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TRADE PRACTICES ACT 1974**UNDERTAKING TO THE AUSTRALIAN COMPETITION AND
CONSUMER COMMISSION GIVEN FOR THE PURPOSES OF SECTION
87B OF THE TRADE PRACTICES ACT 1974 (CTH)****BY****THE AUSTRALASIAN INSTITUTE PTY LIMITED ACN 075 595 336****BACKGROUND**

1. The Australasian Institute Pty Limited ACN 075 595 336 ('TAI') is a trading corporation for the purposes of the Trade Practices Act 1974 ('the Act'), and duly incorporated pursuant to the laws of the State of New South Wales. TAI has previously offered and delivered various educational courses to students and has promoted its activities in the print media and over the internet on its website (<http://www.tai.edu.au>).
2. The Australian Competition and Consumer Commission ('the Commission') is a body corporate established by section 6A of the Act, and is responsible for taking action to enforce Part V of the Act.
3. In early 1999, TAI published or caused to be published various representations, regarding educational courses offered and/or delivered by TAI, in the print media and on its website.
4. Following a complaint regarding the accuracy of these claims and the operations of TAI in general, the Commission commenced an investigation into the operations of TAI. As a result of these investigations, the Commission instituted proceedings in the Federal Court of Australia in Sydney against TAI and Dr James Earl Edwards, the President of TAI, alleging breaches of, inter alia, sections 52, 53(c) and 55A.
5. This matter was subsequently referred to mediation by Justice Madgwick. Ultimately, the Commission and the First Respondent reached an in-principle agreement to settle the proceedings. This settlement includes a mechanism for providing refunds to some

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students, corrective advertising, declarations that the First Respondent engaged in conduct in breach of the Act and a contribution to the Commissions costs.

6. By way of mediation, it was agreed that the First Respondent had made the following representations that were misleading or likely to mislead:

- (i) that the Global Master of Business Administration delivered by TAI was an approved internet version of the University of Ballarat's GMBA;
- (ii) that the Global Master of Business Administration delivered by TAI had the approval, sponsorship or endorsement of the University of Ballarat;
- (iii) that the Global Master of Business Administration delivered by TAI had the approval, sponsorship or endorsement of the American International University;
- (iv) that the course content Master of Management Enterprise delivered by TAI had been approved by the University of Newcastle;
- (v) that TAI had the approval of the University of Newcastle to deliver the Master of Management Enterprise to students;
- (vi) that TAI was a body of high academic standing;
- (vii) that the Master of Management Enterprise delivered by TAI had the approval, sponsorship or endorsement of the University of Newcastle.

OBLIGATIONS UNDER THE UNDERTAKING

8. That the Directors of TAI attend a Seminar, as agreed between the parties, conducted by a person suitably qualified, on trade practices law to ensure future compliance with Part V of the Act within six months of the date this undertaking.

COMMENCEMENT OF THE UNDERTAKING

9. This undertaking, once executed under the seal of TAI, comes into effect on the date the undertaking so executed is accepted by the Commission.

ACKNOWLEDGEMENTS

10. TAI acknowledges that the Commission will make the undertaking available for public inspection.
11. TAI further acknowledges that the Commission will from time to time publicly refer to this undertaking at its discretion.

12. TAI further acknowledges that this undertaking in no way derogates from the rights and remedies available to any other person arising from the alleged conduct.

The Common Seal of The Australasian Institute
Pty Limited
(A.C.N. 075 595 336)

was hereto affixed by authority of its
Board of Directors in the presence of

Bryan Cook

Signature of authorised person

DIRECTOR

Office held

B. L. Cook.

Name of authorised person
(block letters)



A W Hooke

Signature of authorised person

DIRECTOR

Office held

A.W. HOOKE

Name of authorised person
(block letters)

Dated: December 1999

ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

[Signature]
Acting Chairman

Dated: *14* December 1999