

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

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

BY:

**852215 Ontario Limited
d/b/a Action Collections and Receivables Management
716 Gordon Baker Road, Suite 212
Toronto ON M2H 3B4**

(hereinafter called the "Supplier")

TO:

The DIRECTOR OF FAIR TRADING (as delegated),

(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 to collect, or attempt to collect, from debtors in Alberta on behalf of their clients.
- (C) The Supplier acknowledges that, in the ordinary course of business, it engaged in collection activities by contacting residents of Alberta after being previously notified that the individuals were not the debtors.
- (D) The Supplier acknowledges that, in the ordinary course of business and under an inappropriate policy for setting date of first delinquency, it provided false or misleading information to a reporting agency by posting a derogatory listing in error on the credit reporting file of residents of Alberta.
- (E) The Supplier acknowledges that, in the ordinary course of business, collectors employed by the Supplier repeatedly contacted residents of Alberta more than three times in any seven day period.
- (F) The Supplier acknowledges that, in the ordinary course of business, it allowed employees who did not possess collector's licences in Alberta to contact residents of Alberta on the Supplier's behalf for collection purposes.
- (G) The Supplier acknowledges that, in the ordinary course of business, it engaged in collection activities on debts where the last written acknowledgement or payment was more than six years previous.
- (H) The Supplier acknowledges that, in the ordinary course of business, the Supplier and collectors employed by the Supplier failed to create required records related to collection activities conducted in Alberta.

- (l) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (C) to (H) hereof constitute breaches of the *Fair Trading Act*.

NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:

1. The Supplier acknowledges that it failed to comply with the *Fair Trading Act* and undertakes to the Director that it will not knowingly nor intentionally, at any time hereafter the date of execution of the present Undertaking, engage in acts or practices similar to those described in recitals (C) to (H) or any other acts or practices prohibited by the *Fair Trading Act*.
2. The Supplier will ensure, to the best of its ability, that all of its collectors, representatives and agents are forthwith acquainted with the requirements of Part 5 (Credit and Personal Reports) and Part 11 (Collection Practices) of the *Fair Trading Act*, especially as it pertains to s. 12 and s. 23.3 of the *Collection and Debt Repayment Practices Regulation* and sections 49 and 111(3) of the *Fair Trading Act*.
3. It is understood that the Supplier will:
 - a. maintain a monitoring system to ensure compliance with Part 11 of the *Fair Trading Act*, including, but not limited to,
 - i. creating and maintaining accurate records of collection activity;
 - ii. ensuring that collection files are appropriately screened so that debts where the last written acknowledgement or payment is six years previous can be identified and removed from collections activity;
 - iii. immediately ceasing all collection activity where a person advises they are not the debtor unless, after taking all reasonable precautions, the Supplier establishes the person is the debtor, and
 - b. ensure all collectors who contact Albertans are licensed as collectors under the *Fair Trading Act* before such contact takes place;
 - c. ensure no false or misleading information is reported to a credit reporting agency, including ceasing to automatically set a date of first delinquency two months prior to the assignment of the debt.
4. The Supplier has provided the Director with information on steps taken by the Supplier to address the issues raised in the Undertaking and the Director acknowledges, that, if implemented, these steps will contribute to the Supplier's compliance with the *Fair Trading Act*.
5. It is understood that the terms of this Undertaking shall be maintained as a public record pursuant to Section 152(3) of the *Fair Trading Act*.
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;

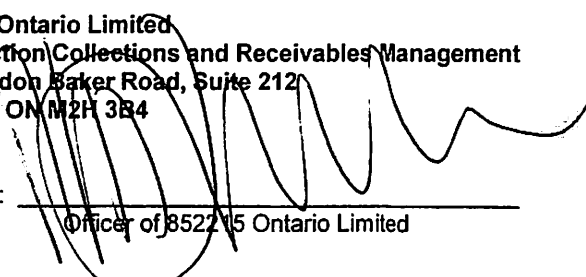
- b. varied by an Order of the Judge of the Court of Queen's Bench where the Judge is satisfied that the circumstances warrant varying the provisions of the undertaking; or
- c. terminated by an Order of a Judge of the Court of Queen's Bench where the Judge is satisfied that the act or practice that 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 is aware that it is entitled to seek independent professional advice regarding the signing of this Undertaking and has been advised of this by Service Alberta, and the Supplier acknowledges that it is entering into this Undertaking voluntarily.
- 9. The Supplier will pay to the Director, for deposit with the Government of Alberta, the sum of \$2,000.00, which represents a portion of the costs associated with investigating these matters. Such payment shall be made within 45 days of the signing of this Undertaking.

IN WITNESS WHEREOF the Supplier, has on the 10th day of June, 2013, caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

852215 Ontario Limited
d/b/a Action Collections and Receivables Management
716 Gordon Baker Road, Suite 212
Toronto ON M2H 3B4

PER: 

Officer of 852215 Ontario Limited

ACCEPTED by the Director of Fair Trading this 15th day of July, 2013.



DIRECTOR OF FAIR TRADING