Abertan Service Alberta

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)

то

DAVID LAWRENCE LARSEN O/A DL3C CONSTRUCTION CONSULTING CREATING

OPERATING AS ACCREDITED DRYER VENT CLEANING

AND TO ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF DAVID LAWRENCE LARSEN

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:

Tipsheets

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

TO

DAVID LAWRENCE LARSEN O/A DL3C CONSTRUCTION CONSULTING CREATING

AND

ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF DAVID LAWRENCE LARSEN

ISSUE

On or about February 1, 2017, David Lawrence Larsen, sole proprietor of DL3C Construction Consulting Creating, entered into a contract with Sherwood Park consumers to provide renovations to the consumer's residence. The contract entered into was negotiated in the consumer's home and included confirmation that a deposit, in the amount of \$10,000 was paid by the consumer to David Lawrence Larsen at that time.

The contract used by David Lawrence Larsen does not meet the legislated requirements under s. 10(2) of the Prepaid Contracting Business Licensing Regulation, as it does not contain all of the requirements set out under section 35 of the Consumer Protection Act. The contract is missing the following elements: the date contract was entered into, where the contract was signed, the description of goods sufficient to identify them, the statement of cancellation, terms of payment, commencement date, completion date and the signature of the business representative.

On February 13, 2017 the consumers sent a cancellation letter to David Lawrence Larsen via email stating they wanted to cancel the contract due to lack of communication from him. On February 22, 2017, the consumers sent another letter of cancellation to David Lawrence Larsen via email stating their extended cancellation rights, as he was not licensed as a prepaid contracting business.

More than 15 days has passed since the cancellation was sent to David Lawrence Larsen however, a refund has not been provided.

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LEGISLATION

Consumer Protection Act

Section 104(1) No person may engage in a designated business unless the person holds a license under this Act that authorizes the person to engage in that business.

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.

Designation of Trades and Businesses Regulation

Section 5(1) Part 10 of the *Consumer Protection Act* applies to the prepaid contracting business.

Section 5(2)(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.

Section 5(2)(b) "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.

Section 5(2)© "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

Sections 10(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.

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<u>ORDER</u>

David Lawrence Larsen, either in his own capacity or when acting on behalf of a corporation in which he has an interest or which employ him, must immediately

- Cease entering into prepaid contracts with residential consumers until the licensing requirements have been met.
- ensure the contracts being used comply with the Prepaid Contracting Business Licensing Regulation and the *Consumer Protection Act*.
- ensure refunds are provided to consumers within 15 days of the contract being cancelled as allowed by the *Consumer Protection Act*.

Any employee, representative, agent or associate of David Lawrence Larsen must immediately

- cease entering into prepaid contracts with residential consumers until the licensing requirements have been met.
- ensure the contracts being used comply with the Prepaid Contracting Business Licensing Regulation and the *Consumer Protection Act*.
- ensure refunds are provided to consumers within 15 of the contract being cancelled as allowed by 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.

Director of Fair Trading (as delegated) June 15, 2018