



UNDERTAKING TO THE TRADE PRACTICES COMMISSION GIVEN PURSUANT TO SECTION 87B

BY

KINCROME AUSTRALIA PTY. LTD.

(ACN NO. 007 185 006 of 50C Rookes Road, Nunawading,
in the State of Victoria)

BACKGROUND

Kincrome Australia Pty. Ltd., ("Kincrome") is a company which imports and distributes hand tools.

Following an investigation by the Trade Practices Commission ("TPC") Kincrome was informed that the TPC considered that it had made false and misleading representations in regard to the place of origin of the following items:

- . 3 Drawer Tool Chest Model No. TC 70;
- . Apprentice Tool Set Model No. TC 4;
- . Tool Kit Model No. TC 7;
- . 62 Piece Socket Set Model 13435.

The TPC has stated that it considers that Kincrome represented the tool kits and socket sets as "Australian Made", through the use of the Advance Australia Foundation Logo, when the metal case (of the tool kits and socket sets) was the only component made in Australia. The TPC contends that these representations were false and misleading in contravention of section 53(eb) of the Trade Practices Act 1974.

Kincrome has ceased its use of the Advance Australia Foundation Logo and has fully co-operated with the TPC inquiry into this matter.

UNDERTAKING

Kincrome undertakes for the purposes of section 87B of the Trade Practices Act 1974:

1. To cease immediately any conduct which represents that its tool kits and/or socket sets are Australian made (where only the cases are made in Australia);
2. to take necessary steps to remove from the market place any representations (ie. removal of logo) that Kincrome tool kits and/or socket sets are Australian made;
3. to put in place appropriate follow up action to check that the necessary steps removing the representations have been implemented;
4. to advise each re-seller who has been supplied by Kincrome with tool kits and/or socket sets that only the cases of these kits and sets were made in Australia by letter of advice comprising, inter alia, notification to the following effect:

"Our Company is aware of possible confusion arising out of the presence of the Advance Australia Foundation Logo on a limited number of our tool boxes and/or socket sets which contain non-Australian made items. Kincrome has instructed its distributors to ensure that any offending tool kits and/or socket sets have the logo removed forthwith and the Company apologises for any confusion to re-seller or the consumer. Furthermore, to dispel any possible future confusion, our Company has ceased using the logo completely. Our Company is also placing advertisements in publications in each state in which it operates to the effect that this matter is being remedied and has opened a customer information line to assist consumers".

5. to place advertisements on or before the 26th March 1993, as set out hereunder:

"PUBLIC NOTICE"

KINCROME AUSTRALIA PTY. LTD. IS AWARE OF POSSIBLE CONFUSION ARISING OUT OF THE PRESENCE OF THE ADVANCE AUSTRALIA FOUNDATION LOGO ON A LIMITED NUMBER OF ITS TOOL BOXES AND SOCKET SETS CONTAINING NON-AUSTRALIAN MADE ITEMS. KINCROME APOLOGIZES FOR ANY CONFUSION AND TO DISPEL ANY POSSIBLE FUTURE CONFUSION IT HAS CEASED USING THE LOGO COMPLETELY. OUR CUSTOMER INFORMATION LINE IS TELEPHONE (03) 872-3022.

the above stated advertisement is to advise readers of the alleged misrepresentation and are to appear in the following publications:

Australian Hardware Journal;	
Herald Sun	Melbourne;
Telegraph Mirror	Sydney;
The Advertiser	Adelaide;
The Courier Mail	Brisbane;
The Northern Territory News	Darwin;
Western Australian	Perth;
Mercury	Hobart;
Canberra Times	Canberra.

the said advertisements are to be approximately 6cm x 4cm placed in all the above publications on a once only basis.

6. to establish a bona fide corporate compliance programme within its operations, designed to ensure awareness of its responsibilities and obligations under the Trade Practices Act 1974 by its employees and agents via an appropriate Quality Assurance Programme Consultant, such programme to be commenced within one month of the date of the giving of this undertaking and that the Quality Assurance Programme will cover, inter alia, consumer protection as required under the Trade Practices Act, the labelling of products, the handling of consumer complaints and information to consumers and resellers regarding products.

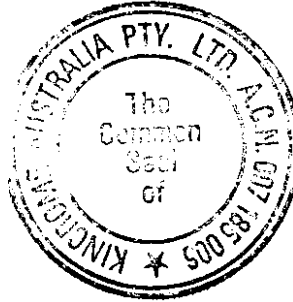
That the Quality Assurance Consultant is also to act as the independent person or body to confirm the implementation of the undertakings. The Quality Assurance Consultant's written report will state in relation to each undertaking whether or not the undertaking has been carried and to state (with reasons) whether or not, in the opinion of the Quality Assurance Consultant the objectives of the Corporate Compliance Programme have been met.

7. Kinchrome acknowledges and accepts that this undertaking will be placed on the Commission's Public Register and may be referred to by the TPC at its discretion.

Kinchrome also notes that this undertaking in no way derogates from the rights or remedies available to any other person arising from the alleged conduct.

IN WITNESS OF THESE UNDERTAKINGS

THE COMMON SEAL OF
KINCROME AUSTRALIA PTY. LTD.)
was hereunto affixed by authority of)
the Board of Directors previously given)
in the presence of:



[Handwritten Signature]
.....
Director

[Handwritten Signature]

this fourth day of March 1993.

ACCEPTED BY THE TRADE PRACTICES COMMISSION PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT.

[Handwritten Signature]
.....
Chairman

this day of 1993.