

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

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

BY:

Canada Debt Assistance Inc.
6th Floor, 1177 11 Avenue SW
in the City of Calgary, in the Province of Alberta,
And
James Timothy White
And
Michael S. Richmond
And
Amelia "Amy" Cay Tan

(hereinafter called the "Supplier")

TO:

The **DIRECTOR OF FAIR TRADING**,
(hereinafter called the "**Director**")

WHEREAS:

- (A) The Supplier was a licensed debt repayment agency (#319624) authorized to conduct business in Alberta.
- (B) The Supplier acknowledges that it is aware of the *Collection and Debt Repayment Practices Regulation* and the trust account requirements established for licensees.
- (C) The Supplier acknowledges it deposited monies other than that received from debtors into its trust account, contrary to Section 17 of the *Collection and Debt Repayment Practices Regulation*.
- (D) The Supplier acknowledges that, in the ordinary course of business, it violated Section 18 of the *Collection and Debt Repayment Practices*

Regulation by withdrawing money from trust accounts for purposes other than those set out in legislation. This created a significant shortfall in the trust accounts, which are intended to hold consumer monies until they can be appropriately paid to a creditor as part of a debt repayment plan.

- (E) The Supplier acknowledges that, in the ordinary course of business, statements of account were not provided to debtors as required by Section 23 of the *Collection and Debt Repayment Practices Regulation*.
- (F) The Supplier acknowledges that, in the ordinary course of business, it failed to notify consumers of a rejection or withdrawal from a repayment plan as required by Section 12.1(1)(l) of the *Collection and Debt Repayment Practices Regulation*.
- (G) The Supplier acknowledges that, in the ordinary course of business, client contracts and fees did not meet the requirements and limitations set out in Section 12.1 of the *Collection and Debt Repayment Practices Regulation*.
- (H) The Director asserts that he has reason to believe the acts or practices of the Supplier described in recitals C, D, E, F and G hereof constitute breaches of the *Collection and Debt Repayment Practices Regulation*.

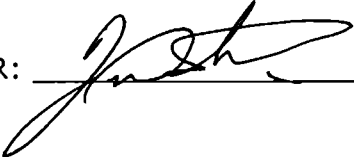
NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:

1. The Supplier acknowledges and admits that it has failed to comply with the provisions of the *Collection and Debt Repayment Practices Regulation* and undertakes to the Director that the Supplier will not, at any time hereafter, engage in acts or practices similar to those described in recitals C, D, E, F and G.
2. The Supplier will ensure that when contacting Albertans, all transactions involving consumer monies will be appropriately handled and forthwith ensure compliance with the trust account provisions of the *Collection and Debt Repayment Practices Regulation*, particularly Section 18.
3. The Supplier will ensure that when entering into a debt repayment agreement with Albertans, all contract requirements set out in the *Collection and Debt Repayment Practices Regulation* will be included and that the fees will not exceed those set out in Section 12.1.
4. It is understood that the Supplier has:
 - a) Taken steps to ensure that consumer monies and the trust account will be handled in a manner that meets the regulatory requirements and standard accounting practices.

- b) Taken steps to correct processes and forms to ensure that the debt repayment agreements and fees meet the regulatory requirements.
5. It is understood that a conditional license will be issued to the Supplier, with the following conditions:
- a) Bank reconciliations for the trust and general accounts will be submitted to the Director for review monthly no later than the 15th of the following month.
 - b) Any excess fees charged to debtors from April 30, 2005 to date will be refunded no later than April 30, 2008.
 - c) Only licensed debt repayment agents will communicate with debtors.
 - d) The Supplier will provide security to the Director in the amount of \$100,000.00.
 - e) The supplier will not directly or indirectly attempt to sell to the debtors any other financial products.
6. This Undertaking will be binding upon the Supplier 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 the 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 acknowledges that he was advised by Service Alberta, and is aware that he is entitled to seek independent professional advice regarding the signing of this Undertaking, and the Supplier acknowledges that he is entering into this Undertaking voluntarily.

IN WITNESS WHEREOF the Supplier, has on the 10 day of March, 2008 signed this document.


JAMES TIMOTHY WHITE

PER: 

MICHAEL S. RICHMOND

PER: 

AMELIA "AMY" CAY TAN

PER: 

ACCEPTED by the Director of Fair Trading this 13 day of March, 2008


DIRECTOR OF FAIR TRADING