

2016 Alberta Fires

Quick tips: Disaster Recovery Contracts

Prepaid Contracts

Some contractors hired for disaster recovery may request money before work is completed. Contractors that accept money before a project is completed require a prepaid contracting licence from Service Alberta. Always ask to see the contractor's licence before money is exchanged. To find out if a business is licensed, visit:

<http://www.servicealberta.ca/find-if-business-is-licenced.cfm>

Type in the business name and under "Licence Type" select "Prepaid Contractor", then click submit.

You may also call the **Consumer Contact Centre** in Edmonton at 780-427-4088, or toll-free in Alberta at 1-877-427-4088 to see if a contractor is licensed.

Before you hire a contractor, do your homework.

- Get written estimates from more than one business
- Always insist on a written contract as verbal contracts are hard to prove if a dispute arises
- Consult former clients and evaluate the contractor's workmanship
- Provide each business with a detailed description of the work you want completed and the materials you want the contractor to use

A written estimate should include:

- A complete description of the work that will be done
- The type and quality of materials that will be used
- The project start and completion dates
- Itemized costs and the total price
- A statement of any guarantees made by the contractor
- The required method of payment

Contact your local Better Business Bureau (BBB). Check their reliability reports for information about a specific company's complaint history.

BBB Central and Northern Alberta

Edmonton: 780-482-2341
Toll-free: 1-800-232-7298
www.edmonton.bbb.org

BBB Southern Alberta and East Kootenays

Calgary: 403-517-4222
Toll-free in Southern Alberta: 1-800-661-4464
<http://calgary.bbb.org/>

Another source of information may be your local homebuilders' association or related trade association. They may have a list of professional contractors who work in your area. Not all disaster recovery businesses are members of a home builders association.

Canadian Home Builders' Association-Alberta

Toll-free: 1-800-661-3348
In Edmonton: 780-424-5890
www.chba.ca

Service Alberta

Consumer Contact Centre

Edmonton: 780-427-4088
Toll-free in Alberta: 1-877-427-4088



www.servicealberta.ca [Facebook.com/ConsumerProtectionAlberta](https://www.facebook.com/ConsumerProtectionAlberta)

Warning Flags

Avoid contractors who:

- knock on your door to tell you they just happen to be doing some work in the area and can give you a special price (most problems arise from contractors who solicit door-to-door)
- promise a discount if you allow them to use your home to advertise their work (the contractor has probably made the same offer to everyone)
- quote a price without seeing the job
- demand a large down payment to buy materials (most reputable contractors maintain charge accounts with their suppliers)
- refuse to give you a written contract outlining what they will do or who won't allow you to get other estimates
- provide a post office box as their address or an answering service for a telephone number
- will not commit to a specific start and completion date

Prepaid contract requirements

If a prepaid contract is worth \$200 or more, the Prepaid Contracting Business Licensing Regulation requires the contractor to give you a written contract that includes:

- Full names and addresses for you, the contractor and, if applicable, the salesperson
- The contractor's telephone number and fax, if applicable
- The date and place of the contract
- A detailed description of the quality or type of materials to be used and the services and work to be carried out under the contract
- Itemized prices for all goods and services
- The completion date of the services to be provided
- A statement of your cancellation rights
- The total price of the contract and the terms of payment
- The delivery date for the goods and the start date for the services as well as the date when all services will be completed and goods provided
- Full cost-of-credit disclosure including details about any security taken for payment
- Your signature and the signature of the business's sales representative
- The contractor must give you a copy of the written contract at whichever of these times comes first:
 - On or before the date the work begins
 - Within 10 days after you sign the contract

Cancelling a prepaid contract

When a written contract has been solicited, agreed upon or signed at your home or at another location away from the contractor's normal place of business, the *Fair Trading Act* allows you to cancel the contract up to 10 days after you receive your copy. You do not have to give a reason for cancellation.

Service Alberta
Consumer Contact Centre

Edmonton: 780-427-4088

Toll-free in Alberta: 1-877-427-4088

 Alberta Government

www.servicealberta.ca Facebook.com/ConsumerProtectionAlberta