue working with your Sutton Secur affiliated attorney. You must, however ensure to clarify the terms and conditions of your working relationship without the assistance of the Sutton Secur programme.

In order to avoid any surprises on your part, before doing any additional billable legal work on the file, you should should discuss the additional work before accepting the billable rate and terms of service.

## 18. If I use the certificate once for a portion of coverage, and later I have the need of legal help again, do I have access to the remaining balance of coverage?

Yes. A Sutton Secur certificate is valid for up to \$4,000 and is not limited to one request for legal assistance. For example, in the case that you make a request for assistance and use \$500, if you require legal assistance at a later date, you will still have access to the remaining \$3500 of coverage for the duration of the validity of the certificate.

## 19. Can the certificate be used to take legal action against my broker?

No. If you find yourself in a conflict with your Sutton - Québec affiliated real estate broker, you may turn to the Organisme d'autoréglementation du courtage immobilier du Québec (OACIQ) and/or the Fonds d'assurance responsabilité professionnelle du courtage immobilier du Québec (FARCIQ), however you cannot use the certificate.

## 20. How can I obtain a certificate?

Sutton Secur certificates are offered compliments of your Sutton Quebec real estate broker. Your broker will be able to give you details on the program and issue you a certificate for the purchase or sale of a property.

## 21. If an issue arises, how do I make a request for assistance?

In the event of an issue related to the sale or purchase of your property, simply fill out our online assistance request form at [SuttonSecur.com/Assistance](https://SuttonSecur.com/Assistance).

A Sutton Secur staff member will contact you within 48 hours to clarify the details of the issue and to schedule a meeting with an attorney. Your attorney will then create a plan of action to bring about a successful resolution of the problem.

## 22. Who are the lawyers selected to handle client claims?

Sutton Secur is powered by a network of experienced real estate attorneys committed to the highest standard of service, professionalism and transparency. Each attorney adheres to Sutton Secur's specific protocols and terms of service, ensuring a client-centered approach to problem-resolution and an exceptional level of client satisfaction.

In the case of a claim, Sutton Secur attorneys agree to offer \$4,000 worth of legal services at no cost to you in order to settle the dispute in the most efficient and cost-effective manner possible. Should the legal intervention require more than \$4,000, once that amount is exhausted, your assigned attorney and you will agree on a budget and course of action to continue to work towards the resolution of the situation.

All attorneys in the Sutton Secur network are experienced in practicing real estate law in Quebec and members of the Québec Bar in good standing.

## 23. Are there any upfront costs to opening a file with an attorney

YES, an administrative fee of \$100 will be requested from you by your attorney upon opening the file to start your case. This fee is required to pay for out-of-pocket expenses that the attorney will incur on your behalf, such as delivery of letters, printing, etc.

## 24. Does the certificate holder need to reside in the Property to benefit from coverage.

NO, the beneficiary of the Certificate does not need to live or operate their business in the Property covered by the Certificate. This means that an investor, whether local or international, can also benefit from the coverage offered by the Sutton Secur Certificate.

**Have additional questions? Contact us!**  
**[info@suttonsecur.com](mailto:info@suttonsecur.com) • 438-922-2750**



## SUTTON SECUR IS A LEGAL PROTECTION PLAN THAT COVERS YOU IN THE CASE OF A CONFLICT OR DISPUTE RELATED TO THE SALE OR PURCHASE OF A HOME

Certificate offered compliments of your Sutton Quebec real estate broker

\$4000 in legal fees

Protection before, during and after the transaction

Qualified real estate attorneys

Direct access to attorneys and rapid assistance

A client-centered approach to efficient and cost-effective problem resolution

Valid for life\*

\*Certificate valid for life for vendor and buyer (for as long as they continue to own the property covered by the certificate)