IN THE MATTER OF THE FAIR TRADING ACT

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

BY: XENTEL DM INCORPORATED

Bay 24, 3710 Westwinds Drive NE

In the City of Calgary, In the Province of Alberta T3J 5H3

[hereinafter called the "Supplier"]

TO: The DIRECTOR OF FAIR TRADING

[hereinafter called the "Director"]

WHEREAS:

- (A) The Supplier carries on the business of creating, marketing and producing sports and entertainment events, all of which generate a benefit to charities and/or other non-profit organizations and is a person who provides goods or services to consumers within the meaning of the Fair Trading Act (the "Act").
- (B) The Supplier, when marketing the described events, also acts as a donor fund-raiser as described in Section 33 of the Charitable Fund-Raising Act.
- (C) The Supplier staged the Oldtimers' Hockey Challenge 2006 at Rexall Place in Edmonton, Alberta on March 13, 2006.
- (D) The Supplier, through its association with the Edmonton City Police Faded Blues Hockey Team(hereinafter called "Faded Blues"). agreed to pay \$1.50 from each ticket sold to the event, to the Faded Blues who in turn would donate those proceeds to a specified charity(ies). The Faded Blues selected Catholic Social Services Safe House and The Fallen Four Memorial to be the recipients of the participation fee.
- (E) The Supplier proceeded to market the event tickets to consumers by telephone during a period of time subsequent to the signing of the agreement with the Faded Blues and prior to the event on March 13, 2006.
- (F) The Supplier, when marketing the event tickets under the donor fund-raiser provisions of the Charitable Fund-Raising Act, is required by Section 37(b) to obtain written consent from the charitable organization to use any emblem or printed matter belonging to or associated with the charitable organization. Through the Faded Blues the Supplier did obtain verbal consent from Catholic Social Services Safe House and The Fallen Four Memorial prior to marketing the event tickets, but did not obtain the required written consent.

- (G) Catholic Social Services and the Fallen Four Memorial organization have confirmed that all funds represented by the Supplier as going to them were received.
- (H) During the period of December 2005 to March 13, 2006, the Supplier, through its agents, employees, or representatives did commit the following unfair practices, contrary to the provisions of the Fair Trading Act by:
 - Doing or saying anything that might reasonably deceive or mislead a consumer;
 - i. the Supplier, through its agent or employee, told a consumer that he was calling on behalf of the Edmonton City Police, when in fact he was calling on behalf of Xentel to sell tickets to the Edmonton City Police Faded Blues Hockey game.
 - ii. the Supplier, through its agent or employee told a consumer that he was calling from the Edmonton City Police, when in fact he was calling from Xentel to sell tickets to the Edmonton City Police Faded Blues Hockey game.
 - iii. the Supplier, through its agent, told consumers that "all of the proceeds were supporting Edmonton Charities";
 - iv. the reminder invoices for the tickets contain the words "pledge" and "donation" This suggest to consumers that they are making a contribution to a charitable organization.
 - A misleading statement of opinion if the consumer is likely to rely on that opinion to the consumer's disadvantage;
 - i. the Supplier, through its agent, led the consumer to believe that tickets could be directed to a specific organization in the consumer's name.
 - A representation that the supplier has a sponsorship, approval, status, qualification, affiliation or connection that the supplier does not have;
 - i. the Supplier had verbal but not the required written consent from the charitable organization(s) to use their name(s).
- (I) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recital (H) constitute breaches of the Fair Trading Act.

NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:

- 1) The Supplier acknowledges and admits that it has in these instances failed to comply with the Fair Trading Act and undertakes to the Director that it will not, at any time hereafter, engage in acts or practices similar to those described in Recital (H) and Section 6 of the Fair Trading Act.
- 2) The Supplier undertakes to:
 - a) use its best effort to ensure all employees, including supervisors, are forthwith made aware of the applicable provisions of the Fair Trading Act, unfair practices and enforcement provisions:
 - b) re-affirm to employees its current policies implemented in 2000 relating to honest representations;
 - c) ensure every script requires the agent to identify the name of Xentel and that the script does not convey the impression that the Supplier is a charitable organization;
 - d) ensure every script requires the agent to state they are selling a ticket with no suggestion that the buyer is making a donation to a charitable organization;
 - e) ensure that the recipient (charitable organization(s)) agree(s) to the use of its/their name(s) in writing;
 - f) ensure that every notice, invoice or statement clearly specifies that the statement or invoice, including reminders, is for the purchase of tickets to the specified event, and that it does not contain the phrase "thank you for your contribution" or the words "pledge" or "donation" or any similar statement or words that would imply the buyer is making a donation to a charitable organization or purpose.;
 - g) ensure that consumers are aware that there will not be any receipts issued;
 - h) ensure that invoices and statements sent out in respect of a specific event are applicable to the event.
- 3) This Undertaking will be binding upon the Supplier and its successors and assigns at any time hereafter from the date of entering into the undertaking unless;
 - a) terminated by the Director or varied with the consent of the Supplier;
 - b) varied by an Order of the Justice of the Court of Queen's Bench where the Justice is satisfied that the circumstances warrant varying the provisions of the Undertaking; or,

- c) terminated by an Order of a Justice of the Court of Queen's Bench where the Justice is satisfied that the act or practice that the Supplier has undertaken to refrain from engaging in was not prohibited or unfair; however, in any such case, the termination or variance does not invalidate anything done under this Undertaking prior to termination or variance.
- 4) 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. 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.
- 5) The Supplier will pay to the Director, the sum of \$2500 which payment 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.
- 6) 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.
- 7) The recitals contained in the preamble herein form an integral part of this Agreement.

IN WITNESS WHEREOF the Supplier has on the /9 th day of December, 2006, signed and caused its common seal to be hereunto affixed and attested by the signature of the proper officer duly authorized in that behalf.

Xentel DM Incorporated

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ACCEPTED by the Director of Fair Trading this 28 day of December, 2006.

DIRECTOR OF FAIR TRADING