
GENERAL NOTICE

NOTICE 455 OF 2006

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

NOTICE IN TERMS OF SECTION 12 (6) OF THE CONSUMER AFFAIRS (UNFAIR BUSINESS PRACTICES) ACT, 1988

I, Mandisi Mphahla, Minister of Trade and Industry, by virtue of the powers vested in me by section 12(6) of the Consumer Affairs (Unfair Business Practices) Act, 1988 (Act No. 71 of 1988), and after having considered a report by the Consumer Affairs Committee in relation to an investigation of which notice was given in Notice 574 of 2005 as published in Government Gazette No. 27473, dated 08 April 2005, which report was published in Notice 107 in Government Gazette No. 28419 of 2006, and being of the opinion that an unfair business practice exists which is not justified in the public interest, do hereby promulgate the notice in the Schedule.

SCHEDULE

In this notice, unless the context indicates otherwise –

1. "The parties" means attorneys and other collecting agents.
2. "Unfair business practice" means the business practice whereby parties, directly or indirectly
 - (a) Send letters of demand for the purposes of collecting claims of whatever nature and which have the appearance of legal documents.
 - (b) Parties utilizing communication:
 - (i) which simulates a legal or judicial process or

- (II) which is designed to **create** the impression that it is a legal or judicial process;
- (III) which is designed to create the impression that there is the intention to **institute** legal proceedings, whether civil or criminal, if there is **no** intention to **carry** out such a threat;
- (IV) it is not however an unfair business practice for parties to send a letter **of** demand which spells out the steps that will be followed **should** a debtor fail to pay outstanding **debts**.
3. Parties **are** hereby directed to **refrain** from applying the unfair business practice as described above;
4. **This** notice shall **come** into operation upon the date of the publication hereof;
5. On **the** recommendation of the Consumer Affairs Committee I may, in a particular case, in terms of section 12(6)(c) of Act No. 71 of 1988, grant exemption from a condition **or** requirement contemplated in this notice to such an extent and for such period and subject to such conditions as may be **specified** in the exemption. Such application for exemption must be directed to:

The Chief Director: **Office** of Consumer Protection
Consumer Affairs Committee
Private Bag X84
Pretoria
0001

Tel: 012 394 1542
Fax: 012 394 2542
e-mail: ebimo@thedti.gov.za



MANDISI MPAHLWA
MINISTER OF TRADE AND INDUSTRY