

**NOTICE OF NON COMPLIANCE BY AN UNREGISTERED ENTITY/ INDIVIDUAL IN
TERMS OF SECTION 54(1) OF THE NATIONAL CREDIT ACT 34 OF 2005**

NCR Form 12

Name of unregistered entity/Individuals

1. Sam Van Zyl t/a Popular Supermarket
2. Sam Van Zyl (Identity Number) N/A

Address

Popular Supermarket
Main Street
Mount Fletcher
4770

A. It has come to the attention of the National Credit Regulator that you are engaging in or offering to engage in or holding yourself out as authorized to be engaged in the following activities:

- i. Conducting the business of a credit provider without being registered with the National Credit Regulator. This practice is in contravention of section 40(1) of the National Credit Act 34 of 2005 ("the Act").
- ii. Retaining borrower's bankcards and pin codes in contravention of paragraph 2 of the schedule prescribed in Government Notice R6959 dated 13 December 2000, published in Government Gazette 21893 of the same date, read with sections 1, 16 and 17 of the Usury Act, 73 of 1968. This practice is also prohibited in terms of sections 91(b) and 133 of the Act.

B. In terms of Section 54(1) of the Act, you are hereby notified to take the following steps to address the non-compliance with the Act:

With immediate effect:

- i. desist from engaging, offering to engage in or holding yourself out as authorized to engage in the activities of conducting the business of a credit provider;
- ii. return to every borrower his/her bank card in your possession and delete/destroy all records of pin numbers or other auto teller access information or similar item and refrain from such practice in the future.

C. As required in terms of Section 54(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 of non-compliance:

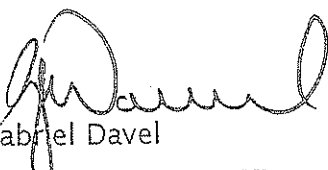
- i. The National Credit Regulator may refer this matter to the Tribunal, which may impose the penalties as defined in section 150 of the Act for each act of non-compliance, including-
 - (a) declaring any conduct to be prohibited;
 - (b) interdicting such prohibited conduct;
 - (c) an administrative fine not exceeding the greater of 10% of your annual turnover during the preceding financial year or R1000000.00 (One Million Rand);
 - (d) requiring repayment to consumers of any excess amounts charged; or
 - (e) any other appropriate order.
- ii. The National Credit Regulator may further refer certain matters to the National Prosecuting Authority, which may institute legal action resulting in criminal prosecution. In terms of section 161 (b) of the Act a fine or

imprisonment for a period not exceeding 12 months or to both a fine and imprisonment may be imposed by the courts.

- iii. In terms of section 54(5) of the Act, failure to comply with this Notice is an offence capable of an order of a fine or imprisonment or both a fine and imprisonment.

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 Tribunal to review this Notice, within 15 business days after receiving this notice.

Signed at Midrand on 19 March 2008,



Gabriel Davel

Chief Executive Officer

National Credit Regulator