Consumer Services Branch Consumer Programs 3rd floor, Commerce Place 10155 - 102 Street Edmonton Alberta T5J 4L4



DIRECTOR'S ORDER UNDER SECTION 157

OF THE CONSUMER PROTECTION ACT (formerly the Fair Trading Act)

TO

DANNY Z. FRIDRICH

AND

CALGARY'S BEST SUNROOMS INC.

AND

ANY EMPLOYEE, REPRESENTATIVE, AGENT OR ASSOCIATE OF DANNY Z. FRIDRICH AND/OR CALGARY'S BEST SUNROOMS INC.

This Director's Order was issued under s. 157(1) of the *Fair Trading Act* in response to, in the opinion of the Director, contraventions of the Act. As mandated by s. 157.1(1) of the *Fair Trading Act*, this Director's Order is part of the public record.

Albertans who have questions or concerns about this business are encouraged to contact the Service Alberta Consumer Contact Centre at 1-877-427-4088.

For more information on the *Fair Trading Act*, business licensing in Alberta or to search for a licensed business, please click here:

Search for a Licensed Business, Charity or Fundraiser

To view a tipsheet on this business licence category, please click here:

<u>Tipsheets</u>

Albertan

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Issues

The Consumer Investigations Unit of Service Alberta has opened investigations into the activities of Danny Z. Fridrich operating as Calgary's Best Sunrooms Inc.

Five investigations were opened into complaints filed with the Consumer Investigations Unit, South, Service Alberta. The complainants, all residents of Alberta, each entered into contracts to have an outdoor renovation project completed by Calgary's Best Sunrooms Inc. The allegations are all consistent in that each consumer entered into a prepaid contract with Danny Z. Fridrich operating as Calgary's Best Sunrooms Inc. Mr. Fridrich required a deposit from each consumer. After the deposit was accepted, Mr. Fridrich stopped consistent communication with the complainants. In four of the complaints received so far, no work was ever started.

The prepaid contracts used do not comply with the requirements of the Prepaid Contracting Business Regulation. All of the consumers have cancelled their contracts as per their legislated rights but have but have not received refunds from the supplier as required.

Legislation

Consumer Protection Act

Section 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;
- 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;
- (I) 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.
- **Section 31(2)** Within 15 days 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.
- **Section 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:
 - (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer;

Designation of Trades and Business Regulation

Section 10(2) In this section,

- (a) "construction or maintenance contract" means a contract for the purpose of
 - (i) constructing, altering, maintaining, repairing, adding to or improving
 - (A) a building that is used or is to be used by the owner, occupier or person in control of it as the owner's, occupier's or person's own private dwelling, or
 - (B) a structure that is to be used in connection with a building referred to in paragraph (A) and that is located on the same parcel as that building,

or

- (ii) altering, maintaining or improving real property to be used in connection with a building or structure referred to in subclause (i),
- "prepaid contract" means a construction or maintenance contract in which all or part of the contract price is to be paid before all the goods or services called for in the contract are provided;
- (c) "prepaid contracting business" means the activities of soliciting, negotiating or concluding in person, at any place other than the seller's place of business, a prepaid contract.

Prepaid Contracting Business Licensing Regulation

- Section 10 (1) This section applies to prepaid contracts in which the value of the goods or services to be provided under the contract is more than \$200.
 - (2) A person who is engaged in the prepaid contracting business must ensure that every prepaid contract that the person enters into
 - (a) complies with the requirements of section 35 of the Act, and
 - (b) sets out quality or types of materials to be used under the contract and the services and work to be carried out under the contract.

- (3) A person who is engaged in the prepaid contracting business and who enters into a prepaid contract with a buyer must provide a copy of the signed contract to the buyer
 - (a) on or before the date work commences under it, or
 - (b) within 10 days after the buyer signs the contract, whichever occurs first.

ORDER

Danny Z. Fridrich and Calgary's Best Sunrooms Inc. and any employee, representative, or agent of Danny Z. Fridrich and/or Calgary's Best Sunrooms Inc. must immediately:

- Ensure the that all prepaid contracts are in writing and include the terms required by the Prepaid Contracting Business Licensing Regulation and the Consumer Protection Act;
- cease doing or saying anything that might reasonably deceive or mislead a consumer;
- ensure all money is refunded to consumers within 15 days after a prepaid contract is cancelled.

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 PROSECTUED PURSUANT TO SECTION 163 OF THE CONSUMER PROTECTION ACT.

Scott Hood

Director of Fair Trading (as delegated)

June 29, 2022