

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

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

**BY:**

**TCH International Inc.**  
1979 Leslie Street  
in the City of Toronto, in the Province of Ontario,

(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 employs collectors that require licensing if and when they are contacting Albertans.
- (C) The Supplier acknowledges that it has been advised previously that all collectors contacting Albertans require licensing.
- (D) The Supplier admits that that unlicensed collectors did contact Albertans. The supplier does make every effort to ensure collectors are licensed in the province of Alberta.
- (E) The Supplier acknowledges that it has through its agent, employee or representative, previously provided assurances to the Government of Alberta, that the Supplier would make every effort to ensure there are no further incidences of unlicensed collectors employed by the Supplier calling Albertans.
- (F) The Supplier acknowledges that in the ordinary course of its business and \_\_\_\_\_ unlicensed collectors employed by the Supplier, contacted \_\_\_\_\_, residents in Alberta. These contacts were made between May 1, 2001 and May 8, 2001.
- (G) The Supplier acknowledges that in the ordinary course of its business, \_\_\_\_\_ an unlicensed collector employed by the Supplier, contacted \_\_\_\_\_, a resident of Alberta. These contacts were made between November 28, 2000 and December 12, 2000.

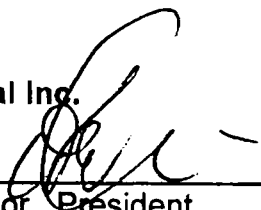
- (H) The Supplier acknowledges that in the ordinary course of its business, \_\_\_\_\_ an unlicensed collector employed by the Supplier, contacted \_\_\_\_\_, residents of Alberta. These contacts were made between August 14, 2001 and August 23, 2001.
- (I) The Supplier acknowledges that in the ordinary course of its business, \_\_\_\_\_ and \_\_\_\_\_ unlicensed collectors employed by the Supplier, contacted \_\_\_\_\_ a resident of Alberta. These contacts were made between August 14, 2001 and August 17, 2001.
- (J) The Supplier acknowledges that in the ordinary course of its business, \_\_\_\_\_ an unlicensed collector employed by the Supplier, contacted \_\_\_\_\_ residents of Alberta. These contacts were made between October 17, 2001 and December 11, 2001.
- (K) The Supplier acknowledges that in the ordinary course of its business, \_\_\_\_\_ continued collection attempts against \_\_\_\_\_, resident of Alberta after being informed that he was not the debtor in question contrary to the prohibited practices set out in Section 116(1)(l) of the Fair Trading Act.
- (L) The Supplier acknowledges that in the ordinary course of its business, various collectors continued collection attempts against \_\_\_\_\_, residents of Alberta after being informed that they must not be contacted at their place of employment contrary to the prohibited practices set out in Section 116(1)(m) & (n) of the Fair Trading Act.
- (M) The Supplier acknowledges that in the ordinary course of its business, made threats to \_\_\_\_\_ an Alberta resident, about having lawful authority to proceed with an action when the agency did not have the lawful authority contrary to the prohibited practices set out in Section 116(1)(i) of the Fair Trading Act.
- (N) The Supplier acknowledges that in the ordinary course of its business, repeatedly made telephone calls of such frequency as to constitute harassment against \_\_\_\_\_, residents of Alberta contrary to the prohibited practices set out in Section 116(1)(j) of the Fair Trading Act.
- (O) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (F), (G), (H), (I) (J), (K), (L), (M) and (N) hereof constitute breaches of the Fair Trading Act and its predecessor legislation.
- (P) The Director acknowledges the Supplier has taken steps to ensure accuracy of all collection activity records.

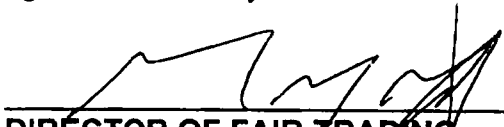
**NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:**

1. The Supplier acknowledges and admits that it has failed to comply with the licensing provisions of the Fair Trading Act and undertakes to the Director that this Supplier will make every effort to not, at any time hereafter, engage in acts or practices similar to those described in recitals (F), (G), (H), (I), (J), (K), (L), (M) and (N).
2. The Supplier will make every effort to ensure that all collectors employed by the Supplier will be properly licensed prior to contacting Albertans.
3. The Supplier will make every effort to not permit any collector employed by it 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.
4. The Supplier will, to the best of its ability, 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.
5. It is understood that the Supplier has
  - i) acknowledged that Alberta Government Services Investigators have the authority to contact the collectors directly when conducting an investigation and that the collectors will cooperate with the investigation;
  - ii) taken steps to ensure that 100% of all collectors employed by it when contacting Albertans will be licensed in Alberta;
  - iii) established a log that will advise employees and management of the Supplier of when license applications are forwarded for approval as well as when the approved license is received.
  - iv) implemented, where possible, computer controlled systems that will prevent unlicensed collectors in the employment of the Supplier from placing calls to Alberta or receiving calls from Alberta.
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 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.
- 9. The Supplier will pay to the Director, for deposit with the Finance Minister of Alberta, the sum of Two Thousand (\$2000.00) Dollars which represents a portion of the costs of investigations in these matters to the date of this Undertaking. Such payment shall be made within ten (10) days of the signing of this Undertaking.

IN WITNESS WHEREOF the Supplier, has on the 10<sup>th</sup> day of July, 2002, caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

TCH International Inc.  
PER:   
Aaron Taylor, President

ACCEPTED by the Director of Fair Trading this 18<sup>th</sup> day of July, 2002.  
  
DIRECTOR OF FAIR TRADING