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 ENTREPRENEUR & ENTERPRISE DEVELOPMENT

Herein represented by KIM KLIR in her capacity as MANAGING DIRECTOR, he/she being duly authorized thereto (hereinafter referred to as "the Beneficiary")

WHEREAS the Municipality has agreed to allocate the sum of R 212 000.00 (Two Hundred and Twelve Thousand 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 R50 000.00 of the funds on the existing Tourism Development project: Kayamandi Creative District, and R162 000.00 of the funds for tourism development in Idas Valley and that such allocated amount of money be used for the purposes of funding as stipulated in Appendix A.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Municipality shall effect payment of the sum of R212 000.00 (Two Hundred and Twelve Thousand Rand) to the Beneficiary in a lump sum and the Beneficiary accepts the money allocated, subject to the following terms and conditions.

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 Appendix “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 (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 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 Director, 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 Appendix “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 Entrepreneur & Enterprise Development  
118 A Masithandane Street  
Kayamandi  
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;

4
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 MUNICIPAL MANAGER

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

AS WITNESSES:

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

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

THE BENEFICIARY
(Name in capital letters) Duly represented by

KIM KLIR in her capacity as

MANAGING DIRECTOR

......................................................

Signature

AS WITNESSES:

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

2. ..............................................
   (Name in capital letters)
ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2015/16 FINANCIAL YEAR

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity: STELLENBOSCH ENTREPRENEUR AND ENTERPRISE DEVELOPMENT

KEY STRATEGIC OBJECTIVE 1: BRANDING of Kayamandi Creative District total budget R50 000.00

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase KCD awareness</td>
<td>Create destination brand awareness with:</td>
<td>Marketing collateral i.e. of leisure and events</td>
<td>Project Plan of activities and timeframes on how will be create marketing and branding awareness</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td>• Stakeholders</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Core trade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Core domestic consumers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Core foreign consumers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of production and distribution of marketing collateral to key international and domestic market.</td>
<td>Number of events calendars produced and distributed to tourism, events and hospitality to promote the Greater Stellenbosch as a key events destination exposing the brand to various markets.</td>
<td>July 2015 – June 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Key KDM creative District Campaign</td>
<td>Number of media targets</td>
<td>Number of events identified and awareness</td>
<td>Presentation and dissemination of brochures and including the municipal logo and innovation capital logo</td>
<td>Schedule of trade shows and events envisaged to attend with budget implications</td>
</tr>
</tbody>
</table>


To profile the Greater Stellenbosch as a tourism destination both internationally through exhibitions and trade shows and domestically through created and number of engagements.
<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>MEASURABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>An inclusive tourism industry by facilitating tourism development and growth</td>
<td>Kayamandi Creative District</td>
<td>Develop vibrant economic hub</td>
<td>Research on marketing support provided to tourism entrepreneurs and the development of a plan of action on how marketing support can and will be provided</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Expand current route with new products and increase job creation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Coordination and facilitating emerging tourism entrepreneur participation</td>
<td>Develop a focused programme of action to create a marketing platform for emerging enterprises to access markets i.e. access to tradeshows and event, facilitation and assistance with deals etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>with tourism business forum partners and the establishment of a focussed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>programme of action to create a marketing platform.</td>
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<td></td>
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</tr>
<tr>
<td>Idas Valley community tour</td>
<td>Walking / Bicycle tour</td>
<td>Create bicycle and walking tour guide business that will be locally owned</td>
<td>Identify possible and existing products</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identify number of Job creation vs. actual job creation</td>
<td>Develop existing and possible products</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creative and effective generic external stakeholder network</td>
<td>Establish linkages between emerging entrepreneurs and established tourism business</td>
<td>Support programme for development initiatives for tourism entrepreneurs</td>
<td>Identification of relevant stakeholders to engage with to discuss support programme</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td>to integrate SMME development programmes</td>
<td>with public and private stakeholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Destination Development</td>
<td>Development of geographical routes to enable the distribution of tourist throughout the municipal geographic area, encouraging the geographic spread of tourist activities</td>
<td>Identification of new routes and products and the development of an implementation plan</td>
<td>Research on the identification of possible new routes and products and the maintaining of existing routes and products and the development of an implementation plan</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
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<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td>Annexure of engagements and compilation of a plan of action for development of support programme indicating the possible placements and services that can be procured from SMMe’s</td>
<td>July 2015 – June 2016</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### KEY STRATEGIC OBJECTIVE 4: LEGISLATIVE COMPLIANCE

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bodies Performing a municipal function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
<td>The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilized in accordance with the completed and signed MOA, the submitted application and this Policy. The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.</td>
<td>Bodies Performing a municipal function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
</tr>
</tbody>
</table>

Compilation of annual report at end of financial year of milestones accomplished in terms of strategic objectives set.
PS: reports on all deliverables must be submitted no later than one week after the end of every month as well as the visitor statistics for the said month, must be included in the monthly report. Financials must be submitted with all reports.

I, Kim Klar, hereby agree to the set deliverables given to SEED for the application for Bodies Performing a Municipal Function 2015/16 financial year.

Signed..............................................

Name in full...........................................

Witness signature....................................

Witness name in full.................................

Date ............................................
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

FRANSCHOEK WINE VALLEY

Herein represented by JENNIFER PRINSLOO in her capacity as CHIEF EXECUTIVE OFFICER, she being duly authorized thereto (hereinafter referred to as "the Beneficiary")

WHEREAS the Municipality has agreed to allocate the sum of R 1 665 013.00 (One Million Six Hundred and Sixty Five Thousand and Thirteen Rand) to the Beneficiary and the Beneficiary has agreed to accept the money, subject to the conditions stipulated hereinafter;

WHEREAS the Beneficiary acknowledge that Dwarsrivier Tourism Office will be included and operate as a special project under this agreement.

WHEREAS the Beneficiary agrees to apply such allocated amount of money for the purposes of funding as set out in the attached as Appendix “A” for Franschoek Wine Valley Tourism Association and as Appendix “B” for the Dwarsrivier Tourism Office.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Municipality shall effect payment of the sum of R1 665 013.00 (One Million Six Hundred and Sixty Five Thousand and Thirteen Rand) to the Beneficiary in a lump sum of which R530 813.00 (Five Hundred and Thirty thousand Eight Hundred and Thirteen Rand) will be
utilized for the Dwarsrivier Tourism Office as a special project of the Franschoek Wine Valley Tourism Association under this agreement.

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 Appendix “A” and “B”.

2
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 Appendix “A” and “B” 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: Franschoek Wine Valley Tourism
                     Association
                     62 Huguenot Road
                     Franschoek
                     7690

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 if 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
(Name in capital letters) Duly represented by
JENNIFER PRINSLOO in her capacity as
CHIEF EXECUTIVE OFFICER

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

AS WITNESSES:
1. ..........................................................
(Name in capital letters)
2. ..........................................................
(Name in capital letters)
ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2015/16 FINANCIAL YEAR

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity: Franschoek Wine Valley Tourism Associations

**KEY STRATEGIC OBJECTIVE 1: BRANDING** total budget R100 000.00

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
</table>
| Increase Franschoek Brand Awareness | Create destination brand awareness with:  
  - Stakeholders  
  - Core trade  
  - Core domestic consumers  
  - Core foreign consumers | Marketing collateral ie of leisure and events  
  Website re-development to integrate social media, measure social media, better visuals, mobi-site, online brochure using latest technology | Project Plan of activities and timeframes on how will be create marketing and branding awareness | July 2015 – June 2016 |
| Franschoek Experience Campaign | Number of social media targets | Launching and maintenance of website, reporting on number of hits per month, the most visited section | | July 2015 – June 2016 |
| Franschoek PR and Media. (Indication of where distributed) | Number of events awareness | Identify events:  
  - Franschoek Bastille Festival July 2015  
  - Franschoek Food and Wine August 2015  
<table>
<thead>
<tr>
<th>Production and dissemination of brochures</th>
<th>Develop and updating of brochures and including the municipal logo and innovation capital logo</th>
<th>July 2015 – June 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>To profile the Greater Stellenbosch as a tourism</td>
<td>Schedule of Tradeshows and Trade Shows envisaged to attend with budget</td>
<td>July 2015 – June 2016</td>
</tr>
</tbody>
</table>

- September 2015
  - 2 x Cape Wine 2015 events
  - Franschhoek Cao Classique & Champagne Festival December 2015
  - Franschhoek Summer Wines February 2016
  - Franschhoek Wedding Showcase April 2016
  - Delice Network of Good Food Cities of the World Conference April 2016
  - Winter Sculpture Fair May 2016
  - Franschhoek Literary Festival May 2016
  - 4 x Mystery Weekends in low winter season to promote tourism:
    - May 2015, June 2015, August 2015, September 2015
<table>
<thead>
<tr>
<th>destination internationally and domestically through exhibitions and tradeshows</th>
<th>exhibitions attended and type of exposure created and number of engagements</th>
<th>implications:</th>
</tr>
</thead>
</table>
|  |  | • Getaway Show March 2016  
• WTM Africa April 2016  
• SA Tourism Roadshow to India TBC, depends on visa implications |

Provide feedback report on tradeshows and events attended, indicating the number of engagements and envisaged outcomes and possible media exposure in international editorial pieces such as programmes, radio slots, website magazine etc.
<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
</table>
| An inclusive tourism industry by facilitating tourism development and growth | Develop/ maintain 8 community tourism products/projects | • Develop vibrant economic hub  
• Establish tourism route in the area – Rond en Bont  
• SMME business marketing training  
• Hospitality Tourism Training  
• Farmworker of the Year Awards – Elsenberg College  
• Cellar worker training BIOTEC  
• School projects/educational  
• School Spelling Bee Competition  
• Franschhoek Literary Festival | Research on development support provided to tourism entrepreneurs and the development of a plan of action on how marketing support can and will be provided | July 2015 – June 2016. |
<table>
<thead>
<tr>
<th>Creative and effective generic external stakeholder network</th>
<th>Establish linkages between emerging entrepreneurs and established tourism business to integrate SMME development programmes</th>
<th>Annexure of engagements and compilation of a plan of action for development of support programme indicating the possible placements and services that can be procured from SMMe's</th>
<th>Support programme for development initiatives for tourism entrepreneurs with public and private stakeholders. Identification of relevant stakeholders to engage with to discuss support programme</th>
<th>July 2015 – June 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination Development</td>
<td>Development of geographical routes to enable the distribution of tourist throughout the municipal geographic area, encouraging the geographic spread of tourist activities</td>
<td>Identification of new routes and products and the development of an implementation plan</td>
<td>Research on the identification of possible new routes and products and the maintaining of existing routes and products and the development of an implementation plan</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>Youth Affair Drama Development</td>
<td>Create a marketing platform for emerging entrepreneurs, facilitating enterprise growth and development.</td>
<td>A focused programme of action to create a marketing platform for emerging enterprises to access markets i.e. access to tradeshows and event, facilitation and assistance with deals etc</td>
<td>Co-ordination and facilitating emerging tourism entrepreneur participation with tourism business forum partners and the establishment of a focussed programme of action to create a marketing platform.</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>STRATEGIC GOALS</td>
<td>PERFORMANCE TARGETS</td>
<td>DELIVERABLES</td>
<td>KEY ACTIVITIES</td>
<td>TIMEFRAME</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------</td>
<td>--------------</td>
<td>----------------</td>
<td>-----------</td>
</tr>
<tr>
<td>World Class Visitor information Centre</td>
<td>Increase tourist enquiries and bookings by 10%</td>
<td>Increased visitor bookings and walk in, by 10%. This reflects the increase in online bookings prior to departure from international destination. Visitors are internet savvy and interact with the Information Centre generally on arrival in Franschhoek to in order to plan activities.</td>
<td>Identification of possible partners: Seychelles Islands Barossa Valley, Australia Rhone Valley, France Budget: FWV Audit Computer maintenance Office rental Electricity, Water and Refuse Salaries</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>Membership</td>
<td>Networking functions</td>
<td>Identification of 5 joint marketing initiatives and an implementation plan.</td>
<td>Increase networking functions and must include all members and also non members:  - Franschhoek Business Suppliers Workshop August 2015  - 4 x Franschhoek Members Forums</td>
<td>July 2015 – June 2016</td>
</tr>
</tbody>
</table>
### KEY STRATEGIC OBJECTIVE 4: LEGISLATIVE COMPLIANCE

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bodies Performing a municipal function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
<td>The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy. The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.</td>
<td>Activities relating in compliance with the policy for Bodies Performing a municipal function.</td>
<td>July 2015 – June 2016</td>
</tr>
</tbody>
</table>

Compilation of annual report at end of financial year of milestones accomplished in terms of strategic objectives set.
PS: reports on all deliverables must be submitted no later than one week after the end of every month as well as the visitor stats for the said month.
Financials must be submitted with all reports.

I, Jennifer Prinsloo, hereby agree to the set deliverables given to Franschoek Wine Valley for the application for Bodies Performing a Municipal Function 2015/16 financial year.

Signed.....................................................

Name in full.............................................

Witness signature........................................

Witness name in full......................................

Date.......................................................

**ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2015/16 FINANCIAL YEAR**

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity: Dwararivier Tourism office

**KEY STRATEGIC OBJECTIVE 1: BRANDING total budget R50 000.00**

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
</table>
| Increase DRV Brand Awareness | Create destination brand awareness with:  
  - Stakeholders  
  - Core trade  
  - Core domestic consumers  
  - Core foreign consumers | Marketing collateral le of leisure and events.  
  Trade shows  
  Brochures  
  Maps | Project Plan of activities and timeframes on how will be create marketing and branding awareness | July 2015 – June 2016 |
| DRV PR and Media | Number of production and distribution of marketing collateral to key international and domestic market. | Number of events calendars produced and distributed to tourism, events and hospitality to promote the Greater Stellenbosch as a key events destination exposing the brand to various markets. | July 2015 – June 2016 |

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRV PR and Media</td>
<td>Number of events awareness</td>
<td>Identify events and awareness</td>
<td></td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>DRV PR and Media</td>
<td>Production and dissemination of brochures</td>
<td>Develop and updating of brochures and including the municipal logo and innovation capital logo</td>
<td></td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>To profile the Greater Stellenbosch as a tourism destination internationally and domestically through exhibitions and trade shows</td>
<td>Tradeshow and exhibitions attended and type of exposure created and number of engagements</td>
<td>Schedule of tradeshow and events envisaged to attend with budget implications</td>
<td>July 2015 – June 2016</td>
<td></td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td></td>
<td>Provide feedback report on tradeshow and events attended, indicating the number of engagements and envisaged outcomes and possible media exposure in international editorial pieces such as programmes, radio slots, website magazine etc.</td>
<td>July 2015 – June 2016</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monthly progress report on the milestones achieved in terms of key strategic objective 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STRATEGIC GOALS</td>
<td>PERFORMANCE TARGETS</td>
<td>DELIVERABLES</td>
<td>KEY ACTIVITIES</td>
<td>TIMEFRAME</td>
</tr>
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<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Events and Programmes</td>
<td>Number of events and job creation</td>
<td>Participate in events and count number of opportunities and job creation/ Orchards Run Business network sessions DVRT Market Heritage Sport day DVR Got Talent</td>
<td>Research on marketing support provided to tourism entrepreneurs and the development of a plan of action on how marketing support can and will be provided</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>Create a marketing platform for events and emerging entrepreneurs, facilitating enterprise growth and development.</td>
<td></td>
<td>Co ordination and facilitating emerging tourism entrepreneur participation with tourism business forum partners and the establishment of a focused programme of action to create a marketing platform.</td>
<td>Develop a focused programme of action to create a marketing platform for emerging enterprises to access markets i.e. access to trade shows and event, facilitation and assistance with deals etc</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>Creative and effective generic external stakeholder network</td>
<td>Establish linkages between emerging entrepreneurs and established tourism business to integrate SMME development programmes</td>
<td>Support programme for development initiatives for tourism entrepreneurs with public and private stakeholders</td>
<td>Identification of relevant stakeholders to engage with to discuss support programme</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annexure of engagements and compilation of a plan of action for development of support programme indicating the possible placements and services that can be procured from SMMe’s</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td>Destination Development</td>
<td>Development of arts and craft route within the Dwarsrivier to enable the distribution of tourist throughout the Valley, encouraging the geographic spread of tourist activities</td>
<td>Identification of new routes and products and the development of an implementation plan</td>
<td>Research on the identification of possible new routes and products and the maintaining of existing routes and products and the development of an implementation plan</td>
<td>July 2015 – June 2016</td>
</tr>
</tbody>
</table>

**KEY STRATEGIC OBJECTIVE 3: VISITOR INFORMATION CENTRE AND MEMBER LIAISON**

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Class Visitor information Centre</td>
<td>Handle all tourist enquiries and bookings</td>
<td>Increase in visitor bookings and walk-in.</td>
<td>Identification of possible partners.</td>
<td>July 2015 – June 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Measure visitor Statistics Increase memberships numbers. Bookings for accommodation and hikes.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Membership | Networking functions | Increase networking functions and must include all members and also non members | Identification of joint marketing initiatives and an implementation plan. | July 2015 – June 2016 |
**KEY STRATEGIC OBJECTIVE 4: LEGISLATIVE COMPLIANCE**

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance Policy for Bodies</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies</td>
<td>The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy. The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.</td>
<td>Compliance Policy for Bodies Performing a Municipal Function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
</tr>
<tr>
<td>Performing a Municipal Function</td>
<td>performing a municipal function</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Compilation of annual report at end of financial year of milestones accomplished in terms of strategic objectives set.
PS: reports on all deliverables must be submitted no later than one week after the end of every month. Financials must be submitted with all reports.

I, Doreen Carolissen, hereby agree to the set deliverables given to DwarSRivier Tourism office for the application for Bodies Performing a Municipal Function 2015/16 financial year.

Signed........................................................................

Name in full................................................................

Witness signature..................................................

Witness name in full............................................... 

Date .................................................................
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 360

Herein represented by ANNEMARIE FERNS in her capacity as CHIEF EXECUTIVE OFFICER, she being duly authorized thereto (hereinafter referred to as "the Beneficiary")

WHEREAS the Municipality has agreed to allocate the sum of R 1 134 200.00 (One million One Hundred and Thirty Four Thousand Two Hundred 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 Appendix A.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Municipality shall effect payment of the sum of R1 134 200.00 (One million One Hundred and Thirty Four Thousand Two Hundred Rand) to the Beneficiary in a lump sum and the Beneficiary accepts the money allocated, subject to the following terms and conditions.

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 are 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 Appendix “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 theBeneficiary, 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 & Economic 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 Attention: Director: Planning & Economic Development) within three months of the end of the **Beneficiary**'s financial year in respect of the financial year/s 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 Appendix “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 *domicili*um *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 360NPC
36 Market 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 *domicili*um 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 *domicili*um 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 MUNICIPAL MANAGER

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

AS WITNESSES:

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

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

THE BENEFICIARY
(Name in capital letters) Duly represented by

ANNEMARIE FERNS in her capacity as

CHIEF EXECUTIVE OFFICER

Signature

AS WITNESSES:

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

2. ..............................................................
   (Name in capital letters)
## ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2015/2016 FINANCIAL YEAR

### KEY STRATEGIC OBJECTIVE 1: MARKETING TOTAL BUDGET R100,000.00

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>BUDGET</th>
</tr>
</thead>
</table>
| Establish Stellenbosch as Food, Wine, Art and Sport Capital | Signing of Joint Marketing Agreements (JMA's) with three major international tour operators | Signed agreements with 3 operators  
Longer stays through creating awareness of richly diverse tourism attractions  
Increased visits to Stellenbosch | Tour operators advertise packages in brochures, printed and online media, newsletters  
Tour operators host travel trade activations to create awareness of the multiple attractions in Stellenbosch | August 2015 - June 2016 | R 100 000.00 |
<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>JOB CREATION</th>
<th>BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>An inclusive tourism industry by developing and marketing three (3) tourism attractions in previously disadvantaged communities</td>
<td>Establish a Hiking Trail in Ida's Valley</td>
<td>A hiking trail along the old Helshoogte pass that includes the Ida’s Valley dam Complete a feasibility study on the potential and impact of the trail</td>
<td>Meet with key stakeholders Compile Business plan</td>
<td>Jul - December 2015</td>
<td>Potential SMME’s: Field guides; tree-preneurs; nursery; tea garden and hiking trail</td>
<td>R 107 200.00</td>
</tr>
<tr>
<td></td>
<td>Establish a Strawberry festival in Jamestown</td>
<td>Host a strawberry festival end October to celebrate Jamestown’s agricultural legacy. Host festival on an annual basis</td>
<td>Compile and implement Business Plan</td>
<td>July - November 2015</td>
<td>Emerging and existing entrepreneur’s (50 plus) from Jamestown participate in event</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Establish the Breughel Theatre in Cloetesville as Art &amp; Culture Centre</td>
<td>A vibrant community theatre with productions that attract visitors Packaged theatre productions showcase local art, culture and heritage, drawing international and local visitors</td>
<td>Compile Business Plan Market productions and community interaction</td>
<td>November - June 2016</td>
<td>Opportunities for Performing artists, caterers, storytellers, sound and lighting technicians, front office, tuck shop</td>
<td></td>
</tr>
<tr>
<td>Implementation of three JMA's with 3 European operators</td>
<td>Service JMA's with three international tour operators and meet with their inbound tour operators</td>
<td>Package three new culture tourism experiences from communities, for tour operators.</td>
<td>Do educational for inbound tour operators - take them to the communities to experience packages firsthand.</td>
<td>Visit tour operators in their offices, and take product owners from communities with.</td>
<td>Attend Indaba 2016</td>
<td>Packages include Dine with Locals; Township tours; A Touch of Colour; Gospel Tours; Wine wanderings</td>
</tr>
<tr>
<td>STRATEGIC GOALS</td>
<td>PERFORMANCE TARGETS</td>
<td>DELIVERABLES</td>
<td>KEY ACTIVITIES</td>
<td>TIMEFRAME</td>
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</tr>
<tr>
<td>Establish and maintain a World Class Visitor information Centre</td>
<td>Increase of visitor bookings by 5%</td>
<td>Bookings increased by 5%</td>
<td>Identification of possible partners to drive business to visitors centre.</td>
<td>July to June 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Distribution of information: Stellenbosch Guide</td>
<td>Increase of 5% in walk ins and sales</td>
<td>Assistance with general enquiries and bookings of tours and accommodation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ensure efficient office administration</td>
<td>Engage with service providers to deliver quality service</td>
<td>Payment of services: Telephone &amp; Fax; Office consumables; Audit fees; IT Support etc</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management of Tourism Industry Services</td>
<td>6 Qualitative Networking functions per annum; Visit 40 members to strengthen relationships Increase of membership by 7% Ensure all members access to the website</td>
<td>Increase of attendance of members at networking functions; 40 Site inspections of members Membership increased by 7% Assist those members who have difficulty in navigating their own pages</td>
<td>Strategy for industry services. Visit guest houses, restaurants, travel companies Action plan of possible activities to ensure member satisfaction. Do one on one sessions with members to add data to website</td>
<td>July to June 2016</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## MUNICIPAL FUNDS REQUESTED

<table>
<thead>
<tr>
<th>VISITOR CENTRE EXPENSES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>Sub-Total 719 940.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance</th>
<th>Sub-Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental and Levies</td>
<td></td>
</tr>
<tr>
<td>Maintenance/Repairs/Cleaning</td>
<td></td>
</tr>
<tr>
<td>IT Support</td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Admin/Office</th>
<th>Sub-Total 107 060.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone &amp; Fax</td>
<td></td>
</tr>
<tr>
<td>Office Consumables</td>
<td></td>
</tr>
<tr>
<td><em>(Stationery &amp; Printing)</em></td>
<td></td>
</tr>
<tr>
<td>Audit fees</td>
<td></td>
</tr>
<tr>
<td>Bank Charges</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>Sub-Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Meetings/HR/Travel</td>
<td></td>
</tr>
<tr>
<td>Computer Equipment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>MARKETING</td>
<td>100 000.00</td>
</tr>
<tr>
<td>Establish Stellenbosch as Food, Wine, Art &amp; Sport Capital</td>
<td>100 000.00</td>
</tr>
<tr>
<td>DEVELOPMENT TRADE ACTIVATION</td>
<td>207 200.00</td>
</tr>
<tr>
<td>Development of 3 tourism attractions in 3 communities</td>
<td>207 200.00</td>
</tr>
<tr>
<td>Implementation of JMA's</td>
<td>100 000.00</td>
</tr>
</tbody>
</table>

TOTAL : MUNICIPAL EXPENSES 1 134 200.00
(Visitor Centre, Marketing & Development)

* Income from other sources is reflected in the main budget
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 WINE ROUTE

Herein represented by ANNARETH BOLTON in her capacity as CHIEF EXECUTIVE OFFICER, she being duly authorized thereto (hereinafter referred to as "the Beneficiary")

WHEREAS the Municipality has agreed to allocate the sum of R 580 000.00 (Five Hundred and Eighty Thousand 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 Appendix A.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Municipality shall effect payment of the sum of R580 000.00 (Five Hundred and Eighty Thousand Rand) to the Beneficiary in a lump sum and the Beneficiary accepts the money allocated, subject to the following terms and conditions.

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 are 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 Appendix “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 & Economic 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 Attention: Director: Planning & Economic Development) within three months of the end of the Beneficiary's financial year in respect of the financial year/s 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 Appendix “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:**
Doornbosch Centre  
4489 Strand Road (R44)  
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 or 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 **MUNICIPAL MANAGER**

..........................................................

Signature

**AS WITNESSES:**

1. ..................................................

   (Name in capital letters)

2. ..................................................

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

THE BENEFICIARY
(Name in capital letters) Duly represented by

ANNARETH BOLTON in her capacity as

CHIEF EXECUTIVE OFFICER

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

AS WITNESSES:

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

2. ..........................................................
   (Name in capital letters)
APPENDIX A
ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2015/16 FINANCIAL YEAR

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity: STELLENBOSCH WINE ROUTE

KEY STRATEGIC OBJECTIVE 1: Stellenbosch Experience R250 000.00

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>PERFORMANCE TARGETS</th>
<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>To enhance the national and international image and awareness of Stellenbosch as an innovation hub and an outstanding place to visit and to live</td>
<td>Grow the demand for Stellenbosch as a tourism destination and increase the number of domestic and international visitors – establishing Stellenbosch as a base to stay from where the surrounding regions like Cape Town can be explored and shifting the destination away from merely being a wine tour stop-over.</td>
<td>Campaign implementation &amp; management</td>
<td>2016 Campaign launch at Stellenbosch Wine Festival with festival digital communication support.</td>
<td>10 January – 5 February 2016</td>
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<td></td>
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<td>Allend trade shows</td>
<td>November 2015</td>
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<td></td>
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<td></td>
<td>WTM London</td>
<td>March 2016</td>
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<td></td>
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<td>ITB Berlin, Germany</td>
<td>April 2016</td>
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<td></td>
<td></td>
<td></td>
<td>WTM Africa</td>
<td>May 2016</td>
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<td></td>
<td>Indaba, Durban</td>
<td>May 2016</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Host bloggers and media in Stellenbosch</td>
<td>#Stellenblog campaign</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>National PR &amp; Media Management &amp; Promotions</td>
<td>Dedicated national PR support</td>
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<td></td>
<td>Ongoing</td>
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<td>1 press release per month</td>
<td>Media management and engagement</td>
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<td>Media hosting support</td>
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<td>Database management</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>International PR &amp; Media Management &amp; Promotions</td>
<td>Dedicated international PR support reaching over 2,000</td>
</tr>
<tr>
<td>To optimise tourism volumes and yield for Stellenbosch in a totally sustainable manner</td>
<td>Sustainability - Developing the business to become more sustainable by generating more commercial income for the Stellenbosch Experience campaign through appropriate partnerships, joint ventures and sound business management</td>
<td>Traditional PR (print, broadcast and online articles) return on investment for the Stellenbosch Experience campaign totalled R7 285 426.72 from January – December 2014</td>
<td>German media contacts, 2,000 media contacts in the UK and 1,500 international media contacts worldwide</td>
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<tr>
<td>To establish good levels of tourism business all-year-round</td>
<td>Improving seasonality – By generating high yield tourism all-year-round to the negative impact of seasonality and stimulate sustainable job creation</td>
<td>Promote Stellenbosch’s winter offerings</td>
<td>Ongoing</td>
<td></td>
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<tr>
<td></td>
<td>Winter in the Winelands campaign</td>
<td>Wine tourism packages • Value • Lifestyle • Luxury</td>
<td></td>
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</tr>
<tr>
<td>To optimise the distribution of tourism benefits within the greater</td>
<td>Encourage more domestic travellers and families to visit and stay in Stellenbosch</td>
<td>Events calendar</td>
<td>Incorporate local events into the communications and marketing plan</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Stellenbosch region</td>
<td>To engage actively with Stellenbosch’s tourism businesses to help them become highly competitive, embrace transformation and adopt sustainable practices</td>
<td>Marketing through partnership – Stellenbosch Wine Routes cannot market Stellenbosch in isolation. The budget is not sufficient and its activities will not make the required impact if suitable strategic and operational partnerships are not achieved. This includes joint marketing agreements with tourism bodies on a regional and national level, commercial partnerships and a closer working relationship between the wine and tourism sectors, business and local government on destination marketing campaigns for Stellenbosch</td>
<td>Strategic investment</td>
<td>Develop &amp; deliver detailed project plan with marketing and communications plan &amp; calendar for 2016</td>
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</tr>
<tr>
<td>To engage local citizens as a proud community of ambassadors for Stellenbosch</td>
<td>Involve local citizens in hosting of media and guests</td>
<td>Guest relations programme</td>
<td>Include local story tellers, cooks, travel guides and drivers in hosting programmes</td>
<td>Identifying and meeting with current &amp; potential new marketing partners</td>
</tr>
<tr>
<td>Involve the local youth, and empower them through education</td>
<td>Education programme and fund</td>
<td>Stellenbosch Wine Festival Foundation – in 2015 more than R180 000 was awarded to four local tertiary students</td>
<td>Ongoing</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
**KEY STRATEGIC OBJECTIVE 2: #Stellenblog Campaign: R50 000.00**

<table>
<thead>
<tr>
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<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>To enhance the national and international image and awareness of Stellenbosch as an innovation hub and an outstanding place to visit and to live</td>
<td>Grow Stellenbosch’s on-line community of influencers in South Africa and globally whilst updating an on-line influencer data base for Stellenbosch</td>
<td>Manage <a href="http://www.stellenboschexperience.co.za">www.stellenboschexperience.co.za</a></td>
<td>Populate and manage the blog</td>
<td>Ongoing</td>
</tr>
<tr>
<td></td>
<td>On social media (January - December 2014), we have seen the online community grow across all platforms including Facebook, Twitter and Instagram. The #visitStellenbosch hashtag introduced in April 2014 reached over 1.2 million individual users in 2014.</td>
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<tr>
<td></td>
<td>Monthly themed trade, industry, media and visitors newsletters</td>
<td></td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>On-line Community &amp; Reputational Management Oversight</td>
<td></td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Content development support and weekly blogposts</td>
<td></td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Host #Stellenblog party</td>
<td>Invite top local trade, celebrities, media, wine makers and industry, bloggers, tourism sector &amp;</td>
<td>May 2016</td>
<td></td>
</tr>
<tr>
<td>STRATEGIC GOALS</td>
<td>PERFORMANCE TARGETS</td>
<td>DELIVERABLES</td>
<td>KEY ACTIVITIES</td>
<td>TIMEFRAME</td>
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</tr>
<tr>
<td>Celebrate the annual grape harvest as part of the Stellenbosch Wine Festival</td>
<td>Attract more people to Stellenbosch</td>
<td>Create an event as part of Stellenbosch Wine Festival</td>
<td>Annual Stellenbosch Wine Festival Harvest Parade</td>
<td>Saturday 23 January 2016</td>
</tr>
<tr>
<td>Pay homage to the thousands of men and women responsible for the incredible success of the wine industry in Stellenbosch and the surrounding areas</td>
<td>Make an economic impact on Stellenbosch and the surrounding areas</td>
<td>2014 festival : economic impact of R35 million</td>
<td>Official harvest parade - marching bands, Cape Minstrels, drum majorettes, decorated tractors and trucks, local farm workers and children</td>
<td></td>
</tr>
<tr>
<td>Mark the annual harvest that will again yield the wonderful award-winning wines that have made the area a world-famous wine producing region</td>
<td></td>
<td></td>
<td>09:00 – parade starts at Paul Roos and meanders through town 10:00 – stops at City Hall, for blessing of the harvest and opening of the festival by the Mayor. Mayor hands over a cheque to the tertiary</td>
<td></td>
</tr>
</tbody>
</table>

**KEY STRATEGIC OBJECTIVE 3: Stellenbosch Wine Festival Harvest Parade: R150 000.00**

- Host international and local bloggers for one week, to experience Stellenbosch first hand
- The #Stellenblog blogger campaign garnered 501 479 96 opportunities to see on social media with a value of R 11 336 983.00 (June – December 2014)
### KEY STRATEGIC OBJECTIVE 4: Stellenbosch Street Soirees: R20 000.00

<table>
<thead>
<tr>
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<th>TIMEFRAME</th>
</tr>
</thead>
</table>
| To promote Stellenbosch as a visitor friendly destination | Attract more people to our restaurants and shops in the Stellenbosch CBD | Attract 400 people per event | Sell 400 tickets per event | - 14 & 28 October 2015  
- 11 November 2015  
- 9 December 2015  
- 13 & 27 January 2016  
- 10 & 24 February 2016  
- 9 & 23 March 2016 |
<p>| Promote our cellar door experiences | Utilize local service providers | Promote on social media and in local newspapers | - | |
| Increase use of local transport service providers | Train locals to assist with the event | Arrange wine tasting (at least 15 wine farms per event) | - | |
| | Employ per event: 10 general staff /runners; 2 cleaners; 10 - 12 security officials and 3 medics; entertainment (between 1 and 8 individuals) | Appoint local music entertainment and local service providers | - | |</p>
<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
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<th>DELIVERABLES</th>
<th>KEY ACTIVITIES</th>
<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>To achieve on-going visibility for the Bottelary Hills Sub Route</td>
<td>Attract more visitors to the Bottelary Hills sub route</td>
<td>Attract 40 people to attend each lunch</td>
<td>Advertise the event to existing and new clients</td>
<td>30 August 2015&lt;br&gt;29 November 2015&lt;br&gt;February 2016&lt;br&gt;May 2016</td>
</tr>
<tr>
<td>To showcase the wines, culture, skills, terroir and history of the Bottelary Hills area</td>
<td>Promote and stimulate local business ranging from wine producers, farming community to small and medium enterprises providing products and services to the eventing and tourism industries.</td>
<td>Involve minimum of four farms per lunch</td>
<td>Create awareness through online media and local newspapers</td>
<td></td>
</tr>
<tr>
<td>To elevate the standing of the sub route and create more awareness of the brands, projects, social developments as well as its award winning wines, natural fauna &amp; flora and Bavaria.</td>
<td>Promote our cellar door experiences</td>
<td>Employ 10 people per event</td>
<td>Employ and train local staff as necessary</td>
<td></td>
</tr>
</tbody>
</table>
### KEY STRATEGIC OBJECTIVE 6: Savour Safaris: R45 000.00

<table>
<thead>
<tr>
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<th>TIMEFRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>To achieve on-going visibility for the Stellenbosch Valley Sub Route</td>
<td>Attract more visitors to the Stellenbosch Valley sub route</td>
<td>12-40 people per shuttle</td>
<td>Advertise the safaris to existing and new clients</td>
<td>Monthly</td>
</tr>
<tr>
<td>To showcase the wines, culture, skills, terroir and history of the Stellenbosch Valley area</td>
<td>Promote and stimulate local business ranging from wine producers, farming community to small and medium enterprises providing products and services to the eventing and tourism industries.</td>
<td>Involve minimum of three farms per safari. Create awareness through online media and local newspapers</td>
<td>Generate diary notices and press releases/story angles</td>
<td>Ongoing</td>
</tr>
<tr>
<td>To elevate the standing of the sub route and create more awareness of the brands, projects, social developments as well as its award winning wines, natural fauna &amp; flora and Bavaria.</td>
<td>Promote our cellar door experiences</td>
<td>Drivers and service staff – 10 per safari</td>
<td>Employ and train local staff as necessary</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
### KEY STRATEGIC OBJECTIVE 6: Fete de la Fleur: R45 000.00

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Celebrate the flowering of the vines, signifying the growth season and the upcoming harvest which forms a fundamental part of economic and agricultural growth in the Stellenbosch winelands.</td>
<td>Include all communities and pay homage to the people of this community who work tirelessly to ensure our agricultural successes.</td>
<td>Create an event called Fete de la Fleur</td>
<td>Set date, venue, format, etc</td>
<td>November 2015</td>
</tr>
<tr>
<td>Achieve on-going visibility for Stellenbosch Wine Tourism offerings.</td>
<td></td>
<td>Create awareness through online media and local newspapers</td>
<td>Generate diary notices and press releases/story angles</td>
<td></td>
</tr>
<tr>
<td>Promote and stimulate local business ranging from wine producers, farming community to small and medium enterprises providing products and services to the eventing and tourism industries.</td>
<td></td>
<td>Employ 40 people for the event</td>
<td>Employ and train local staff as necessary</td>
<td>Ongoing</td>
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<tr>
<td>STRATEGIC GOALS</td>
<td>PERFORMANCE TARGETS</td>
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<tr>
<td>Compliance Policy for Bodies Performing a Municipal Function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
<td>The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy. The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.</td>
<td>Compliance Policy for Bodies Performing a Municipal Function</td>
<td>Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function</td>
</tr>
</tbody>
</table>
PS: reports on all deliverables must be submitted no later than one week after the end of every month as well as the visitor statistics for the said month, must be included in the monthly report. Financials must be submitted with all reports.

I, Annareth Bolton, hereby agree to the set deliverables given to Franschoek Wine Valley for the application for Bodies Performing a Municipal Function 2015/16 financial year.

Singed..............................................

Name in full...........................................

Witness signature .....................................

Witness name in full...................................

Date ...................