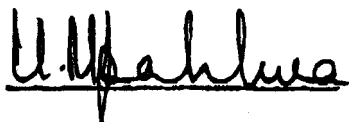

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GENERAL NOTICE

NOTICE 379 OF 2006**DEPARTMENT OF TRADE INDUSTRY
CONSUMER AFFAIRS (UNFAIR BUSINESS PRACTICES) ACT**

I, **Mandisi Mphahla**, 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)**, publish the **arrangement** dated **9 August 2005** entered into between the **Consumer Affairs Committee** and **Body Lab fitness centre**



MANDISI MPAHLWA, MP
MINISTER OF TRADE AND INDUSTRY
01/02/2006

SCHEDULE

UNDERTAKING BY; MR C BENETT AND MR HM BENETT, -MEMBERS OF BODY LAB GYMNASIUM IN TERMS OF SECTION 9 OF THE CONSUMER AFFAIRS (UNFAIR BOSSINESS PRACTICES) ACT NO 71 OF 1988

Background

In March of 2002, the Minister of Trade and Industry (the **Minister**) published a notice (**Notice 408 of 2002, Government Gazette No 23260 of 22 March 2002**). In this notice provision is made *for a five day cooling off period (excluding Saturdays, Sundays and public holidays)* for the cancellation of any agreement entered into between a consumer and a fitness centre from the actual date of the signing of the agreement. Consumers are also entitled to choose whether or not to pay membership fees in advance or to make monthly payments.

it has been alleged by certain consumers that *Body Lab Gymnasium in Kempton Park appears to debiting the full membership fees for the duration of the contract in advance from their credit cards without prior consent. This amounts to a contravention of the Notice issued by the Minister.*

We the undersigned representatives of **Body Lab:Gymnasium**
Mr C Benett (ID No: 7405145124081); and
Mr HM Benett (ID No: 7610200040086)

do hereby acknowledge that we have been informed that the Consumer Affairs Committee (the Committee), after undertaking a section 4(1)(c) investigations in terms of the Consumer Affairs (Unfair Business Practices) Act, 71 of 1988 (the Act), found that the business practices as applied by us, were likely to have the effect of:

harming the relations between us and the clients (the consumers);
unreasonably prejudicing the consumers;
deceiving the consumers and
unfairly affecting the consumers.

In the opinion of the Committee, we were therefore involved in unfair business practices as defined in the Act.

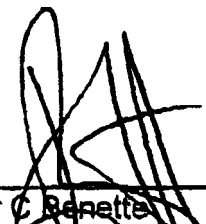
We acknowledge that our membership agreements do not include the provisions of the Minister's order. We have since initiated a process whereby our membership agreements have been changed to include these provisions.

We have been informed that in terms of section 9 of the Act, the Committee may, at any time, negotiate with any person with the view to making an arrangement which, in the opinion of the Committee, will ensure discontinuance of an unfair business practice. We are therefore prepared to negotiate with the representatives of the Committee and to make an arrangement regarding our future conduct.

Undertaking: In view of the above, we Mr. C Benett and Mr HM Benett undertake:

- (1) to ensure that all membership agreements issued by our Body Lab branches include *provisions that entitle* the member to: terminate his/her membership within five days (excluding Saturdays, Sundays and Public holidays) of entering into the contract; and to choose whether to pay membership fees in advance for the period of the contract or whether to make monthly payments.
- (2) to discontinue the unfair business practice with immediate effect
- (3) to ensure that all employees, agents or consultants that recruit consumers on behalf of Body Lab, shall at all times comply with the provisions of Notice 406 of 2002.
- (4) to refund consumers who entered into contracts that did not comply with notice 406 of 2002.

(We further understand that any contravention of this undertaking shall immediately and without further notification or discussion lead to a criminal charge.)



Mr C Benette

Signed on the 9 of August 2005



Mr HM Benette

Signed on the 9 of August 2005

(1) Witness:  Signed on the 9 of August 2005

(2) Witness:  Signed on the 9 of August 2005