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## GENERAL NOTICES • ALGEMENE KENNISGEWINGS

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### INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA

#### NOTICE 420 OF 2018



### Independent Communications Authority of South Africa

Pinmill Farm, 164 Katherine Street, Sandton

Private Bag X10002, Sandton, 2146

### **INVITATION TO APPLY (ITA) FOR MULTIPLEXER 3 (MUX 3) RADIO FREQUENCY SPECTRUM LICENCE FOR 45% OF MUX 3 CAPACITY FOR PROVISION OF COMMERCIAL SUBSCRIPTION TELEVISION BROADCASTING SERVICES**

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1. The Independent Communications Authority of South Africa ("the Authority"), hereby invites applications for the radio frequency spectrum licence, making up the third Digital Terrestrial Television (DTT3), referred to as multiplexer 3 ("MUX 3") for the purposes of providing commercial subscription television broadcasting services, in terms of section 31(3)(a) of the Electronic Communications Act, 2005 (Act No 36 of 2005) ("the ECA"), as amended, read with regulation 7 of the Radio Frequency Spectrum Regulations 2015 ("the RFSR")<sup>1</sup>, as amended by government gazettes No. 38754 of 2015 and No. 40436 of 2016,
2. All applications will be considered based on the requirements of this Invitation to Apply (ITA), applicable regulations developed by the Authority and the ECA.

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<sup>1</sup> Government Gazette 38641 (Notice 279 of 2015)

3. Written enquiries may be directed to:

The Independent Communications Authority of South Africa (the Authority/ICASA)  
Licensing Division  
Pinmill Farm, Block A  
164 Katherine Street  
Sandton, Johannesburg  
Private Bag XI0002  
Sandton  
2146

**Attention:** Radio Frequency Spectrum Licence for 45% of MUX 3 Capacity

e-mail: [dmoshweunyane@icasa.org.za](mailto:dmoshweunyane@icasa.org.za)

4. All written enquiries submitted to the Authority pursuant to this notice shall be made available for inspection by interested persons at the Authority's Library or website and copies of such enquiries will be obtained upon payment of a fee.

  

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**RUBBEN MOHLALOGA**  
**CHAIRPERSON**

**BEFORE COMPLETING THE APPLICATION, APPLICANTS ARE REQUIRED TO READ AND TAKE INTO ACCOUNT THE FOLLOWING:**

1. The requirements in Schedule A;
2. The relevant provisions of the Independent Communications Authority of South Africa Act, 2000 (Act No. 13 of 2000) ("the ICASA Act");
3. The relevant provisions of the ECA;
4. The relevant provisions of the applicable regulations i.e.:
  - the RFSR;
  - Promotion of Diversity and Competition on Digital Terrestrial Television Regulations<sup>2</sup>;
  - the Radio Frequency Spectrum Migration Regulations and Plan 2013<sup>3</sup>; and
  - the Terrestrial Broadcasting Plan 2013<sup>4</sup> read with the First Update to the Terrestrial Broadcasting Plan 2013<sup>5</sup>.

<sup>2</sup> Government Gazette 37929 (Notice 682 of 2014)

<sup>3</sup> Government Gazette 36334 (Notices 352 and 353 of 2013)

<sup>4</sup> Government Gazette 36321 (Notice 298 of 2013)

<sup>5</sup> Government Gazette 38005 (Notice 801 of 2014)

**Non-compliance with the provisions of the ECA, the Applicable Regulations and/ or this ITA will result in the rejection by the Authority of such non-compliant application**

#### **SCHEDULE A: RADIO FREQUENCY SPECTRUM APPLICATIONS**

1. Applications must be in writing.
2. Applications submitted must be in the format as provided in Schedule G. Applicants must answer all questions in full as set out in Schedule G.
3. If any question is considered not applicable, please mark N/A with a further explanation.
4. An applicant must submit five (5) hard copies of the original application and a soft copy, in Compact Disc (CD) format or any electronic storage device.
5. Applications submitted to the Authority, pursuant to this ITA, will be made available for inspection by the public.
6. Where applicants require confidentiality in terms of section 4D of the Independent Communications Authority of South Africa Act, 2000 (ICASA Act No. 13 of 2000) (ICASA Act), a separate application for confidentiality must be lodged simultaneously with the main application. Applicants must separate any material deemed confidential into a clearly marked confidential annexure. If the request for confidentiality is refused, the person making the request will be allowed to withdraw the information.
7. The Authority may determine that an application or portions thereof are confidential and will inform the applicant within fourteen (14) working days of receiving a request for confidentiality.
8. If the request for confidentiality is refused, the applicant making the request may withdraw portions of the application to which confidentiality was requested.
9. Each application must be permanently bound (using either heat binding or spiral binding).
10. An application must have a cover page reflecting the name of the applicant, the subject matter being applied for and the date of application.

11. The pages immediately following the cover must be the content pages which detail each section of the application and its page number.
12. The application must be properly bound and paginated.
13. In the event that the applicant must submit its application in more than one part or volume, each part or volume must have a cover page. In this case, the cover page must specify the number of the part or volume (i.e. Part one, Part Two or Volume One, Volume Two). Each volume or part must also have the full set of content pages and sequentially numbered as noted.
14. An applicant must apply for the assignment of MUX 3 broadcasting frequencies as specified in Annexure G.
15. Every application must be accompanied by proof of payment of a non-refundable application fee of R 100 000.00 (One Hundred Thousand Rands). The payment must be in the form of an electronic transfer or via a direct deposit into the following bank account:  
  
**Account Holder's Name:** ICASA  
**BANK:** Nedbank Limited **BRANCH:** All Branches  
**BRANCH CODE:** 198765  
**ACCOUNT NO:** 1080249044  
**REFERENCE:** Applicant Name
16. Applications must be submitted by no later than 16H00; from **09h00 to 16h00** on the Application Date, **Wednesday 31 October 2018** (South African Time).
17. The time indicated on the clock in the reception hall of Block B at ICASA head office, will be regarded as the correct time.

18. Applications must be contained in sealed envelope and must be addressed to:

The Chairperson

Independent Communications Authority of South Africa  
Pinmill Farm, Block B  
164 Katherine Street  
Sandton, Johannesburg  
Private Bag X10002  
Sandton  
2146

19. The applications must be **DEPOSITED IN THE BID BOX SITUATED AT:** Block B, Pinmill Farm, 164 Katherine Street, Sandton, Johannesburg.

20. The Authority will open the applications after the closing time and affix on each container the time of receipt and will provide each applicant with an acknowledgement.

**21. Applications submitted after 16h00 on the Application Date will not be considered by the Authority. An application received after the closing date and time will neither be accepted nor considered by the Authority.**

22. Failure to comply with the requirements set out in this ITA will render the application liable for disqualification.

23. The Radio Frequency Spectrum Licence for MUX 3 frequencies must be awarded using a competitive process. The following three (3) stages will be followed:

Phase 1 - Prequalification criteria;

Phase 2 - Sealed Bids; and

Phase 3 - Granting of Radio Frequency Spectrum Licence.

24. The prequalification stage, found in paragraph 25, sets out the requirements that must be met for a person to participate in a competitive licensing process.

25. The minimum requirements for the prequalification stage are as follows:

25.1. An applicant must be a television broadcasting service licensee as defined in the Schedule under "Definitions" in the Promotion of Diversity and Competition on Digital Terrestrial Television Regulations, in the Government Gazette No.: 37929 of 22 August 2014. It states, *"television broadcasting service licensee" means a television broadcasting service licensee licensed in terms of the Act that is a new entrant television broadcasting service licensee and that has not been assigned capacity on Multiplex 1 or Multiplex 2 in terms of the Digital Migration Regulations."*

25.2. An applicant must have a minimum of 30% ownership held by historically disadvantaged person(s) and/or a level 4 (four) Broad Based Black Economic Empowerment (BBBEE) status.

26. An applicant that fails to comply with any of the requirements of paragraph 25 will be disqualified.

27. An applicant that has complied with all the requirements of paragraph 25 will qualify to participate in the next phase, which is the Sealed Bids. The Authority will inform the applicants to submit sealed/closed bids. The successful applicant will be the highest bidder.

28. MUX 3 broadcasting frequencies will be assigned to the successful applicant.

29. The successful applicant will be assigned 45 % of MUX 3 capacity by the Authority for commercial subscription television broadcasting services. The available channels for MUX 3 capacity excludes engineering channels reserved for the use of technical information.

30. An applicant must commit not to engage in any activity, which would or could be construed as grounds for disqualification as indicated in Schedule F.

31. Prior to the awarding of the spectrum licence, the applicant will be required to provide proof of funding to support the proposed launch date.

32.The Authority reserves its right not to grant a licence should an Applicant/s not meet the requirements as set out in this ITA.

33.In addition to the terms and conditions set out in this section, Applicants are advised to apprise themselves fully of the provisions of the ECA, ICASA Act, all regulations promulgated by the Authority that may be applicable to this ITA.

34.All applicants shall carry their own costs in responding to the ITA.



**SCHEDULE B – PROPOSED LICENCE TERMS AND CONDITIONS****1. TYPE OF LICENCE**

|     |  |
|-----|--|
| 1.1 | Multiplex 3 (MUX 3) Radio Frequency Spectrum Licence |
|-----|--|

**2. GEOGRAPHICAL AREA**

|     |  |
|-----|--|
| 2.1 | As per (Schedule H) Annexure G of the Terrestrial Broadcasting Frequency Plan 2013 |
|-----|--|

**3. DURATION OF SPECTRUM LICENCE**

|     |  |
|-----|--|
| 3.1 | This licence shall be valid from the date of issue and shall run parallel to and not exceed the duration of a service licence contemplated in Chapter 3 of the Electronic Communications Act, 2005 (Act No. 36 of 2005). |
|-----|--|

**4. SPECTRUM LICENCE FEES**

|     |   |
|-----|---|
| 4.1 | The licensee must pay radio frequency spectrum licence fee as prescribed from time to time. |
|-----|---|

**5. RIGHT TO USE MUX 3 RADIO FREQUENCY SPECTRUM**

|     |   |
|-----|---|
| 5.1 | The licensee is authorized to use the radio frequency spectrum in accordance with the technical parameters and locations as set out in Annexure G of the Terrestrial Broadcasting Frequency Plan that forms part of this licence. |
|-----|---|

**6. WITHDRAWAL OF RADIO SPECTRUM LICENCE**

|     |  |
|-----|--|
| 6.1 | Failure to meet the targets set out in the roll-out obligation as in 7.4 below prior to second anniversary of the first proposed launch of the service is considered non-utilization and a breach of the terms and conditions of the radio frequency spectrum licence; and this will result in the radio frequency spectrum licence withdrawal as outlined section 31(8) to (10) of the Act. |
|-----|--|

|     |   |
|-----|---|
| 6.2 | <p>The Authority may withdraw a radio frequency spectrum licence under the following circumstances:</p> <p>(a) Whereby the licensee is placed in liquidation;</p> <p>(b) Whereby the licensee's service licence has been revoked by the Authority or cancelled by the licensee;</p> <p>(c) Whereby the licensee has repeatedly breached the terms and conditions of a radio frequency spectrum licence or the provisions of the Regulations;</p> <p>(d) Upon failure to use the assigned radio frequencies within two (2) years of the granting of the radio frequency spectrum licence; or</p> <p>(e) Upon the need for use of the frequency spectrum during an emergency including both man-made and natural disasters.</p> |
|-----|---|

## 7. RADIO COVERAGE ROLL-OUT OBLIGATIONS

|     |  |
|-----|--|
| 7.1 | A licensee must ensure that the appointed signal distributor use the MUX 3 broadcasting radio frequency spectrum frequencies for the construction and operation of Digital Terrestrial Television Distribution Network for the provisioning of commercial television broadcasting services.  |
| 7.2 | A licensee must ensure that the appointed signal distributor distributes 45% of MUX3 capacity that is assigned by the Authority pursuant to the issue of this spectrum licence.  |
| 7.3 | A licensee must ensure that the appointed signal distributor for 45% of MUX 3 capacity, through a commercial arrangement and without prejudice, distributes 55% of MUX3 capacity that would be assigned by the Authority pursuant to finalization of a process to license additional commercial Free-to-Air (FTA) television broadcasting services licences. |
| 7.4 | Fifty percent (50%) of the licensed 45% of MUX 3 Digital Terrestrial Television Distribution network must be completed prior to second anniversary of the first proposed launch of the service.  |
| 7.5 | The Authority will review the radio frequency spectrum utilization by the licensee two (2) years after launch of the service.  |

|     |  |
|-----|--|
| 7.6 | <p>A licensee must submit to the Authority, prior to the second anniversary of the launch of the service, a declaration:</p> <ul style="list-style-type: none"> <li>a) Stating that the broadcasting services are being provided;</li> <li>b) Detailing the extent of the network roll out; and</li> <li>c) Outlining the timelines for completion of the distribution network.</li> </ul> |
|-----|--|

## 8. GENERAL CONDITIONS

|     |  |
|-----|--|
| 8.1 | The licensee must, at all times, observe the provisions of international telecommunications conventions, such as those prescribed by the International Telecommunication Union (ITU) Radio Regulations and as they apply to the Republic of South Africa.  |
| 8.2 | The licensee indemnifies ICASA against any claims for damages or loss that may occur as a result of the switching off, of the transmitters as stipulated in Schedule H or, as a result of any interruptions to the service that may affect the quality of signals.   |
| 8.3 | The licensee indemnifies ICASA against any claims for damages or loss that may result from interference to or interruption of the transmitters caused by radio users and electronic communication lines lawfully operated in terms of the Electronic Communications Act, 2005 (Act No. 36 of 2005) and applicable regulations. |

## 9. LAUNCH DATE

The licensee must use the assigned radio frequencies within two (2) years of the granting of the radio frequency spectrum licence. However, the licensee must inform the Authority on the actual date of launch.

## **SCHEDULE C – AMENDMENTS TO THE APPLICATION**

1. In instances where the information included in an application changes at any time after submission of the application but before the Authority makes a decision, the applicant must notify the Authority of such changes and request an amendment to its application in writing within seven (7) days of such change.
2. The Authority will, after being notified by an applicant of any changes to the applications, determine whether the changes:
  - 2.1 unfairly prejudice other interested parties;
  - 2.2 impede the expeditious and proper consideration of the application; and
  - 2.3 materially change the application as to constitute a new application.
3. The Authority will then notify the applicant of its decision to either grant or refuse the request for amendment.
4. Notwithstanding anything in this clause, an applicant may not change its shareholding resulting in a reduction of equity ownership held by Historically Disadvantaged Groups (HDGs) in the applicant below the 30% threshold or below level four (4) Broad Based Black Economic Empowerment (BBBEE) status.

**SCHEDULE D – REQUEST OF SUBMISSION OF SUPPLEMENTARY INFORMATION**

1. The Authority may require an applicant to prepare and submit any supplementary information within seven (7) days after receiving a written request regarding any aspect of its application.

**SCHEDULE E – CRITERIA FOR THE AWARD**

| <b>Phases</b>  | <b>Description</b>  | <b>Score</b> | <b>Criteria</b>   |
|----------------|---|--------------|---|
| <b>Phase 1</b> | Prequalification criteria   |              | <ol style="list-style-type: none"> <li>1. Television broadcasting services licensee as defined in the Schedule under "Definitions" in the Promotion of Diversity and Competition on Digital Terrestrial Television Regulations 2014 and has been issued a commercial subscription television broadcasting services licence.</li> <li>2. A minimum of 30% equity ownership held by Historically Disadvantaged Groups (HDGs) and/or a level 4 (four) Broad Based Black Economic Empowerment (BBBEE) status is mandatory.</li> <li>3. Compliance with ITA requirements is mandatory. Failure to comply with any of the requirements of the ITA will render the application liable for disqualification.</li> </ol> |
| <b>Phase 2</b> | Sealed bids   |              | Highest Bidder  |
| <b>Phase 3</b> | Granting of radio frequency spectrum licence for the use of 45% of MUX 3 capacity |              | Successful applicant/highest bidder   |

## **SCHEDULE F – DISQUALIFICATION CRITERIA**

1. An applicant will be disqualified from the application process where such applicant:
2. has submitted an application and is an affiliate of another applicant, or possesses an ownership or financial interest in another applicant within the same application process;
3. already has capacity assigned in Multiplexer (MUX)1 or 2;
4. is not a television broadcasting services licensee as contemplated in Promotion of Diversity and Competition on Digital Terrestrial Television Regulations; and is not a holder of a commercial subscription television broadcasting services licence;
5. has submitted more than 1 (one) application to the Authority for the granting of a radio spectrum licence within the designated range;
6. has less than 30% of ownership by Historically Disadvantaged Person(s) (HDP) or below level 4 contributor (BBBEE status);
7. has submitted an application which contains false or misleading information;
8. is colluding or has attempted to collude, with another applicant with the intention to distort or manipulate information;
9. has, without consent, obtained or acquired confidential information relating to another applicant;
10. has failed to comply with the requirements as set out in the ITA; or
11. has engaged in any activity, which would or could be construed as an illegal or corrupt practice, either directly or indirectly.

**SCHEDULE G – APPLICATION PROCEDURE**

The following information must be provided, if the information to be supplied is not applicable, then the term 'not applicable' must be written with a short explanation.

**1. APPLICANT DETAILS**

| No. | Information Required  |
|-----|---|
| 1   | Name, address, identification number, telephone number and Email address of the applicant.  |
| 2   | Annual report of the applicant and its main shareholders from the previous three years.<br>Three years audited financial statements.  |
| 3   | Detailed experience and expertise of the applicant, partners, shareholders, suppliers and contractors in the business of broadcasting.  |
| 4   | Extent of beneficial ownership of the applicant to be held by historically disadvantaged persons:<br>4.1 Extent of beneficial ownership by women.<br>4.2 Extent of beneficial ownership by the youth.<br>4.3 Extent of beneficial ownership by the disabled.<br>or<br>4.4 BBBEE status. |
| 5   | Name and particulars of proposed signal distributor   |

**2. DESCRIPTION OF SERVICE**

| No. | Information Required   |
|-----|--|
| 1   | Attach a copy of the broadcasting service licence  |
| 2   | Planned network rollout – As per Annexure G of the Terrestrial Broadcasting Frequency Plan 2013. |



### 3. UNDERTAKING

#### WARRANTY UNDERTAKING

I..... (duly authorised person) have prepared and/ or compiled, or directly supervised those who have prepared all or parts of this application and/or information constituting this application.

To the best of my knowledge, the application information contained herein, and any attachment thereto, is accurate and not misleading.

I further understand that should any information included herein be found to be false or misleading the entire application will be disqualified and the applicant precluded from further consideration within the application process.

Name and title of the person authorised to sign this undertaking: Authorised Signature: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/ 2018

I certify that this declaration was signed and sworn to before me at

.....on the ..... day of ..... 2018, by the deponent who acknowledged that he/she:

- i. knows and understands the contents hereof;
- ii. has no objection to taking the prescribed oath or affirmation; and
- iii. considers this oath or affirmation to be truthful and binding on his/her conscience.

\_\_\_\_\_  
**COMMISSIONER OF OATHS**

Name:

Address:

Capacity:

## SCHEDULE H: ANNEXURE G of Digital Terrestrial Television Frequency Network 2013

### DTT FREQUENCY ASSIGNMENTS DURING ANALOGUE-TO-DIGITAL MIGRATION

| STATION NAME            | GEO. CO-ORDINATES |          | EXISTING   |    |          |     | AMENDMENT  |    |          | ADMINISTRATIVE |       |
|-------------------------|-------------------|----------|------------|----|----------|-----|------------|----|----------|----------------|-------|
|                         | LAT               | LONG     | FREQ (MHZ) | CH | ERP (KW) | POL | FREQ (MHZ) | CH | ERP (KW) | STATION        | CAT   |
| AURORA                  | 33S49 39          | 18E38 29 | 562        | 32 | 0.001    | V   | 562        | 32 | 0.25     | SPA            | DTT 3 |
| BEZ VALLEY              | 26S11 41          | 28E05 00 | 570        | 33 | 0.07     | V   | 570        | 33 | 0.5      | SPA            | DTT 3 |
| BLOEMFONTEIN            | 29S06 04          | 26E13 44 | 682        | 47 | 71       | H   | 682        | 47 | 100      | SPA            | DTT 3 |
| CAPE TOWN               | 34S03 18          | 18E23 11 | 562        | 32 | 20       | H   | 562        | 32 | 50       | SPA            | DTT 3 |
| DURBAN                  | 29S46 12          | 30E43 00 | 506        | 25 | 62       | H   | 506        | 25 | 100      | SPA            | DTT 3 |
| EAST LONDON             | 32S56 20          | 27E48 56 | 562        | 32 | 50       | H   | 562        | 32 | 63       | SPA            | DTT 3 |
| FISHHOEK                | 34S08 59          | 18E26 08 | 562        | 32 | 0.05     | V   | 562        | 32 | 0.1      | SPA            | DTT 3 |
| GRABOUW                 | 34S06 07          | 18E58 00 | 562        | 32 | 0.5      | V   | 562        | 32 | 1        | SPA            | DTT 3 |
| HELDERKRUIJN            | 26S06 05          | 27E51 27 | 570        | 33 | 1        | V   | 570        | 33 | 20       | SPA            | DTT 3 |
| HOUT BAY                | 34S00 46          | 18E20 51 | 562        | 32 | 2.5      | V   | 562        | 32 | 4        | SPA            | DTT 3 |
| KIMBERLEY               | 28S51 15          | 24E54 17 | 666        | 45 | 10       | H   | 666        | 45 | 68       | SPA            | DTT 3 |
| KLERKSDORP              | 26S45 15          | 26E24 28 | 530        | 28 | 10       | H   | 530        | 28 | 50       | SPA            | DTT 3 |
| MENLO PARK              | 25S46 16          | 28E16 05 | 570        | 33 | 0.04     | V   | 570        | 33 | 0.2      | SPA            | DTT 3 |
| MONDEOR                 | 26S16 54          | 27E59 37 | 570        | 33 | 0.022    | V   | 570        | 33 | 0.5      | SPA            | DTT 3 |
| MULBARTON               | 26S17 38          | 28E03 56 | 570        | 33 | 0.03     | V   | 570        | 33 | 0.3      | SPA            | DTT 3 |
| NELSPRUIT <sup>19</sup> | 25S30 57          | 30E46 33 | 690        | 48 | 10       | H   | 690        | 48 | 76       | SPA            | DTT 3 |
| OVERPORT                | 29S50 12          | 30E59 44 | 506        | 25 | 1.2999   | V   | 506        | 25 | 26       | SPA            | DTT 3 |
| PAARL                   | 33S42 51          | 18E56 23 | 562        | 32 | 2.4998   | V   | 562        | 32 | 20       | SPA            | DTT 3 |
| PIETERMARITZBURG        | 29S34 47          | 30E19 49 | 506        | 25 | 1        | V   | 506        | 25 | 20       | SPA            | DTT 3 |
| PRETORIA NORTH          | 25S41 29          | 28E10 02 | 570        | 33 | 0.02     | V   | 570        | 33 | 0.25     | SPA            | DTT 3 |
| SEA POINT               | 33S54 33          | 18E23 51 | 562        | 32 | 0.3      | V   | 562        | 32 | 0.4      | SPA            | DTT 3 |
| SIMONSTOWN              | 34S11 55          | 18E25 36 | 562        | 32 | 0.2      | V   | 562        | 32 | 2        | SPA            | DTT 3 |

|                |          |          |     |    |        |   |     |    |     |     |          |
|----------------|----------|----------|-----|----|--------|---|-----|----|-----|-----|----------|
| STELLENBOSCH   | 33S54 59 | 18E52 10 | 562 | 32 | 0.5    | V | 562 | 32 | 0.8 | SPA | DTT<br>3 |
| SUNNYSIDE      | 25S45 58 | 28E12 21 | 570 | 33 | 1      | V | 570 | 33 | 20  | SPA | DTT<br>3 |
| TABLE MOUNTAIN | 33S57 26 | 18E24 11 | 562 | 32 | 0.5    | V | 562 | 32 | 0.6 | SPA | DTT<br>3 |
| THE BLUFF      | 29S54 42 | 31E00 44 | 506 | 25 | 1.3    | V | 506 | 25 | 2.5 | SPA | DTT<br>3 |
| THEUNISSEN     | 28S11 55 | 26E34 50 | 650 | 43 | 10     | H | 650 | 43 | 34  | SPA | DTT<br>3 |
| TYGERBERG      | 33S52 31 | 18E35 44 | 562 | 32 | 1.9999 | V | 562 | 32 | 50  | SPA | DTT<br>3 |

## Limitations on broadcast antenna systems due to SKA Limitations

| Foot Note No. | STATION NAME  | BEAM WIDTH (DEGREES) | AZIMUTH (DEGREES FROM TRUE NORTH) |
|---------------|---------------|----------------------|-----------------------------------|
| 1             | BEAUFORT WEST | 236                  | 145                               |
| 2             | CALVINIA      | 150                  | 225                               |
| 3             | DE AAR        | 236                  | 90                                |
| 4             | DOUGLAS       | 236                  | 60                                |
| 5             | GARIES        | 284                  | 260                               |
| 6             | POFADDER      | 150                  | 345                               |
| 7             | PRIESKA       | 160                  | 35                                |
| 8             | SPRINGBOK     | 284                  | 270                               |
| 9             | UPINGTON      | 160                  | 35                                |
| 10            | VICTORIA WEST | 240                  | 130                               |
| 11            | WILLISTON     | 150                  | 225                               |

## Limitations on broadcast antenna systems due to Coordination with Neighboring countries

| Foot Note No. | STATION NAME  | ERP REDUCTION | REDUCTION RANGE (DEGREES FROM TRUE NORTH) |
|---------------|---------------|---------------|---|
| 12            | ZEERUST       | 5dB           | 271°-16°                                  |
| 13            | THABAZIMBI    | 10dB          | 246°-16°                                  |
| 14            | TOLWE         | 12dB          | 259°-35°                                  |
| 15            | ALI WAL NORTH | 7dB           | 18°-85°                                   |
| 16            | BETHLEHEM     | 7dB           | 147°-214°                                 |
| 17            | ELANDS HEIGHT | 10dB          | 301°-46°                                  |
| 18            | MBUZINI       | 10dB          | 13°-293°                                  |
| 19            | NELSPRUIT     | 8dB           | 110°-180°                                 |
| 20            | UBOMBO        | 10dB          | 295°-48°                                  |
| 21            | ULUNDI        | 7dB           | 344°-25°                                  |

## **SCHEDULE I –THE RULES FOR SEALED BIDS AUCTION FOR RADIO FREQUENCY SPECTRUM LICENCE FOR 45% OF MULTIPLEX 3 (MUX) CAPACITY**

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### **1. Introduction**

The competitive selection procedure that will be used by the Authority to assign the usage rights to frequencies designated as Multiplex 3 in the Terrestrial Broadcasting Frequency Plan 2013 will be referred to as a **MUX3 Auction**. The spectrum licence will be assigned for use of terrestrial digital television service within the borders of South Africa. The spectrum licence will be valid from the date of issue and shall run parallel to and not exceed the duration of the service licence, subject to compliance with applicable regulations.

This document establishes the rules, procedures as well as the terms and conditions governing the MUX3 Auction and post auction application and payment processes.

### **2. Submissions of Bids**

Only bidders that have received a letter confirming that they met the qualification criteria following Phase 1 of the process, are allowed to submit sealed bids as part of the auction. Sealed bids shall be deposited, in person, in a marked box at the reception of ICASA offices in Block A, 164 Katherine Street, Pinmill Farm, Sandton. Each qualifying applicant shall submit only one sealed bid, in the form of a certified check, letter of credit or bank guarantee from a banking institution. The applicants are required to send at least one representative, but not more than three (3), to attend the MUX 3 Auction.

The minimum bid amount prescribed for the MUX3 Auction is set at R100 000.00 (One Hundred Rand Only). The bid amount should be in South African Rand and clearly visible, written in both the numerical and worded value.

Bidders shall submit a copy of the front page of their Broadcasting Service Licence together with the bid amount in a sealed brown A4 envelope. There shall be no information or printing which may identify the Bidder on the envelope. On submission, the applicant will be provided with a receipt as a proof of submission.

Bidders shall also submit a declaration of their proposed launch of the service.

## **2.1 Submission deadline**

The deadline for the submission of bids is **Thursday, 14 March 2019, 16h00** South African Time. The time indicated on the clock in the reception hall of Block B will be regarded as the correct time. After the expiry of the closing date, no bids will be allowed by the Authority under any circumstances. The submission box will remain unopened at the Reception area of Block B until the official opening of bids.

## **2.2 Announcement of results**

Immediately after the closing time, representatives of applicants will be invited to the Spectrum Licensing boardroom, in Block A. The sealed envelopes will be opened. The winner of the MUX3 Auction will be determined based on the highest bid amount received.

## **3. Bid Disqualification**

Applicants are cautioned to carefully examine their bids because once the sealed bid has been submitted in the box, it cannot be removed or altered. Bidders are responsible for ensuring that their bids are complete and in accordance with requirements. All bids that did not follow the bid rules will be immediately disqualified.

### **3.1 Submission of more than one bid**

Bidders shall submit only one sealed envelope, bidders that submit more than one sealed bid will be immediately disqualified.

### **3.2 Late Submissions**

The Authority will not accept any late submission. All submissions that are submitted after the deadline as stipulated in section 2.1, will not be considered by the Authority and shall be immediately disqualified.

### **3.3 Suspected Collusion**

The Authority will not condone any form of collusion in the process. Once any form of collusion or attempted collusion is envisaged, the Authority will withdraw the bid or annul the entire bid process.

## **4. Procedure in the event of a Tie**

The Authority shall use a random generator to select a winning bid in the event of identical bid amount being submitted. Using this approach, the applicant will be assigned a random number before the opening of the submission box. The tied bid with the highest random number wins the tiebreaker and becomes the winning bid.



**5. Payment of fees**

The winning bidder shall pay the winning bid in full within ten (10) working days after the MUX3 Auction has been concluded and winner announced. Payment shall be made to the following bank account:

**Account Holder's Name:** ICASA

|                    |                          |
|--------------------|--------------------------|
| <b>BANK</b>        | : Nedbank Limited        |
| <b>BRANCH</b>      | : All Branches           |
| <b>BRANCH CODE</b> | : 198765                 |
| <b>ACCOUNT NO</b>  | : 1080249044             |
| <b>REFERENCE</b>   | : Applicant's Name MUX 3 |

Should payment not be made within ten (10) working days after the MUX 3 Auction, the bid will be awarded to the second highest bidder.

**6. Awarding of the Spectrum Licence**

The Authority intends to grant the new spectrum licence within six (6) months of the sealed bids closing date.

Should the winning bidder fail to provide sufficient proof of funding, the Authority reserves the right to award the licence to the second highest bidder. The same requirements will be applied to the second highest bidder.

**7. Withdrawal from the Bid Process**

The bid is a sealed bid auction type. Therefore, applicant(s) can withdraw at any time from the bid process.

**8. Repeal of Award**

Should the winning bidder fail to launch within two (2) years of the granting of the radio frequency spectrum licence, the Authority reserves the right to cancel the award.