CONSUMER PROTECTION ACT

INTERNET SALES CONTRACT REGULATION

Alberta Regulation 81/2001

With amendments up to and including Alberta Regulation 245/2020
Current as of November 27, 2020

Office Consolidation

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Note

All persons making use of this consolidation are reminded that it has no legislative sanction, that amendments have been embodied for convenience of reference only. The official Statutes and Regulations should be consulted for all purposes of interpreting and applying the law.
Definitions

1 In this Regulation,

(a) “Act” means the Consumer Protection Act;

(b) “Court” means the Court of Queen’s Bench or, subject to the jurisdiction of the Provincial Court, the Provincial Court;

(c) “Internet” means the decentralized global network connecting networks of computers and similar devices to each other for the electronic exchange of information using standardized communication protocols;

(d) “Internet sales contract” means a consumer transaction that is a contract in which

(i) the consideration for the goods or services exceeds $50, and
(ii) the contract is formed by text-based Internet communications.

Application
2 This Regulation applies to the following Internet sales contracts:
   (a) a contract in which the supplier or consumer is a resident of Alberta;
   (b) a contract in which the offer or acceptance is made in or is sent from Alberta.

Exemption
3 This Regulation does not apply to the following classes of business:
   (a) the business of trading in real estate by a person authorized under the Real Estate Act to act as a real estate broker;
   (b) the business of dealing in mortgages by a person authorized under the Real Estate Act to act as a mortgage broker;
   (c) the business of maintaining or operating a school or providing correspondence courses for the purpose of giving instruction or training in a vocation by a person who is licensed under the Private Vocational Schools Act, or by an agent of that person;
   (d) the business of selling, leasing or renting or offering for sale, lease or rent a lot, plot, compartment, crypt or other space in a cemetery, columbarium or mausoleum by a person who is licensed under the Cemeteries Act;
   (e) the business of undertaking to provide or make provision for another’s funeral services under a funeral services contract or soliciting another person to enter into a funeral services contract by a person who is licensed under the Funeral Services Act;
   (f) the business of selling cut flowers;
   (g) the business of selling food or food products that are in a perishable state at the time of delivery to the consumer;
   (h) the business of providing goods and services by an insurer or reciprocal insurance exchange acting under
authority of a licence issued under the Insurance Act or a person acting under a certificate of authority issued under that Act;

(i) the business of carrying out a gaming activity under the Gaming, Liquor and Cannabis Act;

(j) the business of trading in securities or exchange contracts by a person who is registered under the Securities Act;

(k) the business of carrying out an activity authorized under the Bank Act (Canada) by a bank;

(l) the business of carrying out an activity authorized under the Loan and Trust Corporations Act by a loan corporation or a trust corporation;

(m) the business of carrying out an activity authorized under the Credit Union Act by a credit union;

(n) the business of carrying out an activity authorized under the Alberta Treasury Branches Act by the Alberta Treasury Branches;

(o) the business of marketing electricity or gas under the Energy Marketing and Residential Heat Sub-metering Regulation (AR 246/2005);

(p) repealed AR 246/2005 s28;

(p.1) the activities of offering, soliciting, negotiating or concluding time share contracts or points-based contracts by a person who is licensed under the Time Share and Points-based Contracts and Business Regulation;

(q) the business of public auctions under Part 12 of the Act and the Public Auctions Regulation (AR 196/99);

(r) the activity of offering, arranging or providing payday loans as defined in the Payday Loans Regulation by a person who is licensed under that Regulation.

Disclosure of information

4(1) A supplier must do the following before a consumer enters into an Internet sales contract:

(a) disclose to the consumer the following information:
(i) the supplier’s name and, if different, the name under which the supplier carries on business;

(ii) the supplier’s business address and, if different, the supplier’s mailing address;

(iii) the supplier’s telephone number and, if available, the supplier’s e-mail address and facsimile number;

(iv) a fair and accurate description of the goods or services being sold to the consumer, including any relevant technical or system specifications;

(v) an itemized list of the price of the goods or services being sold to the consumer and any associated costs payable by the consumer, including taxes and shipping charges;

(vi) a description of any additional charges that may apply to the contract, such as customs duties and brokerage fees, whose amounts cannot reasonably be determined by the supplier;

(vii) the total consideration payable by the consumer to the supplier under the contract or, where the goods or services are being purchased over time, the amount of the periodic payments under the contract;

(viii) the currency in which amounts owing under the contract are payable;

(ix) the terms, conditions and method of payment;

(x) the date when the goods are to be delivered or the services are to begin, or both;

(xi) the supplier’s delivery arrangements, including the identity of the shipper, the mode of transportation and the place of delivery;

(xii) the supplier’s cancellation, return, exchange and refund policies, if any;

(xiii) any other restrictions, limitations or conditions of purchase that may apply;

(b) provide the consumer with an express opportunity to accept or decline the contract and to correct errors immediately before entering into it.
(2) For the purposes of subsection (1), a supplier is considered to have disclosed to the consumer the information described in subsection (1)(a) if the information is

(a) prominently displayed in a clear and comprehensible manner, and

(b) made accessible in a manner that ensures that

(i) the consumer has accessed the information, and

(ii) the consumer is able to retain and print the information.

Copy of Internet sales contract

5(1) A supplier must provide a consumer who enters into an Internet sales contract with a copy of the contract in writing or electronic form within 15 days after the contract is entered into.

(2) The copy of the Internet sales contract under subsection (1) must include

(a) the information described in section 4(1)(a),

(b) the consumer’s name, and

(c) the date the contract was entered into.

(3) For the purposes of subsection (1), a supplier is considered to have provided the consumer with a copy of the Internet sales contract if the copy is

(a) sent by e-mail to the e-mail address provided by the consumer to the supplier for the provision of information related to the contract,

(b) sent by facsimile to the facsimile number provided by the consumer to the supplier for the provision of information related to the contract,

(c) mailed or delivered to an address provided by the consumer to the supplier for the provision of information related to the contract,

(d) actively transmitted to the consumer in a manner that ensures that the consumer is able to retain the copy, or

(e) provided to the consumer in any other manner by which the supplier can prove that the consumer has received the copy.
Cancellation of Internet sales contract

6(1) A consumer may cancel an Internet sales contract in the following circumstances:

(a) at any time from the date the contract is entered into until 7 days after the consumer receives a copy of the contract if

   (i) the supplier does not disclose to the consumer the information described in section 4(1)(a), or

   (ii) the supplier does not provide to the consumer an express opportunity to accept or decline the contract or to correct errors immediately before entering into it;

(b) within 30 days from the date the contract is entered into if the supplier does not provide the consumer with a copy of the contract pursuant to section 5.

(2) In addition to the cancellation rights under subsection (1), a consumer may cancel an Internet sales contract at any time before delivery of the goods or the commencement of the services under the contract if

(a) in the case of goods, the supplier does not deliver the goods within 30 days from the delivery date specified in the contract or an amended delivery date agreed on by the consumer and the supplier, either in writing or in electronic form,

(b) in the case of travel, transportation or accommodation services, the supplier does not begin the services on the commencement date specified in the contract or an amended commencement date agreed on by the consumer and the supplier, either in writing or in electronic form, or

(c) in the case of services other than those services described in clause (b), the supplier does not begin the services within 30 days from the commencement date specified in the contract or an amended commencement date agreed on by the consumer and the supplier, either in writing or in electronic form.

(3) If the delivery date or commencement date is not specified in the Internet sales contract, a consumer may cancel the contract at any time before the delivery of the goods or the commencement of the services under the contract if the supplier does not deliver the goods or begin the services within 30 days from the date the contract is entered into.
(4) For the purposes of subsections (2) and (3),

(a) a supplier is considered to have delivered the goods under an Internet sales contract if

(i) delivery was attempted but was refused by the consumer at the time that delivery was attempted, or

(ii) delivery was attempted but not made because no person was available to accept delivery for the consumer on the day for which reasonable notice was given to the consumer that the goods were available to be delivered;

(b) a supplier is considered to have begun the services under an Internet sales contract if

(i) commencement was attempted but was refused by the consumer at the time that commencement was attempted, or

(ii) commencement was attempted but did not occur because no person was available to enable the services to begin on the day for which reasonable notice was given to the consumer that the services were available to begin.

Court may provide relief against cancellation

7 If in the opinion of the Court it would be inequitable for an Internet sales contract to be cancelled under section 6, the Court may make any order it considers appropriate.

Notice of cancellation

8(1) An Internet sales contract is cancelled under section 6 on the giving of a notice of cancellation in accordance with this section.

(2) A notice of cancellation may be expressed in any way as long as it indicates the intention of the consumer to cancel the Internet sales contract.

(3) The notice of cancellation may be given to the supplier by any means, including, but not limited to, personal service, registered mail, telephone, courier, facsimile and e-mail.

(4) Where the notice of cancellation is given other than by personal service, the notice of cancellation is deemed to be given when sent.
Effect of cancellation

9(1) A cancellation of an Internet sales contract under section 6 operates to cancel the contract as if the contract had never existed.

(2) A cancellation of an Internet sales contract under section 6 also operates to cancel:

(a) any related consumer transaction,

(b) any guarantee given in respect of consideration payable under the contract, and

(c) any security given by the consumer or a guarantor in respect of consideration payable under the contract,

as if the contract had never existed.

(3) Where credit is extended or arranged by the supplier, the credit contract is conditional on the Internet sales contract whether or not the credit contract is a part of or attached to the Internet sales contract, and if the Internet sales contract is cancelled, that cancellation has the effect of cancelling the credit contract as if the Internet sales contract had never existed.

Responsibilities on cancellation

10(1) If an Internet sales contract is cancelled under section 6, the supplier must, within 15 days from the date of cancellation, refund to the consumer all consideration paid by the consumer under the contract and any related consumer transaction, whether paid to the supplier or another person.

(2) If goods are delivered to a consumer under an Internet sales contract that is cancelled under section 6, the consumer must, within 15 days from the date of cancellation or delivery of the goods, whichever is later, return the goods to the supplier unused and in the same condition in which they were delivered.

(3) The consumer may return the goods under subsection (2) by any method that provides the consumer with confirmation of delivery to the supplier.

(4) The supplier must accept a return of goods by a consumer under subsection (2).

(5) The supplier is responsible for the reasonable cost of returning goods under subsection (2).

(6) Goods that are returned by the consumer under subsection (2) otherwise than by personal delivery are deemed for the purposes of
that subsection to have been returned when sent by the consumer to
the supplier.

(7) Any breach of the consumer’s obligations under this section is
actionable by the supplier as a breach of statutory duty.

Recovery of refund

11 If a consumer has cancelled an Internet sales contract under
section 6 and the supplier has not refunded all of the consideration
within the 15-day period referred to in section 10(1), the consumer
may recover the consideration from the supplier as an action in
debt.

Consumer’s recourse re credit card charges

12(1) A consumer who has charged to a credit card account all or
any part of the consideration payable under an Internet sales
contract or related consumer transaction may request the credit card
issuer to cancel or reverse the credit card charge and any associated
interest or other charges where the consumer has cancelled the
contract under section 6 and the supplier has not refunded all of the
consideration within the 15-day period referred to in section 10(1).

(2) A request under subsection (1) must be in writing or electronic
form and contain the following information:

(a) the consumer’s name;

(b) the consumer’s credit card number;

(c) the expiry date of the consumer’s credit card;

(d) the supplier’s name;

(e) the date the Internet sales contract was entered into;

(f) the amount of consideration charged to the credit card
account in respect of the Internet sales contract and any
related consumer transaction;

(g) a description of the goods or services sufficient to identify
them;

(h) the reason for cancellation of the Internet sales contract
under section 6;

(i) the date and method of cancellation of the Internet sales
contract;
(j) a statement that the consumer did not receive a refund from the supplier in accordance with section 10(1).

(3) The credit card issuer must

(a) acknowledge the consumer’s request within 30 days of receiving it, and

(b) if the request meets the requirements of subsection (2), cancel or reverse the credit card charge and any associated interest or other charges within 2 complete billing cycles of the credit card issuer or 90 days, whichever first occurs.

(4) A request under subsection (1) may be given to the credit card issuer by any means, including, but not limited to, personal service, registered mail, courier, facsimile and e-mail.

(5) Where the request is given other than by personal service, the request is deemed to be given when sent.

Offence

13 A contravention of section 10(1) or 12(3) is an offence for purposes of section 162 of the Act.

Expiry

14 For the purpose of ensuring that this Regulation is reviewed for ongoing relevancy and necessity, with the option that it may be repassed in its present or an amended form following a review, this Regulation expires on September 30, 2023.

Coming into force

15 This Regulation comes into force on October 15, 2001.