

**UNDERTAKING BY
LAY AND SONS ORGANISATION PTY LTD (ACN 009 626 537)
PURSUANT TO SECTION 87B OF THE *TRADE PRACTICES ACT* 1974 (Cth)**

PARTIES

This undertaking is given to the Australian Competition and Consumer Commission (hereafter "the Commission") by Lay and Sons Organisation Pty Ltd (ACN 009 626 537) (hereafter "Lay and Sons") under section 87B of the *Trade Practices Act* 1974 (Cth).

BACKGROUND

- A Lay and Sons imports, distributes and retails various grocery and general use products.
- B From or before September 1998 Lay and Sons imported a range of clove cigarettes, namely International, Swiss and Surya Professional brands, which did not carry the mandatory requirement for tobacco products to be labelled with prescribed Government health warning labels.
- C From or before September 1998 Lay and Sons distributed a range of clove cigarettes, namely International, Swiss and Surya Professional brands, which did not carry the mandatory requirement for tobacco products to be labelled with prescribed Government health warning labels.
- D From or before September 1998 Lay and Sons retailed a range of clove cigarettes, namely International, International, Swiss and Surya Professional brands, which did not carry the mandatory requirement for tobacco products to be labelled with prescribed Government health warning labels.
- E The conduct detailed in the abovementioned paragraphs B, C and D constituted breaches of Section 65 D of the *Trade Practices Act* 1974 (Cth) in that Lay and Sons in trade or commerce, supplied packets of clove cigarettes that were intended to be used, or were likely to be used by a consumer, being goods of a kind in respect of which a consumer product information standard had been prescribed, namely the *Trade Practices (Consumer Product Information Standard) (Tobacco) Regulations*, and to which the said tobacco products failed to meet.

UNDERTAKINGS

Lay and Sons undertakes to:

- 1 Immediately cease supplying all tobacco products which fail to meet the legislative requirements prescribed under the *Trade Practices Act* 1974 (Cth) (hereafter "the Act") and the *Trade Practices (Consumer Product Information Standard) (Tobacco) Regulations* (hereafter "the product information standard").
- 2 Immediately contact all persons to whom Lay and Sons has supplied the tobacco products which fail to meet the requirements of the Act and the product information standard and request that those persons immediately remove the tobacco products from sale and return them to Lay and Sons.

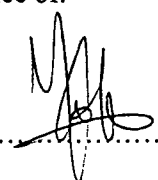
- 3 Refund the full purchase price of the tobacco products which fail to meet the requirements of the Act and the product information standard to those consumers who claim that they were adversely affected by the supply of tobacco products, upon return of the tobacco product, for a period of three months after execution of this undertaking.
- 4 Not supply tobacco products which fail to meet the requirements of the Act and the product information standard.


ACKNOWLEDGEMENTS

- 5 Lay and Sons acknowledges that the Commission will make this undertaking available for public inspection.
- 6 Lay and Sons acknowledges that the Commission may from time to time publish and publicly refer to this undertaking at its discretion.
- 7 Lay and Sons acknowledges that this undertaking in no way derogates from the rights and remedies available to any other person arising out of this conduct.

Executed on the 21st day of April 1999.

THE COMMON SEAL of Lay and Sons)
Organisation Pty Ltd was affixed in)
Accordance with its Articles of Association)
in the presence of:


.....
Secretary


.....
Director

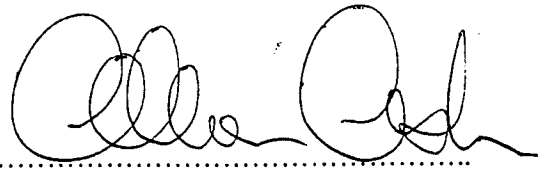
Name (printed) YUET VENH, KOK

Name (printed) KIVI YUET VI LAY

Dated this 21st day of April 1999

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Accepted by the Australian Competition and Consumer Commission pursuant to section 87B of the *Trade Practices Act 1974*.


.....
Chairperson

Dated this 30 day of April 1999