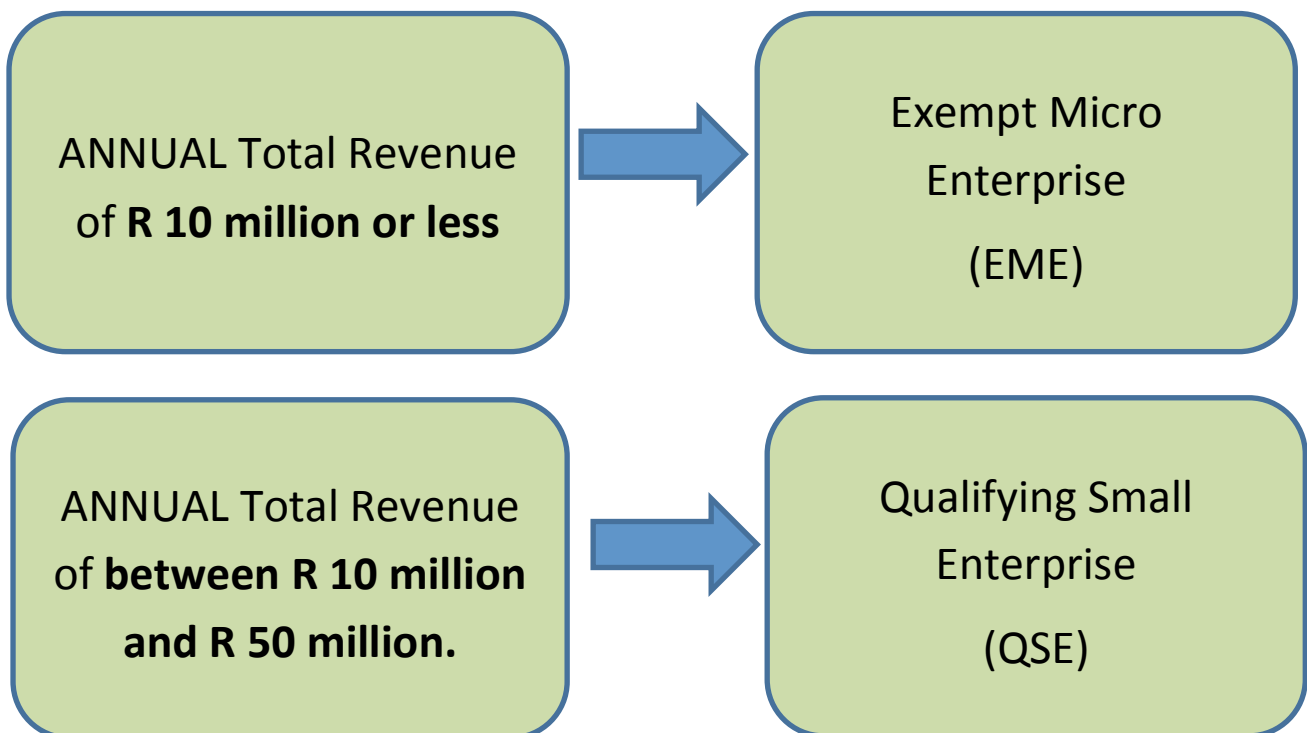


B-BBEE Status Levels For EMEs and QSEs

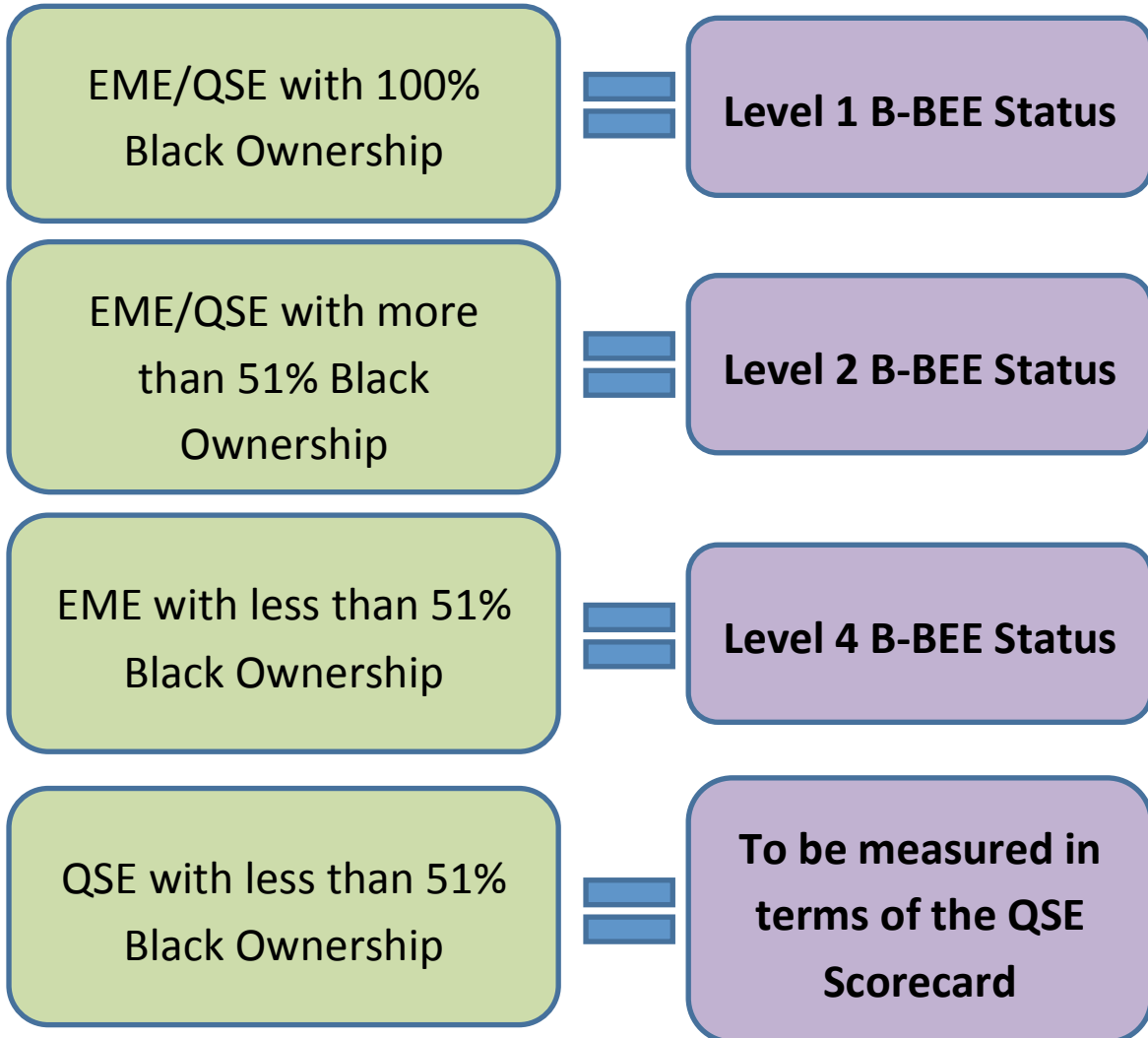
The Amended Codes of Good Practice have been issued under Section 9 of the B-BEE Act No 53 of 2003, as amended, and will come into effect on 1 May 2015. As such, all entities with financial years ending after 30 April 2015 will be subject to the Amended Codes.

All B-BBEE verifications in respect of financial years ending on or before 30 April 2015 may still, however, be conducted in accordance with the old Codes of Good Practice.

Threshold Levels under the Amended Codes of Good Practice:



EMEs (including start-up companies) and QSEs could qualify for higher B-BBEE Status Levels depending on black ownership, as follows:



An EME/QSE can VOLUNTEER to be measured on a higher scorecard than it qualifies for.

If an EME/QSE tenders for work that will push them into the next size measurement category, they will require a B-BBEE certificate rated on that larger sized entity.

Sworn Affidavits Required:

In terms of the Amended Codes, EMEs (and QSEs in certain circumstances) a B-BBEE Verification Certificate is no longer required.

Confirmation of an EMEs B-BBEE Status Level may now be effected by a sworn affidavit confirming the entity's total annual revenue and black ownership level.

In summary:

Annual Turnover	Black Ownership Level	B-BBEE Status Level	Type of Validation
EMEs R 0 – R 10 million	100% Black Owned	Level One	Sworn Affidavit (or EME Certificate issued by CIPC if a start-up)
	51% + Black Owned	Level Two	Sworn Affidavit (or EME Certificate issued by CIPC if a start-up)
	<51% Black Owned	Level Four	Sworn Affidavit (or EME Certificate issued by CIPC if a start-up)
QSEs R 10 million – R 50 million	100% Black Owned	Level One	Sworn Affidavit
	51% + Black Owned	Level Two	Sworn Affidavit
	<51% Black Owned	To be measured in terms of the QSE Scorecard	Full Verification Certificate required
Large Enterprise – R 50 million +	0% - 100% Black Owned	To be measured in terms of the Generic Scorecard	Full Verification Certificate required