

IN THE MATTER OF
THE FAIR TRADING ACT

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

BY:

D & A Collection Corporation
160 Traders Blvd. East, Suite 205
Mississauga, Ontario

(hereinafter called the "Supplier")

TO:

The DIRECTOR OF FAIR TRADING,

(hereinafter called the "Director")

WHEREAS:

- (A) The Supplier is a collection agency that requires licensing to operate 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 some of its collectors did contact Albertans at a time those 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 those assurances were made in February of 2000.
- (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. Contact(s) were made on or about December 22, 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 March 29, 2000.
- (H) The Supplier acknowledges that in the ordinary course of its business, _____ failed to provide a statement of account to _____
- (I) The Supplier acknowledges that in the ordinary course of its business it failed to provide a statement of account to _____ on or about January 26, 2000.
- (J) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (D), (F), (G), (H) and (I) herof constitute breaches of the Fair Trading Act.
- (K) The Supplier has hired an individual to handle quality assurance matters.
- (L) The Director acknowledges there have been no licensing infractions brought to his attention since March, 2000.

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), (H) and (I).
2. The Supplier to the best of its ability will ensure that all collectors contacting Albertans while in its employment will be properly licensed prior to them contacting Albertans.
3. The Supplier will to the best of its ability 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.

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 process whereby any inbound calls from Albertans will not be transferred unless a licensed Alberta collector is available to take the call;
 - iii) established a process of daily review of all new Alberta accounts to insure they are on the appropriate calling list;
 - iv) implemented a monthly review by its Human Relations division to monitor the number of Alberta accounts and the number of licensed collectors required to handle the inventory;
 - v) corrected system distribution problems and has introduced a warning on all non-Alberta queues in order to ensure a recurrence of the events described in recitals (D), (F), (G), (H) and (I) does not reoccur.
 - vi) implemented a management review program to provide additional safeguards.
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) 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.
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 Five Hundred (\$500) 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 13th day of October 2000, caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

D & A COLLECTION CORPORATION

PER: [Signature]
Manny Caplan, Executive Vice President

PER: [Signature]
Marcel Pachon, Quality Control Representative

ACCEPTED by the Director of Fair Trading this 13th day of October, 2000.

[Signature]
DIRECTOR OF FAIR TRADING