

NOTICE 2781 OF 2004**NOTICE OF AN EXEMPTION GRANTED IN TERMS OF SECTION 10(4A) OF THE COMPETITION ACT 1998:****VISA SA, A BRANCH OF VISA INTERNATIONAL SERVICE ASSOCIATION INCORPORATED**

Notice is hereby given in terms of section 10(7) of the Competition Act 1998 (the Act) that the Competition Commission (the Commission) has, in response to an application by VISA SA, a branch of VISA International Service Association Incorporated in respect of an exemption from the application of Chapter 2 of the Act, decided on 5 November 2004 to grant an exemption in terms of section 10(4A) of the Act for a period of eight (8) years and six (6) months, ending on 30 April 2013.

An application has been filed with the Competition Commission for an exemption from the provisions of Chapter 2 of the Competition Act 1998 (the Act). In particular the applicants have requested that they be permitted to agree on prices and set other trading conditions in terms of the agreement by the members to set up a VISA National Organization for South Africa, which practices are prohibited in terms of section 4(1)(b) of the Act. The application was based on section 10(4) of the Act on the premise that the agreement is required to exercise certain intellectual property rights.

It was concluded that there is sufficient evidence to show that intellectual property rights are at issue and that the agreements or practices would relate to the exercise of an intellectual property right. The Commission grants the Applicant an exemption from the application of Chapter 2 of the Competition Act (89 of 1998) for a period of eight (8) years and six (6) months, ending on 30 April 2013.

In terms of Rule 19(5) of The Rules For The Conduct Of Proceedings In The Competition Commission, the Commission has provided written reasons for its decision. A copy of those reasons may be obtained from the investigator whose particulars are indicated below.

In terms of section 10(8) of the Competition Act (89 Of 1998), the *firm* concerned, or any other person with a substantial financial interest affected by this decision of the

Competition Commission, may appeal this decision to the Competition Tribunal in the *prescribed* manner within 20 business days after the date of publication of this notice in the Government Gazette.

Published by: J. A Theron, Senior Investigator, Enforcement and Exemptions, Competition Commission of South Africa, Block C Mapungubwe Building, 77 Meintjies street, Sunnyside, Pretoria, contact numbers: 012- 394 3261 or 012- 394 3200.

(Reference : Case Number: 2001 JUL 4)