

5 September 2008

National Treasury
Republic of South Africa

Attention Mr Greg Smith

Re: Buying Commission

Dear Sir,

With reference to the proposed draft bill regarding the issue of buying commission we Shoprite Checkers Pty Ltd hereby list our comments as mentioned below.

1. We are currently represented by five major buying agents in the Far East each of whom is sourcing various products from over 800 factories within main land China.
2. We are currently paying our buying agents directly for goods purchased and they in turn are paying the factories, as set out in section 66 and 67 of Act 91 of 1964.
3. This payment method has been proven to be cost effective and less labour intensive to our business.
4. Should the definition of a buying agent change as set out in the draft bill we would be strongly opposed against such legislation as this would have financial ramifications for our business.

Should you require any further information regarding the issue of buying commission please don't hesitate to contact the writer.

Regards



STEPHEN BRAUDE
SHOPRITE CHECKERS PTY LTD



MEMBER OF SHOPRITE GROUP

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