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**DIRECTOR'S ORDER UNDER SECTION 157**

**OF THE *FAIR TRADING ACT***

**TO**

**CHAD WINCHESTER OPERATING AS WINCHESTER RENO**

**AND TO**

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF CHAD WINCHESTER OR  
OF WINCHESTER RENO**

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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**BACKGROUND AND ISSUES**

Chad Winchester operating as Winchester Reno negotiated and concluded in person, away from his business premises, a residential renovation contract with an Alberta consumer. The respective contract was entered into in July of 2015. The consumer provided a pre-payment before work on the contract was completed.

Chad Winchester operating as Winchester Reno knew or ought to have known that there would be no reasonable benefit from his services to the Alberta consumer. Chad Winchester operating as Winchester Reno deceived or misled a consumer as well as made a representation that he had a qualification that he did not have. Chad Winchester operating as Winchester Reno made a representation that he could supply services that he could not and that the services would be supplied within a stated period when he knew or ought to have known they would not.

The activity of soliciting, negotiating or concluding a 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 Chad Winchester operating as Winchester Reno 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.

Section 10(2)(a) of the Prepaid Contracting Business Licensing Regulation states that "A person who is engaged in the prepaid contracting business must ensure that every prepaid contract that the person enters into complies with the requirements of section 35 of the Act". The contract used by Chad Winchester does not meet the legislated requirements, including the seller's business address, the location where the sales contract is concluded, a description of the goods or services sufficient to identify them, a statement of cancellation rights that conforms with the requirements set out in the regulations, the itemized prices of goods or services or both, or the terms of payment.

It is an Unfair Practice for a Supplier to enter into a consumer transaction if the supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the goods or services.

It is an Unfair Practice, if directed at one or more potential consumers, for a supplier's doing or saying anything that might reasonably deceive or mislead a consumer.

It is an Unfair Practice, if directed at one or more potential consumers, for a supplier to represent that the supplier has a sponsorship, approval, status, qualification, affiliation or connection that the supplier does not have.

It is an Unfair Practice, if directed at one or more potential consumers, for a supplier to represent that the supplier can supply goods or services if the supplier cannot.

It is an Unfair Practice, if directed at one or more potential consumers, for a supplier to represent that goods or services will be supplied within a stated period if the supplier knows or ought to know that they will not.

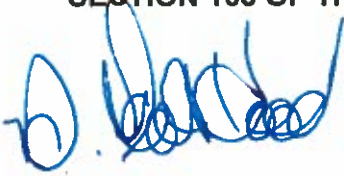
## **ORDER**

- Winchester Reno, through any employee, representative, agent or associate must immediately:
  - cease 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 until the licensing requirements have been met;
  - ensure that all prepaid contracts are in writing and include the terms required by the Prepaid Contracting Business Licensing Regulation and *Fair Trading Act*;
  - cease engaging in Unfair Practices by doing or saying anything that might reasonably deceive or mislead a consumer;

- cease engaging in the Unfair Practice of entering into a consumer transaction if the supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the goods or services;
  - cease engaging in the Unfair Practice of representing that the supplier has a sponsorship, approval, status qualification, affiliation or connection that the supplier does not;
  - cease engaging in the Unfair Practice of representing that the supplier can supply goods or services if the supplier cannot; and
  - cease engaging in the Unfair Practice of representing that goods or services will be supplied within a stated period if the supplier knows or ought to know that they will not.
- Chad Winchester, individually, as an agent or director of Winchester Reno, or through any employee, representative, agent or associate must immediately:
    - cease 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 until the licensing requirements have been met;
    - ensure that all prepaid contracts are in writing and include the terms required by the Prepaid Contracting Business Licensing Regulation and *Fair Trading Act*;
    - cease engaging in Unfair Practices by doing or saying anything that might reasonably deceive or mislead a consumer;
    - cease engaging in the Unfair Practice of entering into a consumer transaction if the supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the goods or services;
    - cease engaging in the Unfair Practice of representing that the supplier has a sponsorship, approval, status qualification, affiliation or connection that the supplier does not;
    - cease engaging in the Unfair Practice of representing that the supplier can supply goods or services if the supplier cannot; and
    - cease engaging in the Unfair Practice of representing that goods or services will be supplied within a stated period if the supplier knows or ought to know that they will not.

**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)  
July 4, 2016