

TARION WARRANTY CORPORATION

ANNUAL REGULATORY PLAN – 2019

The following is a brief summary of policy initiatives Tarion plans to pursue in 2019 that may lead to regulatory changes. More details as they become available will be posted at tarion.com as will information on how submissions on these issues may be made to Tarion.

Proposed Initiative	Rationale / Need for Change	Possible Regulatory Change
<i>Support for Transformation</i>	<ul style="list-style-type: none"> • The government has announced that it is separating the regulatory function from the warranty provider function. • Tarion will provide support to the Ministry of Government and Consumer Services as the issues relating to the changes are considered; it will provide technical support and will assist in industry and public outreach. 	<ul style="list-style-type: none"> • Regulations are the purview of the Minister and Lieutenant Governor in Council.
<i>Condominium Disclosure and Cancellations</i>	<ul style="list-style-type: none"> • Tarion will work with the Condominium Authority of Ontario on new initiatives that will help to better inform purchasers of the potential risks associated with buying new condominium projects. • Tarion will work with the Ministry to make changes to the Tarion Addenda forms for condominium buyers to enhance disclosures for consumers about the risk of purchasing pre-construction condominiums. This could include matters that could cause a project to get cancelled, such as outstanding approvals, project financing, or restrictive covenants on title. 	<ul style="list-style-type: none"> • Regulatory changes will depend upon the changes recommended.