

WeirFoulds Partner Krista Chaytor provides comment to *Daily Commercial News* on the role of tolling agreements in construction project disputes

January 13, 2022

On January 13, 2022, *Daily Commercial News* published "[Legal Notes: Tolling agreements maintain project progress despite ongoing disputes](#)" by John Bleasby.

Disputes are almost inevitable in large construction projects. However, when projects extend over long periods of time, it becomes impractical for parties to be embroiled in a constant string of disputes.

WeirFoulds' Construction Law Partner [Krista Chaytor](#) explains that tolling agreements are a stop-the-clock mechanism. They permit parties to recognize that there is a dispute while allowing them to get on with the job now and deal with the dispute later, despite some limitations.

For example, parties cannot interrupt any provincially legislated prompt payment regimes. Similarly, they cannot contract out of the 24-month Limitation Act of 2002 in Ontario.

Krista suggests that although tolling agreements aren't often seen at lower levels on the project pyramid, that doesn't mean they can't be put in place.

"Trades like painting and drywall usually don't have the same access to legal advice, so they don't tend to get involved in things like tolling agreements. That's not to say that it can't happen. A tolling agreement can be with anyone."

Tolling agreements can be flexible in terms of their length. Krista says whether short or long, the key is the ability to terminate the tolling agreement with 30 days' notice.

Read the full article in *Daily Commercial News* [here](#).

Toronto Office

4100 – 66 Wellington Street West
PO Box 35, TD Bank Tower
Toronto, ON M5K 1B7

Tel: 416.365.1110
Fax: 416.365.1876

Oakville Office

1320 Cornwall Rd., Suite 201
Oakville, ON L6J 7W5

Tel: 416.365.1110
Fax: 905.829.2035