

Application for opinion on control



Form ACMA B15

Effective from June 2018

Explanatory notes

Please read the explanatory notes before completing the application form

This form should be used for applying for an opinion on control of a commercial television broadcasting licence, a commercial radio broadcasting licence, a datacasting transmitter licence, a newspaper or a company under section 74 of the BSA.

Section 74 is intended to provide certainty for people involved in the industry on the question of whether they are, or would be, in a position to exercise control of a broadcasting licensee, a newspaper or a company in the terms of the BSA.

As control may be exercised in many ways, the form is designed to allow applicants to tell their own story. Applications should contain full details of their relationship with the licence, newspaper or company. If an applicant believes they are not in a position to exercise control of a licence, newspaper or company, they should also set out any other facts that support that belief. If the account would be incomplete without an examination of written agreements or other documents, the applicant may wish to include copies of those documents.

If ACMA considers that additional information is required, it will request that information within thirty days of receiving the application.

Although the BSA does not attempt a comprehensive definition, it gives considerable guidance to ACMA in determining whether a person is in a position to exercise control.

The relevant law is contained in Schedule 1 of the BSA. Some of the terms used in this Schedule are defined in section 6, 7 and 8 of the Act. Copies of all these provisions are at Attachment A to this form.

An opinion will only be binding on ACMA and any other government agency as long as the circumstances relating to the applicant and the entity about which the opinion is sought remain substantially the same. For this reason, it is important that you include in your request all issues of potential relevance to control.

Confidentiality

Please note that your application and any other information you provide will be treated as confidential until and unless the ACMA has published its opinion in the Government Notices Gazette (Gazette), as required by section 210 of the BSA, or unless authorised or otherwise required by law. If the ACMA gives an opinion under section 74, the ACMA must cause a copy of the opinion to be published in the Gazette. The ACMA must not publish the opinion in the Gazette until the transaction has taken place or the agreement or arrangement has been entered into. Following publication of its opinion in the Gazette, the ACMA will allow public access to this material.

Application fee

Under section 74(7) of the BSA, the ACMA may charge a fee for the provision of an opinion. The ACMA has determined that a fee of \$15,150.00 is payable at the time of lodgement of the application for an opinion. Cheques should be made payable to the Australian Communications and Media Authority.

Who may apply for a section 74 opinion

An applicant for an opinion on control must be the person about whom the opinion is sought, or their authorised agent. The application for an opinion must be made on the attached Form ACMA B15.

LODGEMENT INFORMATION

To add information to the form, just click on the appropriate grey data box. Applications must be lodged via email to control@acma.gov.au. The time of lodgement for applications will be electronically recorded. If you intend to submit attachments to this form electronically, they may be delivered in hard copy to the Diversity, Localism and Accessibility Section, ACMA Sydney Office. As far as possible hard copy documents should be delivered to the ACMA by the next business day after the application is lodged.

If you have any difficulty submitting this application contact the Diversity, Localism and Accessibility section during business hours on 1800 226 667.

WHEN COMPLETING THIS FORM

You must answer all applicable questions in each part of the form

Unless your form is completed correctly, it may not be a valid application. In those circumstances, you may be contacted and asked to submit a new form.

Please note: Giving false or misleading information is a serious offence.

Collection, use and disclosure of personal information

The *Privacy Act 1988* (Cth) (the Privacy Act) imposes obligations on the ACMA in relation to the collection, security, quality, access, use and disclosure of personal information. These obligations are detailed in the [Australian Privacy Principles](#).

The ACMA may only collect personal information if it is reasonably necessary for, or directly related to, one or more of the ACMA's functions or activities.

The purpose of the collection of information on this form, including personal information, is to give an opinion on control. This information is required under section 74 of the BSA.

The ACMA will not use the personal information for any other purpose, nor will we disclose it, other than as noted above, unless we have the individual's consent or we are otherwise permitted to do so under the Privacy Act.

If the personal information is not provided it may not be a valid application and you may be contacted and asked to submit a new form, as noted above.

Further information on the Privacy Act and the ACMA's Privacy Policy is available www.acma.gov.au/privacypolicy. The Privacy Policy contains details about how you may access personal information about you that is held by the ACMA, and seek the correction of such information. It also explains how you may complain about a breach of the [Privacy Act](#) and how we will deal with such a complaint.

Should you have any questions in this regard please contact the ACMA's privacy contact officer on 1800 226 667 or by email at privacy@acma.gov.au.

Part A – Applicant details

1. Name of applicant

2(a). Registered Office of applicant (if applicant is a company):

State:	Postcode:

2(b). Address of place of business or residence of applicant (if applicant is a natural person):

State:	Postcode:

3. Contact persons(s) for this application.

Name:	Name:		
Title:	Title:		
Telephone:	Fax:	Telephone:	Fax:
Email:	Email:		
Mailing address:	Mailing address:		
State:	Postcode:	State:	Postcode:

4. Name of licensee(s), newspaper(s) or company(s) about which the opinion is sought.

Part B – Applicant's opinion

5. Answer only if the applicant is seeking an opinion in relation to a current situation.

Please state whether, in the opinion of the applicant, the applicant is in a position to exercise control of the licence, company or newspaper. (If you wish to give reasons for your answer, you should include them in your response to Question 7, below.)

6. Answer only if the applicant is seeking an opinion in relation to a situation that would arise if a transaction took place or a contract, agreement or arrangement were entered into.

Please state whether, in the opinion of the applicant, the applicant would be in a position to exercise control of the licence, newspaper or company, if the transaction, contract, agreement or arrangement took place. (If you wish to give reasons for your answer, you should include them in your response to Question 8, below).

Part C – Relationship of applicant to licence, newspaper or company about which opinion is sought

Note: the terms 'associate' and 'company interests' are defined in section 6 of the BSA, attached.

7. Answer only if the applicant is seeking an opinion in relation to an existing situation.

Please provide details of all significant relationships between the applicant and the licence, newspaper or company. You may, if you wish, give reasons why you do not believe they place the applicant in a position to exercise control, and set out any other relevant facts.

8. Answer only if the applicant is seeking an opinion in relation to a situation that would arise if a transaction took place or a contract, agreement or arrangement were entered into.

(i) Please provide details of the transaction, contract, agreement or arrangement.

(ii) Please provide details of all other significant relationships between the applicant and the licence, newspaper or company. Applicants should answer on the basis of the situation that would exist if the transaction took place or the contract, agreement or arrangement were entered into. You may, if you wish, give reasons why

you do not believe they would place the applicant in a position to exercise control, and set out any other relevant facts.

9. All applicants should answer.

Please confirm that, to the best of the applicant's knowledge, the answers to questions 7 and 8 [as applicable] address all issues of potential relevance to the question of whether the applicant is, or would be, in a position to exercise control of the licence, newspaper or company, having regard to the Schedule 1 of the BSA, and in particular:

(i) if the application relates to a licence or company:

that the answers disclose all relationships of potential relevance to the matters in clause 2 of Schedule 1, whether or not the applicant believes that those relationships place the applicant in a position to exercise control;

(ii) if the application relates to a newspaper:

that the answers disclose all relationships of potential relevance to the matters in clause 3 of Schedule 1, whether or not the applicant believes that those relationships place the applicant in a position to exercise control;

(iii) if one or more of the following persons are or may be in a position to exercise control of the licence, newspaper or company:

- (a) the applicant's spouse (including a de facto spouse) or a parent, child, brother or sister of the applicant; or
- (b) a partner of the applicant, or, if a partner of the applicant is a natural person, a spouse or a child of a partner of the applicant; or
- (c) if the applicant or another person who is an associate of the applicant under another paragraph receives benefits or is capable of benefiting under a trust - the trustee of the trust; or
- (d) a person (whether a company or not) who:

- (i) acts, or is accustomed to act; or
- (ii) under a contract or an arrangement or understanding (whether formal or informal) is intended or expected to act;

in accordance with the directions, instructions or wishes of, or in concert with, the applicant or of the applicant and another person who is an associate of the applicant under another paragraph;

(e) if the applicant is a company - another company if:

- (i) the other company is a related body corporate of the applicant for the purposes of the Corporations Act 1990; or
- (ii) the applicant, or the applicant and another person who is an associate of the applicant under another paragraph, are in a position to exercise control of the other company;

that the answer identifies that person or those people and describes their relationship with the licence, newspaper or company.

(iv) if:

- (a) the applicant has company interests in a company exceeding 15%; and
- (b) that company is, or may be, in a position to exercise control of the licence, newspaper or company to which this application relates:

that the answer identifies the company and the applicant's interest in the company and describes the relationship between the company and the licence, newspaper or company to which the application relates.

(Note that a person is deemed to be in a position to exercise control of a company in which they hold company interests exceeding 15%.)

Part D – Certification of application

Certification by applicant

I, (insert name),

OR

I, (insert name), an authorised officer/agent* of the applicant

hereby certify that the information provided in this application is true and correct.

SIGNATURE:

ROLE:

Dated this (day) of (month) (year)

*Strike out whichever is inapplicable

The certifying person must provide the following details.

Certifying person details

Name:

Company:

Mailing address:

Tel:

Fax:

Email:

ATTACHMENT A

Relevant legislation

From Section 6, BSA

Interpretation

6.(1) In this Act, unless the contrary intention appears:

'ACMA' means the Australian Communications and Media Authority;

'amount paid on shares', in relation to a company, includes an amount treated by the company as having been so paid;

'associate', in relation to a person in relation to control of a licence or a newspaper, or control of a company in relation to a licence or a newspaper, means:

- (a) the person's spouse (including a de facto spouse) or a parent, child, brother or sister of the person; or
- (b) a partner of the person or, if a partner of the person is a natural person, a spouse or a child of a partner of the person; or
- (c) if the person or another person who is an associate of the person under another paragraph receives benefits or is capable of benefiting under a trust - the trustee of the trust; or
- (d) a person (whether a company or not) who:
 - (i) acts, or is accustomed to act; or
 - (ii) under a contract or an arrangement or understanding (whether formal or informal) is intended or expected to act;
in accordance with the directions, instructions or wishes of, or in concert with, the first-mentioned person or of the first-mentioned person and another person who is an associate of the first-mentioned person under another paragraph; or
- (e) if the person is a company - another company if:
 - (i) the other company is a related body corporate of the person for the purposes of the Corporations Act 1990; or
 - (ii) the person, or the person and another person who is an associate of the person under another paragraph, are in a position to exercise control of the other company;

but persons are not associates if the ACMA is satisfied that they do not act together in any relevant dealings relating to that company, licence or newspaper, and neither of them is in a position to exert influence over the business dealings of the other in relation to that company, licence or newspaper;

'company interests', in relation to a person who has a shareholding interest, a voting interest, a dividend interest or a winding-up interest in a company, means the percentage of that interest or, if the person has 2 or more of those interests, whichever of those interests has the greater or greatest percentage;

'control' includes control as a result of, or by means of, trusts, agreements, arrangements, understandings and practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights.

'shares', in relation to a company, means shares in, or stock forming part of the capital of the company;

'transaction' includes:

- (a) arrangements under which a person becomes a director of a company; and
- (b) the acquisition of things by gift or inheritance.

Section 7 of the BSA

Interpretation - meaning of control

7. Schedule 1 sets out mechanisms that are to be used in:

- (a) deciding whether a person is in a position to exercise control of a licence, a company or a newspaper for the purposes of this Act; and

- (b) tracing company interests of persons.

Note: **Licence** is given an extended meaning by subsection 6(1).

Section 8 of the BSA

Interpretation - shareholding interests, voting interests, dividend interests and winding-up interests

8.(1) For the purposes of this Act:

- (a) a person has a shareholding interest in a company if the person is beneficially entitled to, or to an interest in, shares in the company, whether or not any part of the legal ownership of the shares is vested in the person; and
- (b) the percentage of the interest is the value of the shares, or of the interest in the shares, as the case may be, on the basis that the value of the shares is equal to the amount paid on the shares, expressed as a percentage of the total of all amounts paid on shares in the company.

(2) For the purposes of this Act:

- (a) a person has a voting interest in a company if the person is in a position to exercise control of votes cast on a poll at a meeting of the company; and
- (b) the percentage of the interest is the greatest percentage of the number of votes, expressed as a percentage of the total number of votes that could be cast on any issue at a meeting of the company, the casting of which the person is in a position to control.

(3) For the purposes of this Act:

- (a) a person has a dividend interest in a company if:
 - (i) the person is, or would become if a dividend were declared, beneficially entitled to be paid or credited a dividend by the company; or
 - (ii) under the memorandum and articles of association of the company, a share of any profits of the company is to be, or may be, paid or credited to the person otherwise than as dividends on shares; and
- (b) the percentage of the interest is:
 - (i) if subparagraph (a)(i) applies - the amount of the dividend to which the person is beneficially entitled or will become beneficially entitled expressed as a percentage of the total of all dividends to which members of the company become entitled at that time; or
 - (ii) if subparagraph (a)(ii) applies - the amount of the maximum share of any profits of the company that could be paid or credited to the person at a particular time expressed as a percentage of the total of all shares of profits that could be paid or credited to all members of the company at that time.

(4) For the purposes of this Act:

- (a) a person has a winding-up interest in a company if the person would be entitled to a share of the property of the company that could be distributed among members of the company if property of the company were distributed among members, whether as a result of a winding-up or otherwise; and
- (b) the percentage of the interest is the percentage that the value of that part of the property of the company to which the person would be so entitled bears to the total value of the property of the company.

(5) A person may have a voting interest, a dividend interest or a winding-up interest in a company even if the person does not have a beneficial entitlement to, or to an interest in, shares in the company.

SCHEDULE 1

CONTROL AND OWNERSHIP OF COMPANY INTERESTS

PART 1 - INTRODUCTION

Control-general

1 Control—general

- (1) This Schedule is intended to provide a means of finding out who is in a position to exercise control of commercial television broadcasting licences, commercial radio broadcasting licences, subscription television broadcasting licences, international broadcasting licences, datacasting transmitter licences, newspapers and companies and a means of tracing company interests.

This Schedule recognises that the concept of control of a licence, a newspaper or a company can be a complex one.

The holding of company interests is not the only way to be in a position to exercise control. Clauses 2 and 3 set out the rules for deciding when a position to exercise control exists. While company interests may be important in deciding that question, they are only one issue. In some cases, it may be important to look at agreements and arrangements between people and at accustomed courses of conduct between people. In this respect, the definition of **associate** in section 6 of this Act is important.

A person who has company interests exceeding 15% in a company is regarded as being in a position to control the company.

Control of a company may also come about through company interests of 15% or less. This could happen where a person holds company interests of say 10% but no other person holds company interests of more than say 2% and those other persons do not act in concert.

A person may be in a position to exercise control of only the media activities of a licensee or a newspaper, but that position is nevertheless to be regarded as a position to exercise control of the licence or the newspaper.

- (2) Because of the complexities involved in this area, it is not possible to provide rules which will give a definite answer in all cases. Therefore, the ACMA is given a monitoring role over the broadcasting and datacasting industries and suitable powers of investigation in order to reach a conclusion as to whether a person is in a position to exercise control or not. In order to provide certainty for persons involved in those industries, the ACMA is also given, under section 74, a power to give a binding opinion on the question of control.

PART 2 - WHEN PERSON IS IN A POSITION TO EXERCISE CONTROL

When person is in a position to exercise control

- 2(1) For the purposes of this Schedule, a person is in a position to exercise control of a licence or a company if:
- (a) the person, either alone or together with an associate of the person, is in a position to exercise control of the licensee or the company; or
 - (b) in the case of a licence (other than a datacasting transmitter licence):
 - (i) the person is the licensee; or
 - (ii) the person, either alone or together with an associate of the person, is in a position to exercise (whether directly or indirectly) control of the selection or provision of a significant proportion of the programs broadcast by the licensee; or
 - (iii) the person, either alone or together with an associate of the person, is in a position to exercise (whether directly or indirectly) control of a significant proportion of the operations of the licensee in providing broadcasting services under the licence; or
 - (ba) in the case of a datacasting transmitter licence:
 - (i) the person is the licensee; or
 - (ii) the person, either alone or together with an associate of the person, is in a position to exercise (whether directly or indirectly) control of the selection or provision of a significant proportion of the datacasting content transmitted by the licensee; or

- (iii) the person, either alone or together with an associate of the person, is in a position to exercise (whether directly or indirectly) control of a significant proportion of the operations of the licensee in transmitting datacasting services under the licence; or
 - (c) in the case of a non-licensee company—the person, either alone or together with an associate of the person, is in a position to exercise (whether directly or indirectly) control of a significant proportion of the operations of the company; or
 - (d) the person, either alone or together with an associate of the person, is in a position to:
 - (i) veto any action taken by the board of directors of the licensee or the company; or
 - (ii) appoint or secure the appointment of, or veto the appointment of, at least half of the board of directors of the licensee or the company; or
 - (iii) exercise, in any other manner, whether directly or indirectly, direction or restraint over any substantial issue affecting the management or affairs of the licensee or the company; or
 - (e) the licensee or the company or more than 50% of its directors:
 - (i) act, or are accustomed to act; or
 - (ii) under a contract or an arrangement or understanding (whether formal or informal) are intended or expected to act;

in accordance with the directions, instructions or wishes of, or in concert with, the person or of the person and an associate of the person acting together or, if the person is a company, of the directors of the person.
- (2) Paragraph (1)(b) does not apply to the provision of programs by a person to a licensee under an agreement for the supply of programs to a licensee if the conditions of the agreement relate only to the programs so supplied or their promotion.
- (2A) Paragraph (1)(ba) does not apply to the provision of datacasting content by a person to a licensee under an agreement for the supply of datacasting content to the licensee if:
- (a) the conditions of the agreement relate only to the datacasting content so supplied or its promotion; and
 - (b) the content so supplied is a minority of the datacasting content transmitted by the licensee.
- (3) An employee of a licensee or of a non-licensee company is not, except through an association with another person, to be regarded as being in a position to exercise control of a licence or a company under subclause (1) purely because of being an employee.
- (4) More than one person may be in a position to exercise control of a licence or a company.
- (5) The following are examples of situations that, depending on the circumstances, may be relevant in determining whether a person is in a position to exercise control of 2 or more licences:
- (a) the licensees share any or all of the following:
 - (i) equipment;
 - (ii) studios;
 - (iii) other production facilities;
 - (iv) transmission facilities;
 - (v) human resources;
 - (vi) other resources;
 - (b) the program content of a substantial percentage of the total number of hours of programs broadcast under one of those licences is the same as the program content of a substantial percentage of the total number of hours of programs broadcast under the other licence or licences;
 - (c) the licensees have financial relationships with each other;
 - (d) both of the following subparagraphs apply:
 - (i) the person is in a position to exercise control of one or more of the licences;
 - (ii) the person has a financial relationship with another person who is in a position to exercise control of the other licence or one or more of the other licences.

When person is in a position to exercise control of a newspaper

3(1) For the purposes of this Schedule, a person is in a position to exercise control of a newspaper if:

- (a) the person is the publisher of the newspaper; or
- (b) the person is in a position, either alone or together with an associate of the person and whether directly or indirectly:

- (i) to exercise control of a significant proportion of the operations of the publisher in publishing the newspaper; or
- (ii) to exercise control of the selection or provision of a significant proportion of the material to be published in the newspaper; or
- (c) if the newspaper is published by a company:
 - (i) the person is in a position, either alone or together with an associate of the person, to exercise control of the company;
 - (ii) the person, either alone or together with an associate of the person, is in a position to veto any action taken by the board of directors of the company; or
 - (iii) the person, either alone or together with an associate of the person, is in a position to appoint or secure the appointment of, or veto the appointment of, at least half of the board of directors of the company; or
 - (iv) the person, either alone or together with an associate of the person, is in a position to exercise, in any other manner, whether directly or indirectly, direction or restraint over any substantial issue affecting the management or affairs of the company; or
 - (v) the company or more than 50% of its directors:
 - (A) act, or are accustomed to act; or
 - (B) under a contract or an arrangement or understanding (whether formal or informal) are intended or expected to act;
 in accordance with the directions, instructions or wishes of, or in concert with, the person or of the person and an associate of the person acting together or, if the person is a company, of the directors of the person.
- (2) Subparagraph (1)(b)(ii) does not apply to the provision of material by a person to a newspaper under an agreement for the supply of material of that kind if the conditions of the agreement relate only to the material so supplied.
- (3) An employee of the publisher of a newspaper is not, except through an association with another person, to be regarded as being in a position to control the newspaper under subclause (1) purely because of being an employee.

4 Special provisions for authorised lenders

- (1) Subject to subclause (2), if an authorised lender has a loan agreement with a media company:
 - (a) the agreement; and
 - (b) any other agreement or transaction that is:
 - (i) associated with the loan agreement; and
 - (ii) entered into in the ordinary course of carrying on a business of providing financial accommodation; and
 - (c) anything done under the loan agreement or under an agreement or transaction referred to in paragraph (b), being a thing done in the ordinary course of carrying on a business of providing financial accommodation;
 are to be disregarded in deciding whether the lender or any controller of the lender is in a position to exercise control of the media company or of any licence or newspaper of which the media company is in a position to exercise control.
- (2) Subclause (1) does not apply in relation to being in a position to exercise control of a licence if the lender or a controller of the lender:
 - (a) prevents the licensee from complying with a condition of the licence; or
 - (b) in the case of a licensee other than a datacasting transmitter licensee—controls the selection or provision of any of the programs to be broadcast by the licensee; or
 - (ba) in the case of a datacasting transmitter licensee—controls the selection or provision of any of the datacasting content to be transmitted by the licensee; or
 - (c) appoints or secures the appointment of at least half of the board of directors of the licensee; or
 - (d) vetoes the appointment of at least half of the board of directors of the licensee otherwise than:
 - (i) under a loan agreement or an agreement or transaction referred to in paragraph (1)(b); and
 - (ii) in the ordinary course of carrying on a business of providing financial accommodation.
- (3) Subclause (1) does not apply in relation to being in a position to exercise control of a newspaper if the lender or a controller of the lender:
 - (a) controls the selection or provision of any of the material to be published in the newspaper; or

- (b) appoints or secures the appointment of at least half of the board of directors of the media company that publishes the newspaper; or
- (c) vetoes the appointment of at least half of the board of directors of the media company that publishes the newspaper otherwise than:
 - (i) under a loan agreement or an agreement or transaction referred to in paragraph (1)(b); and
 - (ii) in the ordinary course of carrying on a business of providing financial accommodation.

(4) In this clause:

authorised lender means:

- (a) an ADI (authorised deposit-taking institution) within the meaning of the *Banking Act 1959*; or
- (b) a corporation formed under the law of a State or Territory to carry on the business of banking within Australia; or
- (c) a corporation whose sole or principal business is the provision of financial accommodation to other persons, being a corporation:
 - (i) that is a registered entity under the *Financial Sector (Collection of Data) Act 2001*; or
 - (ii) in respect of which a declaration under subclause (5) is in force; or
 - (iii) in respect of which an application for such a declaration has been made but not finally disposed of.

controller, in relation to an authorised lender, means a person who is in a position to exercise control of the lender.

loan agreement, in relation to a company, means an agreement entered into in the ordinary course of carrying on a business of providing financial accommodation under which:

- (a) financial accommodation is provided to the company; or
- (b) money is deposited with the company; or
- (c) a debt or liability (whether or not financial) of the company arises;

whether or not:

- (d) the financial accommodation, money, debt or liability is secured; or
- (e) money payable by the company under the agreement is presently payable; or
- (f) liability arising under the agreement is unconditional.

media company means:

- (a) a company that holds a commercial television broadcasting licence or a commercial radio broadcasting licence; or
- (b) a company that holds a subscription television broadcasting licence; or
- (ba) a company that holds an international broadcasting licence; or
- (bb) a company that holds a datacasting transmitter licence; or
- (c) a company that publishes a newspaper; or
- (d) a company that is in a position to exercise control of such a company.

- (5) The ACMA may, in writing, declare a corporation (whether formed inside or outside Australia) whose sole or principal business is the provision of financial accommodation to other persons to be an authorised lender for the purposes of this clause.

PART 3 - DEEMED CONTROL

5 Explanation of examples

In an example in this Part, a percentage written next to an arrow indicates that the person before the arrow has company interests in the company to which the arrow is pointing which exceeds that percentage.

6 The 15% rule

- (1) If a person has company interests in a company exceeding 15%, the person is to be regarded as being in a position to exercise control of the company.

7 Application of method through chain of companies

The method described in clause 6 can be applied in the case of a chain of companies. Where a company interest of more than 15% is maintained throughout the chain, the person is to be regarded as being in a position to exercise control of the last company in the chain.

Example:



Here the person is to be regarded as being in a position to exercise control of Company D.

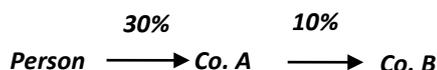
PART 4 - TRACING OF OWNERSHIP

8 Tracing of ownership

Company interests can be traced through a chain of companies using a method known as the fractional tracing method. This method applies a formula to decide what company interest a person has.

This method is best demonstrated by an example.

Example:



The person's company interest in Company B is worked out using the formula:

$$\text{Company Interest 1} \times \text{Company Interest 2}$$

where:

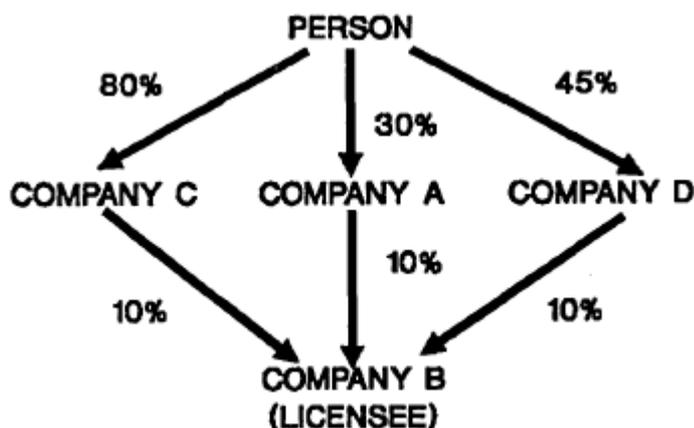
Company Interest 1 is the company interest of the person, expressed as a fraction, in Company A.

Company Interest 2 is the company interest of Company A, expressed as a fraction, in Company B.

In this case, the formula produces: $3/10 \times 1/10$, which means that the person has a 3% company interest in Company B.

Interests traced in this way can be added. If Company B is a licensee and the person had, through other chains of companies, a further 12.5% company interest in Company B, the person would be regarded as being in a position to exercise control of Company B under Part 3 of this Schedule because the person would have company interests exceeding 15% in Company B.

Example



In this example, the person has a 15.5% company interest in Company B. This is made up of 3% (through Company A), 8% (through Company C) and 4.5% (through Company D).

This method of tracing ownership may be used through any number of companies. However, the ACMA is not required to trace every minor company interest.

For more information about the Form ACMA B15 contact:

Diversity, Localism and Accessibility Section
Australian Communications and Media Authority
PO Box Q500
Queen Victoria Building NSW 1230
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