

Government of the Province of Alberta
Department of Service Alberta

Notice of Administrative Penalty

Files: 33204, 33287,
33296, 33306, 33320, 33321,
33463, 33475, 33601, 33620 &
33327

To: Just Green Home Services Alberta Ltd.
559 Leighland Drive
Waterloo, Ontario
N2T 2H4

After reviewing the information available to me, I have concluded that Just Green Home Services Alberta Ltd. has contravened sections 6(4)(a), 31(2) and 62(1) of the *Consumer Protection Act* (formerly the *Fair Trading Act*) in respect of which an administrative penalty may be imposed. Particulars of the contravention are as follows:

Date(s) of Contraventions:
Approximately October 24, 2015 to September 26, 2016

Location(s) of Contravention:
Edmonton, Calgary, Ponoka, Okotoks and Lethbridge, Alberta

Details:

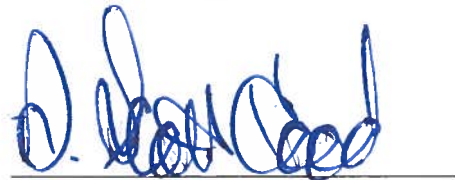
Just Green Home Services Alberta Ltd. contravened the *Consumer Protection Act* (formerly the *Fair Trading Act*):

- a supplier's doing or saying anything that might reasonably deceive or mislead a consumer,
- failure to disclose to borrowers the information required in the Act and the Regulations, and
- within 15 days after a direct sales contract is cancelled, the supplier must refund to the consumer all money paid by the consumer.

I have assessed an administrative penalty of \$3,000 and served a notice of administrative penalty on Just Green Home Services Alberta Ltd. pursuant to section 158.1(1) of the *Consumer Protection Act* and the Administrative Penalties (*Fair Trading Act*) Regulation, AR135/2013, as noted in the Reasons for Decision.

You are required to submit payment for the administrative penalty within thirty days of the date of service of this Notice. If payment has not been received in this time period, the Notice may be filed in the Court of Queen's Bench and enforced as a judgement of that court pursuant to section 158.4 of the *Consumer Protection Act*.

Dated this 22nd day of January, 2019.



Scott Hood
Director of Fair Trading (as delegated)
Service Alberta

Right of Appeal

Section 179 of the *Consumer Protection Act* provides a right to appeal this decision. The appeal may be sent to the Minister of Service Alberta c/o the Director of Fair Trading at 3rd Floor, Commerce Place, 10155-102 Street NW, Edmonton, Alberta T5J 4L4. The appeal must be received within 30 days of the date you received the Notice of Administrative Penalty. The time period is strictly enforced. Your appeal must include the following information: 1) reason that you are appealing, 2) the decision being appealed, 3) your name, and 4) your address for service. Pursuant to the Administrative Penalties (*Fair Trading Act*) Regulation, the fee to appeal this administrative penalty is \$1,000.000.

Payment Information

You may pay this administrative penalty by cheque or money order payable to the Minister of Finance and mailed to the Director of Fair Trading:
3rd Floor, Commerce Place
10155 – 102 Street NW
Edmonton, Alberta T5J 4L4

Reasons for Decision

Just Green Home Services Alberta Ltd. is a registered corporation and was incorporated on July 16, 2015. The sole registered director is Mohamed Osman.

Just Green Home Services Alberta Ltd. was originally Alberta Energy Group Inc. The registered name was changed on July 12, 2016. Jean-Loup De Lafontaine Gauthier and Mohamed Osman are the original registered directors of the corporation as Alberta Energy Group Inc. On February 17, 2017, the corporate record was changed to remove Jean-Loup De Lafontaine Gauthier.

Just Green Home Services Alberta Ltd. (formerly Alberta Energy Group Inc.) has a Direct Selling Business Licence (#342713), issued by the Government of Alberta on October 22, 2015. Nisha Sharma is the Operations Manager as registered with the Government of Alberta.

The surety bond was cancelled effective July 15, 2017 thereby making the Direct Selling Business Licence terminated on that date.

COMPLAINT SUMMARY:

File 32304

On October 24, 2015, a door-to-door sales representative named Ricky Tang from Just Green Home Services Alberta Ltd. attended the residence of Guoxian Cheng at 2432 45 St SE, Calgary, Alberta. Mr. Cheng and Mr. Tang had a discussion regarding the supply and installation of a new furnace in Mr. Cheng's home. Mr. Cheng was verbally led to believe that the business was part of the government Alberta Environment Protection Program.

On October 24, 2015, a Direct Sales Contract was entered into between Mr. Cheng and Mr. Tang representing Just Green Home Services Alberta Ltd. at the residence of Guoxian Cheng.

The contract does not contain all the requirements required by section 35 of the *Fair Trading Act*. Specifically the contract does not contain the following:

- S. 35(h) the total amount of the direct sales contract;
- S. 35(l) As credit is extended, a statement of any security taken for payment and the disclosure statement required under Part 9

As per the Cost of Credit Disclosure Regulation:

- S. 19(1)(g) the capitalized amount

On October 27, 2015, Just Green Home Services Alberta Ltd. sent two technicians to the home of Mr. Cheng. The technicians installed the new furnace and removed the old furnace.

On November 3, 2015, Mr. Cheng contacted Just Green Home Services Alberta Ltd. customer service at 1-844-899-4822 because he wanted to cancel the contract because the furnace was too noisy. Mr. Cheng was referred to the cancellation information in the contract. Mr. Cheng was told that he would have to pay a cancellation fee plus be responsible for purchasing a new furnace.

CHENG submitted a complaint via email to Service Alberta, Consumer Investigations Unit on February 3, 2016. On March 3, 2016 Investigator Amada Plomp sent a letter to Just Green Home Services Alberta Ltd. via Canada Post to advise them of the allegations and to provide them with an opportunity to respond to the allegations by March 31, 2016.

On March 9, 2016, Investigator Plomp received an email response from Nisha Sharma, Operations Manager for Just Green Home Services Alberta Ltd. In email communication between Ms. Sharma

and Investigator Plomp, Plomp clarified that the concerns being addressed were in regards to the contract being used by Just Green Home Services Alberta Ltd. and the non-compliance with the *Fair Trading Act*.

On March 17, 2016 an email was received by Investigator Plomp from Ms. Sharma stating that Just Green Home Services Alberta Ltd., because of “multiple variables involved” and the “exponential number of scenarios and computations”, that “it is impossible to provide definitive totals” in their contracts.

On April 6, 2016, an email was sent by Investigator Plomp to Ms. Sharma restating that the contract being used by Just Green Home Services Alberta Ltd. did not comply with the *Fair Trading Act* requirements and that non-compliance could potentially be subject to enforcement action. No response was received.

File 33287

On approximately April 25, 2016, a door-to-door sales representative named “Alek” from Just Green Home Services Alberta Ltd. came to the residence of Sean and Susan Blair at 43 Allan Street, Red Deer, Alberta. As a result of the verbal conversation with Alek, the Blair’s were led to believe that if they had a new combination boiler installed that the Blair’s would receive a rebate from the government. The Blair’s did not enter into a contract at this time.

On April 27, 2016, Alek and Jordan Fernandez attended the residence of the Blair’s. Jordan Fernandez being the supervisor for Alek. As a result of the conversations between Alek, Fernandez and the Blair’s, the Blair’s entered into a Direct Sales Contract. The contract indicates the name of the sales representative is Jordan Fernandez.

The contract does not contain all the requirements required by section 35 of the *Fair Trading Act*. Specifically the contract does not contain the following:

- S. 35(h) the total amount of the direct sales contract;
- S. 35(l) As credit is extended, a statement of any security taken for payment and the disclosure statement required under Part 9

As per the Cost of Credit Disclosure Regulation:

- S. 19(1)(c) the term of the lease;
- S. 19(1)(g) the capitalized amount;
- S. 19(1)(p) the total lease cost

The combination boiler was scheduled to be installed on May 3, 2016 at the residence of the Blair’s, but was not actually installed until June 14, 2016. The boiler was installed incorrectly and did not pass the City of Red Deer inspection. The boiler both leaked and provided no heat. Just Green Home Services Alberta Ltd. sent contracted repair technicians from local companies who informed the Blair’s of the installation issues but would not be able to repair the concerns without a City of Red Deer permit. Afterwards, Just Green Home Services Alberta Ltd. failed to pay the contracted technicians and no repair servicemen have come to the residence of the Blair’s on behalf of Just Green Home Services Alberta Ltd.

On December 6, 2016, the contract was cancelled by the Blair’s via email. The cancellation was acknowledged via email by Sophia Tesfagiorgis at on December 7, 2016.

Susan Blair submitted a complaint via email to Service Alberta, Consumer Investigations Unit on December 6, 2016.

On December 21, 2016, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Sean and Susan Blair as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with an opportunity to respond to the allegations. No response was received by Investigator Plomp.

On January 19, 2017, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Sean and Susan Blair as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with another opportunity to respond to the allegations. Again, no response was received by Investigator Plomp.

File 33296

In February 2016, a door-to-door sales representative named "David" from Just Green Home Services Alberta Ltd. came to the residence of Aubrey Sawatsky at 22 Lock Cres, Okotoks, Alberta. Mr. Sawatsky spoke with David and obtained basic information but did not enter into a contract at that time.

On February 9, 2016, David was again in the area of the residence of Mr. Sawatsky. David and Mr. Sawatsky discussed the contract and process. As a result of the verbal conversation, Mr. Sawatsky was led to believe that the furnace was a rent-to-own program. David called Brian Johnson, who came to the residence of Mr. Sawatsky. Mr. Sawatsky and Mr. Johnson entered into a contract for a furnace on February 9, 2016. No verification call was made. On February 10, 2016, the furnace was installed at the residence of Mr. Sawatsky. Within a few days after the contract was entered into, Mr. Sawatsky realized that the contract was a rental.

The contract does not contain all the requirements required by section 35 of the *Fair Trading Act*. Specifically the contract does not contain the following:

- S. 35(h) the total amount of the direct sales contract;
- S. 35(i) the terms of payment;
- S. 35(l) As credit is extended, a statement of any security taken for payment and the disclosure statement required under Part 9

As per the Cost of Credit Disclosure Regulation:

- S. 19(1)(c) the term of the lease;
- S. 19(1)(g) the capitalized amount;
- S. 19(1)(h) the amount, timing and number of the periodic payments;
- S. 19(1)(p) the total lease cost

On March 28, 2017, Mr. Sawatsky sent letter to One Dealer Financial via fax regarding paying out the contract. No response was received by Mr. Sawatsky.

Aubrey Sawatsky submitted a complaint via Canada Post to Service Alberta, Consumer Investigations Unit on December 7, 2016.

On December 21, 2016, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Aubrey Sawatsky as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with an opportunity to respond to the allegations. No response was received by Investigator Plomp.

On January 19, 2017, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Aubrey Sawatsky as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with

another opportunity to respond to the allegations. Again, no response was received by Investigator Plomp.

File 33321

On February 6, 2016 a door-to-door sales representative named Sammy Filil from Just Green Home Services Alberta Ltd. came to the residence of Masako Yuen at 203 Allan Cres SE, Calgary, Alberta. Mr. Filil verbally told Masako Yuen that there would be upcoming costs associated with the carbon tax. As a result of the verbal conversation between Masako Yuen and Mr. Filil, on February 6, 2016, Masako Yuen and her adult son Robin Yuen entered into a Direct Sales Contract with Just Green Home Services Alberta Ltd. for a furnace.

The contract does not contain all the requirements required by section 35 of the *Fair Trading Act*. Specifically the contract does not contain the following:

- S. 35(h) the total amount of the direct sales contract;
- S. 35(i) the terms of payment;
- S. 35(l) As credit is extended, a statement of any security taken for payment and the disclosure statement required under Part 9

As per the Cost of Credit Disclosure Regulation:

- S. 19(1)(c) the term of the lease;
- S. 19(1)(g) the capitalized amount;
- S. 19(1)(h) the amount, timing and number of the periodic payments;
- S. 19(1)(p) the total lease cost

On December 12, 2016 Robin Yuen cancelled the contract with Just Green Home Services Alberta Ltd. via email. On December 27, 2016, Robin Yuen on behalf of Masako Yuen went to the bank and put a stop payment for any withdrawals from Just Green Home Services Alberta Ltd.

Ms. Yuen submitted a complaint via walk-in to Service Alberta, Consumer Investigations Unit on November 22, 2016.

On December 21, 2016, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Masako Yuen as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with an opportunity to respond to the allegations. No response was received by Investigator Plomp.

On January 19, 2017, Investigator Plomp sent letters via registered mail to Just Green Home Services Alberta Ltd. The letters described the allegations submitted by Masako Yuen as well as the applicable legislation. The letters provided Just Green Home Services Alberta Ltd. with another opportunity to respond to the allegations. Again, no response was received by Investigator Plomp.

File 33327

On September 26, 2016, a door-to-door sales representative named "Ramon" from Just Green Home Services Alberta Ltd. came to the residence of Bernice Walker at 515 12B St N, Lethbridge, Alberta. Ramon verbally informed Ms. Walker that she would receive a rebate of \$750.00 from Just Green Home Services Ltd. if she entered into a contract. As a result of the verbal conversation between Ramon and Ms. Walker, Ms. Walker entered into a Direct Sales Contract for a water softener. A verification call was conducted. At the time of entering into the contract, Ms. Walker was provided with the terms and conditions but not a copy of the contract. Ms. Walker was later provided with the copy of the contract.

The contract does not contain all the requirements required by section 35 of the *Fair Trading Act*. Specifically the contract does not contain the following:

- S. 35(h) the total amount of the direct sales contract;
- S. 35(l) As credit is extended, a statement of any security taken for payment and the disclosure statement required under Part 9

As per the Cost of Credit Disclosure Regulation:

- S. 19(1)(c) the term of the lease;
- S. 19(1)(d) the cash value of the leased goods;
- S. 19(1)(g) the capitalized amount;
- S. 19(1)(h) the amount, timing and number of the periodic payments;
- S. 19(1)(i) the estimated residual value of the leased goods;
- S. 19(1)(n) the implicit finance charge;
- S. 19(1)(o) the APR;
- S. 19(1)(p) the total lease cost

The installation was scheduled for September 27, 2016 but it was installed on October 1, 2016.

Ms. Walker contacted Just Green Home Services Ltd. to try to cancel the contract verbally over the phone but has been told that she is not permitted to cancel. Ms. Walker was told that if she chose to purchase the water softener, it would be approximately \$7,000.00.

On December 19, 2016, a complaint submitted by Bernice Walker was received via Canada Post by Service Alberta, Consumer Investigations Unit.

File 33320

The complainants Virginia and Gilles McMillan reside in Edmonton, Alberta. Mr. Gilles states that on a Monday in early August of 2016, he and his wife were home when two males came to the door. He began talking to one of the males, later known as "Kyle W" through the screen door however he states that Kyle pretended not to hear him so Mr. Gilles opened the external door a bit and Kyle opened the door all the way and walked right into the house and started asking questions about his furnace such as how old it was.

According to Gilles, he told the males that his furnace was about 30 years old. Kyle then asked Gilles to see his energy bills and told Gilles that he could save money by having a new furnace installed. Mr. Gilles states that they then sat down at the kitchen table and started arguing. Gilles states, *"we argued back and forth that we don't need the furnace...we don't want that furnace....but he kept pushing and pushing....high pressure salesman"*.

He also stated that "Kyle" had a contract document in his hand and he wouldn't let it go and wouldn't let him read the contract. He also alleges that Kyle told him that he has to sign it and that it's a good deal. He also notes that Kyle told him that he would get a \$400 rebate in 4-6 weeks but didn't tell him who was offering the rebate, nor the name of the rebate program nor how it worked. As of February 2, 2017, he has never received any rebate.

A review of the document shows the name "Alberta Energy Group." The agreement appears to be for the rental of a "furnace" for \$89.99 and a "chimney liner" for \$2.99 for a total of \$97.63 "total monthly rental payment" of 120 months minimum. There does not appear to be any description of the furnace unit or a total price of the agreement. The contract fails to meet the requirements of Section 35 of the CPA. Further, it fails to provide cost disclosure and as such fails to meet sections 62(1) and 93 of the Act.

Mr. Gilles said that he wasn't told which furnace he would be getting, neither the make nor the model and that every time he asked Kyle what the total price will be for the agreement, Kyle kept changing the subject and didn't answer the question. He also said that he wasn't told that the payments would be increasing every year.

File 33306

The complainant is Ms. Jana Daniel, 76 years old and is considered to be a vulnerable member of the public. She currently resides alone in Edmonton, Alberta. Ms. Daniel states that in early January of 2016, she was home when someone came to her door. When she answered, the lone male told her that he was with, "Alberta Energy" which made her think that he had something to do with the Government and that the "Government is doing something for us."

She notes that she subsequently allowed him into her home. Once he came into her house, he told her that her furnace makes so much noise and asked if it is always that loud. He then asked if he could see the furnace, which she allowed him to do. Upon inspecting the appliance, she notes that he mentioned, "*oh it's a Carrier furnace....I have to tell you that doesn't have a very good reputation...*". She states that she told him that her furnace is working. He then told her that they are offering a very good opportunity, a Goodman furnace which is, "*the best on the market*".

She told him that her furnace is only 12 or 13 years old and that she can't change her furnace just like that. He then proceeded to tell her how much energy she would be saving with this furnace and how it would save her money and the environment. During the meeting, he was drawing a sketch to show her the savings, based on long calculations. He also told her that with what she would be saving, this furnace would only cost her \$15/month and asked her if she could afford \$15 a month.

A review of the document shows the business name, "Alberta Energy Group," and that it is not actually dated however the installation date is noted as "Jan. 14/2016." It shows Ms. Daniel's personal information, it also notes that the agreement is for the rental of a "furnace" however no further description of the product to identify it, for a total monthly rental payment of \$92.98. The contract fails to meet the requirements of Section 35 of the CPA. Further, it fails to provide cost disclosure and as such fails to meet sections 62(1) and 93 of the Act.

File 33463

The complainant is Ms. Theresa Carriere, a 74 year old female currently residing in Edmonton, Alberta and is considered to be a vulnerable member of the public. Ms. Carriere states that on August 5, 2016, a lone male who identified himself as "Chris" came to her house. According to her, "Chris" told her that he is with Alberta Energy and that the "Alberta Government is after people to get energy efficient equipment". She further notes that he told her he wanted to inspect her furnace to ensure that it was properly insulated.

When he saw that she has a new furnace, he began trying to sell her an air conditioner. When she told him that she couldn't afford \$100/month for the unit, she states that he told her that she could save a lot of money if she changed her utility providers to Epcor and Enmax and that she would save \$40/month on gas and \$40/month on her electric bills which would make up for the air conditioner payments.

A review of the document shows the business name, "Alberta Energy Group," agreement #8874. The document shows her personal information written across the top and under rental information it says, "Air Conditioner \$89.99" and "new AC set-up fee \$7.99" for a total of \$97.98 per month for a "minimum 120 month term." It appears the contract was signed by Ms. Carriere on August 5, 2016 and it shows that the equipment was installed on August 6, 2016.

A review of this contract shows that it does not appear to meet the requirements of S 35 of the CPA as it is missing: supplier's name (last name); description of goods sufficient to identify them;

total amount of the direct sales contract. Further, it fails to provide cost disclosure and as such fails to meet sections 62(1) and 93 of the Act.

File 33475

The complainant, Mr. Gary Packwood, is a 63 year old Alberta resident. He states that on or about June 1, 2016, he was home when two males came to his door. He states that the two males came to the house using the business name, "Alberta Energy Group" so even though he had turned similar companies away before, he thought that based on the company name that this was through the Government and that they wanted to check his furnace.

Mr. Packwood said that "he" asked if they could look at his furnace. According to him, they went downstairs to look at his furnace and told him that he's losing a lot of heat out of his chimney and that getting a new furnace would "*save you bundles*" and that "*you won't use half the gas.*"

Ahmed told him about a \$250 rebate that he would get through the company and that the Government would give rebates for anyone who installs high efficiency furnaces.

A review of the contract document shows Mr. Packwood's personal information, the business name, "Alberta Energy Group." The equipment rental information on the contract shows, "furnace \$89.00" and "chimney liner \$2.99." The "total monthly rental payment (minimum 120 month term plus GST)" appears to read \$92.98. The document appears to show a date of June 1, 2016. It should be noted that a copy of the document shows the representatives name to be "Ahmed ABBAS".

A review of this document shows that it does not appear to meet the requirements of S.35 of the CPA as it is missing: description of goods sufficient to identify them; total amount of the direct sales contract. Cost of credit disclosure requirement also does not appear to have been met.

File 33601

The complainant is Mr. Paul Bergen who is 62 years of age states that on March 31, 2016, his doorbell rang and a male by the name of "David" stated that he was with Alberta Energy Group and he was in the area looking at people's furnaces. The male asked if he could take a look at Mr. Bergen's furnace and he agreed to have him look at it. The male allegedly told him that the furnace was one of the oldest furnaces he had ever seen and wanted to sell him a furnace.

The male told him that his savings in using the new furnace would be such that the appliance would barely cost him anything, however he hasn't seen any change in his heating costs at all. Mr. Bergen explained that he did not require financing and at the time, and he "*didn't realize at the time was that he was selling me a financing package and not a furnace...*".

A review of the contract shows the business name: Alberta Energy Group. The equipment rental information is as follows: "furnace" \$89.99 and "chimney liner" \$2.99 for a total of \$92.98/month. There is no explanation as to what make/model of unit would be provided, there is no cost of borrowing disclosure. The name of the sales person is noted as, "David Rodgas." The contract fails to comply with the requirements of section 35 of the CPA, along with s. 62 as it fails to include disclosure information.

According to Mr. Bergen, he said that everything the representative told him made it sound like he was purchasing the furnace.

File 33620

The complainant, Ms. Jierma Fraser, is 52 years of age and English is her second language. Ms. Fraser states that she was home on August 20, 2016, when a representative of Alberta Energy

Group, came to her door. She alleges that the male, who identified himself as Ahmed Abbas told her that the Government requires her to change her furnace and that this needed to be done before "January 1st" otherwise she could not get a rebate. According to Ms. Fraser, she told him that she does not need a new furnace. Ms. Fraser, *"he said to me that this is required from the Government that you have to change your furnace so in my mind, like, this like connected to the Government like that, because he was bringing the name of the Government."*

A review of the contract shows the following information: Alberta Energy Group, Unit 31, 4511 Glenmore Trail, Calgary, AB T2C 2R9; the document shows Ms. Fraser's information along with rental information "Furnace" and "chimney liner" for a total of \$94.94 total monthly rental payment. No total cost of the contract. The document is signed and shows the representative's name "Ahmed Abbas," and is dated June 11, 2016.

The contract documents fails to meet the requirements per Section 35 of the CPA and it also does not show disclosure information (Section 62).

KEY LEGISLATION:

Consumer Protection Act

- s. 6(3) It is an unfair practice for a supplier
 - (c) to include in a consumer transaction terms or conditions that are harsh, oppressive or excessively one-sided;
- s. 6(4) The following are unfair practices if they are directed at one or more potential consumers:
 - (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer
- s. 28(2) A consumer may cancel a direct sales contract within one year from the date the direct sales contract is entered into
 - (b) if the direct sales contract does not include all the information required under section 35
- s. 31(2) Within 15 day after a direct sales contract is cancelled, the supplier must refund to the consumer all money paid by the consumer and return to the consumer's premises any trade-in or an amount equal to the trade-in allowance.
- s. 35 A written direct sales contract must include:
 - (a) the consumer's name and address;
 - (b) the supplier's name, business address, telephone number and, where applicable, fax number;
 - (c) where applicable, the salesperson's name;
 - (d) the date and place at which the direct sales contract is entered into;
 - (e) a description of the goods or services, sufficient to identify them;

- (f) a statement of cancellation rights that conforms with the requirements set out in the regulations;
- (g) the itemized price of the goods or services, or both;
- (h) the total amount of the direct sales contract;
- (i) the terms of payment;
- (j) in the case of a sales contract for the future delivery of goods, future provision of services or future delivery of goods together with services, the delivery date for the goods or commencement date for the services, or both;
- (k) in the case of a sales contract for the future provision of services or the delivery of goods together with services, the completion date for providing the services or the goods together with services;
- (l) where credit is extended,
 - (i) a statement of any security taken for payment, and
 - (ii) the disclosure statement required under Part 9;
- (m) where there is a trade-in arrangement, a description of and the value of the trade-in;
- (n) the signatures of the consumer and the supplier.

s. 62(1) Every credit grantor must, in the form and manner provided by this Part and the regulations, disclose to borrowers the information that this Part and the regulations require to be disclosed.

- s. 158.1 (1) If the Director is of the opinion that a person
- (a) has contravened a provision of this Act or the regulations, or
 - (b) has failed to comply with a term or condition of a licence issued under this Act or the regulations, the Director may, by notice in writing given to the person, require the person to pay to the Crown an administrative penalty in the amount set out in the notice
- (2) Where a contravention or a failure to comply continues for more than one day, the amount set out in the notice of administrative penalty under subsection (1) may include a daily amount for each day or part of a day on which the contravention or non-compliance occurs or continues
 - (3) The amount of an administrative penalty, including any daily amounts referred to in subsection (2), must not exceed \$100,000
 - (4) Subject to subsection (5), a notice of administrative penalty shall not be given more than 3 years after the day on which the contravention or non-compliance occurred
 - (5) Where the contravention or non-compliance occurred in the course of a consumer transaction or an attempt to enter into a consumer transaction, a notice of administrative penalty may be given within 3 years after the day on which the consumer first knew or ought to have known of the contravention or non-compliance but not more than 8 years after the day on which the contravention or non-compliance occurred

- s. 158.2 Before imposing an administrative penalty in an amount of \$500 or more, the Director shall
- (a) advise the person, in writing, of the Director's intent to impose the administrative penalty and the reasons for it, and
 - (b) provide the person with an opportunity to make representations to the Director

- s. 166 For the purposes of this Act, an act or omission by an employee or agent of a person is deemed also to be an act or omission of the person if the act or omission occurred
- (a) in the course of the employee's employment with the person, or
 - (b) in the course of the agent's exercising the powers or performing the duties on behalf of the person under their agency relationship.
- s. 62(1) Every credit grantor must, in the form and manner provided by this Part and the regulations, disclose to borrowers the information that this Part and the regulations require to be disclosed.
- (2) Every credit grantor must, with respect to any advertisement published or made by or on behalf of the credit grantor, disclose in the advertisement, in the form and manner provided by this Part and the regulations, the information that this Part and the regulations require to be disclosed.
- s. 93 The initial disclosure statement for a lease must disclose the information prescribed by the regulations.

Cost Of Credit Disclosure Regulation

- 19(1) As much of the following information as is applicable is required to be disclosed for the purposes of section 93 of the Act:
- (a) that the transaction is a lease;
 - (b) a description of the leased goods;
 - (c) the term of the lease;
 - (d) the cash value of the leased goods;
 - (e) the nature and amount of any other advances received or charges incurred by the lessee at or before the beginning of the term;
 - (f) the amount and purpose of each payment made by the lessee at or before the beginning of the term;
 - (g) the capitalized amount;
 - (h) the amount, timing and number of the periodic payments;
 - (i) the estimated residual value of the leased goods;

- (j) for an option lease,
 - (i) how and when the option may be exercised,
 - (ii) the option price if the option is exercised at the end of the term, and
 - (iii) the method for determining the option price if the option is exercised before the end of the term;
- (k) for a residual obligation lease,
 - (i) the estimated residual cash payment, and
 - (ii) a statement to the effect that the lessee's maximum liability at the end of the lease term is the sum of the estimated residual cash payment plus the difference, if any, between the estimated residual value and the realizable value of the leased goods;
- (l) the circumstances, if any, under which the lessee or the lessor may terminate the lease before the end of the term and the amount, or the method of determining the amount, of any payment that the lessee will be required to make on early termination of the lease;
- (m) if there are circumstances under which the lessee will be required to make a payment that is not disclosed under clauses (a) to (l),
 - (i) the circumstances, and
 - (ii) the amount of the payment or the method of determining the amount;
- (n) the implicit finance charge;
- (o) the APR;
- (p) the total lease cost.

(2) The circumstances referred to in subsection (1)(m) include, without limitation, unreasonable wear or excess use.

Assessment

On February 6, 2018, I sent you a letter to you where I proposed to issue a Notice of Administrative Penalty for \$3,000.00 and advised you that you had an opportunity to make representations to me regarding any matter in that letter. This letter was served at your address

on February 12, 2018 by a member of the Government of Ontario. To date, I have not received any representation by you so a decision had to be made without your input.

In my opinion the appropriate administrative penalty is **\$3,000.00**.

A handwritten signature in blue ink, appearing to read "S. Hood". The signature is stylized and somewhat cursive.

Scott Hood
Director of Fair Trading (as delegated)
January 22, 2019

cc: Amanda Plomp, Investigator
Consumer Investigation Unit - South