

**HEALTHY HOME INNOVATIONS LTD**

**AND IT'S DIRECTOR**

**JAGDEEP CHALAL**

**AND TO**

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

**HEALTHY HOME INNOVATIONS LTD AND/OR JAGDEEP CHALAL**

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

**TO**

**HEALTHY HOME INNOVATIONS LTD**

**AND IT'S DIRECTOR**

**JAGDEEP CHALAL**

**AND**

**ANY EMPLOYEE, REPRESENTATIVE, OR AGENT  
OF HEALTHY HOME INNOVATIONS LTD AND/OR JAGDEEP CHALAL**

**Issues**

On or about February 4, 2011 a representative of Healthy Home Innovations Ltd attended the home of a consumer in Alberta, and entered into a Direct Sales contract for the sale of "Majestic" and "Defender" vacuums. The total cost of the contract was \$3,144.75. A trade in was also used, though it was not reflected on the sales contract. The consumer paid the total amount owing at the time the contract was entered into.

Healthy Home Innovations Ltd was not licensed as a Direct Selling Business at the time of this sale because their bond had been revoked.

The contract used by Healthy Home Innovations Ltd's representative was not compliant with section 35 of the *Fair Trading Act* as it was not properly completed.

The consumer exercised his absolute cancellation rights to obtain a refund on February 8, 2011. A refund was not issued within 15 days as required by the *Fair Trading Act*.

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A stylized, cursive signature of the word "Alberta" in black ink, positioned at the bottom center of the page.

## **LEGISLATION:**

### **The Designation of Trades and Businesses Regulation States:**

*Section 3(2)* In this section, “direct selling business” means the activities of soliciting, negotiating or concluding in person, at any place other than the seller’s place of business, sales contracts, including direct sales contracts to which Part 3 of the *Fair Trading Act* applies, for the provision of goods or services, where the buyer is a consumer.

### **The Fair Trading Act States:**

*Section 31(2)* Within 15 days after a direct sales contract is cancelled, the supplier must refund to the consumer all money paid by the consumer and return to the consumer’s premises any trade-in or an amount equal to the trade-in allowance.

*Section 35* A written direct sales contract must include

- (a) the consumer’s name and address;
- (b) the supplier’s name, business address, telephone number and, where applicable, fax number;
- (c) where applicable, the salesperson’s name;
- (d) the date and place at which the direct sales contract is entered into;
- (e) a description of the goods or services, sufficient to identify them;
- (f) a statement of cancellation rights that conforms with the requirements set out in the regulations;
- (g) the itemized price of the goods or services, or both;
- (h) the total amount of the direct sales contract;
- (i) the terms of payment;
- (j) in the case of a sales contract for the future delivery of goods, future provision of services or future delivery of goods together with services, the delivery date for the goods or commencement date for the services, or both;
- (k) in the case of a sales contract for the future provision of services or the delivery of goods together with services, the completion date for providing the services or the goods together with services;
- (l) where credit is extended,
  - (i) a statement of any security taken for payment, and
  - (ii) the disclosure statement required under Part 9;
- (m) where there is a trade-in arrangement, a description of and the value of the trade-in;
- (n) the signatures of the consumer and the supplier.

*Section 104(1)* No person may engage in a designated business unless the person holds a licence under this Act that authorizes the person to engage in that business.

**ORDER**

- Healthy Home Innovations Ltd. must not engage in the activities of direct sales unless properly licensed as a Direct Selling Business in Alberta.
- Healthy Home Innovations Ltd. must ensure that section 31(2) of the Act is complied with and therefore, within 15 days after a direct sales contract is cancelled, refund all money paid by the consumer.
- Healthy Home Innovations Ltd. must ensure that the direct sales contract is properly completed and compliant with section 35 of the *Fair Trading Act*.

**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*.**

A handwritten signature in black ink, appearing to read "D. Scott Hood", written in a cursive style.

Scott Hood  
Director of Fair Trading (as delegated)  
September 6, 2011