

**IN THE MATTER OF  
THE FAIR TRADING ACT**

**THIS UNDERTAKING** is made pursuant to Section 152 of the Fair Trading Act.

**BY:**

**Collectcorp Inc.**  
415 Yonge Street, Suite 2000  
Toronto, Ontario M5B 2E7  
Registered Office, 10104 – 103 Avenue, Suite 2500  
in the City of Edmonton, in the Province of Alberta,

(hereinafter called the "**Supplier**")

**TO:**

The **DIRECTOR OF FAIR TRADING,**

(hereinafter called the "**Director**")

**WHEREAS:**

- (A) The Supplier is a licensed collection agency authorized to conduct business in Alberta.
- (B) The Supplier acknowledges that it entered into an Undertaking accepted by the Director of Fair Trading on November 16, 1999 whereby, to the best of its ability, the Supplier would:
- i) ensure that all collectors contacting Albertans while in its employment will be properly licensed prior to them contacting Albertans;
  - ii) not permit any collector, while in its employment, to carry on or engage in the collection of debts, solicit business, realize on a security, deal with or locate debtors unless the collector is licensed to do so in the Province of Alberta;
  - iii) ensure that all of its officers, partners, employees, representatives and agents are forthwith acquainted with the requirements of the Fair Trading Act especially as it pertains to Part 11 – Collection Practices.
- (C) The Supplier acknowledges that in the ordinary course of its business  
a licensed collector employed by the Supplier, by telephone on or about  
November 22, 2000, requested . to deliver a message to her neighbour,  
a debtor.

- (D) The Supplier acknowledges that in the ordinary course of its business on November 22, 2000, \_\_\_\_\_, a licensed collector employed by the Supplier, in a telephone conversation with \_\_\_\_\_, a debtor's neighbour, that he stated that the collector had been doing favors for the debtor, that the matter was urgent and that he spoke to one of \_\_\_\_\_ parents before, when this was not true.
- (E) The Supplier acknowledges that in the ordinary course of its business on November 22, 2000, \_\_\_\_\_, a licensed collector employed by the Supplier, by telephone requested \_\_\_\_\_ to deliver a message to his neighbour, \_\_\_\_\_ a debtor.
- (F) The Supplier acknowledges that in the ordinary course of its business on November 22, 2000, \_\_\_\_\_, a licensed collector employed by the Supplier, in a telephone conversation with \_\_\_\_\_, a debtor's neighbour, that he stated and/or implied that he represented a major bank and needed to contact \_\_\_\_\_, the debtor, with good news, when this was not true.
- (G) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (C), (D), (E), and (F) hereof constitute breaches of Section 116 of the Fair Trading Act.

**NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:**

1. The Supplier acknowledges and admits that it failed to comply with the prohibited practices provisions of the Fair Trading Act, Part 11, Section 116(m) (ii) and 116(k).
2. The Supplier has provided a retraining session to collectors to ensure that all collectors are aware of the Fair Trading Act, especially as it pertains to Part 11, Collection Practices, Section 116, prohibited practices.
3. The Supplier provided, and will continue to provide, training sessions for new collectors to ensure that all collector's are aware of the Fair Trading Act, Part 11, Collection Practices, Section 116, prohibited practices. prior to contacting debtors in Alberta.
4. The Supplier included, and will continue to include, in the training sessions specific instructions that contact with a debtor's spouse, relatives, neighbours or friends is made for the purpose of only obtaining the debtor's address and telephone number.
5. The Supplier included, and will continue to include, in the training sessions specific instructions that no person shall be given, directly or indirectly, by implication or otherwise any false or misleading information.
6. This Undertaking will be binding upon the Supplier and its successors and assigns unless:
  - (a) terminated by the Director or varied with the consent of the Supplier;

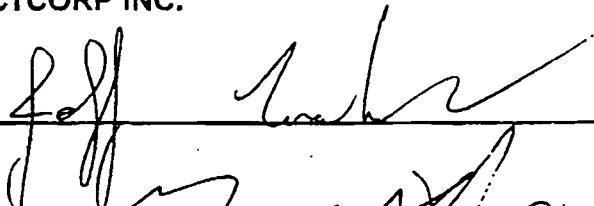
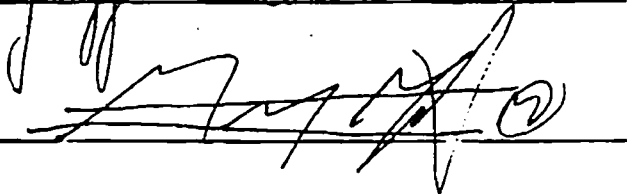
- (b) varied by an Order of the Judge of the Court of Queen's Bench where the Judge is satisfied that the circumstances warrant varying the provisions of the Undertaking; or
- (c) terminated by an Order of a Judge of the Court of Queen's Bench where the Judge is satisfied that the act or practice that the Supplier has undertaken to refrain from engaging in was not unfair;

however, in any such case, the termination or variance does not invalidate anything done under this Undertaking prior to termination or variance.

- 7. The Supplier acknowledges that the Director may, upon breach by the Supplier of any term of the Undertaking, institute such proceedings and take such action under the Fair Trading Act as he may consider necessary.
- 8. The Supplier will pay to Alberta Government Services in trust, the sum of \$2,600.00; an amount that represents a portion of the costs associated with investigating these matters. Such payment shall be made within ten (10) days of the signing of this Undertaking.
- 9. The Supplier acknowledges that it was advised by Alberta Government Services, and is aware that it is entitled to seek independent professional advice regarding the signing of this Undertaking, and the Supplier acknowledges that it is entering into this Undertaking voluntarily.

IN WITNESS WHEREOF the Supplier, has on the 1<sup>st</sup> day of February 2002<sup>AC</sup> caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

COLLECTCORP INC.

PER:   
 PER: 

ACCEPTED by the Director of Fair Trading this 13 day of February 2002<sup>20</sup>

  
 DIRECTOR OF FAIR TRADING