
DIRECTOR'S ORDER UNDER SECTION 157

OF THE *FAIR TRADING ACT*

TO

KALTEE CONSTRUCTION LTD.

AND TO

TERRENCE EVERITT AND PAUL BARNDEN

AND

ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF KALTREE CONSTRUCTION LTD., TERRENCE EVERITT OR PAUL BARNDEN

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](#)



Consumer Programs

3rd Floor, Commerce Place
10155 - 102 Street
Edmonton, Alberta
Canada T5J 4L4

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Issues

In June of 2014, two consumers entered into an agreement with the supplier, "Kaltee Construction Inc.," to conduct large scale renovation work on their residence located in Edmonton, Alberta. The agreement was to have the roof completely redesigned and replaced on the home along with other extensive exterior renovations and the completion of the basement.

This agreement was signed with one of the corporation's project managers, Paul Barnden in the consumer's residence and a deposit of \$101,994.98 was also provided to Mr. Barnden in the consumer's residence, prior to the commencement of the renovation work.

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.

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.

The consumers allege that the roof work was never started and the basement project was brought to approximately 70 percent completion. In June of 2015, the consumers had discovered that the supplier had

abandoned the project. On June 16, 2015, they submitted a cancellation letter to one of the directors of the corporation, however they have never received any response nor have they received any refund.

Neither the corporation nor any of its directors possess a licence with the Province of Alberta to engage as a prepaid contracting business.

ORDER

- Kaltee Construction Inc. 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 licensing has been obtained;
 - ensure that all prepaid contracts are in writing and include the terms required by the Prepaid Contracting Business Licensing Regulation and *Fair Trading Act* and provide a copy of the signed contract to the consumer.

- Terrence Everitt and Paul Barnden either in their own capacity or when acting on behalf of a corporation which they represent, or in which they have an interest, 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 licensing has been obtained;
 - ensure that all prepaid contracts are in writing and include the terms required by the Prepaid Contracting Business Licensing Regulation and *Fair Trading Act* and provide a copy of the signed contract to the consumer.

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 3, 2016