
DIRECTOR'S ORDER UNDER SECTION 157

OF THE *FAIR TRADING ACT*

TO

ALA ELSHMOURY OPERATING AS TONY'S DRAIN CLEANING & PLUMBING

AND ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF

ALA ELSHMOURY

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

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

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TO

**ALA ELSHMOURY OPERATING AS TONY'S DRAIN CLEANING & PLUMBING
AND ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF ALA ELSHMOURY**

ISSUES

From July 10 to September 18, 2014 the Consumer Investigations Unit undertook a proactive investigation initiative to review contractors operating in the Edmonton area to confirm whether these businesses were continuing to operate as prepaid contractors without proper licensing. Ala Elshmoury, operating as Tony's Drain Cleaning & Plumbing, was one of the contractors selected for review during this initiative.

On August 9, 2014 a representative of Mr. Elshmoury came to a residential property and met with an investigator he understood to be the brother-in-law of the homeowner. While on site, the representative negotiated a contract to replace water pipes and the hot water tank in the house for \$8000. The representative confirmed the contract would require a deposit of half the price before work began.

This activity constitutes a "prepaid contracting business" requiring a person or business to be licensed under Section 104(1) of the *Fair Trading Act*. A 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 construction or maintenance contract in which all or part of the contract price is to be paid before all of the goods or services called for in the contract are provided.

Ala Elshmoury, through his representative, engaged in the negotiation in person of a prepaid contract for work on a personal residence without holding a prepaid contracting business licence. Although Mr. Elshmoury did not attend the property himself, he is responsible for the actions of his representative. In October 2011 Mr. Elshmoury was informed of the prepaid contracting licence requirement, yet appears to continue to operate in this fashion without a licence. As a result, there is the potential he will continue to enter into prepaid contracts with residential consumers in the future without a licence, in violation of the *Fair Trading Act*.

ORDER

- Ala Elshmoury, either in his own capacity or when acting on behalf of a corporation which he represents or in which he has an interest, must immediately cease entering into prepaid contracts (taking down payments, deposits or progress payments before the work is fully completed on contracts solicited, negotiated or concluded in person away from his place of business) with residential consumers until licensing requirements have been met.
- Any employee, representative, agent or associate of Ala Elshmoury must immediately cease entering into prepaid contracts (taking down payments, deposits or progress payments before the work is fully completed on contracts solicited, negotiated or concluded in person away from their place of business) with residential consumers until licensing requirements have been met.

NON COMPLIANCE WITH ORDER

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



Scott Hood
Director of Fair Trading (as delegated)
January 14, 2015