

# The Collection Agents Act

## I. Instructions on Applying for Collection Agent Licence

### 1. To apply for a licence as a collection agent you will need:

- (a) [a registered name](#);
- (b) [a bond](#);
- (c) [a completed application form](#);
- (d) client agreement and collection letters; and,
- (e) payment of the appropriate fee.

### 2. Name registration:

All corporations and operating (business) names must be registered with the Corporate Registry of the Information Services Corporation (ISC). You may contact the Corporate Registry via their website [www.isc.ca](http://www.isc.ca) or by mail at 1301 - 1st Avenue, Regina, SK., S4R 8H2 Phone: 1-866-275-4721, Fax: (306) 787-8999 or email [corporateregistry@isc.ca](mailto:corporateregistry@isc.ca).

### 3. Bonding requirements:

**Unless otherwise required, the usual bond amount is \$25,000.** NOTE: Bonding amounts are subject to the Registrar's discretion and depends upon the assessed risk to the public.

To obtain a bond, apply to your insurance agent or to any bonding company licensed under *The Saskatchewan Insurance Act*. See required penal bond wording attached. The exact wording is required.

### 4. Application Form:

Complete all pages of the application **in full**.

- [Application as a Collection Agency \(4 pages\)](#)
- [Application for each individual collector \(2 pages\)](#)

The **designated mailing address** (section 4 on the application) is used for mailing of correspondence from the Consumer Protection Division for routine correspondence, information, complaints and renewal notice.

The **Saskatchewan address for service** is the Saskatchewan address to be used for official notification of legal documents/actions.

#### Notice required of all subsequent changes on the application

Where any changes occur after the initial application that affect or change the information on the application, written notice to the Registrar is required.

### 5. Licence fees are as follows:

Collection Agent Licence:     **\$1,500 CAD - (includes one person named as authorized official/collector)**  
Collector Licence:             **\$ 300 CAD- (other than the designated official)**

Make fee payable to the MINISTER OF FINANCE A form is enclosed if paying by credit card
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**Licences are valid for five years from date of issue unless otherwise suspended or cancelled.**

6. **Mail** the following to the Registrar's office at the address below:

- Completed application form – with signatures.
- Licence fee in the correct amount – see #5 above.
- Original bond signed and sealed by bonding company and principal/official of your business/corporation.
- A blank copy of your client agreement, and copies of each collection letter intended for use in the Province of Saskatchewan [reference 6(3)(a)(b) and 6(4) of the Act]. These forms are to show the corporation or business name and the address (head office or branch).

Financial and Consumer Affairs Authority (FCAA)  
Consumer Protection Division  
500 - 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: (306) 787-5550 / 1 (877) 880-5550 (toll-free) / Fax: (306) 787-9779  
Email: [consumerprotection@gov.sk.ca](mailto:consumerprotection@gov.sk.ca)  
Web address: <http://www.fcaa.gov.sk.ca/>

Every applicant should exercise care in completing the application form. The application information is to be legible or it will be returned. Extra care will avoid delays which occur when applications must be returned because of incomplete answers, incorrect fees.

7. **FCAA Licensing Registry:**

Once licensed, the names of the agency and the licenced collectors will appear on the webpage [FCAA411](#). The public will be cautioned not to deal with any agency or collector that is not licensed.

## II. General Information

8. **The Collection Agents Act**

Before applying, every applicant for a licence should become familiar with the Act and Regulations.

A complete copy of *The Collection Agents Act* is available [here](#) or for a nominal fee request a print copy from the [Office of the Queen's Printer](#) at: 1 (306) 787- 6894; toll free in SK at 1 (800) 226 - 7302; by fax at 1(306) 798 - 0835; or by email at [qprinter@gov.sk.ca](mailto:qprinter@gov.sk.ca).

9. **Definitions (s. 2 of The Collection Agents Act)**

Authorized Official means a person who is authorized to act as the representative of a collection agent and is named in the licence of the collection agent. That person may act without an additional licence as a collector on behalf of the corporation.

Collection agent (agent is to be understood as meaning the agency) means a person other than a collector who:

- (i) collects debts for others;
- (ii) offers or undertakes to collect debts for others;
- (iii) solicits accounts for collection;
- (iv) collects debts owed to him under a name which differs from that under which he is the creditor;
- (v) mails to debtors or offers or undertakes to mail to debtors, on behalf of a creditor collection letters;
- (vi) for a fee or other consideration or hope or promise thereof, enters into an arrangement under the terms of which he agrees or undertakes to pay to a vendor any amount in respect of goods or services sold or supplied by the vendor to a person other than the collection agent;

- (vii) offers or undertakes to act for a debtor in arrangements or negotiations with his creditors;
- (viii) or receives money periodically from a debtor for distribution to his creditors;
- (ix) and includes a person who takes an assignment of a debt or debts due at the date of assignment from a specified debtor or debtors.

Collector means an individual who does anything referred to in the definition of collection agent or sells or offers for sale any of the services of a collection agent.

## 10. Prohibited Practices

The Act controls the methods used to collect debts. A collection agent cannot:

- collect or try to collect more than is owed or add additional fees or expenses to the debt;
- demand payment without giving the name of the creditor, the balance owed and the identity and authority of the person making the demand;
- harass the debtor, his or her family and household;
- call before 8 a.m. or after 9 p.m. or on Sundays or holidays (Holiday means Sunday, New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Saskatchewan Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day, and when one of those dates, other than Remembrance Day or Boxing Day, falls on a Sunday, it includes the following day);
- make a call by a method for which the debtor would incur costs; give any person false or misleading information that may be detrimental to a debtor or a debtor's family;
- contact a debtor's employer, except to verify the debtor's employment or in respect of payments under a wage assignment or a court order; or
- send the debtor documents that appear to be court documents.

## 11. Contracts with an unlicensed agent are prohibited – ss 35(1) of [The Collection Agents Act](#):

“Every person who knowingly employs an unlicensed collection agent or causes or procures letters or notices to be sent or verbal demands to be made upon debtors by an unlicensed collection agent is guilty of an offence”.

Clients who engage an unlicensed collection agent along with the unlicensed collection agency are subject to prosecution.

## III. Required Forms

### 12. Agency Agreements with Creditors

All collection agencies must enter into written collection agreements with their clients (the creditors). Copies of the agreements between the parties and communication letters with debtors must be provided to and approved by the Registrar of Collections, the Consumer Protection Division.

As a minimum, the agreement must include: legal names and addresses of the parties, a start and end date, plus governing terms and conditions. Thereafter refiling of this agreement is not required unless a change to the agency agreement has occurred.

When filing an application, and thereafter when changes occur, the applicant is to submit one copy of each form of the agreement that the agency uses or proposes to use when entering into agreement with creditors.

### 13. Forms to be filed by the Agency with the Registrar before attempting to collect debts

Every collection agent shall file with the registrar:

- One copy of each form or form letter that the agency uses or proposes to use in making demands for the collection of debts.
- Each form or form letter **must**:
  - identify and list the name of the collection agency,
  - include space for the name of a licenced collector,
  - have its own unique identifier,
  - **not** indicate that charges will be levied **unless** such is modified by the phrase “as awarded by the courts”; and,
  - not provide for a higher interest rate (if interest is to be charged) than the rate as per the original terms between the debtor and the original creditor.

No collection agent shall use a form of agreement or other form or form letter unless a copy of the form has been returned to him bearing an endorsement by the registrar to the effect that the form has been accepted for filing.

The registrar may refuse to accept for filing any form that he finds to be objectionable.

## IV. Annual Filing Requirements Pursuant to The Collection Agents Act

### 14. Annual Reports, [The Collection Agents Act](#).

s. 27 of The Act states:

Every licenced collection agent shall in each year cause to be prepared at the close of his fiscal year, a report on the affairs of the business of the collection agent for the preceding fiscal year, and a balance sheet of the business of the collection agent and a statement of profit and loss during the period covered by the report; and the report, balance sheet and statement of profit and loss shall be signed by the collection agent, certified by the auditor or auditors and forwarded to the registrar not later than three months after the close of the fiscal year to which they relate.

**Registrar’s position.** Unless otherwise stated, each collection agency is required to file the following annual statements:

- a balance sheet (current year plus previous year amounts),
- an income statement (current year plus previous year amounts),
- relevant accompanying notes including a note outlining how income is recognized<sup>1</sup>,
- the Accountant’s Report<sup>2</sup> – Trust Accounts (see the example of an Accountant’s Report – Trust Account)
- a statement of cash flow changes is preferred but optional.

The Registrar will accept the annual statements completed and signed by a Chartered Professional Accountant (CPA, CA, CMA, or CGA) or where the agent’s head office is in a non-Canadian jurisdiction by an equivalently qualified individual suitable to the Registrar not later than three months after the close of the fiscal year unless an extension by the Registrar is granted.

<sup>1</sup>Two examples of a note outlining how income is recognized are:

“Collection revenue is recognized as services are performed, generally upon collection of funds by or on behalf of the client and when the amount is determinable based on the contractual terms with the client.”

or

“Collection revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the price is fixed or determinable and collectability of the fee is reasonable assured”

<sup>2</sup>While financial statements are always required, the “Accountants Report – Trust Account” is only required where the Collection Agency accepts monies on behalf of a creditor. You will need to indicate that monies are not accepted when filing your annual returns should you not file such a report.

## **V. Records Requirements Pursuant to *The Collection Agents Act***

### **15. Records and accounts - [The Collection Agents Act](#)**

25 (1) Every holder of a collection agents licence shall:

- (a) keep proper records and books of account showing moneys received and moneys paid out, including a receipt book, cash book, clients’ ledger, debtors’ ledger, and journal or equivalent machine accounting records satisfactory to the registrar; and
- (b) maintain a trust account in a chartered bank, credit union or trust company, and shall deposit all moneys received on behalf of a client in the trust account.

(2) no money may be drawn from a trust account, except:

- (a) money paid to or on behalf of a client from funds which have been deposited in a trust account to the client’s credit;
- (b) money required for payment to the collection agent of his charges pursuant to an agreement to collect debts or disbursements made on behalf of a client from money belonging to the client; or
- (c) money paid in to the trust account by mistake.

### **16. Auditors**

26 (1) every licenced collection agent shall appoint one or more auditors, satisfactory to the registrar.

- (2) The auditor or auditors shall have a right of access at all times to all books, documents, accounts, and vouchers of the collection agent, and are entitled to receive from the collection agent and from the employees of the collection agent any information or explanation necessary for the performance of their duties as auditors, and each of those employees shall at all reasonable times provide such information or explanations to the auditor or auditors.
- (3) The auditor or auditors shall make a report to the collection agent on the accounts examined by them and on the balance sheet of the business of the collection agent, and the report shall state:

- (a) whether or not they have obtained all the information and explanations they requested;
- (b) whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit truly and correctly the state of the affairs of the business of the collection agent according to the best of their information and the explanations given to them and as shown by the books of the business of the collection agent;
- (c) in what respect they find the books, documents, accounts, or vouchers incorrect, or not in accordance with law;
- (d) the appropriateness or otherwise of the several forms of account kept by the collection agent; and
- (e) the gross amount of the moneys collected for the preceding twelve months.

(4) The auditor or auditors shall forward to the registrar a copy of every report made by him or them.

#### **Annual report**

- 27 every licensed collection agent shall in each year cause to be prepared at the close of his fiscal year, a report on the affairs of the business of the collection agent for the preceding fiscal year, and a balance sheet of the business of the collection agent and a statement of profit and loss during the period covered by the report; and the report, balance sheet and statement of profit and loss shall be signed by the collection agent, certified by the auditor or auditors and forwarded to the registrar not later than three months after the close of the fiscal year to which they relate.

#### **Accounting for any payment of money collected**

- 28 (1) every collection agent shall, without notice or demand, account for all moneys collected within thirty days after the end of the calendar month in which they are collected, and pay them, less his proper charges, to the person entitled thereto; but where the moneys collected are less than ten dollars, payment shall be made within sixty days after the end of the calendar month in which they are collected.

## Accountant's Report – Trust Accounts

Accountant's Report for {insert collection agents name}

herein after the Collection Agent

For the period ending {insert fiscal year-end date}

hereinafter the fiscal year end

To the Consumer Protection Division, Financial & Consumer Affairs Authority, Saskatchewan. Pursuant to Section 26 of *The Collection Agents Act* (The Act) we report that:

- (a) I/We have examined the Collections Agent's trust records for the fiscal year and confirm that the Collection Agent has maintained proper records and accounts of its trust collections in accordance with s. 25(1) of *The Act*;
- (b) I/We have examined the balances due to clients in trust as at the Collection Agent's fiscal year-end and find them consistent with records of the Collection Agent.
- (c) The monies held in trust for clients have been verified by investigations or by certificates obtained from the bank, treasury branch, trust company or credit union with which the trust accounts are maintained;
- (d) I/We have reviewed a sample of numbered trust account transactions of the Collection Agent for the fiscal year to satisfy ourselves that any monies withdrawn from the trust account have been used only for the purposes under s. 25(2) of *The Act*;
- (e) Trust monies are maintained in a separate trust account and are sufficient to retire undischarged trust obligations as at {insert fiscal year-end date} ;
- (f) The amount due to clients in trust at {insert fiscal year-end date} , as reflected by the records of the Collection Agent accounted to \$ \_\_\_\_\_ ;
- (g) The gross amount of monies collected by the Collection Agent in the twelve months preceding [insert fiscal year end date] amounted to \$ \_\_\_\_\_ ;
- (h) Pursuant to s. 27 of The Act, a balance sheet and income statement have been prepared;
- (i) The Collection Agent has accounted for payment of money collected as required by s. 28 of *The Act*; and
- (j) I/We have the following additional matters to report or comment on {see attached or none} .

This report is solely for the use of the "collection agent" for the purposes of the licensing requirements in the Province of Saskatchewan.

Note to reader - these procedures **do not** constitute an audit with the objective of expressing an opinion on the agent's overall financial statements, accordingly, this report does not express an opinion on that information.

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CPA

Date



# Application for Collection Agents Licence

## Licence fee \$1,500 (5-year term)

Make cheque payable to the Minister of Finance or complete credit card information on the enclosed payment authorization form. \$10 service charge for any cheque returned from your financial institution.

1. Name of the business

**Business Name** – must be an active registration with the Corporate Registry of Information Services Corporation -Please print

**Legal Name (select A, B or C which ever applies)** - Please print

A. Corporation Name – must be an active registration with the Corporate Registry of Information Services Corporation

B. Sole Proprietorship – must be legal name

C. Partnership – names of all partners – must be legal name  Check (v) if additional pages are used.

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2. Location of the business (include the full civic address, postal code **OR** legal land description, including R.M. name and number)

Location	
Phone:	Email:
Fax:	Website:



3. Designated mailing address for correspondence from this office OR Same as #3  
 Yes (include the full address, postal code, a box number is acceptable)

Mailing Address
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4. Saskatchewan address for the servicing of legal documents (location of the business or the mailing address may be used). If using an address other than your business address, include the name of the person/law firm as well as their location or mailing address. (Include the full address, postal code, or legal land description, including R.M. name and number)

Address for servicing of legal documents		
Phone:	Fax:	Email:

5. Provide the name of the individual who is the authorized official of the firm or corporation. That person may act without a collector's licence on behalf of the firm or person named by the corporation as a licensed collection agent. Provide the date and place of birth [reference subsection 9 of the Act].

Full name and full residential address of the Authorized Official (include the Postal code)		
Phone:	Fax:	Email:

6. Name(s) of the person(s) appointed to authorize collector's applications to act on behalf of the collection agency (section 10 of the Act). Provide name(s) and sample signature(s) of person(s):

First Name	Last Name	Signature

7. During the past ten years, has the sole proprietor, any partner, or director/officer of the corporation had a business licence refused, suspended or cancelled under the laws of any province, territory, state or country?

- No  
 Yes (If "yes", attach details).

8. a) Has the sole proprietor, any partner, or any director/officer of the corporation been convicted of a criminal offence within the previous 10 years?

- No  
 Yes (If "yes", attach details).

9. Has the authorized official been convicted of a criminal offence within the previous 10 years?

- No  
 Yes (If "yes", attach details).

**Note: Statements respecting criminal records are subject to verification.**

9. **AUTHORIZATION FOR CRIMINAL RECORD CHECK** - include Maiden Names separately if applicable  
**To be completed by all partners, authorized officials, directors or officers:**

I authorize the Registrar or his designate to obtain a criminal record check during the time of application, or period of licence granted pursuant to this application and any renewals:

Check (v) if additional pages are used.

Legal Name	Place of Birth	Date of Birth (yyyy/mm/dd)	Signature

10. Name and address of the chartered bank, credit union or trust company where the trust account is maintained. [reference section 25 of the Act] *(include the full address, postal code, phone and fax numbers and if any, email/internet address.)*

Phone:	Fax:	Email/Internet:

11. Agency's date of annual fiscal year end:

Month	Date

12. Additional Branch Offices utilized for conducting business in this province.  
*(include the name of the contact and the full address, postal code, phone and fax numbers and if any, email/internet address)*

Contact Name:		
Branch Office Address:		
Phone:	Fax:	Email/Internet:

Contact Name:		
Branch Office Address:		
Phone:	Fax:	Email/Internet:

**Any false or material misstatements in this application or in any of the accompanying material submitted may result in a refusal, suspension, cancellation of the licence and prosecution.**

### DECLARATION

I solemnly declare that the information provided by me in this application is true, and I make this solemn declaration conscientiously believing it to be true and knowing that providing false information may result in sanctions and licence cancellation.

I hereby authorize the Consumer Protection Division to collect additional information from other government regulators and law enforcement agencies, as well as former and current employers (if applicable), to complete and verify information provided in this form.

I will provide the Consumer Protection Division with written notice, when any changes occur that affect or change the information on the application.

I also hereby consent to the Consumer Protection Division sharing information collected under this application and *The Collection Agents Act* with regulating authorities in other jurisdictions.

Signed:

\_\_\_\_\_  
 Print name of Applicant

\_\_\_\_\_  
 Signature of Applicant

Dated \_\_\_\_\_, \_\_\_\_\_

(This declaration must be signed by a person authorized to sign on behalf of the business)

**“Note to Insurance Company “**  
Wording of the bond must be exactly as stated on this sample

**Penal Bond Wording**  
*The Collection Agents Act*

Bond No. \_\_\_\_\_

**KNOW ALL MEN BY THESE PRESENTS,**  
that \_\_\_\_\_ as Principal  
(hereinafter called the Principal))  
and, \_\_\_\_\_ as Surety  
(hereinafter called the Surety)

are held and firmly bound unto Her Majesty the Queen in right of Saskatchewan (hereinafter called the Obligee) in the penal sum of \_\_\_\_\_ dollars of lawful money of Canada, to be paid unto the Obligee, her successors and assigns, for which payment well and truly to be made, we jointly and severally bind ourselves, our executors, administrators, successors and assigns firmly by these presents.

**SEALED** with the respective seals of the Principal and of the Surety and dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**NOW THE CONDITION** of the obligation is such that if the said obligation does not by reason of any act, matter or thing at any time hereafter become or to be forfeit under *The Collection Agents Act*, then the said obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the said Act.

**PROVIDED** that if the Principal or Surety at any time gives notice in writing to the Registrar of *The Collection Agents Act* of intention to terminate the obligation hereby undertaken then this obligation shall cease and determine in respect only of any act, matter or thing taking place, arising or done subsequent to twenty-seven calendar months after receipt by the Registrar of such notice.

**PROVIDED FURTHER** that if such notice has been given, any claim hereunder shall be made on the Surety before the expiration of the aforesaid twenty-seven months.

**AND PROVIDED FURTHER** that no proceeds of this bond shall be paid to any person in respect of a contract entered three calendar months or more after receipt by the Registrar of any such notice.

**SIGNED, SEALED AND DELIVERED** )  
) )  
in the presence of )  
) )  
) )  
) )  
) )  
\_\_\_\_\_ )  
Witness )  
) )  
**SIGNED, SEALED AND DELIVERED** )  
) )

Principal(s)  
(sole proprietor, all partners,  
or Director of the Corporation)  
\_\_\_\_\_  
Surety (Seal)



### Collector Licence Application

#### Licence fee \$300 (5-year term)

Make cheque payable to the Minister of Finance or complete credit card information on the enclosed payment authorization form. \$10 service charge for any cheque returned from your financial institution.

1. I hereby apply for a licence under *The Collection Agents Act*.

First Name of Applicant	Middle Name of Applicant	Last Name of Applicant

Maiden name if applicable	
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2. State the name of the collection agent for which you intend to act as a collector.

3. a) Applicant's Date of Birth

b) Applicant's Place of Birth

yyyy	mm	dd

city	province	country

c) Applicant's Gender Male  Female

d) Applicant's Full Residential Address (include postal code, telephone number, and email address, if any)

Residential Address:	
Phone:	Work Email:

e) Has the applicant been convicted of a criminal offence under the Criminal Code of Canada within the previous 10 years? If yes, provide specifics regarding the offence(s) on a separate page: (date of conviction, type of offence(s), sentence received). Statements respecting criminal records are subject to verification.

- No
- Yes

4. **AUTHORIZATION FOR CRIMINAL RECORD CHECK (To be completed by the Applicant)** - include Maiden Name above if applicable

I authorize the Registrar or his designate to obtain a criminal record check during the time of application, or period of licence granted pursuant to this application and any renewals:

Name (please PRINT)

Signature


5. Branch business address (include the full address and postal code and telephone and fax numbers)

6. Authorization of Application by Sponsoring Company/Business

The following grants authorization for the above named individual to represent the collection agent:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature of licensee representative (sole proprietor, a partner or authorized official of the corporation)

\_\_\_\_\_  
Date

**Any false or material misstatements in this application or in any of the accompanying material submitted may result in a refusal, suspension, or cancellation of the licence and prosecution as an offence.**

**DECLARATION**

I solemnly declare that the information provided by me in this application is true, and I make this solemn declaration conscientiously believing it to be true and knowing that providing false information may result in sanctions and licence cancellation.

I hereby authorize the Consumer Protection Division to collect additional information from other government regulators and law enforcement agencies, as well as former and current employers (if applicable), to complete and verify information provided in this form.

I will provide the Consumer Protection Division with written notice, when any changes occur that affect or change the information on the application.

I also hereby consent to the Consumer Protection Division sharing information collected under this application and *The Collection Agents Act* with regulating authorities in other jurisdictions.

Signed:

Dated \_\_\_\_\_, \_\_\_\_\_

}  
}

\_\_\_\_\_

Signature of Applicant

**If the application is not completed properly, or if any of the information requested is not included, processing delays may result.**



# Payment Authorization

I, \_\_\_\_\_ authorize the

Consumer Protection Division to charge \$ \_\_\_\_\_ to my credit card.

Visa

Mastercard

\_\_\_\_\_  
Name appearing on card

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Card No.

MM YY

Expiry Date

\_\_\_\_\_  
Signature of Card Holder

\_\_\_\_\_  
Date