

**GEOHERMAL UTILITIES INC.
CHRIS LEWONIUK, DIRECTOR**

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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DIRECTOR'S ORDER UNDER SECTION 157 OF THE FAIR TRADING ACT

TO

GEOHERMAL UTILITIES INC.

AND TO

CHRIS LEWONIUK, DIRECTOR

AND

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT
OF GEOHERMAL UTILITIES INC.**

Issues

Geothermal Utilities Inc. operates a geothermal energy system installation business where contracts or portions thereof are often solicited, negotiated, or concluded at a consumer's home and a consumer is required to pay deposit or progress payments prior to the completion of work.

In January 2009 Geothermal Utilities Inc., through its director, Chris Lewoniuk, was informed of the prepaid contracting license requirement. He subsequently sent a formal written response to Service Alberta expressing the willingness to comply by obtaining a license forthwith.

As of May 28, 2009 no further inquiry had been made and no formal license application submitted to Service Alberta.

The supplier made it clear in communications with Service Alberta that he normally accepts deposits or progress payments but was unaware of the legislative requirements respecting licensing. The potential remains that the company will at some future time enter into prepaid contracts in Alberta without a license in violation 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 prepaid contract.

A Prepaid Contract means 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.

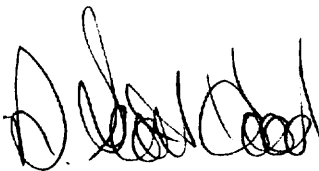
A Construction and Maintenance Contract means a contract for the purpose of constructing, altering, maintaining, repairing, adding to or improving a building that is used as the persons own private dwelling or a structure that is to be used in connection with a persons own private dwelling and is located on the same property or altering, maintaining or improving real property to be used with the persons own private dwelling/structure/building.

Order

- Geothermal Utilities Inc. must immediately cease entering into prepaid contracts (taking down payments, deposits or progress payments before the work is fully completed) until the licensing requirements have been met.
- Individuals who are employed by, representing, acting as agent for or otherwise associated with Geothermal Utilities Inc. must immediately cease entering into prepaid contracts 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)
May 29, 2009