

Update on CSS Changes





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Agenda

- New Supports for Industry
- Customer Service Standard (CSS) Changes
- System Changes Related to the new CSS Rules



SUPPORTING YOUR NEW HOME WARRANTY

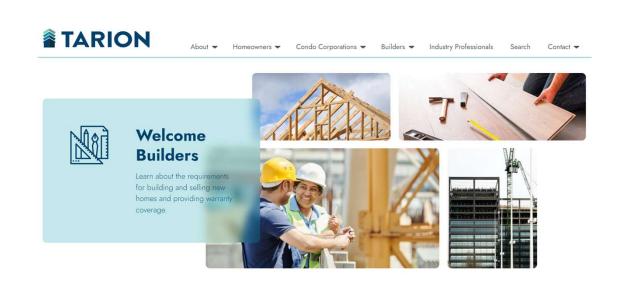
Supports for Industry





New CSS Changes Resources

- Training Ontario Course
- One-on-one sessions with your Industry Relations Manager
- Attend the Fall Builder Update Series
- Tarion.com CSS Hub



What You Need to Know

By law, all new homes built in Ontario are provided with a warranty by a licensed builder/vendor, this law is called the Ontario New Home Warranties Plan Act. Tarion's role is to ensure that purchasers of new homes receive the coverage they are entitled to under the warranty and to approve builders before they can build and/or sell new homes in Ontario. For more information on the act, and for more information about Tarion, who we are and what we do <u>visit our About Us page</u>.

This is the Builders' Homepage, it provides a general overview of the warranty, coverage and everything Tarion has to offer new home builders/vendors. To help you find the information you need, the content on this page and under the menu item titled *Builders* is tailored for you, whereas the menu items under *Homeowners* and *Condo Corporations* are tailored for those audiences.



Customer Service Standard (CSS) Changes





What Isn't Changing

- No changes to Builder Repair Periods

 Builders will still have the initial 120day, and the second 30-day builder repair periods
- No changes to the second year or sevenyear process.
- No changes to common element process.
- No changes to special/seasonal process.
- No changes to the emergency process.



Key Changes

For homes with a date of possession of May 1, 2024, or after:

- The initial homeowner submission period is now be 40 days (from 30).
- Homeowners can make mid-year submission at six months.
- Homeowners can now request a conciliation for each submission from the time it is submitted up until the next submission date- the conciliation will be scheduled on a date after the repair periods finsih.

Changes to Forms

- The first submission a homeowner can make now happens on Day 41 and will be called the **Initial Form** (no longer a 30-day form).
- There will be a new submission at six months which will be called the Mid-year Form.
- Year-End Form a homeowner can add additional items or file a new claim within 10 days of the end of the first year, if they can show that they notified the builder of the issue in writing during the first year.

Changes to Form Submission

- Homeowners will be able to add and describe items via MyHome which will be itemized into a list and will be **auto-submitted** at three key intervals:
 - 1. Initial form at day 41
 - 2. Mid-Year form at day 183; and
 - 3. Year-End form at day 366
- Each of these submissions will generate a builder repair period, as happens today.

Changes to Requesting Conciliations

- Homeowners will be able to request conciliation immediately upon form submission up to the date of the next form submission period, meaning they can request conciliation:
 - Anytime between day 42 and day 183 for the Initial Form;
 - Anytime between day 184 and day 365 for the Mid-Year Form; and
 - Anytime between day 366 and day 516 for the Year-End Form
- The conciliation be scheduled immediately, to take place AFTER both builder repair periods have expired.

No Changes to the Length of the Builder Repair Period (BRP)

- Builders will still have:
 - The initial 120-day BRP
 - The second 30-day BRP
- When the conciliation is requested will determine if there is, or isn't, a gap between the two BRPs
- Once a conciliation is scheduled, builders will receive a communication that will outline all the deadlines, plus the conciliation date
- No impact on the post-conciliation 30-day BRP

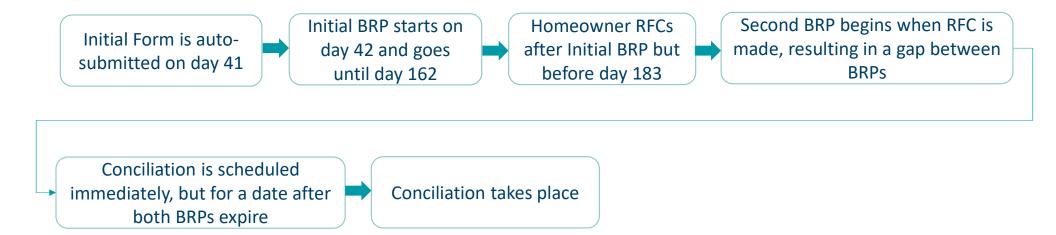
RFC impact on Builder Repair Periods – Example 1

- This example applies to any Request for Conciliation (RFC) made <u>during</u> the Initial Builder Repair Period (BRP), between day 42 and day 163
- When the RFC is made during this period, the conciliation is scheduled immediately but it won't take place until both the initial (120-day) and second (30-day) BRPs have expired
- The second BRP (30-day) follows directly after the Initial BRP (120-day) expires, resulting in a continuous 150-day BRP (no gap between the two BRPs)



RFC impact on Builder Repair Periods – Example 2

- This example applies to any Request for Conciliation (RFC) made <u>after</u> the Initial Builder Repair Period (BRP) expires, but before the Mid-Year form is auto-submitted, between day 164 and day 183
- The second BRP (30-day) begins when the RFC is made and the conciliation is scheduled to take place after it expires, resulting in a gap between the two BRPs



Recap of the CSS Changes

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	Current Process	New Process (May 1, 2024)
Forms and Form Submission	 30-day Form auto submitted by MyHome on Day 41 Year-End Form auto submitted by MyHome on day 366 Year-End 10-day grace period applies with written evidence that defects were reported to builder within first year 	 Initial Form auto submitted by MyHome on Day 41 Mid-Year Form auto submitted by MyHome on Day 183 Year-End Form auto submitted by MyHome on day 366 Year-End 10-day grace period applies with written evidence that defects were reported to builder within first year
Request for Conciliation (RFC)	 Homeowner has 30 days to RFC after the 120-day Builder Repair Period expires 	 30-day timeline to RFC has been removed Homeowner can RFC immediately after Form submission up to next Form submission date for Initial Form and Mid-year Form Homeowner can RFC immediately after Year- end Form submission, up to day 516

Remember: There are no changes to the length of the Builder Repair Periods



System Changes Related to the new CSS Rules



CSS Changes to Forms Displayed on BuilderLink

When the new CSS changes are in force, you will notice some changes to BuilderLink. For forms submitted on enrolments with warranty start dates on or after May 1st, 2024:

- BuilderLink will be updated with the new forms: "Initial Form" and "Mid-Year Form"
- There will be no changes to the "Year-End Form"; however, if there are new items added as part of the year-end grace period they will be posted in the "What's New Dashboard"
- Builders will receive updated correspondence for all Form types (e.g., new timelines for Forms and Requests for Conciliation)

Tarion has prepared some guidance materials to provide an overview of the system impacts the CSS Changes will have on builders

Legacy 30-Day Forms

Forms that are submitted for enrolments with a warranty start date before May 1, 2024 will continue to be processed under the previous CSS rules (i.e., legacy 30-Day Forms)

- Tarion will continue to process the initial submission as a 30-Day Form for enrolments with a warranty start date before May 1, 2024
- Builders will still see previous CSS timelines for legacy 30-Day Form scenarios (for enrolments with warranty start dates prior to May 1, 2024).
- Where applicable, BuilderLink will still recognize and display both the legacy 30-Day Cases and the new Initial Form case types

Do you use our Web Services?

CSS changes will require system changes/adjustments for builders and/or their service providers prior to the CSS changes going live in May 2024

We have developed guidance on these changes required by builders and/or their integrators to ensure their web services accommodate the new CSS:

- Vendor Builder Integration (VBI) Web Services will need to recognize that there will be both 30 Day Forms and Initial Forms in parallel for a period ("legacy" issue)
- System needs to be adjusted to accommodate and recognize the new form type/case types of "Initial Form" and "Mid-Year Form"
- System needs to recognize case type of Emergency and Air Conditioning Forms

We are here to help and provide the guidance you need to make changes to your web service. If so, please reach out to <u>WebService@tarion.com</u>



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Thank You

