

GOVERNMENT GAZETTE

PRETORIA, 8 MAY 2002

No.

GENERAL NOTICE

NOTICE OF 2002

INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA



LICENCE ISSUED TO SENTECH LIMITED ON

MONDAY, 6 MAY 2002

**TO PROVIDE MULTIMEDIA SERVICES IN TERMS OF SECTION 32C(1)(B)
AND SECTION 32C(6) OF THE TELECOMMUNICATIONS ACT 103 OF 1996**

AS AMENDED

MULTIMEDIA SERVICE LICENCE

TERMS AND CONDITIONS

1 DEFINITIONS

1.1 In this Licence and the annexes to this Licence:-

1.1.1 clause headings are for convenience and are not to be used in its interpretation;

1.1.2 unless the context indicates a contrary intention, an expression which denotes:-

1.1.2.1 any gender includes the other gender;

1.1.2.2 a natural person includes a juristic person and *vice versa*,

1.1.2.3 the singular includes the plural and *vice versa*.

1.2 In this Licence, the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

1.2.1 **"Applicable Interest Rate"** means the prime interest rate as published from time to time by the South African Reserve Bank, established by Section 9 of the Currency and Banking Act, No 31 of 1920, and operating in terms of the South African Reserve Bank Act, No 90 of 1989;

1.2.2 **"Approved Equipment"** means telecommunication equipment which has been approved by the Authority under Chapter VI of the Telecommunications Act;

1.2.3 **"Authority"** means the Independent Communications Authority of South Africa established in terms of section 3 of the Independent Communications Authority of South Africa Act no. 13 of 2000, and its successors;

- 1.2.4 **"Communication Configuration"** means (i) point to point; or (ii) point to multipoint; or (iii) multipoint to point; or (iv) multipoint to multipoint; interactive transmission and distribution of Multimedia Services;
- 1.2.5 **"Effective Date"** means 7 May 2002 and more particularly, the commencement of business on that day;
- 1.2.6 **"Financial Year"** means the financial year of the Licensee ending on 31 March of each and every year;
- 1.2.7 **"Historically Disadvantaged Person"** means, in relation to natural persons, persons who are generally regarded as South African Black persons (i.e. Africans, Coloureds or Indians), women and persons with disabilities and, in relation to juristic persons, means entities that are controlled by Historically Disadvantaged Persons, and Historically Disadvantaged Group shall have a corresponding meaning;
- 1.2.8 **"ITU"** means the International Telecommunication Union;
- 1.2.9 **"Licence"** means this Licence issued by the Authority to the Licensee in terms of section 32C(1)(b) and 32C(6) of the Telecommunications Act;
- 1.2.10 **"Licence Fee Income"** means the total annual invoiced revenue of the Licensee (less discounts, value-added tax and other indirect taxes) derived from customers for the provision to them of any aspect of the Multimedia Service, less net interconnect fees and charges and bad debts incurred and as provided for in terms of the Income Tax Act, No 58 of 1962;
- 1.2.11 **"Licence Period"** means the term, referred to in clause 2, for which this Licence, including the associated frequency spectrum licence/s, shall be in force (including such periods in respect of which this Licence and the associated frequency spectrum licence/s may be renewed and any further periods of renewal);
- 1.2.12 **"Licensee"** means Sentech Limited, registration number 1990/001791/07, a company duly registered and incorporated under the company laws of the Territory;

1.2.13 **"Minister"** means the Minister of Communications;

1.2.14 **"Multimedia Services"** means a telecommunication service that integrates and synchronises various forms of media to communicate information or content in an interactive format, including services such as -

- a. internet through television;
- b. pay-per-view;
- c. video on demand;
- d. electronic transactions (including e-commerce);
- e. text;
- f. data;
- g. graphics;
- h. animation;
- i. audio;
- j. visual content,

but shall not include mobile cellular telecommunication services and public switched telecommunication services;

1.2.15 **"Multimedia Service Network"** means the Multimedia Service Network including any return path owned, constructed, maintained and operated by the Licensee for the purposes of providing Multimedia Services by whatsoever means through which Multimedia Traffic is conveyed in accordance with any Communication Configuration through the application of any applicable protocol between:

- 1 (one) or more Terminal Connection Points;
- 1 (one) or more Network Connection Points;
- a Terminal Connection Point and a Network Connection Point;
- a Terminal Connection Point or a Network Connection Point, as the case may be and a corresponding point in another country;

- 1.2.16 **"Multimedia Traffic"** includes any text, data, graphics, audio, animation or visual content conveyed by the Licensee by means of its Multimedia Service Network.
- 1.2.17 **"Network Connection Equipment"** means in relation to the Multimedia Service Network or Multimedia Services, an item of telecommunication apparatus comprised in that telecommunication system which is not Terminal Connection Equipment and which is used or is meant to be used to provide interconnection with any other telecommunication system;
- 1.2.18 **"Operator"** means any Public Switched Telecommunication Service Licensee or any entity licensed to provide similar services, Mobile Cellular Telecommunication Service Licensee or any entity licensed to provide similar services or any Under-Served Area Licensee, licensed to provide such services in terms of the Telecommunications Act;
- 1.2.19 **"PSTS"** means public switched telecommunication service;
- 1.2.20 **"Regulations"** means regulations promulgated in terms of section 96 of the Telecommunications Act No. 103 of 1996;
- 1.2.21 **"Telecommunications Act"** means the Telecommunications Act No 103 of 1996;
- 1.2.22 **"Terminal Connection Equipment"** means in relation to the Multimedia Service Network an item of telecommunication apparatus comprised in that telecommunication system which is fixed or mobile and which enables:-
- 1.2.22.1 User Terminal Devices to be connected to the Multimedia Service Network;
- 1.2.22.2 Multimedia Traffic to be conveyed bidirectionally between the User Terminal Devices and the Multimedia Service Network; and
- 1.2.22.3 the proper functioning and operation of User Terminal Devices and the testing of the Multimedia Service Network or the testing of Multimedia Services in relation thereto;

- 1.2.23 **"Terminal Connection Point"** means any point within an item of Terminal Connection Equipment at which Multimedia Traffic is conveyed to or from one or more items of User Terminal Devices;
- 1.2.24 **"Territory"** means the Republic of the South Africa;
- 1.2.25 **"User Terminal Device"** means any fixed or mobile device which does not form part of the Multimedia Service Network and which is used for the delivery of Multimedia Services directly to customers, and has been type approved in accordance with Chapter VI of the Telecommunications Act;
- 1.3 Words and expressions defined in any clause shall, for the purposes of that clause, bear the meaning assigned to such words and expressions in such clause.
- 1.4 If any provision is a substantive provision conferring rights or imposing obligations on the Licensee, notwithstanding that it is only in the interpretation clause, effect will be given to it as if it were a substantive provision in the body of the Licence.
- 1.5 All terms and expressions not expressly defined herein shall have the meanings assigned to them as set out in the Telecommunications Act, as amended, and all applicable Regulations issued in terms of that Act. The Licensee is required to comply with the Telecommunications Act and all applicable Regulations.

2 **LICENCE PERIOD**

The initial term of the Licence shall be for a period of 15 (fifteen) years from the Effective Date.

3 **LICENCE AUTHORITY**

- 3.1 Subject to the provisions of section 32C(8) of the Telecommunications Act, the Licensee is authorised by this Licence to own, lease, construct, maintain, operate and use a Multimedia Service Network for the provision of Multimedia Services within the Republic.

- 3.2 The Licensee shall be entitled and is authorised in terms of this Licence to:
- 3.2.1 provide Multimedia Services to any person who requests such services and to use the same for the Licensee's business activities and own purposes;
 - 3.2.2 provide the Multimedia Service as a common carrier on a reasonable, equitable and non-discriminatory basis;
 - 3.2.3 use the frequency spectrum assigned by the Authority in the frequency spectrum licence for the provision of Multimedia Services;
 - 3.2.4 connect or, cause or allow to be connected to the Multimedia Service Network, any telecommunication system in the Territory which is licensed under the Telecommunications Act or which the Authority has prescribed can be provided without a licence in terms of section 33 to the Telecommunications Act;
 - 3.2.5 connect or, cause or allow to be connected to the Licensee's Multimedia Service Network, any telecommunication system or telecommunication service situated outside the Territory except where such connection would contravene a treaty or other agreement to which the Territory is a party;
 - 3.2.6 connect or, cause or allow to be connected to the Multimedia Service Network any User Terminal Device;
 - 3.2.7 connect or, cause or allow to be connected to the Multimedia Service Network any telecommunication facility required for the provision of Multimedia Services;
- 3.3 In addition to the rights referred to in clause 3.2, the Licensee shall be entitled to:
- 3.3.1 procure, design, develop and maintain any software or hardware to be used in connection with any telecommunication system and to use for the provision of its Multimedia Service;
 - 3.3.2 use any international protocol application in its provision of the Multimedia Service;

- 3.3.3 use its own telecommunication facilities in the provision of the Multimedia Service and the interconnection of the same to any telecommunication system;
 - 3.3.4 provide any service which is ancillary to the Licensee's provision of a Multimedia Service, including billing and installation, maintenance and repair services; and
 - 3.3.5 enter into suitable arrangements with any Operator for the sharing of infrastructure and facilities, for the co-location of facilities and infrastructure and to interconnect with any Operator.
- 3.4 All the rights set out in this Licence shall be subject to the provisions of the Telecommunications Act, the relevant Regulations promulgated from time to time in terms of section 96 and the terms and conditions of this Licence.
- 3.5 The Licensee shall be entitled by virtue of this Licence to operate the Multimedia Service Network and to provide Multimedia Services together with all or any other rights granted to the Licensee under this Licence.
- 3.6 Nothing contained in this Licence shall authorise the Licensee to provide telecommunication facilities to anyone licensed under the Telecommunications Act to provide value-added network services, in circumstances where that person, by obtaining the telecommunication facilities in question from the Licensee, violates a term of its own telecommunication licence or otherwise acts in a manner inconsistent with that contemplated by section 40(2) of the Telecommunications Act.
- 3.7 The Licensee shall use its reasonable endeavours to ensure that its employees, agents or contractors comply with the provisions of this Licence in the exercise or performance of the Licensee's rights and obligations as set out in this Licence.

4 LICENCE FEES

4.1 Fixed Licence Fee

In consideration for the grant of the Licence, the Licensee shall pay to the Authority a fixed licence fee in respect of the initial term of the Licence, referred to in clause 2, in the amount of R25m (twenty five) million Rand.

- 4.1.1 Should the Licensee fail to make payments of any amounts due in terms of clause 4.1.2 on the due date for payment thereof, then and in such event, interest at the Applicable Interest Rate shall accrue on the amount which is due in terms of clause 4.1.2, such interest to be calculated from the due date for payment thereof to the date of actual payment.
- 4.1.2 Subject to clause 4.1.4, the principal amount of the fixed licence fee referred to in clause 4.1. shall be payable by the Licensee to the Authority in 5 (five) equal annual instalments, the first instalment to be paid on the third anniversary of the Effective Date.
- 4.1.3 The Licensee may accelerate payments of the fixed licence fee referred to in clause 4.1. by making payment prior to the dates specified in 4.1.2 and, in such cases, the provisions of clause 4.1.2 shall still apply.
- 4.1.4 In addition to the fixed licence fee, the Licensee shall pay the fees stipulated in its frequency spectrum licence and such other fees as may be payable in terms of such Regulations as may apply to it from time to time.

4.2 Annual Variable Licence Fee

- 4.2.1 Subject to what is stated below, an annual variable licence fee in an amount equal to 0.5% (one half of one percent) of the audited Licence Fee Income shall be payable by the Licensee to the Authority.
- 4.2.2 The first payment of the annual variable licence fee referred to in clause 4.2.1 shall be made within 3 (three) months of the Licensee's Financial Year in the third year of the Licence Period

and shall be calculated on the basis of the Licence Fee Income generated during the third year of the Licence Period.

- 4.2.3 After the fourth year of the Licence Period, the annual variable licence fee shall be payable within ninety days of the expiry of Sentech's financial year in question.
- 4.2.4 The annual variable licence fee payable by the Licensee shall be reviewable by the Authority after the fifth anniversary of the Effective Date, provided that, in the event of the percentage of Licence Fee Income payable by the Licensee being increased by the Authority, the percentage so increased shall not exceed the percentage of net operating income payable by similarly licensed operators in respect of the corresponding licence fees payable by them.
- 4.2.5 In reviewing the percentage of Licence Fee Income payable by the Licensee in terms of this clause, the Authority shall have due regard to factors such as the number of similarly licensed operators in the Territory, the spectrum allocated to such similarly licensed operators and the percentage of net operating income payable by such similarly licensed operators.
- 4.2.6 The provisions of clause 4.2 shall apply *mutatis mutandis* to all subsequent Licence Periods of this Licence.

5 UNIVERSAL SERVICE FUND AND COMMUNITY SERVICE OBLIGATIONS

5.1 Universal Service Fund Obligations

The Licensee shall pay an annual contribution to the Universal Service Fund as prescribed by regulation in terms of section 67(2) of the Telecommunication Act.

5.2 Community Service Obligations

The Licensee shall establish and maintain School Internet Laboratories (computer laboratories with Internet Connectivity) in 500 schools in rural areas over 5 (five) years as specified in Annexure A.

6 PERFORMANCE SPECIFICATIONS

- 6.1 The Multimedia Services provided by the Licensee shall conform to such Regulations as prescribed by the Authority.
- 6.2 The Licensee shall introduce measures and at all times use its resources to ensure that any telecommunication apparatus used in connection with the Multimedia Service Network or in the provision of Multimedia Services, including any telecommunication facilities owned by the Licensee shall comply with:-
- 6.2.1 the requirements for electromagnetic compatibility; and
- 6.2.2 the requirements for network interoperability, as prescribed by the Authority in accordance with international specifications and standards.
- 6.3 If requested by a customer in relation to a particular invoice, the Licensee shall provide such customer with a detailed statement of account.

7 CUSTOMER SERVICE STANDARDS

- 7.1 The Licensee shall develop and enforce guidelines for use by its personnel when handling enquiries and complaints from a customer to whom it provides Multimedia Services and to whom it supplies Terminal Connection Equipment and/or User Terminal Devices. The Licensee shall make such guidelines available to any customer who requests to be furnished with a copy of the same.
- 7.2 The Licensee shall prepare and enforce standard terms and conditions for the use of its Multimedia Services and it shall make such standard terms and conditions available to customers at the commencement of or the bringing into service of Multimedia Services to be provided to such customers.

8 FAIR TRADING

- 8.1 The Licensee, its agents and sub-contractors shall not demonstrate any undue preference to or exercise any undue discrimination

against any person or class or description of persons in respect of the provision of Multimedia Services or in respect of the construction or maintenance of any connection to the Multimedia Service Network.

- 8.2 The Licensee shall include a provision in its end-user agreements with customers wherein it undertakes to comply with a code of practice for consumer affairs to be established by the Licensee and which shall at a minimum address the following:-
- 8.2.1 guidance to customers in respect of disputes or complaints relating to the provision of Multimedia Services by the Licensee;
 - 8.2.2 advice to customers on charging and billing and procedures including the procedures to be followed in respect of billing and charging enquiries;
 - 8.2.3 advice on the procedures to be followed in respect of the proper use of the Multimedia Services by customers; and
 - 8.2.4 standards of conduct to be adhered to by the Licensee in the provision of Multimedia Services to its customers.
 - 8.2.5 The Licensee shall lodge with the Authority representative sample copies of all end-user contracts relating to the Licensee's provision of Multimedia Services to any customer.
- 8.3 The Licensee shall not unfairly cross-subsidise its charges for any Multimedia Services in which the Licensee competes with the services mentioned in section 32C(7) of the Act.

9 **ACCOUNTS**

- 9.1 The Licensee shall maintain proper accounting records in a form, which is sufficient to show and explain its transactions and in this regard, the Licensee shall maintain such records as fairly represent the cost, revenue and financial position of the Licensee's business activities in terms of this Licence.
- 9.2 Within 3 (three) months after the end of each Financial Year of the Licensee, the Licensee shall present to the Authority audited annual

financial statements prepared in accordance with Generally Accepted Accounting Practice .

10 TRANSFER OF LICENCE AND OWNERSHIP AND CONTROL

10.1 Transfer of Licence

The Licensee shall not transfer the Licence without the prior written consent of the Authority having been obtained in terms of the Telecommunications Act and the applicable Regulations.

10.2 Transfer of ownership and control

10.2.1 Any transfer of shares of the issued share capital of the Licensee being acquired by any party which is not a shareholder of the Licensee as at the Effective Date shall require prior written approval by the Authority.

10.2.2 Any transaction, agreement or undertaking entered into by the Licensee with any other party that could have the effect of changing the control of the Licensee, shall require prior written approval by the Authority.

11 EMPLOYMENT EQUITY, HUMAN RESOURCE DEVELOPMENT AND TRAINING

11.1 The Licensee shall comply with the provisions of the Employment Equity Act, No 55 of 1998, and the Skills Development Act, No 97 of 1998, in relation to employment equity, human resource development and training. All reports submitted to the Department of Labour in this regard by the Licensee shall also be submitted to the Authority.

11.2 The Licensee shall participate in the development of the telecommunication industry by, *inter alia*:

11.2.1 supporting independent contractors from Historically Disadvantaged Groups; and

11.2.2 supporting industry development initiatives.

12 GENERAL

- 12.1 Should any provision of this Licence be invalid and unenforceable for any reason, the remaining provisions shall nevertheless remain of full force and effect.
- 12.2 To the extent that this Licence may be inconsistent with any provisions of the Telecommunications Act or any applicable Regulations, such provisions of the Telecommunications Act or the Regulations shall take precedence over this licence.

13 FORCE MAJEURE

- 13.1 The Licensee shall not be liable for any default or delay in the performance of its obligations under the Licence if and to the extent:-
- 13.1.1 such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, rebellions or revolutions in any country or any other cause beyond the reasonable control of the Licensee; and
- 13.1.2 the Licensee is without fault in causing such default or delay.

14 CONFIDENTIALITY OF INFORMATION

14.1 Content of communications

The Licensee shall not disclose the content of any communication transmitted or intended for transmission over the Multimedia Service Network, unless required to do so by a court order or in terms of any law.

14.2 Customer information

The Licensee shall not use any information regarding its past, current or potential customers for purposes other than those for which the information was obtained, unless the customer gives prior written consent to such other use.

15 **RENEWAL OF THE LICENCE**

The Licence may be renewed in terms of the Telecommunications Act.

16 **CANCELLATION OF LICENCE**

In the event of the liquidation of the Licensee, the Licensee shall notify the Authority in writing of the cancellation of the Licence.

17 **REVOCAION OF THE LICENCE**

The Licence may be revoked in accordance with the Telecommunications Act.

18 **NOTICES**

18.1 The Licensee selects as its *domicilia citandi et executandi* the following physical addresses:-

<u>Name</u>	<u>Physical Address</u>	<u>Telefax</u>
Sentech Limited	Sender Technology Park Octave Road Radiokop	(011) 471-4753

or such other address or telefax number as may be substituted by notice given as herein required. The Licensee shall be entitled from time to time by written notice to the Authority, to vary its *domicilium* to any other address within the Territory.

18.2 Any notice addressed to the Licensee at its physical address shall be delivered by hand, or sent by telefax.

18.3 Any notice shall be deemed to have been given:-

18.3.1 if hand delivered during business hours on a business day, on the day of delivery;

18.3.2 if sent by telefax, on the date of sending of such telefax.

19 AMENDMENT

- 19.1 Subject to the provisions of section 48 to the Telecommunications Act, the Authority shall be entitled to amend any term or condition of this Licence.
- 19.2 No amendment, alteration, addition, variation or consensual cancellation of this Licence shall be of any force or effect unless reduced to writing and signed by the Authority.

22. MISCELLANEOUS PROVISIONS

22.1 Adherence to International Standards

The Licensee shall comply with the applicable standards and requirements of the ITU, as agreed to or adopted by the Republic.

22.2 Compliance

The Licensee shall comply with all applicable laws of the Republic and with all international obligations to which the Republic is bound. Unless specifically indicated to the contrary, nothing in this Licence shall be construed or understood so as to relieve or exempt the Licensee from complying with the provisions of this Licence or the Telecommunications Act. The Licensee shall use all reasonable endeavours to ensure that its employees, agents or contractors comply with the provisions of this Licence and the Telecommunications Act.

22.3 Access to Network Facilities

Upon reasonable notice, the Licensee shall provide access to its Network facilities for inspection by the Authority.

Issued at _____ on this ____ (day) / _____(month) / 2002

MANDLA LANGA
CHAIRPERSON
INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA (ICASA)

NKATEKO NYOKA
CHIEF EXECUTIVE OFFICER
INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA (ICASA)

ANNEXURE A

A1 The Licensee shall provide the following for each School Internet laboratory:

A1.1 A certain number of workstations, dependent on the needs and size of the school, with:

Type A: Small rural schools with 5-computer Local Area Network with an Internet connection.

Type B: Medium rural schools with 15-computer Local Area Network with an Internet connection.

Type C: Large rural schools with 25-computer Local Area Network with an Internet connection.

In each year of the rollout of these licence conditions, 15% of schools should be Type A, 50% Type B and 35% Type C as appropriate to the needs of the schools.

The Authority may, upon application, vary the above-mentioned percentages.

A1.2 Workstations with the following functionality:

A1.2.1 Password-protected logins for each user in the school (up to 1,500 potential users);

A1.2.2 Internet access from each workstation;

A1.2.3 Network-based store-and-forward email system, with email client on each workstation;

A1.2.4 Ability to run common office applications (including word processor, spreadsheet, and presentation software);

A1.2.5 Shared printing;

A1.2.6 Ability to save files on server;

A1.2.7 Anti-virus software;

A1.2.8 Backup facilities - ability to copy data to offline backup media; and

- A1.2.9 At least a third of the workstations in each laboratory should be able to run current educational multimedia applications, with sound and video functionality.
- A1.3 Internet Connectivity with sufficient bandwidth to allow Internet usage from all workstations is to be provided by VSAT or other appropriate technology. Reasonable monthly connectivity is to be provided to the school, at a rate agreed in the project implementation planning process stipulated in A3.
- A1.4 Appropriate furniture for an Internet Laboratory.
- A1.5 Refurbishment and upgrade to buildings where appropriate to provide a secure and useable Computer Laboratory.
- A1.6. Technical training to at least 2 teachers from each school to act as network administrators, to enable them to perform common network maintenance functions, including adding and removing users and email addresses.
- A1.7. Professional development opportunities to at least 5 teachers from each school, to enable them to use the ICT facilities in support of more effective teaching and learning.
- A2 The Licensee shall establish and maintain computer laboratories with Internet Connectivity in schools in rural areas according to the following implementation schedule:
 - A2.1 Within 2 (two) years of the Effective Date, the Licensee shall have installed a total of 100 School Internet Laboratories in rural areas.
 - A2.2 Within 3 (three) years of the Effective Date, the Licensee shall have installed a total of 200 School Internet Laboratories in rural areas.
 - A2.3 Within 4 (four) years of the Effective Date, the Licensee shall have installed a total of 300 School Internet Laboratories in rural areas.

A2.4 Within 5 (five) years of the Effective Date, the Licensee shall have installed a total of 400 School Internet Laboratories in rural areas.

A2.5 Within 6 (six) years of the Effective Date, the Licensee shall have installed a total of 500 School Internet Laboratories in rural areas.

The proportions of School Internet Laboratories with 5, 15 and 25 workstations will be as set out in A1.1.

A2.6 During the sixth year of the Licence, the Authority may review the community service obligations in order to determine the Licensee's obligations for the remainder of the Licence period.

A3. The licensee has a period of 6 months following the Effective Date to plan for the implementation of these School Internet Laboratories.

A3.1 In this time, consultations must be carried out with national and provincial Departments of Education, and other appropriate bodies such Schoolnet SA.

A3.2 An implementation plan must be produced by the end of this 6 month period, which will stipulate the technology to be used, operational details, cost-sharing between the various parties involved and specify by name the schools to which School Internet Laboratories will be rolled out in each year.

A3.3 An implementing body is to be established to manage the process of rollout of the School Internet Laboratories, funded by the Licensee. This body will liase with the Licensee, the Authority, the Departments of Education and other relevant parties and manage the rollout. The responsibilities will include management of the preparation of sites, delivery of equipment, training and professional development, support, maintenance and ensuring monitoring and evaluation of the process. This should be housed in an independent

organisation with experience in delivery of Information and Communication Technology (ICT) projects to schools.

- A3.4 Should the Licensee fail to produce an acceptable implementation plan which is agreed by the Licensee, the Authority and the national and provincial Department of Education within this 6 month period, the Authority may impose an implementation plan upon the Licensee.
- A4. For the purpose of determining whether the Licensee has complied with its obligations as set out in A2, the Authority and the Licensee shall use their best endeavours to reach agreement, within 6 months of the Effective Date, on the applicable performance indicators. Should the Authority and the Licensee fail to agree with this six month period, the Authority may impose a set of performance indicators. The implementing body specified in A3.3 shall outsource the monitoring of these obligations, and report to the Authority on a quarterly basis.
- A5. The implementation of the Licensee's obligations may, subject to the provisions hereof, be coordinated between the Licensee, similar licensees, national and provincial Departments of Education and others working to achieve computer and internet accessibility in rural schools.
- A6. Subsequent to the second anniversary of the Effective Date, the Authority shall periodically assess the Licensee's level of compliance with its obligations to establish and maintain School Internet Laboratories in rural areas in accordance with the implementation timetable set out in A2.
- A7. In the event of the Licensee failing to comply with any of its abovementioned obligations, the Authority shall be entitled, after due investigation, to impose penalties in terms of section 100 of the Telecommunications Act.