PROFITABLE GIVING CANADA

A Not for Profit Organization

PGC ALERT: A13-014
October 15, 2013
Rev 1.0

SUBJECT: Beware of the New Mission Life Financial Offers

This ALERT pertains to the following Registered Profitable Gifting Arrangements:

Canadian Organization for International Philanthropy (COIP)
Relief Lending Group (RLG)
Mission Life Financial (MLF)
PharmaGifts International (PGI)

The ALERT

This ALERT is being issued to inform members and donors of recent activities undertaken by Mission Life Financial Inc. As you know, PGC is still in the midst of an investigation of the above RPGAs, however, the final report is not ready for issuance yet. In the meantime, PGC felt it important to help members understand what is happening and the implications. This will also serve as another "mini" update to the Investigation. Here is the summary:

1. Mission Life has now issued debt settlement options similar to those offered by Relief Lending Group. This is not surprising , since all of the above companies, including Integrated Receivables Management Inc, are controlled by the same GROUP. You can refer to PGC Alert 13-12 to see the RLG situation; the MLF offer is formatted virtually the same. The cost is significantly higher, however.

2. In order to avoid having to refund interest to donors, MLF has increased the cost of the settlement offer using pharmaceuticals. It is actually now higher than that of the Justice Pharma program, the only solution so far that has been endorsed by PGC. It appears that under all scenarios offered, the donor will never receive a net refund from the MLF offers, even though they may surely be entitled to one.

3. PGC is of the opinion that no pharmaceuticals are actually being purchased to settle your debt. They do not offer any proof or any of the documentation that is necessary to provide to tax court. In any event, even if there are pharmaceuticals, you cannot purchase them from the original vendor for less than full loan value and maintain your original tax credit achieved.

4. The cash settlement offer is low and may appear attractive, however, if you settle your debt with the original vendor for less than face value, you will again lose your original tax credit. In other words, you will have to pay back to CRA the full amount of your original credit plus interest. PGC is advocating strongly to maintain valid tax credits from compliant programs and abhors this fraud.

5. It appears that Integrated Receivables Management Inc (IRMI) has been operating as a collection agency in Canada, sending out notices and calling clients to pay their debts. IRMI is not licensed in Canada to do so and many donors have been complaining about their dubious collection activities. As a result, IRMI is presently under investigation by at least one of the provincial Ministries of Consumer Services and faces serious penalties for their activities. PGC has been contacted by one and will cooperate with their investigation.

PGC provides the following as an update from the ongoing PGC 13-001 Investigation.

1. The PGC Interim Report provided information that the GROUP had committed offences by improperly using the prepaid interest that was supposed to be held on account for refunding to donors who wanted to settle their debts independently. They used the money for their own purposes. This continues to be the case and constitutes breach of trust.

2. The report also indicated that the GROUP had used most of the money from the legal defense funds for their own purposes, leaving no or little funds to defend donors in tax court when necessary. This also is breach of trust.

3. Today, it is evident that the GROUP is not allowing earlier donors to settle their debts compliantly. A large group of people have purchased pharmaceuticals independently and attempted to use them to settle their debts, however, the GROUP has resisted every attempt. Even when one donor was provided with very specific and concise written instructions and followed them exactly , they ignored or refused to accept the pills. This is in spite of the donor providing every document and proof necessary to comply fully with the terms of the original contract. This frustration tactic has been going on for almost 6 months! Full documentation is contained in the PGC evidence vault and will be available at the appropriate time in the investigation.

4. The GROUP continues to thwart any settlements through the Justice Pharma program. They are doing this as follows:
    a. Continued resistance to accept or acknowledge delivery of settlement pharmaceuticals.
    b. Attempts to discredit the Justice affiliates.
    c. Attempts to deceive donors who have settled their debts through the Justice program by telling them they don't know anything about it.
    d. Attempts to slander and discredit the Justice legal counsel.
    e. Attempts to bribe and purchase the assets of Justice's Canadian Affiliate
    f. Spreading false statements regarding the termination of the Justice Pharma program.

PGC Analysis and Recommendation

After thorough review of the MLF proposals, PGC is making the following recommendations to all its members and subscribers.

1. Do not send any money to any of the programs under investigation if you wish to maintain your current tax credit postion.

2. Do treat you debts with any of these programs as real, however, find another totally independent way to settle them

3. If you feel you are are being harassed by IRMI, register a complaint to your provincial Ministry of Consumer Services. IRMI is not licensed to call or write to you!

4. Donors who have ordered/purchased pharmaceuticals independently from Justice Trading to settle their donation debts can be confident that every action is being taken by Justice to protect their rights and tax credits. In spite of a lengthy time period with little progress reported, our investigation has revealed an extensive amount of activity is underway “behind the scenes” by Justice’s legal team to settle donors’ debts.

Thank you for reading this ALERT. The prime concern of Profitable Giving Canada is to provide accurate information to its members who participte in compliant Profitable Giving.

We are working hard to give you the best chance possible to maintain a valid claim to your tax credits.