

But for the Plan (Timeshare Contract)

Bob and Sandy (not their real names) won an all-expenses-paid weekend at a beautiful Ontario resort. All they had to do was attend a "seminar" about a Timeshare. Bob and Sandy attended the "seminar" and, before the weekend was over, paid \$13,769.83, by credit card, to purchase a two-bedroom Timeshare at the resort.

Alas, Bob and Sandy quickly discovered that the information received from the Timeshare salespeople did not match the fine print contained in the purchase documents. So, thirty (30) days after it was signed, Bob and Sandy sent an email, cancelling the contract. But the Timeshare company refused to accept the cancellation, stating that the Ontario Consumer Protection Act only allowed cancellations within ten (10) days from the date the contract was signed.

Downhearted, but not without hope, Bob and Sandy contacted the CAW Legal Services Plan (CAWLSP), and discussed their dilemma with the Managing Lawyer at the Oakville staff office. He told them that although the Consumer Protection Act generally allows only ten (10) days to cancel Timeshare contracts, there were at least three possible ways that they might still be able to cancel theirs.

(1) if the seller engaged in "unfair practices", which would include a misrepresentation as to the true nature of the contract;

(2) if it was a "future performance agreement" and the seller did not begin performing its obligations within thirty (30) days of the commencement date specified in the contract, or

(3) if they did not receive a copy of the contract that met all regulatory requirements.

A review of Bob and Sandy's contract revealed that it did not meet all of the requirements. **The size of the font, warning consumers about their rights under the Consumer Protection Act, was too small and was not in bold print.**

When the lawyer's letter to the Timeshare company met with no response, a lawsuit was commenced, setting out all of the above-noted arguments. Soon after receiving a copy of the Statement of Claim, the Timeshare company's lawyer suggested a compromise settlement. It was refused. Ultimately, the Timeshare company agreed to return the full purchase price to Bob and Sandy, together with full credit card interest and an additional amount for legal costs.

But for the CAW Legal Services Plan, it is very likely that Bob and Sandy would not have pursued this matter, which required a detailed knowledge of the Consumer Protection Act, and litigation skill. Once again, the CAW Legal Services Plan assisted its members in obtaining relatively quick and affordable access to justice.

... Submitted by Paul Vayda, Managing Lawyer
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