

**WESTVALLEY CARPET & FLOORING LTD.**

**AND TO**

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF**

**WESTVALLEY CARPET & FLOORING LTD.**

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 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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Service Alberta

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

**TO**

**WESTVALLEY CARPET & FLOORING LTD.**

**AND TO**

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF WESTVALLEY CARPET & FLOORING LTD.**

**BACKGROUND AND ISSUES**

From August 20 until August 23, 2013, Consumer Services, Investigation Services South, undertook a proactive investigation initiative to determine whether contractors are operating unlicensed prepaid contracting businesses in Alberta. The goal of this operation was to ensure awareness of and compliance with the licensing and contract requirement regime for prepaid contracting businesses. The Prepaid Contracting Business Licensing Regulation gives consumers assurance that deposits they give to a contractor are protected through security in place for that purpose, and the contractor is following legislated requirements. By conducting this operation, Consumer Services can help ensure a safe and fair marketplace for both consumers and prepaid contracting businesses.

Westvalley Carpet & Flooring Ltd. was a target of Operation Hardhat and attended a 'Bait House' location in Calgary Alberta where a contract was negotiated for a home renovation project. Tim Bruce, the representative of Westvalley Carpet & Flooring Ltd., discussed that he would take a prepayment before work was completed. After the operation, Tim Bruce followed up with the undercover operator in an email and discussed the project in further detail.

It is believed that with the evidence obtained in this undercover operation, that Westvalley Carpet & Flooring Ltd. has breached sections of the *Fair Trading Act*.

The activity of soliciting, negotiating or concluding a prepaid contract in person, in a location other than their normal place of business and accepting a deposit or prepayment prior to completion of the project constitutes a "Prepaid Contracting Business". This requires Westvalley Carpet & Flooring Ltd. to be licensed as required 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 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.

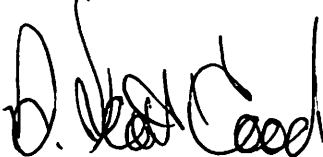
A "Construction or Maintenance Contract" in part means a contract for the purposes of constructing, altering, maintaining, repairing, adding to or improving a person's own private dwelling or a structure/building located on the same property, used in conjunction with the person's own private dwelling or improving real estate property to be used in connection with the person's own private dwelling/building/structure.

### **ORDER**

- Westvalley Carpet & Flooring Ltd., individually or through any employee, representative, agent, or associate must immediately stop engaging in the activities of a "Prepaid Contracting Business" by soliciting, negotiating, or concluding in person, at any place other than the seller's place of business, a prepaid contract.

### **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)  
October 10, 2013