

**NOTICE TO COMPLY IN TERMS OF SECTION 55(1) OF THE NATIONAL CREDIT ACT
NO. 34 OF 2005 ("the Act")**

Name of registrant

EM AND N FINANCE CC

Address

Rietfontein Farm
Kokstad
4706

Registration

NCR Registration Number NCRCP 3242

A. In terms of Section 55(1) and 55 (3) of the Act your attention is drawn to the fact that you have failed to comply with the provisions of the Act, in that:

You retain consumers' bank cards and Personal Information Numbers ("PIN") and make use of them when collecting on or enforcing a credit agreement in contravention of sections 91(b) and 133 of the Act.

B. In terms of Section 55 (3) of the Act, you are required to take the following steps to address the non compliance with the Act:

With immediate effect,

return to every consumer his/her bank card in your possession and delete/destroy all records of pin numbers or other auto teller access card or similar item and refrain from such practice in the future.

C. As required in terms of Section 55 (3)(e), we would like to bring to your attention that the following orders may be made and penalties may be imposed if the required steps are not taken to rectify the areas on non compliance:

i. The NCR may refer this matter to the National Consumer Tribunal, which may impose the penalties as defined in section 150 of the Act for each act of non-compliance, including:

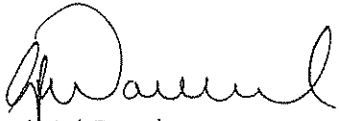
- (a) declaring any conduct to be prohibited;
- (b) interdicting such prohibited conduct;
- (c) an administrative fine not exceeding the greater of 10% of your annual turnover during the preceding financial year or R1000000 (One Million Rand);
- (d) suspending or cancelling your registration;

- (e) requiring repayment to consumers of any excess amounts charged; or
- (f) any other appropriate order.

ii. The NCR may further refer certain matters to the National Prosecuting Authority, which may institute legal action resulting in criminal prosecutions.

D. We wish to bring to your attention that you may object to this Notice in terms of section 56 of the Act and may request the National Consumer Tribunal to review this Notice, within 15 business days after receiving this notice.

Signed at Midrand on 12 January 2009,



Gabriel Davel
Chief Executive Officer
National Credit Regulator