

**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 Young Street, Suite 2000,
Toronto Ontario
Registered Office, 10117 Jasper Ave., Suite 815
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 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 acknowledges that some of its collectors did contact Albertans at a time these collectors, while in the employment of the Supplier, were unlicensed to operate in Alberta.
- (E) The Supplier acknowledges that it has through its agent, employee or representative, provided assurances to the Government of Alberta that there would be no further incidences of unlicensed collectors employed by the Supplier calling Albertans and that these assurances were made in 1998.
- (F) The Supplier acknowledges that in the ordinary course of its business an unlicensed collector employed by the Supplier, did contact - a resident

of Alberta or her relatives also residents of Alberta. These contacts were made on or about February 3, 1999 and February 5, 1999.

- (G) The Supplier acknowledges that in the ordinary course of its business, an unlicensed collector employed by the Supplier, did contact _____ a resident of Alberta. Contact(s) were made on or about May 3, 1999.
- (H) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector employed by the Supplier, did contact _____ a resident of Alberta. Contact(s) were made on or about June 17, 1999.
- (I) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (D), (F), (G) and (H) hereof constitute breaches of the Fair Trading Act and its predecessor legislation.

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 its predecessor legislation and undertakes to the Director that this Supplier will not, at any time hereafter, engage in acts or practices similar to those described in recitals (D), (F), (G) and (H).
2. The Supplier to the best of its ability will ensure that all collectors contacting Albertans employed by the Supplier will be properly licensed prior to them contacting Albertans.
3. The Supplier will to the best of its ability 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) taken steps to ensure that all collectors that are in their employ will be licensed in Alberta when contacting Albertans;
 - ii) 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.
 - iii) begun development of computer programs to ensure a reoccurrence of the events described in recitals (D), (F), (G) and (H) does not reoccur.
 - 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

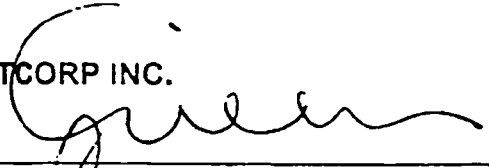
- 6. The Supplier understands that this Undertaking becomes part of the Public Record, maintained pursuant to the Fair Trading Act.
- 7. This Undertaking will be binding upon the Supplier and its successors and assigns unless:
 - (a) termination by the Director or varied with the consent of the Supplier;
 - (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.
- 8. 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.
- 9. The Supplier will pay to the Director, for deposit with the Provincial Treasurer of Alberta, the sum of Three Thousand (\$3,000) 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.
- 10. 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 11 day of November, 1999, caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

Accepted by the
 Director of Fair Trading
 this 16 day of November, 1999



 DIRECTOR OF FAIR TRADING

COLLECTCORP INC.

 PER: _____
 Nicholas Wilson, President


 PER: _____
 Bruce Conley, Chairman of the Board