

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

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

**BY:**

**Allied International Credit Corp.**  
11 Allstate Parkway Suite 500  
in the City of Markham, 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 licensed collectors, authorizing them on behalf of the Supplier to collect, attempt to collect, solicit business, realize on a security, deal with or locate debtors in Alberta.
- (C) The Supplier acknowledges that on May 21, 1998 the Administrator Collection Practices provided a warning that all collectors contacting Albertans require licensing.

- (D) The Supplier acknowledges that on December 20, 1999 the Manager responsible for Collection Practices under the Fair Trading Act provided a warning that all collectors contacting Albertans require licensing.
- (E) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_ an unlicensed collector, employed by the Supplier, using a disallowed alias of Mr. \_\_\_\_\_, contacted \_\_\_\_\_, a resident of Alberta, several times between the dates of January 5, 2000 and January 7, 2000.
- (F) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_ an unlicensed collector, employed by the Supplier, contacted \_\_\_\_\_, a resident of Alberta, on August 25, 2000.
- (G) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_ and \_\_\_\_\_ (disallowed alias used by \_\_\_\_\_), unlicensed collectors, employed by the Supplier, contacted: \_\_\_\_\_, residents in Alberta. These contacts were made between January 31, 2000 and October 30, 2000.
- (H) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_ and \_\_\_\_\_ unlicensed collectors, employed by the Supplier, contacted: \_\_\_\_\_ and discussed details of the debt and made demands for payment, despite their knowledge that she was not liable for the account and they were not in possession of written authorization from the debtor appointing her as an agent for the debtor.
- (I) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_ an unlicensed collector, employed by the Supplier, continued to contact \_\_\_\_\_ at her place of employment, despite being advised to cease contact at her employment and being given alternate arrangements for contact.
- (J) The Supplier acknowledges that in the ordinary course of business, \_\_\_\_\_, a collector employed by the Supplier, used an unlicensed and disallowed alias name of Mr. \_\_\_\_\_ in contacting \_\_\_\_\_ residents in Alberta. These contacts were made between the dates of November 8, 2000 and November 30, 2000.

- (K) The Supplier acknowledges that in the ordinary course of business, a collector employed by the Supplier, used an unlicensed and disallowed alias name of Mr. in contacting ..., residents of Alberta. These contacts were made between the dates of March 8, 2001 and May 1, 2001.
- (L) The Supplier acknowledges that in the ordinary course of business, a collector employed by the Supplier, contacted a resident of Alberta, between the dates of February 27, 2001 and March 1, 2001 while unlicensed.
- (M) The Supplier acknowledges that in the ordinary course of business, a collector employed by the Supplier made threats to , an Alberta resident, that he would forward the file to his pre-legal department and that on approval he would add on to the debt the service filing fees and that the next step was to place a lien on her house. These statements were made prior to the agency being in possession of an authorization from the client to proceed with any legal action and were therefore beyond the agencies lawful authority. This contact occurred on May 25, 2001.
- (N) The Supplier acknowledges that in the ordinary course of business, , a collector employed by the Supplier, in attempting to contact the debtor , spoke to other than the debtors, being the debtors minor son and had discussions regarding the account. This contact occurred on July 5, 2001.
- (O) The Supplier acknowledges that in the ordinary course of business, a collector/supervisor employed by the Supplier, in his response to the Departments Investigator, falsified the facts and altered the collector's statement in addressing the allegation of the complaint. Mr. s response was dated July 17, 2001.
- (P) The Supplier acknowledges that in the ordinary course of business, an unlicensed collector, employed by the Supplier, contacted , a resident of Alberta. This contact occurred on July 26, 2001.

- (Q) The supplier acknowledges that in the ordinary course of business, . . . and . . . unlicensed collectors employed by the supplier, contacted . . . a resident of Alberta. These contacts were made between the dates of April 2, 2002 and July 30, 2002.
- (R) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), and (Q) hereof constitute breaches of the Fair Trading Act.

**NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:**


- 1 The Supplier acknowledges and admits that it has failed to comply with the provisions of the Fair Trading Act and undertakes to the Director that the Supplier will not, at any time hereafter, engage in the acts or practices similar to those described in recitals (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), and (Q) contrary to Section 116 (1) and 127 (C).
- 2 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans are properly licensed prior to contacting Albertans.
- 3 The Supplier will ensure that it does not permit any collector employed by them to carry on or engage in the collection of debts, solicit business, realize on security, deal with or locate debtors in Alberta unless the collector is licensed to do so in the Province of Alberta.
- 4 The Supplier will ensure that all collectors, employed by the Supplier, use only their true name as it appears on their Alberta collector's license and will not use any alias name.
- 5 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans, to collect or attempt to collect, will deal with only the true debtor or debtors, or a person authorized in writing by the true debtor or debtors to act on their behalf.

- 6 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans will cease calling the debtor at their place of employment when requested to do so by the debtor providing the debtor has made reasonable arrangements to discuss the debt and discusses the debt in accordance with those arrangements.
- 7 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans, will not indicate to the debtor or any person contacted that their file will be forwarded to the pre-legal department or any other similar terminology.
- 8 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans, will not directly or indirectly threaten or state an intention to proceed with any action for which the collection agency or the collector does not have lawful authority.
- 9 The Supplier will ensure that all collectors, employed by the Supplier, who, when responding to an Investigator of the Department, as a collector or representative of the agency, will provide truthful and factual information addressing the allegation made against them or the agency.
- 10 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.
- 11 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 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.

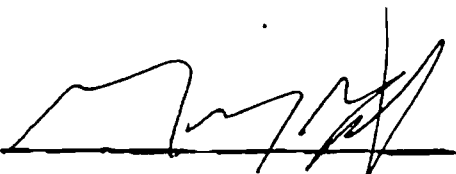
- 12 The Supplier acknowledges that the Director may, upon breach by the Supplier of any term of the Undertaking, institute such proceedings and take such action under the Fair Trading Act, as he may consider necessary.
- 13 The Supplier will pay to the Minister of Finance the sum of \$5,000.00; an amount that represents a portion of the costs associated with investigating this matter. Such payment is to be made within 10 days from the date of this undertaking.
- 14 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 6<sup>TH</sup> day of NOVEMBER, 2002. Caused its common seal to be hereunto affixed and attested by the signatures of its proper Officers duly authorized in that behalf.

Allied International Credit Corp.

Per:   
 Executive Vice President

ACCEPTED by the Director of Fair Trading this 6<sup>TH</sup> day of NOVEMBER, 2002

  
 DIRECTOR OF FAIR TRADING