
**DIRECTOR'S ORDER UNDER SECTION 157
OF THE *FAIR TRADING ACT*
TO
IMPROVISIONS INC.**

**AND ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF
IMPROVISIONS INC.**

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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[Tipsheets](#)

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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. Improvisions Inc. was one of the businesses selected for review during this initiative.

On August 21, 2014 a representative of Improvisions Inc. came to a residential property and met with an investigator he understood to be the homeowner. While on site, he engaged in negotiation of a contract to renovate the bathroom in the house. The representative confirmed the contract would require a deposit of one third of the price before work began, and Improvisions Inc. provided an e-mail estimate of \$9555 for the job.

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.

Improvisions Inc., through its representative, engaged in the negotiation in person of a prepaid contract for work on a personal residence without holding a prepaid contracting business licence. In May 2012 Improvisions Inc. was informed of the prepaid contracting licence requirement, yet appears to continue to operate in this fashion. Although the company has provided Service Alberta with a copy of a revised operating policy in which they will not take deposits from consumers if the contract is negotiated in the home, there is the potential they may enter into prepaid contracts with residential consumers in the future without a licence, in violation of the *Fair Trading Act*.

ORDER

- Improvisions Inc. 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 Improvisions Inc. 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)
December 10, 2014