



OF THE FAIR TRADING ACT

TO

DANIEL GEORGE COURT, DANIEL JORDAN COURT

AND TO

NORTHERN HOME DESIGN LTD.

AND TO

ANY EMPLOYEE, REPRESENTATIVE, AGENT OR ASSOCIATE OF DANIEL GEORGE COURT, DANIEL JORDAN COURT AND NORTHERN HOME DESIGN LTD.

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

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Tipsheets





Consumer Programs

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

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

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BACKGROUND AND ISSUES

Northern Home Design Ltd. solicited, negotiated, and concluded in person away from their business premises a sale of land and construction of spec (speculate) home for contract with Alberta consumers. The respective contract was entered into on October 21, 2016 and later, was amended twice. In this instance the consumer provided deposit and progress payments before the contract was completed.

This activity of soliciting, negotiating or concluding a contract in person in a location other than their normal place of the business and accepting a deposit or prepayment prior to completion of the project constitutes a "Prepaid Contracting Business" and requires Daniel George Court, Daniel Jordan Court and/or Northern Home Design Ltd. to be licensed as required under Section 104(1) of the *Fair Trading Act*.

At the time of entering into the prepaid contact with the consumer, Daniel George Court, Daniel Jordan Court and Northern Home Design Ltd. were not licensed as a Prepaid Contracting Business as required under Section 104(1) of the *Fair Trading Act*.

The sales contract that Northern Home Design Ltd. provided while engaging in the Prepaid Contracting Business did not meet the requirements of section 35 of the *Fair Trading Act*.

During the course of this consumer transaction Northern Home Design Ltd. and its Directors: Daniel George Court and Daniel Jordan Court did things and said things that reasonably misled the complainant.

Northern Home Design Ltd. and its Directors: Daniel George Court and Daniel Jordan Court made a representation that goods or services will be supplied within a stated period when the supplier knew or ought to have known that they would not.

Service Alberta has investigated allegations, related to breaches of the requirements of the Fair Trading Act and the Prepaid Contracting Business Licensing Regulation and found evidence that:

- Northern Home Design Ltd. entered into a prepaid contract with the complainant without holding a Prepaid Contracting Business Licence, contrary to section 104(1) of the Fair Trading Act.
- Daniel George Court, Daniel Jordan Court and Northern Home Design Ltd. operated as a
 Prepaid Contracting Business without a Prepaid Contracting Business Licence by soliciting,
 negotiating or concluding a Prepaid Contract, in person and away from its regular place of
 business and by accepting payment from the complainant before all the work was
 completed.
- Northern Home Design Ltd. provided a sales contract to the complainant that does not meet the requirements of the section 35 of the Fair Trading Act, contrary 10(2) of the Prepaid Contracting Business Licensing Regulation.
- Daniel George Court, Daniel Jordan Court operating as Northern Home Design Ltd. did and said things that reasonably deceived and misled the complainant, contrary to section 6(4)(a) of the Fair Trading Act.
- Daniel George Court, Daniel Jordan Court operating as Northern Home Design Ltd. made a representation that goods or services will be supplied within a stated period when the supplier knew ought to have known that they will not, contrary to section 6(4)(n) of the Fair Trading Act.
- Daniel George Court, Daniel Jordan Court operating as Northern Home Design Ltd. were
 well informed and fully aware of the responsibilities and obligations of the provisions of the
 Fair Trading Act and of the requirements for licensing in order to operate as a Prepaid
 Contracting Business and carried on the activities of a Prepaid Contracting Business while
 not possessing a Prepaid Contracting Business License.

Despite being informed, Daniel George Court, Daniel Jordan Court operating as Northern Home Design Ltd. continue to carry on the activities and operating as a Prepaid Contracting Business without holding a Prepaid Contracting Business License.

It is believed that with the evidence obtained, Daniel George Court, Daniel Jordan Court operating as Northern Home Design Ltd. have breached sections of the Fair Trading Act and the Prepaid Contracting Business Licensing Regulation. Evidence has been gathered to support the issuance of a Director's Order.

LEGISLATION

The Fair Trading Act RSA 200 Chapter F-2 states:

- Section 6(4)(a) It is an unfair practice for a supplier to do or say anything that might reasonably deceive or mislead a consumer
- Section 6(4)(n) It is an unfair practice 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.
- Section 104(1) No person may engage in a designated business unless the person holds a license under this Act that authorizes the person to engage in that business.

The Prepaid Contracting Business Licensing Regulation states:

 Section 10(2)(a) – 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.

<u>ORDER</u>

Daniel George Court and Daniel Jordan Court individually, as an agent(s) or director(s) of Northern Home Design Ltd., or through any employee, representative, agent, or associate must immediately:

- cease engaging in "Unfair Practices" by doing or saying anything that might reasonably deceive or mislead a consumer:
- cease engaging in "Unfair Practices" by representing that goods or services will be supplied within a stated period if the supplier knows or ought to know that they will not;
- cease entering into prepaid contracts (taking down payments, deposits or progress payments before the work is fully completed) with residential consumers until 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* and provide a copy of the signed contract to the buyer.

Northern Home Design Ltd. through any employee, representative, agent, or associate must immediately:

- cease engaging in "Unfair Practices" by doing or saying anything that might reasonably deceive or mislead a consumer;
- cease engaging in "Unfair Practices" by representing that goods or services will be supplied within a stated period if the supplier knows or ought to know that they will not;
- cease entering into prepaid contracts (taking down payments, deposits or progress payments before the work is fully completed) with residential consumers until 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* and provide a copy of the signed contract to the buyer.

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)

September 15, 2017