SERVICE DELIVERY AGREEMENT

Entered into by and between

THE MUNICIPALITY OF STELLENBOSCH

Herein represented by ELIZABETH CHRISTINA LIEBENBERG her capacity as
MUNICIPAL MANAGER, she being duly authorized thereto (hereinafter referred to
as "the Municipality")

AND

 STELLENBOSCH HERITAGE FOUNDATION

Herein represented by HANNES VAN ZYL in his capacity as CHAIRPERSON OF
the STELLENBOSCH HERITAGE FOUNDATION, he being duly authorized thereto
(hereinafter referred to as "the Beneficiary")

WHEREAS the Municipality has agreed to allocate the sum of R 108 787, 00
(One hundred and eight thousand seven hundred and eighty seven rand)
to the Beneficiary and the Beneficiary has agreed to accept the money, subject to
the conditions stipulated hereinafter;

WHEREAS the Beneficiary agrees to apply such allocated amount of money for the
purposes of funding as set out in the attached Annexure “A” for the Stellenbosch
Heritage Foundation.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Municipality shall effect payment of the sum of R 108 787, 00
   (One hundred and eight thousand seven hundred and eighty seven
   rand).

2. The Beneficiary undertakes to provide the Municipality with the details of a
   separate bank account opened at any registered bank within the Republic of
   South Africa within 14 (fourteen) days of the date of signing of this agreement
   in order to allow the Municipality to deposit the funds directly into such bank
   account.
3. The Beneficiary herewith confirms that effective, efficient and transparent financial management and internal control systems are in place to guard against fraud, theft and financial mismanagement.

4. The Beneficiary is obliged to provide the Municipality with a copy of its most recent audited financial statements or audit certificate, prior to the signing of this agreement, as part of the Municipality's assessment process.

5. The Beneficiary undertakes to prepare financial statements in respect of the financial year/s for which this agreement is or remains in force, and undertakes to have these financial statements audited by a registered accountant.

6. The Beneficiary herewith confirms and acknowledges that the funds may only be utilized for the purpose for which it was approved.

7. The Beneficiary must ensure that the funds earn interest at competitive rates until it can be utilized for the purpose for which it was approved.

8. Interest earned must be credited to the account opened in terms of clause 2 and may only be utilized for the purpose/expenditure as listed in Annexure "A".

9. The parties agree that in the event that the funds are not utilized for the purpose for which it was allocated within 3 (three) months after the funds were deposited into the bank account of the Beneficiary, all funds paid by the Municipality must immediately be refunded to the Municipality, with all interest accrued.

10. The Beneficiary undertakes to retain all expenditure vouchers, including cashed cheques, indicating the expenditure, etc. for audit purposes.
11. The **Beneficiary** undertakes to submit to the **Municipality** (Director: Planning & Development) monthly reports reflecting expenditure incurred against the funds deposited. The **Municipality** retains the right to request more frequent expenditure reports if deemed necessary.

12. Audited financial statements, which disclose the total allocation of funds from the **Municipality**, total interest earned and total expenditure, must be forwarded to the **Municipality** (for the Attention: Director: Planning & Development) within three months of the end of the **Beneficiary**'s financial year in respect of the financial years for which this agreement is or remains in force.

13. The **Beneficiary**, at least annually, must submit a comprehensive report, prepared by its, Chief Executive Officer or other most senior member of its management team, as the case may be, pertaining to the funds allocated and which refers to:
   - the functions and objectives of the **Beneficiary** organization provided for by law or in terms of this agreement;
   - the extent to which the **Beneficiary** achieved the objectives for which the funds have been provided; and
   - any other appropriate performance information regarding the economical, effective, efficient and appropriate utilization of the funds.

14. In the event that the **Beneficiary** does not comply with any or all of the conditions as set out in this agreement, including Annexure “A” attached hereto, the **Municipality** shall be entitled to immediately and without notice cancel this agreement and claim back all the funds allocated together with interest accrued, without detriment to any other remedy which may be available to it in law.

15. Each of the parties chooses its **domicilium citandi et executandi** for the purposes of the giving of any notice, the serving of any legal process and for
any purposes arising from its Agreement at their respective addresses set forth hereunder:

The Beneficiary:  Stellenbosch Heritage Foundation
14 Louw Street
Stellenbosch
7600

The Municipality:  Office of the Municipal Manager
Third Floor
Town Hall Complex
17 Plein Street
Stellenbosch
7600

Any notice to any party shall be addressed to it at its domicilium aforesaid and be sent either by pre-paid registered post or be delivered by hand. In the case of any notice:

- sent by pre-paid registered post, it shall be deemed to have been received, unless the contrary is proved, on the seventh day after posting; and
- delivered by hand, it shall be deemed to have been received, unless the contrary is proved, on the date of delivery, provided such date is a business day or otherwise on the next following business day.

Any party shall be entitled by notice in writing to the other, to change its domicilium to any other address within the Republic of South Africa, provided that the change shall become effective only fourteen (14) working days after the service of the notice in question;

Any notice addressed to the Municipality shall be required to be addressed to the Municipal Manager, to be deemed to have been effectively delivered of served.
16. This agreement constitutes the entire agreement between the parties regarding the subject matter hereof. No agreements, guarantees of representations, whether verbal or in writing, have been concluded, issued or made, upon which either party is relying in concluding this Agreement, save to the extent set out herein.

17. No variation of, or addition or agreed cancellation to this Agreement shall be of any force or effect unless it is reduced to writing and signed by or on behalf of the parties.

18. If any of the clauses of this Agreement or Annexure thereto are found to be invalid or not binding on the parties, such finding will not affect the validity of this agreement and the parties agree to be bound by the other provisions of the agreement.

SIGNED AT .................................................. ON THIS .......... DAY OF JUNE 2015

THE MUNICIPALITY
(Name in capital letters) Duly represented by

ELIZABETH CHRISTINA LIEBENBERG in her capacity as MUNICPAL MANAGER

..........................................................
Signature

AS WITNESSES:

1. ..........................................................
   (Name in capital letters)

2. ..........................................................
   (Name in capital letters)
SIGNED AT ..............................................................ON THIS ............ DAY OF JUNE 2015

THE BENEFICIARY
Stellenbosch Heritage Foundation
Duly represented by
Hannes van Zyl in his capacity as
the chairperson of the Stellenbosch Heritage Foundation.

.................................................................
Signature

AS WITNESSES:
1. .................................................................
.................................................................
(Name in capital letters)

2. .................................................................
.................................................................
(Name in capital letters)
Annexure “A” Stellenbosch Heritage Foundation

Funding will be used for the following 3 projects:

Project 1:

Key strategic objective:

Complete the final legal and public participation phase of the heritage survey grading process

Commencement: June 2015
Completion: September 2015
Number of people who will benefit: Approximately 500

Inform all owners and interested parties on behalf of the Stellenbosch Municipality of the grading of the 530 properties surveyed. This must be done within the legal prescriptions of the process as described by Heritage Western Cape. This will entail:

- Public notification of the process
- Obtain the list of owners and their addresses from the Municipality
- Drafting two copies of the letter to inform the owners and sending this via registered mail
- Allow for appeals, comments and other feedback

<table>
<thead>
<tr>
<th>Project</th>
<th>Hours</th>
<th>Cost per hour</th>
<th>Price per unit</th>
<th>Sub-total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete the final legal and public participation phase of the heritage survey grading process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Management, drafting the letters and allowing for discussion and appeals: 3 days</td>
<td>8</td>
<td>250</td>
<td>R 6 000</td>
<td></td>
</tr>
<tr>
<td>Advertise/notice in the Eikstadnuus</td>
<td></td>
<td></td>
<td>R 2 200</td>
<td></td>
</tr>
<tr>
<td>Send 2 x copies of the letter to 530 owners via registered mail (R22,00 SA Post Office cost per letter)</td>
<td>1060 copies</td>
<td>22</td>
<td>R 23 320</td>
<td>R 31 520,00</td>
</tr>
</tbody>
</table>
APPENDIX A
Project 2:

Key strategic objective:

Add trees to the existing, approved survey of the historical town centre

Commencement: June April 2015
Completion: June 2016
Number of people who will benefit: Unlimited

Heritage Western Cape recommended that trees need to be added and graded in the historical town centre. This will entail:

- Appointing a project manager to identify the trees and record them
- Recording the SG code and X & Y coordinates of each tree
- Integrating the data on the ESRI maps available on the website
- Adding the information to the website
- Submitting the information to Heritage Western Cape

<table>
<thead>
<tr>
<th>Project</th>
<th>Hours</th>
<th>Cost per hour</th>
<th>Price per unit</th>
<th>Sub-total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adding trees to the existing, approved survey of the historical town centre</td>
<td></td>
<td></td>
<td></td>
<td>R 34 380.00</td>
</tr>
<tr>
<td>Project Management: 2 days</td>
<td>16</td>
<td>250</td>
<td></td>
<td>R 4 000</td>
</tr>
<tr>
<td>Consultant: 5 days</td>
<td>40</td>
<td>600</td>
<td></td>
<td>R 24 000</td>
</tr>
<tr>
<td>Adding the trees to the map</td>
<td>10</td>
<td>350</td>
<td></td>
<td>R 3 500</td>
</tr>
<tr>
<td>Data capturing</td>
<td>16</td>
<td>180</td>
<td></td>
<td>R 2 880</td>
</tr>
</tbody>
</table>
Project 3:

Key strategic objective:

Document and survey the Rhenish complex and the Braak as a key cultural landscape within the historical core.

Commencement: June 2015
Completion: June 2016
Number of people who will benefit: Unlimited

Heritage Western Cape approved the heritage survey of the historical core of Stellenbosch on condition that a survey of all recommended that four areas should be documented and managed as cohesive landscapes, over and above the grading of specific buildings in that landscape. The four landscapes are:

- The Braak and the Rhenish Complex, inclusive of the Kruithuis and the two churches on the Braak
- Dorp Street and its extensions
- The upper part of Church Street, Ryneveld Street and Drosdy Street, inclusive of the Moederkerk, the Theological Seminary and the Stellenbosch Museum
- The old Coetzenburg farmstead and werf

Heritage Western Cape recommends the Braak and the Rhenish Complex as a Grade I National Landscape, which places this landscape directly under the jurisdiction of the South African Heritage Agency.

(Dorp Street; the museum/church/seminary node; and the Coetzenburg are designated as Grade II cultural landscapes. The value of buildings and structures in these landscapes are determined by the value of the whole landscape. Grade II landscapes are under the jurisdiction of Heritage Western Cape—not part of this project)

The project will entail:

- Creating accurate 3D (three dimensional) cadastral maps of the Natural Landscape areas or cultural landscapes.
- Integrating the maps with the ESRI maps available on the website
- Appointing a consultant to complete the grading and design recommendations
- Adding the information to the website
- Submitting the information to SAHRA
- Steer the process towards the final declaration of the landscape as a Grade 1 Natural Landscape.
<table>
<thead>
<tr>
<th>Project 3</th>
<th>Hours</th>
<th>Cost per hour</th>
<th>Price per unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation of four cultural landscapes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Management: 6 hours</td>
<td>6</td>
<td>250</td>
<td>R 1 500</td>
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<tr>
<td>Three dimensional Maps</td>
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<td></td>
<td>R 30 000</td>
<td></td>
</tr>
<tr>
<td>Consultant: 10 days</td>
<td>40</td>
<td>600</td>
<td>R 24 000</td>
<td></td>
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<td>Changes to the website to accommodate landscapes</td>
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<td>380</td>
<td>R 15 200</td>
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<tr>
<td>Data capturing: 3 days</td>
<td>24</td>
<td>180</td>
<td>R 4 320</td>
<td></td>
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<tr>
<td><strong>R 75 020,00</strong></td>
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</table>

**TOTAL COST CALCULATION FOR ALL 3 PROJECTS**

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>R 31 520,00</td>
</tr>
<tr>
<td>Project 2</td>
<td>R 34 380,00</td>
</tr>
<tr>
<td>Project 3</td>
<td>R 75 020,00</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>R 131 020,00</strong></td>
</tr>
</tbody>
</table>

**NOTE:**

The financial shortfall of R 22 233, 00 will be donated by the Stellenbosch Heritage Foundation in order to allow the 3 projects to be completed.