

MEMORANDUM OF AGREEMENT

Entered into between:

UGU – SOUTH COAST TOURISM (PTY) LTD

2009/003419/07

A municipal entity established in terms of the Municipal Systems Act 32 of 2000, duly represented herein by **Mr Justin Mackrory** in his capacity as Chief Executive Officer.

and

THE MEDIA MOGUL

represented by **Nicola K Tilley** (Identity number: 690206 0178 085) in her capacity as Sole Proprietor.

PREAMBLE

WHEREAS Ugu South Coast Tourism (Ugu SCT) is the destination marketing and development company the South Coast encompassing the Ugu District municipality, incorporating the local municipalities of Umdoni, Umzambe, Hibiscus Coast, Ezingoleni, Vulamehlo and Umuziwabantu.

WHEREAS Ugu South Coast Tourism wishes to contract, through this agreement, The Media Mogul to provide the services outlined in Annexure A which is made an integral part of this agreement.

WHEREAS The Media Mogul confirms, through this agreement, its willingness to provide the services outlined in Annexure A within the reporting arrangements and formats as outlined in Annexure B which is also made an integral part of this agreement.

1. DEFINITIONS AND INTERPRETATIONS

"Ugu SCT" - Shall mean Ugu South Coast Tourism which is a branded destination marketing mechanism for tourism within the Ugu District Municipality on the lower South Coast of KwaZulu-Natal and its hinterland.

"parties"- Shall mean Ugu South Coast Tourism hereinafter referred to as the "Principal and The Media Mogul hereinafter referred to as the "Service Provider".

2. Term
The Service Provider shall perform the Services during the period commencing on 1 December 2015 and ending on 30 November 2016, during which period a contract review will be undertaken or any other period as may be subsequently agreed in writing by the parties and which is subject to the effect of Annexures A & B.

3. Payment
A. Costing:
As per the pricing schedule in the tender UGUSCT 02-2016, for Services rendered pursuant to Annexure A, the Principal shall pay the Service Provider a monthly amount not to exceed R29 562.50 (Twenty Nine Thousand Five Hundred and Sixty Two Rand and Fifty cents); for 86 (Eighty Six) hours of professional time.

This amount has been established based on the understanding that it includes all of the Service Providers costs (save in instances where the Principal agrees to cover certain administrative and operational costs) as well as any tax obligation that may be imposed on the Service Provider.

B. Payment Conditions

A monthly payment order will be issued by the Principal in favour of the Service Provider after the satisfactory completion of services as contained or referenced in the aforementioned Annexures A and B.

Payment shall be made in ZAR (South African Rand), no later than 30 days following submission by the Service Provider of invoices in duplicate to the Coordinator designated in paragraph 4 and conditional on notice of satisfactory services rendered.

C. It shall be noted that should the Service Provider not be in a position to provide the 86 hours offered, then the monthly invoiced amount shall be reduced accordingly at a rate of R343.75 per hour.

D. It shall also be recorded that should it be necessary for additional hours to be worked due to the varying nature of the business, additional hours may be authorised in advance by the Chief Executive Officer. The set rate for this 'overtime' will be as follows:

- i) Travelling hours R100.00 per hour;
- ii) Overtime Working rate at R250.00 per hour;
- iii) No Subsistence Allowance payable for National destinations;
- iv) SARS Allowance for International destinations;
- v) Use of personal vehicle reimbursement at prescribed SARS rate.

4. Project Administration

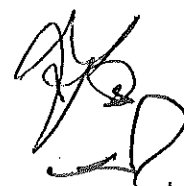
A. The Principal designates the Chief Executive Officer, to manage the implementation of this agreement on its behalf.

B. Reports.

The reports listed in Annex B, "Service Provider Reporting Obligations," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3.

5. Performance Standards

The Service Provider undertakes to perform the Services with the highest standards of professional and ethical competence and integrity.



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- 9. Ownership of Material** Any studies, reports or other material, graphic, software or otherwise, prepared by the Service Provider under this agreement shall belong to and remain the property of Ugu SCT once invoices pertinent to such intellectual property as prepared by the Service Provider have been paid.
- 10. Insurance** The Service Provider will be responsible for taking out any appropriate insurance cover.
- 11. Costs** Regarding Clause 3 (A), the Principal agrees to cover the Service Provider-transport, accommodation and meals when the Service Provider conducts business on behalf of the Principal.
- The Principal will also and within reason afford the Service Provider ad hoc use of office space at the Principal's primary place of business.
- Any subsequent cost that may be contemplated for covering by the Principal will need to be confirmed in writing by both parties.
- 12. Assignment** The Service Provider shall not assign this agreement or sub-agreement any portion of it without the Principal's prior written consent.
- 13. Law Governing Agreement and Language** The agreement shall be governed by the laws of the **Republic of South Africa**, and the language of the Agreement shall be **English**.
- 14 Breach of Contract** If either party commit a breach of any of their respective obligations in terms of this agreement and fail to remedy that breach within a period of 30 (thirty) days of being called upon to do so in writing, the party giving such notice shall be entitled to cancel the agreement.
- 15. Dispute Resolution** Any dispute arising out of this agreement, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the **Republic of South Africa** as at present in force.



16 DOMICILIUM CITANDI ET EXECUTANDI

For the purpose of this agreement the BOARD chooses as its *domicilium citandi et executandi* the address:

Ugu South Coast Tourism
16 Bisset Street
Port Shepstone
4240
Tel: (039) 682 7944
Fax: (039) 682 1034

For the purpose of this agreement, The Media Mogul chooses as its *domicilium citandi et executandi*, the address:

The Media Mogul
Highlands Farm, Plains
Port Shepstone, 4240

SIGNED on this... 9th day of December 2015



Media Mogul
(Herein represented by Nicola K Tilley in her capacity as Sole Proprietor)

AS WITNESSES

1. U. Madley

SIGNED on this... 9th day of December 2015



Ugu – South Coast Tourism (Pty) Ltd
(Herein represented by, Mr Justin Mackrory in his capacity as the Chief Executive Officer)

AS WITNESSES

1. Joan


ANNEXURE A- SCOPE OF SERVICES FOR THE MEDIA AND COMMUNICATIONS PRACTITIONER FOR THE UGU - SOUTH COAST TOURISM (PTY) LTD

The Service Provider Shall:

1. Interact primarily with Ugu SCT and with other destination marketing entities and agencies that may have vested interests with the South Coast
2. Provide content (part or all) and information for Ugu SCT's marketing tools such as- but not limited to: website, member (monthly) and tourism trade newsletters (quarterly) in collaboration with Ugu SCT, promo CDs, advertisements/advertorials; Ugu SCT brochure/flyer, info boards/outlets/kiosks etc.
3. Populate the Ugu SCT visual library from photo shoots during field work with the understanding that such photo stock becoming the property of Ugu SCT.
4. Identify and distribute stories that can be featured in print and electronic media forms within key market segments and niches as identified within the Tourism Strategy for Ugu SCT and/or as determined from time to time by the Ugu SCT Board or Area-Committees.
5. Provision of media releases, communiqué's to the consumer, trade and influencer markets with the understanding that media releases and communications become the property of Ugu SCT.
6. Identify spheres of collaborative destination marketing actions with other private and/or public parties.
7. Make administrative arrangements for paid for placements in the media and where possible, negotiate favourable rates within agreed budgets.
8. Arrange for media and tourism trade visits to the South Coast with the intention of securing prominence and exposure within key readership/viewership spheres.
9. Work directly with Ugu SCT to ensure that maximum promotion of the South Coast becomes a reality.
10. Strategise with the Ugu SCT in terms of key media releases around major South Coast promotions/Expos and shows.
11. Provide media support advisories and event management support to event promoters for Ugu SCT hosted/promoted and other events within the South Coast.
12. Sustain events calendar information for possible distribution of releases to recipient media houses and any other target recipients.
13. Any other action that by mutual agreement between Ugu SCT and the Service Provider is deemed appropriate within time and budget allocations within this contract.
14. Assist the Ugu SCT management in populating Ugu SCT owned/managed databases with attention to existing and new products (for prospective Ugu SCT membership sourcing) on Ugu SCT and the international and domestic tourism trade.



15. At all times endeavour to ensure that the 6 municipal areas are afforded fair media exposure within the principle of tourism flows throughout the District.
16. Mentor assigned Ugu SCT staff with media, events and communications functions of Ugu SCT.
17. Ensure that all marketing communication and events targets as set out in the Ugu SCT Tourism Strategy are met in full and where possible exceeded.
18. Prepare and manage budgets and expenditure related to the operational functions of the Service Provider and to Ugu SCT marketing and eventing mandate.
19. Attend meetings and promotions as required by the Principal in the conducting of the required roles and responsibilities with this agreement.

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ANNEXURE B- SERVICE PROVIDER'S REPORTING OBLIGATIONS- MEDIA AND COMMUNICATIONS PRACTITIONER FOR UGU SOUTH COAST TOURISM

The Service Provider Shall:

1. In conjunction with Ugu SCT, agree to a reporting template that reflects the service provision expectations as per Annexure A- "Scope of Services".
2. Within the reporting template categories, provide an electronic monthly report to the Ugu SCT on or before a due date as determined with the Ugu SCT.
3. Within the reporting template categories, provide and present report summaries to Ugu SCT as required which will be noted at Board of Directors meetings and Council meetings and committees related to Ugu SCT operations.
4. Engage with Ugu SCT via its CEO who in this instance also acts as the Principals primary representative for this agreement.
5. Keep record and copy of any communications, actions and outcomes for subsequent reporting and in the unlikely event of further evaluation being required by Ugu SCT.
6. Keep accurate and verifiable records of costs that may, by agreement be reimbursable within the context of Clause 11 of this agreement.
7. In the interests of this agreement having successful outcomes bring any matter of concern and/or dispute to the attention of the Principal who will address such concerns in as positive and professional a manner as possible.
8. Attend by agreement any meeting for reporting/action purposes that may be deemed necessary by Ugu SCT.
9. On the basis of approved reporting outcomes, submit to Ugu SCT monthly invoices for subsequent processing and payment.

