

UNDERTAKING TO THE AUSTRALIAN COMPETITION AND CONSUMER
COMMISSION GIVEN PURSUANT TO SECTION 87B OF THE TRADE PRACTICES
ACT 1974

GIVEN BY

EMMANUEL KLONARIS,
PROPRIETOR OF CUT PRICE FROZEN FOODS

BACKGROUND

1. Emmanuel Klonaris is the proprietor of Cut Price Frozen Foods, a distributor of frozen food to retailers, such as restaurants, hotels and take-away outlets which utilise frozen food lines in the preparation of meals or snack food for retail sale to the public.
2. Cut Price Frozen Foods sells frozen food lines in Southern Tasmania.
3. Emmanuel Klonaris, in his capacity as a proprietor of Cut Price Frozen Foods, on occasions between not later than November 1991 until 1995, attempted to make, made and/or put into effect a number of price fixing arrangements with its major competitors. The products that were subject to price fixing arrangements include chips, poultry, takeaway lines, scallops and flake.
4. The conduct set out in paragraph (3) contravened section 45 (by way of 45A) of the Trade Practices Act 1974.
5. In proceedings instituted in the Federal Court of Australia (TG 19 of 1996) by the Australian Competition and Consumer Commission ('the Commission') on 9 July 1996, Emmanuel Klonaris admitted that, in his capacity as the proprietor of Cut Price Frozen Foods, he had engaged in price fixing conduct contrary to section 45 of the *Trade Practices Act 1974*.

UNDERTAKINGS

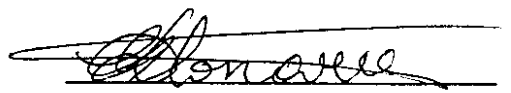
6. Emmanuel Klonaris gives the following undertakings to the Australian Competition and Consumer Commission for the purposes of section 87B of the *Trade Practices Act 1974*, being that, for the period of five years from the date of this undertaking, Emanuel Klonaris will, in his capacity as the proprietor of Cut Price Frozen Foods:
 - A. On a regular basis, not being more than one year apart, provide Trade Practices Act compliance training to all of its employees, servants or agents who occupy managerial, sales or buying positions. Such training to be:
 - a) conducted by a solicitor or other person suitably qualified to provide knowledgeable Trade Practices Act compliance training;
 - b) not less than three hours in duration spread over not more than two consecutive days.
 - c) provided, in the first instance, within two months of the date of this undertaking,

- B. Within two months of the date of this undertaking, produce, or otherwise acquire, a comprehensive Trade Practices Act compliance manual. Such compliance manual to include within it:
- a) a description of a business's, an employee, servant or agent's responsibilities, obligations and liabilities under the Trade Practices Act;
 - b) an unequivocal statement by the proprietors of Cut Price Frozen Foods, that they do not condone and will not authorise Cut Price Frozen Foods' employees, servants or agents to engage in conduct that contravenes the Trade Practices Act.
- C. The manual referred to in paragraph (B) is to be submitted to a solicitor for review and updating annually, and where alteration to the manual is made, the Company will take all reasonable measures to ensure that manuals issued, or to be issued, to employees, servants or agents of the Company are appropriately modified.

- 7. Emmanuel Klonaris acknowledges that the Australian Competition and Consumer Commission will make the undertaking available for public inspection;
- 8. Emmanuel Klonaris acknowledges that the Australian Competition and Consumer Commission will from time to time publicly refer to the undertaking.
- 9. Emmanuel Klonaris acknowledges and accepts that this undertaking in no way derogates from the rights and remedies available to any other person arising from the alleged conduct.

IN WITNESS OF THESE UNDERTAKINGS

EMMANUEL KLONARIS



PROPRIETOR
CUT PRICE FROZEN FOODS

E. Avid
Law Clerk,
Hobart.

This *30th* day of *October* 1996.

ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION
PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT 1974



CHAIRPERSON

This *6* day of *November* 1996.