



**DIRECTOR'S ORDER UNDER SECTION 157 OF THE CONSUMER PROTECTION ACT**

**TO**

**CANADIAN QUALITY HOME SERVICES INC.,**

**PATRICK DUCHOWNIK,**

**AND**

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF THE ABOVE**

**FINDINGS**

Service Alberta has investigated allegations related to contraventions of the *Consumer Protection Act* (CPA) and found evidence that Canadian Quality Home Services Inc. and Patrick Duchownik signed contracts with a consumer for the installation and maintenance of a water softener in her home. Activities by Canadian Quality Home Services Inc. and Patrick Duchownik were in contravention of the CPA by:

- taking advantage a consumer who was not able to understand the character, nature, language, or effect of the consumer transaction;
- charging a price for goods that grossly exceeded the price at which similar goods or services are readily available, without informing the consumer of the difference in price and the reason for the difference;
- including in a consumer transaction terms and conditions that were harsh, oppressive, and excessively one-sided;
- making representations that a consumer transaction involved rights and obligations that are different from the fact;
- not giving a consumer the total price of the goods and services, and giving less prominence to the total price of the goods and services than to the amount of the instalment; and
- use of a direct sales contract that was not compliant with the requirements of the CPA.

Based on the available evidence, the Director has formed the opinion that Canadian Quality Home Services Inc. and Patrick Duchownik contravened the regulatory framework established under the CPA.

### **KEY LEGISLATION**

#### *Consumer Protection Act RSA 2000 Chapter C-26.3*

- 6(2) It is an unfair practice for a supplier, in a consumer transaction or a proposed consumer transaction,
- (b) to take advantage of the consumer as a result of the consumer's inability to understand the character, nature, language or effect of the consumer transaction or any matter related to the transaction;
  - (d) to charge a price for goods or services that grossly exceeds the price at which similar goods or services are readily available without informing the consumer of the difference in price and the reason for the difference;
- 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;
  - (d) to make a representation that a consumer transaction involves or does not involve rights, remedies or obligations that is different from the fact.
- 6(4) Without limiting subsections (2) and (3), the following are unfair practices if they are directed at one or more consumers or potential consumers:
- (t) when the amount of any instalment to be paid in respect of goods or services is given in any representation by a supplier,
    - (i) failure to give the total price of the goods or services, or
    - (ii) giving less prominence to the total price of the goods and services than to the amount of the instalment;
- 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.

157(1) If, in the opinion of the Director

- (a) a person is contravening or has contravened this Act or the regulations,
- (b) a regulated person is using any form, agreement, letter or other document that is misleading or contains a term that misrepresents this Act or the regulations, or
- (c) a print, broadcast or electronic publisher, including but not limited to a publisher of telephone directories and Internet listings, is publishing or has published an advertisement that is misleading or contains a term that contravenes this Act or the regulations,

the Director may issue an order directed to the person or publisher.

(2) An order may direct the person or publisher

- (a) to stop engaging in anything that is described in the order, subject to any terms or conditions set out in the order, and
- (b) to take any measures specified in the order, within the time specified in the order, to ensure that this Act and the regulations are complied with.

(3) A person or publisher who is subject to an order under this section may appeal under section 179.

## **ORDER**

**CANADIAN QUALITY HOME SERVICES INC., and PATRICK DUCHOWNIK, individually or through any employee, representative or agent, must:**

- **Cease taking advantage of consumers who are not able to understand the character, nature, language, or effect of the consumer transaction or any matter related to the transaction;**
- **Cease charging a price for goods or services that grossly exceeds the price at which similar goods or services are readily available, without informing the consumer of the difference in price and the reason for the difference;**
- **Cease including in a consumer transaction any terms or conditions that are harsh, oppressive, or excessively one-sided;**
- **Cease making representations that a consumer transaction involves or does not involve rights, remedies, or obligations that are different from the fact;**

- Give consumers the total price of the goods or services, and cease giving less prominence to the total price of the goods and services than to the amount of the instalment; and
- Ensure that written direct sales contracts meet the requirements of the *Consumer Protection Act*.

**NON COMPLIANCE WITH ORDER**

**ANY PERSON WHO FAILS TO COMPLY WITH AN ORDER OF THE DIRECTOR UNDER SECTION 157 OF THE *CONSUMER PROTECTION ACT* CONTRAVENES THIS ACT AND IS GUILTY OF AN OFFENCE AND MAY BE PROSECUTED PURSUANT TO SECTION 163 OF THE *CONSUMER PROTECTION ACT*.**



J.D. Crookshanks  
Director of Fair Trading (as delegated)

August 9, 2023