

Builder Bulletin 10

Issue Date: March 2009

Effective Date: July 1, 2009

CONCILIATION FEES

This Bulletin replaces Builder Bulletin 10, issued March, 1983.

WHAT THIS BULLETIN IS ABOUT

Conciliation inspections are costly for all parties involved and a large percentage of the items Tarion inspects are not covered under warranty.

To encourage resolution of disputes, Tarion is raising the conciliation fee for homeowners and introducing a fee for builders.¹

HOMEOWNER CONCILIATION FEE

Homeowners will be required to pay a conciliation fee of \$250 (plus applicable taxes) upon a request for a conciliation inspection. If the inspection is cancelled (with at least 24 hours notice), any conciliation fee paid will be refunded to the homeowner. In addition, if the inspection reveals one or more items determined by Tarion or the Licence Appeal Tribunal, if applicable, to be warranted, then any conciliation fee paid will be refunded to the homeowner.

BUILDER CONCILIATION FEE

Builders will be required to pay a fee of \$1,000 (plus applicable taxes) for conciliation inspections. This fee will only be payable if the conciliation is "chargeable" as determined by Tarion or the Builder Arbitration Forum, if applicable.

EFFECTIVE DATE

The above noted fees will apply to any request for a conciliation received **on or after July 1, 2009**.

signed
Howard Bogac
Registrar

¹ For the purposes of this Bulletin, builder means "vendor," as the *Ontario New Home Warranties Plan Act* provides that conciliation fees are payable by vendors. "Vendor" means a person who sells on his or her own behalf a home not previously occupied to an owner and includes a builder who constructs a home under contract with the owner.