

#### **4. APPLICATION OF B-BBEE REQUIREMENT ON LICENCES**

- (1) On application, all applicants must have a minimum of 30% ownership by black people and have a minimum level 4 B-BBEE status.
- (2) Each application must be accompanied by a B-BBEE verification certificate.
- (3) A Licensee must submit a B-BBEE verification certificate annually in terms of the Compliance Procedure Manual Regulations, 2011 demonstrating its B-BBEE status calculated on a flow through principle.
- (4) A Licensee must ensure that its ownership equity held by black people is not lower than 30% at any given time during the licence period.

#### **5. TRANSFER OF CONTROL OR TRANSFER OF OWNERSHIP IN A LICENSEE**

One hundred percent (100%) transfer of the issued share capital in a Licensee amounts to both a direct transfer of ownership and a direct transfer of control of a Licensee, save for where the provisions of the shareholder agreements or the incorporating documents of the Licensee indicate otherwise.

#### **6. INDIRECT OWNERSHIP INTEREST**

For purposes of these regulations an "indirect" ownership interest in a licensee shall be calculated by use of a multiplier as reflected in Annexure A.

#### **7. APPLICATION OF THE ICT SECTOR CODES**

In line with section 10 of the B-BBEE Act, the applicable ICT Sector Codes will apply in the granting of individual and Class licences.

#### **8. CONTRAVENTIONS AND PENALTIES**

- (1) A person that submits false, misleading or inaccurate information is guilty of an offence and subject, on conviction to a fine not less than R50 000 (Fifty thousand Rand) but not exceeding R5 000 000 (Five million Rand) or