

IN THE MATTER OF
THE FAIR TRADING ACT

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

BY:

Takhar Collection Services Ltd.
725 Coronation Blvd., Suite 207
in the city of Cambridge, in the Province of Ontario
And
Hardial Takhar, Director
And
Sukcham Takhar, Director

(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 in the ordinary course of its business, _____, an unlicensed collector, employed by the Supplier, contacted _____ a resident of Alberta, between the dates of April 7, 2004 and August 4, 2004.

- (D) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector, employed by the Supplier, contacted _____ a resident of Alberta, regarding the debt owed by _____; was not the true debtor or a person authorized in writing by the true debtor to act on his behalf, for the purpose of collecting the debt. _____ in his discussions with _____ demanded payment from _____ and threatened legal action if Mr. _____ did not pay the debt. These contacts were made between the dates of May 10, 2004 and May 17, 2004.
- (E) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector, employed by the Supplier, contacted _____ a resident of Alberta, between the dates of April 20, 2004 and May 14, 2004.
- (F) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector, employed by the Supplier, on April 20, 2004 conducted activities to locate _____ a resident of Alberta, for purposes of obtaining and verifying the debtor's address and telephone number.
- (G) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector, entered into discussions with _____, an unauthorized third party, and these discussions went beyond simply taking a name and phone number for another collector to return a call. This call occurred on May 7, 2004.
- (H) The Supplier acknowledges that in the ordinary course of its business, it permitted _____ a collections supervisor to continue to assign _____ account to collectors, unlicensed in Alberta, to pursue collection of the account.
- (I) The Supplier acknowledges that in the ordinary course of its business, it states that Alberta collectors license number 309213 is in the name of _____, when in fact license number 309213 has since June 28, 2002 as been issued in the name _____. The name _____ is an unlicensed collector name in Alberta.
- (J) The Supplier acknowledges that in the ordinary course of its business, _____ an unlicensed collector, entered into discussions with _____, an unauthorized third party, by negotiating a payment arrangement to settle the account of _____, and subsequently discussed with _____ the unauthorized overpayment of \$150.00 taken from him. These discussions occurred between the dates of April 24, 2004 and September 15, 2004.

- (K) The Supplier acknowledges that in the ordinary course of its business, using the unlicensed alias of in response to our investigation provided inaccurate information to our Department relating to his activity on the case. This information places the accuracy of the records kept on the files of in question.
- (L) The Supplier acknowledges that in the ordinary course of its business, an unlicensed collector, employed by the Supplier, contacted a resident of Alberta, on December 18, 2004, and on April 9 or 10, 2005.
- (M) The Supplier acknowledges that in the ordinary course of its business, in response to our investigation provided misleading information as to the availability of itemized telephone services provider records.
- (N) The Supplier acknowledges that in the ordinary course of its business, in response to our investigation provided misleading information as to the identity of the collector involved in collection activity conducted on the file of .
- (O) The Supplier acknowledges that in the ordinary course of its business, in response to our investigation provided misleading information as to the true identity of an employee, conducting unlicensed collection activity in Alberta.
- (P) The Supplier acknowledges that in the ordinary course of its business, through its employees, and automatic dialer, made telephone calls to a resident debtor of Alberta, between the dates of January 4, 2005 to February 10, 2005 of such frequency as to constitute harassment of other than the debtor.
- (Q) The Supplier acknowledges that in the ordinary course of its business, through its employees and the use of an automatic dialer, continued to contact other than the debtor, after being advised that the debtor did not reside at the telephone number being contacted and being given the telephone number for the debtor between the dates of December 18, 2005 to March 1, 2005.
- (R) The Supplier acknowledges that in the ordinary course of its business, through its employees, failed to maintain all records created of its collection activity concerning the debtor between the dates of December 4, 2004 and March 1, 2005.
- (S) The Supplier acknowledges that in the ordinary course of its business, through its employees and the use of an automated dialer, placed telephone calls to a resident of Alberta, after 10 PM, Alberta time.

- (T) 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), (Q), (R), and (S) 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 acts or practices similar to those described in recitals (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), (Q), (R), and (S) contrary to Section 111(3), 116(1), 127(C), 132(1)(b) of the Fair Trading Act and section 9 of the General Licensing and Security Regulation.
- 2 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans, will be licensed collectors in Alberta, and that no licensed collector will use an alias to conduct collection activity in Alberta.
- 3 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans to collect or attempt to collect money, will deal with the true debtor or debtors, or a person authorized in writing by the true debtor or debtors to act on their behalf.
- 4 The Supplier will ensure through its employees that all accounts for collection in Alberta will only be assigned to collectors properly licensed in Alberta.
- 5 The Supplier will ensure that all collectors, employed by the Supplier, contacting Albertans, for the purpose of locating or verifying an address and phone numbers for the debtor are licensed as collectors in Alberta.
- 6 The Supplier will ensure that all collectors, employed by the Supplier, when 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.
- 7 The Supplier will ensure that all information provided to Alberta Government Services in response to an investigation or any other enquiry will be accurate, correct, truthful, and provided in a timely fashion and that all records created or received will be maintained accurately.

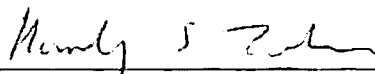
- 8 The Supplier will, ensure that all telephone contact, or contact by any other means or nature, made to Albertans will not be at such a frequency as to constitute harassment.
- 9 The Supplier will, ensure that contact to a person who has advised that they are not the debtor or that the debtor does not reside at the contacted telephone number or address, will cease communication with that person, until the collector or agency has firstly taken all reasonable precautions to ensure that the person is in fact the debtor.
- 10 The Supplier will ensure that all contact with Albertans will only be between the hours of 7 a.m. and 10 p.m. Alberta time.
- 11 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.
- 12 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.
- 13 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.
- 14 The Supplier will pay to the Minister of Finance the sum of \$ 6000.00: an amount that represents a portion of the costs associated with investigating this matter and costs associated with this undertaking. Such payment is to be made by cheque in 2 installments of \$3,000.00 each. The first cheque is to be dated September 1, 2006 and the second is to be dated October 1, 2006.

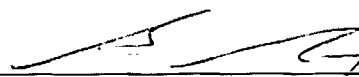
15 The Supplier acknowledges that it was advised by Alberta Government Services, and is aware that it is entitled to seek independent professional advice regarding the signing of this Undertaking, and the Supplier acknowledges that it is entering into this Undertaking voluntarily.

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IN WITNESS WHEREOF the Supplier, has on the 22nd day of August, 2006. Caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

Takhar Collection Services Ltd.
And
Hardial Takhar
And
Sukeharn Takhar

PER: 
Hardial Takhar

PER: 
Sukeharn Takhar

ACCEPTED by the Director of Fair Trading this 6th day of September, 2006


DIRECTOR OF FAIR TRADING