

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

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

BY:

Forum National Investments Ltd.
previously known as Intravelnet.com Inc. operating as Snowbird
Vacations International
1100 One Bentall Centre,
505 Burrard Street, Box 11
in the City of Vancouver, in the Province of British Columbia,

(hereinafter called the "**Supplier**")

TO:

The **DIRECTOR OF FAIR TRADING,**

(hereinafter called the "**Director**")

WHEREAS:

- (A) The Supplier has formerly carried on the business of marketing and selling travel club memberships to consumers at locations in the City of Edmonton, and the City of Calgary, Alberta.
- (B) Between the period of May 17, 2002 and September 30, 2002, the Supplier, in the ordinary course of its business, through its agents or representatives did operate a travel club business without the required license contrary to S. 104 of the Fair Trading Act. The dollar threshold of not requiring a Travel Club license was exceeded when the Supplier and its agent concurrently offered contracts that were deemed to be collateral as defined in the Act.
- (C) Between the period of May 17, 2002 and September 30, 2002, the Supplier, in the ordinary course of its business, through its agents or representatives failed to recognize Alberta consumer's legislative contract cancellation rights and in doing so neglected to refund monies to consumers who had exercised their legislative cancellation rights contrary to S. 18(1) of the Travel Club Regulation, AR 56/2002.
- (D) Between the period of May 17, 2002 and September 30, 2002, the Supplier, in the ordinary course of its business, through its agents or representatives conducted its business in a manner that might reasonably mislead consumers. More specifically, it offered travel club services while its agent concurrently offered houseboat charters on contracts that were deemed to be collateral as defined in the Act. These contracts were also vague and failed to disclose a consumer's rights and remedies in accordance with the Act.
- (E) The Director asserts that he has reason to believe that the acts or practices of the Supplier described in recitals (B)(C) and (D) constitute breaches of the Fair Trading Act.
- (F) The Director acknowledges that the Supplier has informed the Department that it has ceased marketing travel club memberships or time shares in the Province of Alberta and is presently solely servicing existing memberships. The Director further acknowledges the Supplier's claim that it is no longer affiliated with 968362 Alberta Ltd, operating as Orca Houseboats or Today's World Travel.

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 this Supplier will not, at any time hereafter, engage in acts or practices similar to those described in recitals (B)(C) and (D).
2. The Supplier shall apply to the Director for a Travel Club license as required, if at any time in the future it decides to once again market travel club memberships. A travel club is an organization that provides its members with access to goods, services, discounts or other benefits on the future purchase or use of transportation, accommodation, or other services related to travel.
3. 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.
4. The Supplier acknowledges that the Director shall accept and make contract rescission and restitution to any consumer who, supported by evidence, has exercised cancellation rights for contracts entered into during the period of May 17, 2002 until September 30, 2002. The Supplier acknowledges that consumers who signed contracts within the aforementioned period of time have 1 (one) calendar year to exercise their right to cancel.
5. The Supplier will submit a cash deposit to the Director for the sum of \$10,000; an amount that represents a portion of the funds that will be paid to consumers who have or will have exercised the legal right to cancel their contracts. In conjunction, 968362 Alberta Ltd. and Today's World Travel Inc. will provide a deposit totaling \$90,000 such that the aggregate amount of deposit is \$100,000.
6. The Director will have sole discretion on determining the validity of consumer claims. The Director will hold the cash deposit for a period of one year ending December 1, 2003 at which time the funds will be distributed. In the event the total funds are insufficient to cover all legitimate claims, the distribution will be carried out on a prorated basis. In the event a balance exists after December 1, 2003, the remaining funds will be reimbursed to the Supplier and 968362 Alberta Ltd. and Today's World Travel Inc. in the same proportion to their contribution to the \$100,000 within a reasonable time following final accounting. Any consumer who is not satisfied with a proposed pro rata distribution is free to pursue their civil options.
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;
 - 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.

IN WITNESS WHEREOF the Supplier, has on the *4th* day of *December*, 2002 caused its common seal to be hereunto affixed and attested by the signatures of its proper officers duly authorized in that behalf.

**FORUM NATIONAL INVESTMENTS LTD.
formerly known as
INTRAVELNET.COM INC.**

PER: _____
Daniel Clozza, Director

ACCEPTED by the Director of Fair Trading this *12* day of *December*, 2002.

[Signature]

DIRECTOR OF FAIR TRADING