

RADON GAS & TARION'S WARRANTY COVERAGE

Over the last few years, exposure to radon gas as a potential concern for new home buyers has received heightened media attention. Health Canada issued a report in 2012 ---- suggesting that up to 16% of lung cancer cases could be attributed to long term exposure to radon gas. Their Guideline levels were lowered in 2007 from 800 Bq/m3 to 200 Bq/m3.

Tarion has clarified the impact that radon issues would have on a home's warranty coverage. *If radon is found in a home in significant amounts, it will be covered by Tarion.* To assist Tarion employees in making consistent warranty decisions related to radon gas, a guideline has been developed when dealing with a potential radon-related claim. The reported defect must be that radon gas is in excess of Health Canada's acceptable levels of 200 Bq/m3, in order for it to be covered by Tarion. These guidelines account for the Ontario Building Code requirements for radon and soil gas control.

Warranty Coverage for Radon Claims:

1 st Year	• Fit for habitation (if radon levels are >200 Bq/m3); • OBC Violations (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels are >200 Bq/m3)
2 nd Year	• OBC Health and Safety (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels >200 Bq/ m3);
Years 3 – 7	• MSD coverage (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels >200 Bq/ m3)

A valid radon claim could potentially be covered by the 1st year warranty, under the 'fit for habitation' criteria or if the home is not in compliance with the OBC guidelines. It could also be potentially covered by the 2nd year warranty if the home does not meet the OBC guidelines. In addition, given the heightened awareness of the potential risks posed by radon contamination, a claim could fall within the definition of a Major Structural Defect should the problem be considered one that renders the home uninhabitable.

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What Warranty Limits Apply to Radon Claims?

Claims involving radon are limited in the following ways:

- Costs incurred to substantiate a radon claim are not covered;
- Personal injury / health issues caused by radon are not covered;
- Damage to personal property is not covered.

In addition radon claims paid by Tarion are limited by a financial cap. The financial cap on radon related claims is set out as follows:

"...the maximum amount payable (...) for damage caused by environmentally harmful substances or hazards, deleterious substances, mould or any other fungal or bacterial contamination, is \$15,000 per home"

This limit will apply to repairs to remediate a radon problem carried out by Tarion.

In order for a radon claim to be accepted, the homeowner must provide the following supporting material:

- Test results identifying average radon levels in basement (finished or unfinished, but not from crawl spaces);
- Identification of test methodology (short-term test: less than 3 months, or long-term test: minimum 3 months as per Health Canada's "Guide for Radon Measurements in Residential Dwellings (Homes)", and
- Test measurements and results from a certified professional by the Canadian National Radon Proficiency Program (C-NRPP).

If the above information indicates average radon levels $> 200 \text{ Bq/m}^3$ as indicated in a *short-term test*, then further investigation is required in the form of a long-term test.

If the above information indicates average radon levels $> 200 \text{ Bq/m}^3$ as indicated in a *long-term test*, then the information is deemed acceptable and the case may proceed to remediation.