



INFORMATION PACK

1. DEFINITIONS

B-BBEE – means the Broad-Based Black Economic Empowerment

MRA – shall mean Mosela Rating Agency

Measured entity – shall mean the entity applying to be rated or rated

The BEE Analyst – shall mean the person who will verifies B-BBEE information.

2. OVERVIEW

The purpose of the rating process is to set out the basis on which **Mosela Rating Agency** is to provide the Broad-Based Black Economic Empowerment rating scorecard report and certificate to the measured entity in respect of **the dti's** B-BBEE Codes of Good Practice as currently gazetted.

Broad-Based Black Economic Empowerment rating caters for all size of business in any industry (Sector). The B-BBEE rating is an in-depth verification process which requires verification of information for the specific elements as required by the scorecard that will apply to your company.

The Broad-Based Black Economic Empowerment verification is an interactive process that calls for client preparation ahead of the 'B-BBEE audit'. The verification process includes on-site visits, during which documentation and information will be verified. This will be performed in terms of **the dti's** B-BBEE verification methodology as gazetted on the 18th July 2008 which is governed by **the dti's** Codes of Good Practice. The assessment will provide you with an unbiased assessment of the overall Broad-Based Black Economic Empowerment status of your entity.

The following relevant scorecard elements will be verified against the documents and information you will provide to **Mosela Rating Agency**:

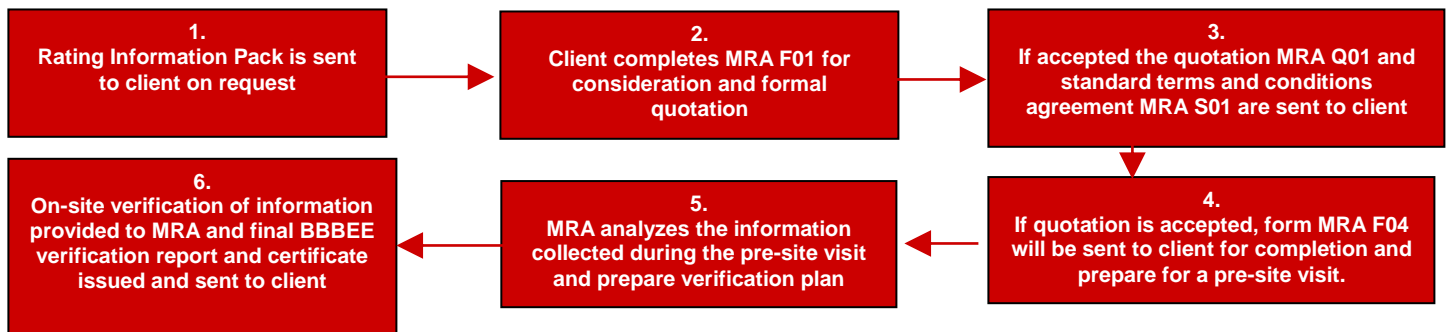
- Ownership
- Employment Equity
- Preferential Procurement
- Management Control
- Skills Development
- Enterprise Development
- Socio-Economic Development

3. THE RATING PROCESS

3.1 Rating Process Diagram

Total B-BBEE Verification Process

Within 2 Weeks to 1 Month upon receipt of all supporting evidence



3.2 Rating Process in detail

Application Process

On receipt of an application for the B-BBEE verification, MRA will forward the following documents to the verification manager.

- Fully completed and signed application MRA F01 by the duly authorized company representative.
- Company organogram
- Company profile

The verification manager will contact the measured entity, review the application form for completeness, analyze the relationship that may exist between MRA, its employees or sub-contractors and the measured entity, confirm the different locations where the measured entity's activities are carried out, the measured entity's total annual turnover, number of employees and complexity of ownership structure.

All applications are reviewed for acceptance and if not accepted, the applicant will be notified of non-acceptance with reasons in writing.

On acceptance to undertake the B-BBEE rating, MRA will send a quotation and standard terms and conditions agreement and information pack this document to the measured entity.

The following documents will need to be submitted to MRA for the process forward by either fax, email, post or hand deliver as per the contact details below on page 4 of 4;

- MRA's completed, signed and initialed standard terms and conditions agreement MRA S01 by the duly authorized company representative
- Signed quotation MRA Q01 with the proof of payment of the 50% as quoted or as per the pricing matrix under fees structure below.

On receipt of the above, MRA will forward the application to the verification manager who will open a client file and assign a BEE verification analyst to conduct the pre-site visit (phase 1) within 2 working days. The assigned BEE verification analyst will immediately contact you and send form MRA F01 for completion and attachment of the required documents as per the sections completed before the pre-site visit date is set and conducted (this period is determined by the client but should be completed within 1 week). The BEE verification analyst will explain the verification process and collect the completed form MRA F01 with all the required documents and if there is any outstanding information, the information will be forwarded to the analyst as per the cut – off period agreed upon between the measured entity and the analyst on form MRA DCL01. No information will be accepted after the cut – off period and information presented after the cut-off period will not be considered for the B-BBEE score.

The collected information will be analyzed and a verification plan developed which will be communicated to you.

Pre-site Visit

A pre-site visit is not compulsory but if it is required based on the assessed information on form MRA F01 above, a BEE verification analyst will contact the measured entity's representative to set up an appointment for the pre-site visit date which will be agreed upon by both the BEE verification analyst and measured entity's representative in advance. The cut – off period is the last day to submit the outstanding information required for the measured entity's claim of B-BBEE to the relevant scorecard element.

Analysis

Upon receipt of form MRA F01 with the required documents, an in-depth analysis of the information provided will be conducted and a verification plan will be developed within 1 week.

Verification

The verification plan developed and the back ground information of the assigned BEE verification analysts will be sent to the measured entity. The measured entity has the right to accept or object with detailed reasons for objection of the BEE verification analyst/s assigned and if the measured entity has no objection to the BEE verification analyst/s assigned to conduct the verification (phase 2), a date for on-site visit to verify information provided will be set and agreed upon by both the BEE verification analysts and the measured entity in advance. If objected and the objection is allowed, another BEE verification analyst will be selected and follow the same procedure.

MRA will perform the verification of information provided, as well as any risk areas identified during the analysis of the underlying information through the use of B-BBEE verification methodology as gazetted on the 18th July 2008, including the validation of supporting documentation, interviews with company representatives, employees, suppliers and/or customers etc.

After the verification, the BEE verification analyst will communicate the preliminary score for each relevant element verified and any problems experienced during the verification. The preliminary score communicated to the measured entity is not a final score but recommendation to the verification manager who makes the final decision.

The verification analyst will go back to the office with the verified information in the client file, where the client file is handed over to the verification manager for review and make the final decision on the score and issue a final BBBEE verification report (scorecard) and certificate. The review of the client file by the verification manager after the on-site visit date will be conducted within 21 working days before a client could get the final BBBEE verification report (scorecard) and certificate.

Complaints and Appeals

Should the client wish to complain or appeal against the final B-BBEE verification report (scorecard) received, the client should lodge a complaint or appeal against the final B-BBEE verification report (scorecard) issued within 3 working days. The complaints and appeals will be handled in accordance with the MRA procedure MRA/POL/PROC – 10 and the procedures are found on our website: www.moselaratings.co.za under section complaints and appeals or email: complaints-appeals@moselaratings.co.za

Rating Outcome

Once you have gone through the rating process, you will be awarded a B-BBEE verification report and certificate. The overall rating score is equivalent to a rating status as shown below in table 1, i.e. the score between 65% - 75% mean that your measured entity's B-BBEE contribution is at level four contributor.

This table is according to **the dti's** guidelines in the B-BBEE Codes of Good Practice.

Table 1

Total BEE Score	BEE Contributor Status
Above 100%	Level One Contributor
85% - 100%	Level Two Contributor
75% - 85%	Level Three Contributor
65% - 75%	Level Four Contributor
55% - 65%	Level Five Contributor
45% - 55%	Level Six Contributor
40% - 45%	Level Seven Contributor
30% - 40%	Level Eight Contributor
0% - 30%	Non Compliant Contributor

4. FEES STRUCTURE AND PAYMENT PROCESS

The cost of verifying will be dependent on the complexity of the ownership structure, the number of employees, total annual turnover, and number of branches and other assessed risks under which the company operates.

PRICING MATRIX									
Validity Period	QSE			GENERIC					Number of Employees
	Annual Revenue			Annual Revenue					
	>R5m and <R15m	>R15m and <R25m	>R25m and <R35m	>R35m and <R50m	>R50m and <100m	>R100m and <R250m	>R250m and <R500m	>R500m	
Currency	R	R	R	R	R	R	R	R	
1 Year	7,000	7,500	8,500	9,500	10,000	11,000	12,500	21,000	1 to 10 Employees
1 Year	7,000	7,500	8,500	9,500	11,000	12,500	16,000	Quoted	11 to 50 Employees
1 Year	7,500	7,500	8,500	11,000	12,500	16,000	18,500	Quoted	51 to 100 Employees
1 Year	7,500	8,000	9,000	12,500	16,000	18,500	21,000	Quoted	101 to 250 Employees
1 Year	8,000	8,000	9,000	16,000	18,500	21,000	Quoted	Quoted	251 to 500 Employees
1 Year	8,500	8,500	9,500	18,500	21,000	Quoted	Quoted	Quoted	>500 Employees

If your company falls within one of the above quoted regions, please send your completed rating questionnaire form MRA F01 under the application forms where the information for the quotation will be taken. Once the quotation has been accepted, please send your acceptance by signing quotation MRA Q01 together with the Standard Terms & Conditions Agreement also under the application form section.

Please Note:

- The fees above are exclusive of VAT and subject to change due to information provided on form MRA F01 and the risk assessed
- 50% of the quoted fees is payable upon acceptance of the quotation
- The balance should be paid before the on-site verification date
- The transport costs and/or accommodation if any is payable before the release of the final B-BBEE verification report (scorecard)
- When making a payment, please use your company name as reference.

5. COMPANY DETAILS

Documents to be delivered to:

Physical Address

1109 Jan Shoba Street
Block D30 (Duncan House) 1st Floor
Brooklyn Office Park
Brooklyn, Pretoria, 0181

20 – 22 Waterkant
Cnr, Waterkant and Sea Streets
Cape Town
8001

Postal Address

Postnet Suite 424
Private Bag X15
Menlo Park
0102

Our banking details are as follows:

Acc Name: **Mosela Rating Agency**

Bank: Standard Bank

Acc No: 060719443

Branch code: 011245

Client Service Department

Tel: (012) 346 0382 or (021) 418 4807

Fax: 086 652 4736 or 086 698 6435

Email: qseandgeneric@moselaratings.co.za or qseandgeneric.cpt@moselaratings.co.za

Website: www.moselaratings.co.za