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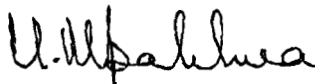
AIDS HELPLINE: 0800-0123-22 Prevention is the cure

GENERAL NOTICE

NOTICE 1618 OF 2005

DEPARTMENT OF TRADE AND INDUSTRY
CONSUMER AFFAIRS (UNFAIR BUSINESS PRACTICES) ACT,
1988

I, Mandisi **Mpahlwa, MP**, Minister of **Trade and Industry**, do hereby, in terms of **section 10(3)** of the **Consumer Affairs (Unfair Business Practices) Act, 1988 (Act No. 71 of 1988, the Act)**, publish the arrangement dated **6 July 2005** entered into between the **Consumer Affairs Committee** and **Sprigg Investment 117 CC** and its members.



M B M MPAHLWA

MINISTER OF TRADE AND INDUSTRY

UNDERTAKING**UNDERTAKING BY MIKE ROSSON, SOLE MEMBER OF SPRIGG INVESTMENTS 117 CLOSE CORPORATION TRADING AS GLOBAL INVESTMENT IN TERMS OF SECTION 9 OF THE CONSUMER AFFAIRS (UNFAIR BUSINESS PRACTICES) ACT, 71 OF 1988**


I, **Mike** Russon, in my capacity as ~~the~~ sole member of **Sprigg** Investments 117 Close Corporation trading as **Global** Investments, am aware that:

1. the Consumer Affairs Committee (the Committee) are currently conducting an investigation in terms of section 4(1)(c) of the Consumer Affairs (Unfair Business Practices) Act, 71 of 1988 (the Act);
2. whilst ~~there is~~ a perception ~~by~~ the Committee that a cooling off period is required, in the light of the provisions of the New National Consumer Credit Bill, the electricity savings device once installed constitutes a non - returnable product, and as such, in the circumstances, any cooling off period would, *strictu sensu*, not ~~be~~ applicable.
3. the Committee used the provisions of the Consumer Code on Direct Selling, which is administered ~~by the~~ Direct Selling Association, as guideline to **acceptable** practices in **so far** as ~~the~~ provisions of a cooling off period in ~~the~~ direct marketing **industry** is concerned. While my company is not a member of the Direct Selling Association, we **have** no objection in general to the principles contained **in** the Code.
4. in terms ~~of~~ section 9 of the Act, the Committee may at any time negotiate with any person, with a view **to** making an arrangement which in the opinion of the committee **will** ensure the discontinuance of an unfair business practice which exists or may come into existence **and** which is the subject of an investigation

This undertaking is provided without admitting liability or prejudice to our rights **and** on the basis that it is **founded** on the spirit, purport and wording of the Consumer Code on Direct Selling.

In view of the above, I, Mike Russon, in ~~my~~ capacity as sole member undertake to ensure that the company, Sprigg Investment 117 Close Corporation trading as Global Investments:

- (a) Shall immediately and truthfully **identify** itself to prospective customers. ~~by~~ identifying the company, the product and the purpose of the approach;
- (b) **Shall instruct** the distributors to provide accurate and complete explanation and demonstration ~~of the product~~ called "Electrosmart", in particular the cash price, credit price, interest rate, terms of payment, cooling off period, terms of guarantee and after sales service;



- (c) **Shall** ensure as far as **possible**, that the order **forms containing** a cooling off **clause permitting** the customer to withdraw **from the order** within a specified period of time, which shall not **be less** than five (5) **days**, and to obtain reimbursement of any payment.
- (d) The electricity saving device will **be** installed after five days of signing Of the order form. Requests **for** installation **of the device** prior to **expiry** of such **period** shall **be made by the** consumer in writing. Both the company **and** the consumer shall retain **a** copy of the written request. The written request shall be regarded as express instruction **by the** consumer to install the **device** provided that **the** consumer is not put under **undue influence** or duress **by the** sales representatives and **provided** that the implications of installing the device before the **expiry** of the cool off period are properly explained to the **consumer**. Once **the electricity** savings **device** has been installed it will **be** regarded as a non-returnable item.
- (e) Shall ensure that advertisements of the product shall not contain any descriptions, claims or illustrations, which directly or by implication, are misleading about the effectiveness of the product;
- (f) **Shall** provide **comprehensive training** in the selling method and **product** knowledge to its distributors.

Sprigg Investments 117 Close Corporation trading as Global Investments furthermore **understand** that any contravention of this undertaking **may** immediately **and** without further notification or discussion lead to an investigation in terms of section 8(1) a) of the A
section 8(1)(a) of the Act.


Michael Glen Russon,
Being **duly authorized** thereto and
On behalf of Sprigg Investment 117 CC
Trading as Global Investment

Signed on the 6th day of July 2005

1. Witness: 

Signed on the 6th day of July 2005

2. Witness: 

Signed on the 6th day of July 2005