MANAGEMENT AGREEMENT

ENTERED INTO BETWEEN

SOUTH AFRICAN NATIONAL PARKS

AND

[ ] PROPRIETARY LIMITED

IN RELATION TO SKUKUZA SAFARI LODGE

IN THE

KRUGER NATIONAL PARK

SEPTEMBER 2018
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1. **PARTIES**

the parties to this agreement are:

1.1 SANParks; and

1.2 [   ] PROPRIETARY LIMITED.

2. **INTRODUCTION**

2.1 Pursuant to the RFP, SANParks has invited bids from suitably qualified and experienced operators to provide the Management Services, with the view to achieve the following objectives:

2.1.1 revenue generation;

2.1.2 transformation of the tourism sector;

2.1.3 promotion of tourism; and

2.1.4 protection of biodiversity and conservation.

2.2 In accordance with the open tender process which it conducted, SANParks has appointed the Operator to provide the Management Services.

2.3 SANParks and the Operator enter into this Agreement to regulate their relationship on the terms and conditions set out below.

3. **DEFINITIONS AND INTERPRETATION**

3.1 In this Agreement the following terms shall, unless inconsistent with the context in which they appear have the following meanings and expressions derived from those terms that shall bear corresponding meanings:

3.1.1 **“Assessment Rates”** - all assessment rates, fees, levies, or charges and any
increase thereon, payable from time to time to any Responsible Authority having jurisdiction over the Skukuza Facility or any building thereon by the owner thereof irrespective of the name by which they may be called;

3.1.2 “Associated Agreement” - the Operator’s contracts with subcontractors or sub-concessionaires related to the execution and/or fulfilment of the terms and conditions of this Agreement;

3.1.3 “Auditors” - means duly appointed auditors of SANParks from time to time;

3.1.4 “Bank” - any 1 (one) of The Standard Bank of South Africa Limited, Absa Bank Limited, Nedbank Limited, FirstRand Bank Limited or Investec Bank Limited or any other bank approved in writing by SANParks in its sole and absolute discretion;

3.1.5 “Base Management Fee” - that portion of the Management Fee that is a percentage of the Gross
Revenue of the Business, which percentage is detailed in Clause 22 and Schedule 7;

3.1.6 “BBBEE Act” - the Broad-Based Black Economic Empowerment Act, No. 53 of 2003;

3.1.7 “BBBEE Status Level Contributor” - shall have the meaning ascribed to it in the PPPFA Regulations, read with the Tourism Sector Code published in November 2015;

3.1.8 “BEE Obligations” - the Black Economic Empowerment obligations imposed on the Operator as set out in Schedule 10;

3.1.9 “Bid Submission” - the bid submitted by the Operator in response to the RFP and accepted by SANParks, appointing the Operator to provide the Management Services;

3.1.10 “Black Economic Empowerment” or “BEE” - shall have the meaning ascribed to it in the BBBEE Act;

3.1.11 “Black People” - shall have the meaning ascribed to it in the BBBEE Act;
3.1.12 “Business” - the hotel and conference business conducted as a going concern upon the Skukuza Facility;

3.1.13 “Business Assets” - the operational assets utilised for the conduct of the Business;

3.1.14 “Business Day” - any day other than a Saturday, Sunday or national public holiday in South Africa;

3.1.15 “Capital Expenditure” - any expenditure treated as capital expenditure under GRAP or IFRS as used by SANParks;

3.1.16 “Change in Control” - any change whatsoever in Control of the Operator, whether effected directly or indirectly;

3.1.17 “Commencement Date” - 1 March 2019 or such later date as may be determined by SANParks in writing;

3.1.18 “Companies Act” - the Companies Act, No. 71 of 2008;

3.1.19 “Conference Facility” - Nombolo Mdhluli Conference Centre situated at Skukuza Rest Camp;

3.1.20 “Confidential” - any information or know-
“Information” - how in whatever form relating to the business affairs, trade secrets, products, operating, or marketing techniques, methods or processes, suppliers, customers or finances of either of the Parties;

3.1.21 “Consents” - all consents, permits, clearances authorisations, approvals, rulings, exemptions, registrations, filings, decisions, licences, certificates required to be issued by or made with any Responsible Authority in connection with the attainment of any of the Management Services;

3.1.22 “Consumer Protection Act” - the Consumer Protection Act, No. 68 of 2008;

3.1.23 “Control” - in relation to any entity, the ability, directly or indirectly to: (i) direct or cause the direction of the votes attaching to the majority of its issued shares or interests carrying voting rights; or (ii) appoint or remove or cause the appointment or removal of any directors (or equivalent
officials) or those of its directors (or equivalent officials) holding the majority of the voting rights on its board of directors (or equivalent body);

3.1.24 “Corrupt Act” - shall have the meaning ascribed to it in Clause 40;

3.1.25 “CPI” - the average rate of change (expressed as a percentage) in the Consumer Price Index for all urban areas as published in the Government Gazette by Statistics South Africa, or such other index reflecting the official rate of inflation in South Africa as may replace it, which change shall be determined by comparing the most recently published index with the index published in respect of the corresponding month in the previous period;

3.1.26 “EBITDA” - Earnings before interest, tax, depreciation and amortization;

3.1.27 “EIA” or “Environmental” - the process of assessing the environmental effects of
Impact Assessment” a development or an activity and its subsequent operation, carried out in accordance with the applicable Regulatory Provisions and guidelines;

3.1.28 “EME” - shall have the meaning ascribed to it in the PPPFA Regulations;

3.1.29 “Environment” - the aggregate of surrounding objects, conditions and influences that influence the life and habitats of humans or any other organism or collection of organisms, including all or any of the following: air (including the air within any building or the air within any other man-made or natural structure above or below ground), water (including inland waters, groundwater and water in drains and sewers) and land;

3.1.30 “Environmental Laws” - any Laws in respect of the Environment, including, without limitation, the following statutes: the National Water Act, No. 36 of 1998; the Water Services Act, No. 108 of 1997; the National Environmental
Management Agreement Skukuza Safari Lodge Kruger National Park

Management Act, No. 107 of 1998; the National Environmental Management: Protected Areas Act, No. 57 of 2003; the National Environmental Management: Air Quality Act; the Hazardous Substances Act, No. 15 of 1973; and the National Heritage Resources Act, No. 25 of 1999;

3.1.31 “Environmental Specifications” - the requirements, conditions, obligations and specifications detailed in Schedule 3;

3.1.32 “Expiry Date” - the last day of the month in which the 10th (tenth) anniversary of the Commencement Date occurs;

3.1.33 “Financial Year” - the period from 1 April to 31 March in any given year for purposes of financial reporting of the Operator;

3.1.34 “Force Majeure” - has the meaning ascribed to it in Clause 27;

3.1.35 “Good Industry Practice” - the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily
be expected from time to time from a skilled and experienced contractor or professional, engaged in the same type of undertaking and under the same or similar circumstances and conditions as those envisaged by this Agreement; seeking in good faith to comply with all its contractual obligations herein and all applicable Regulatory Provisions;

3.1.36 “GRAP” - generally recognised accounting practice complying in all material respects with the standards issued from time to time by the Accounting Standards Board;

3.1.37 “Gross Revenue” - shall have the meaning ascribed to it in Clause 22;

3.1.38 “Guarantee” - an irrevocable and unconditional bankers guarantee for the repayment of the Opex Provision, from the Bank, substantially in the form in Schedule 17;

3.1.39 “IFRS” - International Financial
3.1.40 **Incentive Management Fee**

That portion of the Management Fee that is a percentage of the PBITA of the Operator, which percentage is detailed in Clause 22 and **Schedule 7**;

3.1.41 **“Intellectual Property Rights”**

All registered or unregistered trademarks, service marks, patents, design rights (whether the aforementioned rights are registered, unregistered or form part of pending applications), utility models, applications for any of the foregoing, copyrights (including copyright in any software programmes, data and documents), database rights, the *sui generis* rights of extraction relating to databases and any similar or analogous rights to any of the above, whether arising or granted under the Laws or any other jurisdiction;
| 3.1.42  | **“Key Performance Indicators” or “KPIs”** | the key performance indicators referred to in clause 10 and Schedule 14, in terms of which SANParks will evaluate the performance of the Operator from time to time; |
| 3.1.43  | **“KNP”** | Kruuger National Park; |
| 3.1.44  | **“KNP Tariffs”** | the tariffs stipulated by SANParks for Utility Charges and any other fees, levies and the like, in respect of cost of recoveries incidental to goods and/or services provided by SANParks in KNP, as may be reviewed by SANParks annually; |
| 3.1.45  | **“Laws”** | the common law, Legislation, judicial decisions and any notifications or other similar directives made pursuant thereto that have the force of law; |
| 3.1.46  | **“Legislation”** | all applicable statutes, statutory instruments, by-laws, Regulations, orders, rules, executive orders and other secondary, provincial or local legislation, treaties, directives and codes of |
practice having force of law in South Africa;

3.1.47 “Licensed Intellectual Property” - all Intellectual Property to be used in the provision of the Management Services by the Operator or a Subcontractor under licence from any third party, as replaced and/or upgraded from time to time;

3.1.48 “Local” - the geographic area to be specified in writing by SANParks, being either within a 50 (fifty) kilometre radius of the Skukuza Facility or within a 50 (fifty) kilometre reach of the boundary of the KNP fence (but excluding areas that fall within the boundaries of the neighbouring countries);

3.1.49 “Losses” - losses, damages, liabilities, claims, actions, proceedings, demands, costs, charges or expenses of any nature that have or may result in adverse financial consequences to the Management Services;

3.1.50 “Management Committee” - the joint committee established by SANParks.
and the Operator for the purpose of coordinating and monitoring the provision of the Management Services;

3.1.51 “Managing Executive” - the most senior manager of KNP, designated as such by SANParks from time to time;

3.1.52 “Management Fee” - the fee payable by SANParks to the Operator in respect of the Management Services, as detailed in Clause 22 and Schedule 7;

3.1.53 “Management Services” - operating, managing and maintaining the Skukuza Facility in accordance to terms and conditions set out in this Agreement;

3.1.54 “Minister” - Minister of Environmental Affairs in South Africa or any minister that assumes the responsibility for the KNP in the future;

3.1.55 “Operator” - [ ] Proprietary Limited, Registration Number [ ], a company duly incorporated and in accordance with the Companies Act;

3.1.56 “Opex Provision” - shall have the meaning
ascribed to that word in clause 11.2 below;

3.1.57 **“Park Management Plan”** - the management plan for KNP developed by SANParks in consultation with the local authorities, organs of state and other stakeholders and approved by the Minister as provided for in the Protected Areas Act, the objective of which is to ensure the protection, conservation and management of KNP in a manner which is consistent with the objectives of the Protected Areas Act and the purpose for which KNP was declared a national park in terms of the Protected Areas Act;

3.1.58 **“Park Rules”** - the environmental rules in respect of KNP, as may be revised and/or updated by SANParks from time to time;

3.1.59 **“Parties”** - collectively, SANParks and the Operator;

3.1.60 **“Party”** - SANParks or the Operator, as the case may be;

3.1.61 **“Person”** - any individual, partnership,
3.1.62 “PFMA” - the Public Finance Management Act, No. 1 of 1999;

3.1.63 “PPPFA” - the Preferential Procurement Policy Framework Act No. 5 of 2000;

3.1.64 “PPPFA Regulations” - the Preferential Procurement Regulations, 2017 promulgated in terms of the PPPFA, as may be amended from time to time;

3.1.65 “Procurement Policy” - means a policy to be prepared by the Operator and approved by SANParks for the procurement by the Operator of goods and services relating to the Management Services in respect of the Skukuza Facility, which policy must be in accordance with the requirements of the Constitution of the Republic of South Africa Act, No. 108 of 1996, the procurement laws governing SANParks
and the procurement policies of SANParks, as may be amended from time to time;

3.1.66 “Protected Areas Act” - the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003,) (as amended) from time to time);

3.1.67 “QSE” - shall have the meaning ascribed to it in the PPPFA Regulations;

3.1.68 “Rand” or “R” - the South African Rand, the lawful currency of South Africa;

3.1.69 “Regulations” - regulations issued in terms of the Protected Areas Act;

3.1.70 “Regulatory Provisions” - (a) the environmental guidelines (“Environmental Specifications”) for operators operating within KNP which is further described in Schedule 3, as same may be revised and updated by SANParks from time to time, and (b) collectively the Laws, and standards of the State and any Relevant Authority which in any way affects or applies to the conduct of
the Management Services and/or this Agreement from time to time or, if the context is appropriate, any one of them and where appropriate includes the Regulations, Park Rules and Park Management Plan;

3.1.71 “Restricted Enterprise” - a person restricted from contracting with SANParks and/or a Responsible Authority as a result of being listed either on –

i. the Register for Tender Defaulters compiled in terms of the regulations to the Prevention and Combating of Corrupt Activities Act No. 12, 2004;

i. the Disqualified Directors’ Register (maintained by the Companies and Intellectual Property Commission) in terms of Section 69(13) of the Companies Act; and/or

i. any other relevant listing required by Law;
3.1.72 “RFP” - the request for proposals and the information memorandum issued by SANParks during August 2018 calling for proposals for the provision of Management Services;

3.1.73 “SANParks” - South African National Parks, a juristic person established in terms of section 5 of the National Parks Act, No. 57 of 1976 and continuing to exist as such in terms of the provisions of section 54 of the Protected Areas Act;

3.1.74 “SANParks Default” - shall have the meaning ascribed to it Clause 29;

3.1.75 “Schedules” - the schedules to this Agreement, as amended, replaced and varied from time to time;

3.1.76 “Shareholders” - the registered members of the Operator from time to time;

3.1.77 “Signature Date” - the date of signature of this Agreement by the last signing Party;

3.1.78 “Skukuza Facility” Skukuza Safari Lodge, a 3 star facility as fully defined
in **Schedule 1**, comprising 128 rooms, with a combination of 8 luxury suites, standard rooms and family rooms, including universal access rooms and the Conference Facility; all situate at Skukuza Rest Camp, KNP;

3.1.79 **“South Africa”** - the Republic of South Africa;

3.1.80 **“State”** - the Government of South Africa, acting directly or through its lawfully designated representatives;

3.1.81 **“Subcontractors”** - any subcontractor of the Operator who has contracted directly with the Operator in respect of any of the Management Services;

3.1.82 **“Term”** - a period of ten (10) years reckoned from the Commencement Date, but subject to early termination in accordance with the terms and conditions of this Agreement;

3.1.83 **“Termination Amount”** - the amount payable by a Party on termination of this Agreement in accordance with its terms;
3.1.84  “Termination Date”  -  any date of termination of this Agreement in accordance with its terms at any time prior to the Expiry Date;

3.1.85  “Transferrable Licenses Intellectual Property” - any Licensed Intellectual Property that the Operator is entitled to transfer to SANParks;

3.1.86  “Treasury Regulations” - the Treasury Regulations issued under the PFMA that apply to SANParks and/or this Agreement;

3.1.87  “Utilities” - facilities such as water, electricity, sewage, gas and telecommunications and, where appropriate, includes relevant provider thereof;

3.1.88  “Utility Charges” - charges or fees in respect of consumption of the Utilities used at the Skukuza Facility as provided by SANParks, the Relevant Authority or any other supplier;

3.1.89  “VAT” - value added tax, as defined in the VAT Act or any similar tax which is imposed in place of or in addition to such tax; and
3.1.90 **“VAT Act”** - Value Added Tax Act, No. 89 of 1991, as amended from time to time.

3.2 This Agreement shall be interpreted according to the following provisions, unless the context requires otherwise:

3.2.1 Any reference to any legislation is to such legislation as at the Signature Date and as amended, re-enacted or substituted from time to time thereafter;

3.2.2 references to the provisions of any law shall include such provisions as amended, re-enacted or consolidated from time to time in so far as such amendment, re-enactment or consolidation applies or is capable of applying to any transaction entered into under this Agreement;

3.2.3 for the purposes of any clause in this Agreement, that makes reference to SANParks' approval, such approval shall be deemed to vest with the SANParks Managing Executive: Tourism Development and Marketing;

3.2.4 references to “indexed to CPI” in relation to any amount of money shall mean that such amount has been expressed in prices as at the Commencement Date and shall be escalated annually as at each anniversary thereof with reference to the then most recent publication of the CPI;

3.2.5 references to “Parties” shall include the Parties’ respective successors-in-title and, if permitted in this Agreement, their respective cessionaries and assignees;

3.2.6 references to a “person” shall include an individual, firm, company, corporation, juristic person, and any trust, organisation, association or partnership, whether or not having separate legal personality;

3.2.7 references to any “Responsible Authority” or any public or professional organisation shall include a reference to any of its successors or any organisation or entity, which takes over its functions or responsibilities;

3.2.8 the headings of clauses, sub-clauses and Schedules are included for convenience
only and shall not affect the interpretation of this Agreement;

3.2.9 the Parties acknowledge that each of them has had the opportunity to take legal advice concerning this Agreement, and agree that no provision or word used in this Agreement shall be interpreted to the disadvantage of either Party because that Party was responsible for or participated in the preparation or drafting of this Agreement or any part of it;

3.2.10 words importing the singular number shall include the plural and vice versa, and words importing either gender or the neuter shall include both genders and the neuter;

3.2.11 references to any other contract or document shall include (subject to all approvals required to be given pursuant to this Agreement for any amendment or variation to or novation or substitution of such contract or document) a reference to that contract or document as amended, varied, novated or substituted from time to time;

3.2.12 general words preceded or followed by words such as “other” or “including” or “particularly” shall not be given a restrictive meaning because they are preceded or followed by particular examples intended to fall within the meaning of the general words; and

3.2.13 when a number of days are prescribed in this Agreement, such number shall be calculated including the first and excluding the last day, unless the last day falls on a day that is not a Business Day, in which case, the last day shall be the first succeeding day which is a Business Day.

4. PRECEDENCE OF DOCUMENTS

4.1 In the event of a dispute as to the nature, content and extent of the Management Services, the order of precedence in the interpretation of the rights and obligations of the Parties in terms hereof shall be as follows:

4.1.1 this Agreement;

4.1.2 Its Schedules;
4.1.3 the RFP & IM; and

4.1.4 the Bid Submission.

4.2 Where Schedules include provisions in respect of which the Agreement is silent, then the provisions contained in such Schedule will apply.

4.3 The Operator shall provide Management Services in terms of this Agreement, unconditionally and without further attaching its own conditions thereto or making performance of its obligations subject to any terms or conditions contrary or in addition to the terms of the Agreement.

5. **APPOINTMENT**

5.1 SANParks hereby appoints the Operator, which accepts such appointment with effect from the Commencement Date, to provide the Management Services in accordance with the terms and conditions set out in this Agreement.

5.2 The legal relationship between SANParks and the Operator shall be that of principal and agent. Accordingly, the appointment in terms of clause 5.1 shall not, and no other provision of this Agreement shall be construed as creating any partnership or joint venture or similar relationship between SANParks and the Operator.

6. **DURATION**

The Management Services shall commence on the Commencement Date, and shall endure for the Term.

7. **MANAGEMENT SERVICES**

7.1 **Operation, Management and Maintenance by the Operator**

Without limiting the general duties and responsibilities of the Operator in terms of this Agreement, the Operator undertakes to at all times during the Term, perform the terms and conditions set out in this Agreement and in particular the duties normally carried out by a management services provider of a hotel and tourism and conference facility, which shall include but not be limited to the following:
7.1.1 Maintenance

7.1.1.1 The general provision of control, operating, management, maintenance and cleaning services in accordance with the terms and conditions set out in Schedule 13;

7.1.1.2 Performing regular inspections of the Skukuza Facility and preparing inspection reports on an annual basis and submitting same to SANParks;

7.1.1.3 Appointment of service providers on behalf of, and at the cost of, SANParks, subject to prior written consent of the Management Committee;

7.1.1.4 Ensuring all goods and/or services are procured in accordance with the Procurement Policy;

7.1.1.5 Ensuring the provision of proper and adequate security services at Skukuza Facility and the supervision thereof and the maintenance of optimal security from time to time; and

7.1.1.6 Drawing up detailed maintenance, future refurbishment and potential expansion plans, including but not limited to anticipated action programs and cost schedules, where necessary in consultation with professional consultants at SANParks’ cost, which shall be pre-approved by SANParks;

7.1.2 Financial, Accounting and Secretarial

7.1.2.1 Operate and maintain a discrete bank account which shall be held in the name of SANParks and controlled exclusively by SANParks ("the Designated Account"). For the avoidance of doubt, the Operator shall have the right to view the Designated Account, but shall not have the power to transact on it. All interest earned on the Designated Account shall be for the benefit of SANParks;

7.1.2.2 Ensuring that all income derived from the Business is deposited into the Designated Account;

7.1.2.3 Collection of income, VAT and other charges due by guests and/or visitors and where applicable, the prompt following up of late payments in accordance with agreed arrears policy;

7.1.2.4 Preparation of detailed monthly reports, including monthly disbursement statements, and reports regarding the performance of the Business, in the terms, form and substance determined by SANParks from time to time;

7.1.2.5 Preparation of detailed annual budget of anticipated income and expenditure, in
the terms, form and substance determined by SANParks from time to time;

7.1.2.6 Preparation of detailed monthly reports of actual financial results and updating on a monthly basis of the analytical forecasts of anticipated income and expenditure for the Financial Year;

7.1.2.7 Supplying SANParks with all material financial information timeously (for purpose of this clause, on 3 (three) Business Days written notice) as provided in this Agreement, provided that SANParks shall be entitled to require the Operator to provide any financial information relating to the Business, which should reasonably be in the possession of the Operator, on reasonable notice;

7.1.2.8 Maintenance of financial and administrative records of the Business in accordance with GRAP, any other relevant or applicable Laws and SANParks’ applicable policies;

7.1.2.9 Ensuring that all financial and administrative records referred to in clause 7.1.2.8 are –

7.1.2.9.1 available at all reasonable times for inspection by SANParks or its duly appointed agents or advisors;

7.1.2.9.2 kept in the format acceptable to SANParks and/or the Auditors; and

7.1.2.9.3 delivered to SANParks on the Termination Date.

7.1.2.10 Payment of expenditure referred to in clause 11;

7.1.2.11 Prepare monthly distribution reports to SANParks (or its duly appointed agent) of such net amount as may be available after deductions and provisions and within such time periods as agreed with SANParks;

7.1.2.12 Submission of a detailed disbursements statement report clearly showing the calculation methods used in respect of distributions referred to in clause 7.1.2.11;

7.1.2.13 Provision of accounting services as may be agreed with SANParks and the Auditors;

7.1.2.14 Timeous and efficient answering of all Auditors’ queries that may be raised by the Auditors or Auditor General ("AG") during the preparation of the financial year-end information and/or statements;

7.1.2.15 General co-operation with the Auditors land/or the AG in respect of any other
information they may require;

7.1.2.16 Provision of all financial or any other information required by SANParks from time to time;

7.1.2.17 Continuous (i.e. 5 (five) days prior to every Management Committee meetings) delivery of monthly management packs reflecting information as required by SANParks from time to time;

7.1.2.18 Implementation and maintenance of adequate internal controls;

7.1.2.19 Implementation and maintenance of sufficient risk management procedures;

7.1.2.20 Co-ordination of the periodic review of internal controls and risk management procedures by the Auditors;

7.1.2.21 Attending, reporting and carrying out all secretarial functions at Management Committee meetings;

7.1.2.22 In the event that SANParks suffers any direct, proven loss as a result of the Operator not properly maintaining financial and administrative records and/or in the event that additional costs in excess of the budgeted costs for conducting financial audits are incurred, the Operator shall reimburse SANParks for the direct, proven loss suffered and/or for the additional costs incurred, which amount shall be payable on demand;

7.1.3 VAT Management

7.1.3.1 It is recorded that SANParks is a VAT vendor. It is recorded that the Operator will act as agent for and on behalf of SANParks in terms of section 54 of the VAT Act; and the Operator, acting as agent for and on behalf of SANParks, will comply with the requirements set out in section 20 of the VAT Act, as amended, save that SANParks will prepare and submit any VAT returns necessary, based on financial information provided by the Operator.

7.1.3.2 SANParks undertakes to immediately inform the Operator should SANParks receive any VAT enquiries from SARS in terms of the Tax Administration Act, No. 28 of 2011 (as amended), as it relates to financial information provided by the Operator upon which SANParks completed and submitted any applicable VAT return.

7.1.3.3 the Operator undertakes to maintain sufficient records as required under section 54(3) of the VAT Act.
7.1.3.4 SANParks acknowledges and accepts that the Operator will take no responsibility for any interest, understatement penalties and late payment penalties levied by SARS, provided that the Operator has calculated the relevant amounts of VAT to be paid correctly and timeously. The Operator hereby indemnifies SANParks against the imposition of any interest, understatement penalties and late payment penalties levied by SARS in the event that the imposition of such interest, understatement penalties and late payment penalties is as a direct result of a calculation or timing error by the Operator.

7.1.4 Employment of Staff by the Operator

7.1.4.1 Procure sufficient resources to enable the Operator to perform its obligations in terms of this Agreement;

7.1.4.2 Employ such employees, whether temporary or permanent, as are reasonably necessary to enable the Operator to comply with its obligations in terms of this Agreement and keep all such employees under its control and management;

7.1.4.3 The Parties hereby agree that SANParks is not the employer of any of the employees and that the relationship between the Operator and SANParks is not intended to result in management and related services to be provided by the Operator becoming a “temporary employment service” as this term is defined in section 198 of the Labour Relations Act, No. 66 of 1995 (as amended);

7.1.4.4 The Operator hereby irrevocably indemnifies SANParks and shall keep SANParks indemnified, against all and any claims that may arise against SANParks, as well as any damage or losses of whatsoever nature that may be suffered by SANParks, pursuant to the employment or termination of employment of its employees;

7.1.4.5 The Operator shall be liable for the payment to the employees of all salaries, employee benefits (including, but not limited to, bonuses, leave pay, and any other costs required to be paid by an employer to an employee in terms of the Law);

7.1.4.6 The Operator shall be liable for the payment of all taxes and levies in respect of the employees, including but not limited to, unemployment insurance in terms of the Unemployment Insurance Act, No. 63 of 2001 (as amended and skills development levies in terms of the Skills Development Levies Act, No. 9 of 1999 (as amended);
7.1.4.7 The Operator hereby irrevocably indemnifies SANParks, and shall keep SANParks indemnified, against all and any claims that may arise against SANParks, as well as any damage or losses of whatsoever nature that may be suffered by SANParks, as a result of the Operator’s failure or refusal to pay taxes, levies and charges referred to in clause 7.1.4.6.

7.1.5 **Computer Software and Hardware**

7.1.5.1 The Operator shall determine the choice of computer operating system and/or software which shall be utilised for the conduct of the Business, but shall ensure that such operating system and/or software is compatible with the SANParks system from time to time so as to ensure a seamless integration of data and systems at the Skukuza Facility with those utilised by SANParks throughout its entire operations.

7.1.5.2 The Operator shall ensure the provision of sufficient computer software, hardware and upgrades and replacements in accordance with the terms and conditions of **Schedule 2**; provided that the Operator shall only be entitled to upgrade and/or purchase any additional software and hardware in the event that the existing computer software and hardware is not sufficient or appropriate for the Operator to carry out its duties.

7.1.6 **General**

7.1.6.1 The Operator shall, in the conduct of its duties and functions as manager –

7.1.6.1.1 comply with all reasonable and lawful instructions given to it from time to time by SANParks;

7.1.6.1.2 devote such time and attention as may be necessary or required to the performance of its duties and functions as manager;

7.1.6.1.3 ensure that at all times it has adequate and properly trained staff and other personnel to discharge its duties and obligations in terms of this Agreement; and

7.1.6.1.4 act at a standard which is at least equal to the standard that could reasonably be expected of a good manager of a similar hotel and tourism and conference in South Africa.
7.1.6.2 The Operator shall at all times display the highest degree of good faith in the exercise of its powers and performance of duties in terms of this Agreement. In particular the Operator shall at all times exercise its powers and perform its duties for the benefit of SANParks and towards achieving the objectives of SANParks as set out in any business plan of SANParks adopted from time to time;

7.1.6.3 The Operator hereby indemnifies SANParks and all its employees, directors and officers, and shall keep SANParks and all its employees, directors and officers indemnified, against any direct loss, reasonable costs, direct or indirect damages (but excluding consequential loss and loss of profit), claim, reasonable expense or proven liability, including but not limited to liability as a result of injury to or death of any person, or direct or indirect damage to or loss or destruction of any property (but excluding consequential loss and loss of profit), to the extent that this is attributable to any gross negligent, negligent or intentional act or omission on the part of the Operator or its employees or sub-contractors;

7.1.6.4 The Operator shall be required to establish and maintain an updated data base of suppliers of goods and/or services required in managing of the Business, but subject always to the Procurement Policy.

7.1.7 The Operator shall be obliged during the Term to undertake the operation, management services and maintenance of the Skukuza Facility and of all of the alterations and developments undertaken thereto by the Operator in accordance with Good Industry Practice;

7.1.8 The Operator shall compile a status report in relation to the Management Services, which shall be made available to SANParks promptly upon the finalisation thereof, but in any event not later than 5 (five) Business Days after the 25th of each month;

7.1.9 The Operator shall not use or process personal information or data pertaining to customers, staff or other officers of SANParks which comes into the Operator's possession pursuant to this Agreement for any purpose other than the provision of the Management Services;

7.1.10 Environmental Management

7.1.10.1 The Operator shall comply with the Environmental Specifications set forth in
Schedule 3;

7.1.10.2 Without limiting the generality of clause 7.1.9.1 above, the Operator shall:

7.1.10.2.1 ensure that waste disposal facilities, including rubbish or waste removal bins, are clean and free from noxious or offensive odorous; and

7.1.10.2.2 ensure that the waste disposal facility is not unsightly and the waste is frequently removed and the area surrounding the waste disposal facility is clean, neat and tidy in accordance with SANParks’ waste policies from time to time.

7.1.10.2.3 Ensure that the Skukuza Facility achieves and maintains the GSSA EBP 4 Star or similar target;

7.1.10.2.4 Ensure that the Operator adheres at all times to the Green Operations Strategy as set out in Schedule 4.

7.11 The Operator shall:

7.11.1 operate the Skukuza Facility properly and strictly in accordance with the provisions of the agreed operating manuals and the undertakings made by the Operator in the Bid Submission, specifically acknowledging and considering the unique characteristics of the KNP;

7.11.2 use its best endeavors to maintain the highest standards in accordance with Good Industry Practice in all matters connected with the operation of the Skukuza Facility and shall not sell, display for sale or consumption, deliver to the end user or provide any foodstuffs or products or anything else which does not conform with Good Industry Practice or any Regulatory Provisions with regard to the standard or quality of preparation, display or sale of any foodstuffs at the Skukuza Facility;

7.11.3 at all times maintain the equipment used in the Skukuza Facility in a clean, orderly and sanitary condition;

7.11.4 ensure that all personnel and staff employed by the Operator at the Skukuza Facility shall at all times be clean, cleanly and tidily clothed so as to maintain uniformly high standards of presentation and delivery;

7.11.5 at all times ensure that any products or foodstuffs in stock are fresh,
uncontaminated and hygienically and properly stored and shall ensure proper 
storage, disposal, serving and preparation of all foodstuffs and products;

7.1.11.6 conduct hygiene audits at the Skukuza Facility at least twice a year ("Hygiene 
Audit") and shall furnish SANParks with the outcomes of the Hygiene Audit 
within five (5) Business Days of its completion;

7.1.11.7 at all times score a minimum of at least seventy five percent (75%) on the 
Hygiene Audit total quality index;

7.1.11.8 ensure that:

7.1.11.8.1 it implements measures to prevent pathogens to be detected on food 
samples;

7.1.11.8.2 the Skukuza Facility acquires and maintains a certificate of acceptability;

7.1.11.8.3 a cleaning programme in respect of the Skukuza Facility is implemented, 
including a cleaning schedule and cleaning checklist;

7.1.11.8.4 the staff at the Skukuza Facility is trained in hygiene practices;

7.1.11.8.5 hand washing facilities and proper cleaning chemicals are available;

7.1.11.8.6 food areas are zoned as per food type; and

7.1.11.8.7 the pest control measures such as screening, closure of windows and 
doors are implemented.

7.1.12 The Operator shall ensure that the following packaging is not used on the outside 
seating area of the Skukuza Facility:

7.1.12.1 condiments sachets and any packaging that may pollute the environment;

7.1.12.2 plastic straws and plastic cutlery;

7.1.12.3 paper serviettes; and

7.1.12.4 butter tubs/pads.

7.1.13 Operational Standards and Procedures

7.1.13.1 The Operator undertakes to operate the Skukuza Facility in line with SANParks’
Restaurant Procedure Manual, which shall available for inspection and/or copying by the Operator at all times. The Parties acknowledge that the aforementioned manuals’ objective is to assist in the daily operations of the Skukuza Facility and allow for good cooperation between the Parties and may be changed from time to time by mutual agreement in order to satisfy their mutual objectives.

7.1.13.2 SANParks may, in its sole and absolute discretion, conduct regular quality audits at the Skukuza Facility to ensure that the quality of the foodstuffs and products prepared and sold by the Operator consistently meet the desired standards ("Quality Audit"). The Quality Audits shall be conducted by way of “mystery guests”, spot checks, customer questionnaires or any other quality control checks and measures as deemed necessary by SANParks.

7.1.13.3 The Operator shall comply with and subscribe to the minimum standards of responsible tourism as provided for in the Responsible Tourism Requirements – SANS 1162:2016, and adhere at all times to the National Responsible Tourism Guidelines – Schedule 11;

7.1.13.4 The Operator shall ensure that all access to the Skukuza Facility complies with the universal accessibility standards stipulated by the Tourism Grading Council of South Africa from time to time.

7.2 Assessment Rates and Utilities

7.2.1 SANParks shall be liable for all the Assessment Rates in respect of the Skukuza Facility.

7.2.2 Should the Utilities within the Skukuza Facility or part thereof be provided by SANParks, then SANParks shall -

7.2.2.1 procure that sub-meters in respect of any Utilities are installed in order to monitor consumption or usage thereof by the Skukuza Facility. The Operator shall within the first month of operation ensure that the sub - meters read and function correctly in order to eliminate conflicts on meter readings during the Term; and

7.2.2.2 the Operator shall pay to SANParks the Utility Charges as measured by such sub-meters, together with VAT thereon, within 7 (seven) days of receipt of an invoice in respect thereof from SANParks.
7.2.3 Should the Skukuza Facility or part thereof be served by a meter or sub-meter which also serves other areas of KNP, then the Operator shall pay to SANParks the Skukuza Facility’s share of all the Utility Charges as measured by such meter or sub-meter expressed as a percentage which the total area of the Skukuza Facility bears to the total area of KNP serviced by such meter or sub-meter, together with the VAT thereon.

7.2.4 Notwithstanding anything to the contrary contained in this Agreement, the Utility Charges due and payable by the Operator shall be calculated according to the KNP Tariffs.

7.3 Consumer Protection Act Requirements

7.3.1 SANParks shall require the Operator to comply with the provisions of the Consumer Protection Act that affect the Business.

7.3.2 In the event of the Operator failing to comply with the provisions of the Consumer Protection Act applicable to it and fails to remedy such non-compliance before the expiry of the period referred to in a notice by SANParks, SANParks may terminate this Agreement in accordance with Clause 28 by written notice to the Operator.

8. Authority of the Operator

8.1 Subject to the terms and conditions set out in clause 11, SANParks hereby gives to the Operator the authority to:

8.1.1 place advertisements and undertake such other publicity campaigns, marketing and promotions as the Operator may deem appropriate;

8.1.2 enter into, settle and execute contracts for the provision of services on behalf of SANParks for maintenance and repairs and for all other purposes as may be appropriate in the circumstances;

8.1.3 acquire equipment, machinery and the like for use in connection with the maintenance of the Skukuza Facility or the performance of the Operator’s functions as provided for in the budget approved for by the Management Committee;
8.1.4 receive all monies payable to SANParks from time to time and provide receipts therefor and deposit such collections directly into the credit of the Designated Account;

8.1.5 instruct attorneys approved by the Management Committee and to take any steps in any court of law to –

8.1.5.1 recover any monies payable to SANParks;

8.1.5.2 enforce any other legal rights;

8.1.5.3 institute and/or defend any action or other proceedings and to withdraw, settle and/or compromise same, including appointment of counsel;

8.1.5.4 defer any matter to mediation or arbitration and to carry out and perform any award made thereunder; and/or

8.1.5.5 sign any documentation, including affidavits, to give effect to the foregoing;

8.1.6 procure goods and services in accordance with the Procurement Policy; and

8.1.7 generally to do all such things and execute all such documents as may at any time at the absolute discretion of the Operator appear necessary for the proper performance of its duties and obligations in terms of this Agreement.

8.2 The Operator warrants that it shall exercise due care and attention in the exercise of its powers and performance of its functions in terms of this Agreement.

9. MANAGEMENT COMMITTEE

The Operator shall report to the Management Committee, on a quarterly basis on all matters relating to the management of the Business. The Management Committee shall have the full power to schedule meetings and generally manage its affairs, as it deems appropriate.

10. KEY PERFORMANCE INDICATORS (KPI)

10.1 The Operator shall assess the Skukuza Facility and submit its proposals in writing to SANParks as to what it believes will be reasonable KPI benchmarks for it to achieve, within 21 (twenty one) Business Days of the Signature Date.
10.2 SANParks shall assess the submissions from the Operator as provided in terms of clause 10.1 as soon as reasonably possible and in any event within 10 (ten) Business Days of receipt.

10.3 Thereafter the Parties shall engage with each other to settle the KPI's. The Parties shall use their best endeavours to agree on the KPI within 2 (two) months after the Commencement Date. In the event that the Parties are not able to agree on the KPI's or any of them, either Party may refer the dispute to arbitration in terms of this Agreement, after giving the other party 21 (twenty one) Business Days' notice in writing that it is doing so.

10.4 The Operator undertakes that it will perform its duties and functions in terms of this Agreement in accordance with the targets set out in the KPI's as agreed with SANParks or determined in terms of arbitration as the case may be. The due and proper performance of the KPI's by the Operator shall be a material provision of this Agreement.

10.5 The KPIs shall be reviewed by SANParks and the Operator annually at the anniversary of the Signature Date. The provisions of clause 10.3 shall apply, amended as necessary, in regard to any variations to the KPI's.

11. EXPENDITURE

11.1 Capital Expenditure

11.1.1 SANParks shall provide all funding required for Capital Expenditure at the Skukuza Facility in accordance with the business plan agreed with the Operator from time to time.

11.1.2 The Parties record that some of the Capital Expenditure items as set out more fully in Schedule 6, shall not have been provided by SANParks on the Commencement Date ("Outstanding Items"). The Parties agree that –

11.1.2.1 at the commencement of this Agreement the Operator shall confirm the Outstanding Items with SANParks and incur all expenditure related to the procurement and/or installation of the Outstanding Items; and

11.1.2.2 upon completion of the procurement and/or installation of the Outstanding
Items, the Operator shall render an invoice to SANParks for reimbursement in respect of such expenditure; and

11.1.2.3 SANParks shall settle such invoice within 7 (seven) Business Days of presentation thereof.

11.1.3 The Operator shall upon written request by SANParks render a detailed account of all expenditure incurred by it on behalf of SANParks pertaining to the Capital Expenditure.

11.2 Operational Expenditure

11.2.1 SANParks shall provide all funding required for operational expenditure at the Skukuza Facility in accordance with the business plan agreed with the Operator from time to time. The operational expenditure shall include, but not be limited to the advertising, marketing, legal fees, security, utilities, maintenance and repair costs and other expenses associated with the conduct of the Business (“Operational Expenditure”).

11.2.2 On the Commencement Date SANParks shall advance to the Operator the sum of R5 million (Five Million Rands) to provide for Operational Expenditure contemplated for the first month of operation of the Business (“Opex Provision”), on the basis that the Operator shall thereafter be reimbursed for Operational Expenditure on a monthly basis. On the Commencement Date the Operator shall deliver the Guarantee as security for the provision of the Opex Provision by SANParks.

11.2.3 Pursuant to clause 11.2.2, the Operator shall within 5(five) business days of the end of each month render to SANParks an account for all Operational Expenditure incurred in the preceding month (and if required by SANParks, accompanied by vouchers or proof of expenditure) and SANParks shall within 7 (seven) Business Days of the account restore the Opex Provision to the extent of such amount.

11.2.4 No expenditure shall be incurred if not provided for in the business plan agreed to by the Management Committee. Should the Operator incur expenses not provided for in the business plan, then the Operator shall reimburse SANParks of such amount, unless the Operator is able to prove to the satisfaction of SANParks that such expense was incurred in relation to the Management Services.
11.2.5 The Operator shall prepare on an annual basis a budget and cashflow forecast for carrying out the Management Services.

12. **CONFLICT OF INTERESTS**

12.1 The Operator shall disclose to SANParks in writing of any interests which it or its employees may have, directly or indirectly, in any Person with whom it intends contracting in terms of this Agreement prior to so doing, and shall only be entitled to contract with such Person with the approval of SANParks.

12.2 The Operator shall further disclose any interests which it or its employees may have, directly or indirectly, in any Person who is a party to any of the service agreements to be concluded by the Operator on behalf of SANParks in respect of the Skukuza Facility.

13. **ACCESS TO RECORDS**

SANParks and the Auditors or their agents shall at all reasonable times have access to all documents in the possession of the Operator relating to the Management Services.

14. **DOCUMENTS**

The Operator shall (at its cost) keep all documents relating to the Management Services for the Term for a period of 5 (five) years after the termination of this Agreement and shall allow SANParks and the Auditors or their agents access to the documents in the Operator’s possession should they require them at any time during the said 5 (five) years period.

15. **LABOUR LAWS**

15.1 The Operator agrees to abide by the laws in force, as amended from time to time, relating to employees engaged in relation to the Business and shall use its best endeavours to ensure similar compliance by its contractors, sub-contractors at all levels, assignees and agents.
15.2 The Operator undertakes to promptly notify SANParks upon its employees embarking on and/or participating in any form of strike or industrial action as a result of any dispute between the Operator and its employees for any reason whatsoever.

15.3 The Operator shall enter into a separate Housing Rental Agreement with SANParks in respect of the housing of its staff, if applicable. The Parties agree that the Operator shall ensure uniformity of benefits regarding housing, so that employees that do not utilise the benefit of rental housing within KNP are given an appropriate housing allowance commensurate with such benefit.

16. OPERATOR COVENANTS

16.1 Subject to the provisions of this Agreement, the Operator shall conduct and manage the Management Services:

16.1.1 at its own cost and risk;

16.1.2 in compliance with all applicable Laws, Regulatory Provisions and the Consents;

16.1.3 in compliance with all applicable health and safety standards; and

16.1.4 in accordance with Good Industry Practice.

16.2 The Operator shall take all reasonable steps to ensure that all the persons visiting or working at the Skukuza Facility, adhere to, abide by and comply with:

16.2.1 all Regulatory Provisions, the Environmental Specifications in respect of KNP and specifically in respect of the Skukuza Facility and the EIA;

16.2.2 the terms of this Agreement; and

16.2.3 any valid and enforceable directives or rules issued by the Managing Executive from time to time. In cases where the Operator believes that the Managing Executive has issued a directive or rule that is either not valid, or that impacts materially on the commercial soundness of the Management Services, the Operator shall have the right to appeal against such rule or directive with SANParks and/or any other person determined by SANParks, in its sole and absolute discretion. SANParks and/or
such other person determined by SANParks will verify whether the directive or rule in question was valid and consistent with practice elsewhere in the Park. Pending the results of such an appeal, the Operator shall abide by the said directive or rule.

16.3 The Operator shall be responsible for:

16.3.1 obtaining and keeping current all the Consents which may be required for the performance of its obligations under this Agreement;

16.3.2 implementing each consent within the period of its validity in accordance with its terms;

16.3.3 undertaking, according to the terms of this Agreement, all of its obligations within the time periods specified;

16.3.4 maintaining and keeping the Skukuza Facility clean including the area of responsibility described in Schedule 1 hereto; and

16.3.5 maintaining the level 4 accreditation as defined in the GSSA (Green Building Council South Africa) for EBP (Existing Building performance).

16.4 Without prejudice to Clauses 16.3.1 and 16.3.2, the Operator shall obtain all necessary permits, approvals and/or licences in accordance with the Regulatory Provisions and shall comply with all conditions of any permit, approval or licence granted by any Relevant Authority and shall take all other necessary action required under the relevant Regulatory Provisions governing all facets of the conduct of the Management Services during the Term.

16.5 The Operator shall bear all risks and costs with respect to material damage to the Skukuza Facility or the environment caused by the operation of the Skukuza Facility during the Term arising from any act whatsoever, including an omission by the Operator.

16.6 The Operator shall take all reasonable steps in the performance of its obligations hereunder to prevent and limit the occurrence of any environmental or health hazards and to ensure the health and safety of persons visiting the Skukuza Facility.
16.7 Unless otherwise agreed in writing by SANParks, the Operator and other parties to the Associated Agreements shall have no interest in nor receive remuneration in connection with the Skukuza Facility except as provided for in the Agreement or the Associated Agreements.

17. **GOOD FAITH**

17.1 The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps as may be open to them and necessary for, or incidental to, the putting into effect or maintenance of the terms, conditions and import of this Agreement.

17.2 The Parties undertake to act towards one another in good faith in all respects relating to this Agreement.

18. **WARRANTIES**

18.1 **Operator Warranties**

The Operator warrants that:

18.1.1 it has taken all necessary actions to authorise its execution of this Agreement;

18.1.2 the execution and performance of all of its obligations in terms of this Agreement does not and will not contravene any provision of the founding documents of the Operator as at the Signature Date and the Commencement Date, or any order or other decision of any Responsible Authority or arbitrator that is binding on the Operator as at the Signature Date and at the Operation Commencement Date;

18.1.3 for the Term, no encumbrances shall be granted or created in respect of the Business Assets (other than the Licensed Intellectual Property not owned by the Operator), including that it has not registered or granted any security interests over the Business Assets which could in any manner (whether in contract or in Law) defeat or override SANParks’ interest in the Management Services Assets;

18.1.4 all Consents required by the Operator to provide the Management Services shall be
in full force and effect as at the Signature Date and as at the Commencement Date, save for any Consents which are not required under applicable Law to be obtained by the Signature Date or the Commencement Date (as the case may be), provided that the Operator warrants that it knows of no reason (having used its best endeavours to enquire in this regard) why any such Consent will not be granted on reasonable terms by the time it is required to obtain such Consent;

18.1.5 as at the Commencement Date all authorisations, approvals and licenses required in order to permit the Operator or the Subcontractors to make use of the Licensed Intellectual Property and the Transferable Licensed Intellectual Property for purposes of performing the Management Services have been validly granted and will remain effective for the remainder of the Term, unless the Licensed Intellectual Property and the Transferable Licensed Intellectual Property is required for a shorter period in which event the Operator or the Subcontractors shall ensure that it has been validly granted and will remain effective for such shorter period of time;

18.1.6 no litigation, arbitration, investigation or administrative proceeding relating to the Operator or any of its shareholders is in progress as at the Signature Date and as at the Commencement Date or, to the best of the knowledge of the Operator as at the Signature Date and as at the Commencement Date having made all reasonable enquiries, threatened against it, which is likely to have a material adverse effect on the ability of the Operator to meet the Management Services;

18.1.7 as at the Signature Date and as at the Commencement Date, the Operator is not subject to any obligation, the non-compliance of which is likely to have a material adverse effect on its ability to meet the Management Services;

18.1.8 as at the Signature Date and as at the Commencement Date, no proceedings or any other steps have been taken or, to the best of the knowledge of the Operator having made all reasonable enquiries, threatened for the winding-up or liquidation or business rescue proceedings (whether voluntary or involuntary, provisional or final), or deregistration of the Operator or any of its shareholders, or for the appointment of a liquidator, business rescue practitioner or similar officer over it or over any of its assets;

18.1.9 all information disclosed by or on behalf of the Operator to SANParks at any time up to the Signature Date and from the Signature Date up to the Commencement Date,
and, in particular, during the bid process preceding the award of this Agreement to
the Operator, is true, complete and accurate in all material respects and the
Operator is not aware of any material facts or circumstances not disclosed to
SANParks which would, if disclosed, be likely to have an adverse effect on
SANParks' decision (acting reasonably) to award this Agreement to the Operator;

18.1.10 it is not a Restricted Enterprise;

18.1.11 in being awarded its appointment under this Agreement, it did not engage, either
directly or indirectly, or in any manner participate in the perpetration of a Corrupt Act;

18.1.12 as at the Signature Date and as at the Commencement Date:

18.1.12.1 the Operator has an authorised and issued share capital as set out in the
Constitutional Documents and all shares in the issued share capital of the
Operator are fully paid up; and

18.1.12.2 all shares in the issued share capital of the Operator are legally and beneficially
owned by the Shareholders.

18.2 SANParks Warranties

SANParks warrants that –

18.2.1 it has taken all necessary actions to authorise the execution of this Agreement;

18.2.2 it has not knowingly omitted to disclose any material information in its possession or
under its control relating to any of its assets related to this Agreement;

18.2.3 it has lawfully secured the Consents required by it in terms of Law to conclude this
Agreement; and

18.2.4 no restrictive conditions of title exist over KNP that would in any manner prevent or
obstruct the Operator from performing the Management Services
19. **THE ENVIRONMENT**

19.1 During the Term, the Operator shall conduct, manage and carry out the Management Services at all times in an environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park and shall adhere to the Regulatory Provisions and the Environmental Specifications.

19.2 The Operator shall promptly bring to the attention of SANParks any matter which may, in its view, have a detrimental impact on the environment within the Skukuza Facility and/or KNP.

19.3 The Operator shall take all reasonable steps in the conducting of the Management Services to prevent and limit the occurrence of any Environmental or health hazards and to ensure the health and safety of others and the general public.

19.4 The Operator shall comply with its statutory duties in terms of the Environmental Laws and at all times take reasonable measures to prevent pollution or degradation from occurring, continuing or recurring and in so far as such harm to the Environment is authorised by SANParks, the findings of the EIA or by law, to minimise and rectify such pollution or degradation of the environment.

20. **SANPARKS’ UNDERTAKINGS**

20.1 All decisions, determinations, instructions, inspections, examinations, tests, consents, approvals, certifications, expressions of satisfaction, acceptances, agreements, exercises of discretion (whether sole or otherwise), nominations or similar acts of SANParks hereunder shall be given, made and done in writing.

20.2 SANParks shall continue, in the ordinary course of business, to market and promote the Skukuza Facility and co-operate with the Operator in preparing marketing and promotional material so as to ensure that the Skukuza Facility is properly marketed and promoted as an integral part of the Park and the marketing and promotional programme for the Park as a whole, in accordance with the requirements stipulated in **Schedule 18 – Branding Requirements**.

20.3 SANParks will co-operate with and assist the Operator in any manner as may reasonably be necessary to ensure the continued viability of the Skukuza Facility and will not engage
in acts or omissions, which may materially affect the rights or interests of the Operator in respect of the Skukuza Facility.

20.4 Without limiting the generality of Clause 20.3, SANParks reserves the right to, where a dispute that might have a negative effect on SANParks’ guests arises as per clause 32, take reasonable actions to prevent inconvenience to SANParks’ guests.

20.5 SANParks will operate and manage KNP and will promote it in such manner as may reasonably be necessary to ensure the continued viability and sustainability of KNP as a National Park and as a sustainable and attractive tourist and conservation undertaking.

20.6 SANParks’ procurement processes in relation to the Management Services complied, to the best of SANParks knowledge and belief, in all material respects with:

20.6.1 all relevant legislation, regulations and the like governing such procurement processes; and

20.6.2 all current labour agreements, covenants and the like whether with individual employees or with employee organisations.

21. **BLACK ECONOMIC EMPOWERMENT**

21.1 The Operator shall ensure compliance with all Regulatory Provisions relating to BBBEE and undertakes to implement the BBBEE Obligations set out in **Schedule 10**.

21.2 If the Operator fails to implement its BEE Obligations in accordance with this Agreement, SANParks may give the Operator notice thereof and, if any such failure is not remedied within 14 (fourteen) Business Days (or such longer period as SANParks may, in its sole discretion, specify), SANParks shall be entitled to terminate this Agreement in accordance with its terms.

22. **FINANCIAL PROVISIONS AND PAYMENT**

22.1 **Gross Revenue**

22.1.1 For the purposes of this Agreement “**Gross Revenue**” shall mean:
22.1.1.1 any and all income or revenue received by or accruing to SANParks from all activities carried on, at or by virtue of the Management Services, in any manner, directly or indirectly, as is or would normally be included in gross revenue in terms of IFRS or GRAP (depending on the principles / standards used by SANParks). Without derogating from its generality, the term “Gross Revenue” shall mean revenue before the deduction of:

22.1.1.1.1 bad debts (or provisions therefore);

22.1.1.1.2 commissions or similar consideration paid or payable;

22.1.1.1.3 cash, credit-card or similar discounts or commissions; and

22.1.1.1.4 costs and expenses other than trade discounts granted in circumstances that are not arm’s-length or to a related party;

22.1.1.2 and Gross Revenue shall include:

22.1.1.2.1 commissions received or receivable; and

22.1.1.2.2 rentals and other fees received or receivable;

22.1.1.3 but shall exclude:

22.1.1.3.1 sales tax, value-added tax and any other similar impost levied on gross revenue (or any of its components) that is normally included in or added onto the tariffs or prices charged to guests or customers and which is not normally included in gross revenue in terms of IFRS or GRAP (depending on the principles / standards used by SANParks);

22.1.1.3.2 interest received or receivable;

22.1.1.3.3 the proceeds of, profit or surpluses on the disposal of non-current assets;

22.1.1.3.4 transfers from reserves; and

22.1.1.3.5 bad debts recovered.

22.2 Management Fees
22.2.1 SANParks shall pay the Management Fee to Operator each and every month from the Commencement Date.

22.2.2 The monthly Management Fees payable by SANParks shall be the higher of:

22.2.2.1 the Base Management Fee; or

22.2.2.2 the Incentive Management Fee.

22.2.3 The Base Management Fee or the Incentive Management Fee will be calculated using the formula set out in Schedule 7 – Management Fees.

22.2.4 The monthly Base Management Fee and the Incentive Management Fee are set out in detail in Schedule 7 – Management Fees. Irrespective of which of these elements determines the final amount payable in any given month, the Management Fee payment will be the higher of the Base Management Fee or the Incentive Management Fee for the Skukuza Facility and shall be payable by the Operator to SANParks within 7 (seven) Business Days following the end of each month, free of deduction or set-off, to SANParks.

22.2.5 For purposes of reconciling the Management Fees payable by SANParks in any given Financial Year, the Operator shall, within 120 (one hundred and twenty) days after the end of each Financial Year, furnish its audited financial statements to SANParks, whereafter SANParks shall verify and reconcile the Management Fees due against the Management Fees actually paid in the relevant Financial Year.

22.2.6 In the event that subsequent to the enquiry contemplated in clause 22.2.5 above, the Management Fees paid by SANParks are less than the Management Fees due to the Operator in the relevant Financial Year (the “Outstanding Fees”), SANParks shall pay the Outstanding Fees to the Operator within 7 (seven) Business Days of demand.

22.2.7 All Management Fees or other amounts payable by the SANParks to the Operator in terms of this Agreement shall be exclusive of VAT.

22.3 Taxes

22.3.1 The Operator will be responsible for all taxes of general application in respect of the
Management Services or any other activities conducted by it pursuant to this Agreement. These taxes will exclude any capital gains tax, income tax; VAT or other taxation on income which is earned by SANParks or, notwithstanding this Agreement, any tax payable by SANParks.

22.3.2 All payments to be made by either Party to the other in terms of this Agreement shall be free of set-off or any other deductions whatsoever and shall be paid by way of electronic funds transfer into the bank account specified by that Party in its invoices or in otherwise in writing from time to time.

23. PERFORMANCE BOND

23.1 The Operator shall provide to SANParks the Performance Bond which shall be operative from the Signature Date, in favour of SANParks issued by a bank or financial institution acceptable to SANParks substantially in the format specified in Schedule 16 – Performance Bond.

23.2 The Operator shall maintain a valid Performance Bond (in accordance with the provisions hereof) from the Signature Date until 90 (ninety) Business Days after the expiry or earlier termination of this Agreement.

23.3 Within 90 (ninety) Business Days of the expiry or earlier termination of this Agreement, SANParks shall release all or so much of the Performance Bond as shall remain undrawn after such expiry or termination.

23.4 The amount to be guaranteed by the Performance Bond for the first twelve months period as from the Signature Date shall be the sum of R200 000.00 (two hundred thousand rand).

23.5 The Performance Bond shall be reinstated in full and its amount adjusted annually within 90 (ninety) Business Days of the end of each Project Year such that the amount to be guaranteed by the Performance Bond for the relevant Project Year is not less than the amount indicated in Clause 23.4 as adjusted to reflect changes in the CPI since Bid Submission.

23.6 The Performance Bond shall secure the Operator’s performance under this Agreement and may be called on by SANParks to the extent of any costs, losses, damages or
expenses suffered or incurred by SANParks as a result of breach by the Operator of this Agreement, including, but not limited to, compensation to SANParks for any actions taken by SANParks as a result of breach by the Operator of any Regulatory Provision(s), Laws, Legislation or Environmental Specifications and payment obligations hereunder. The Performance Bond may also be called upon for any delay in the payment of sums due by the Operator to SANParks for any cause howsoever arising.

23.7 Prior to enforcing the Performance Bond, SANParks shall give notice to the Operator, informing the Operator of the breach giving rise to the right of enforcement of the Performance Bond. If such breach is not remedied within the remedy period, SANParks may enforce the Performance Bond.

23.8 The Performance Bond may only be enforced to the extent of any costs, losses, damages or expenses suffered or incurred and/or reasonably expected to be suffered or incurred as a result of the breach that gave rise to the right to enforce the Performance Bond.

24. **INSURANCE**

24.1 SANParks shall insure, at SANParks' cost, all insurable properties within the Skukuza Facility including the Business Assets, with a reputable insurance company by no later than the Commencement Date, and such insurance shall:

24.1.1 be for not less than the full replacement value of the Business Assets;

24.1.2 be against the risk of fire, lightning, explosion, storm, flood, earthquake, riots (including political riot), strikes and malicious damage;

24.1.3 cover environmental damage; and

24.1.4 include:

24.1.4.1 property insurance;

24.1.4.2 public liability and third party insurance;

24.1.4.3 employer's liability insurance; and

24.1.4.4 business interruption insurance.
24.2 All premiums, subsequent renewal premiums, all additional premiums and all stamp duties in respect of the relevant insurance policies, shall be paid by SANParks.

24.3 The Operator shall take out insurance at its own regarding the following:

24.3.1 public liability and third party insurance;

24.3.2 employer’s liability insurance; and

24.3.3 business interruption insurance.

24.4 The Operator shall comply with all the terms and conditions embodied in the insurance policy or insurance policies referred to in Clause 24 and undertake not to commit any act or permit any act to be committed or omit to do anything which in any way affects or vitiates such insurance policy or policies.

24.5 The Operator undertakes to provide SANParks with certified copies of the certificates of insurance and certified copies of the insurance policies within seven (7) days of the Commencement Date to be attached to this Agreement as Schedule 15. Such certificates and policies shall reflect all insurance coverage stipulated by SANParks.

24.6 SANParks shall insure all the buildings or physical structures of the Skukuza Facility with a reputable insurance firm.

25. **AUDIT RIGHTS**

25.1 The Operator shall maintain (or procure that its staff will maintain, as the case may be) an appropriate and reasonable audit trail of all:

25.1.1 financial transactions relating to the Management Services and invoices arising out of this Agreement; and

25.1.2 non-financial transactions relating to implementation of this Agreement.

25.2 The Operator shall provide (or procure, as the case may be) that SANParks, its internal audit staff, its Auditors or other consultants (as notified in writing) have access at all reasonable times to:
25.2.1 Skukuza Facility (or any part of that facility);

25.2.2 the Operator’s staff responsible performing or who have performed Management Services; and

25.2.3 all data and records relating to the provision of the Management Services, whether held by the Operator or its staff;

25.2.4 review the content of and to determine compliance by the Operator or any of its staff with:

25.2.4.1 the terms and conditions of this Agreement; and

25.2.4.2 all applicable Laws and regulatory requirements arising out of or in connection with the implementation of this Agreement.

25.3 The Operator shall provide (or procure that its staff will, as the case may be) all reasonable assistance and co-operation as may be required by SANParks, its internal audit staff and Auditors or consultants in performing any audit or inspection as envisaged in this clause 24.

25.4 The Operator shall maintain and provide SANParks access (or procure that its staff will, as the case may be) to all records, documents and other information required to meet SANParks’ audit and inspection rights under this Agreement until the later of 5 (five) years after:

25.4.1 Termination Date; or

25.4.2 Expiry Date,

whichever is the earlier.

25.5 The Operator shall similarly cause the Subcontractors to make all information, books of accounts, records and other data relating to the Management Services available to SANParks on reasonable notice if so required in terms of applicable Laws and if reasonably required for this Agreement.

25.6 SANParks may, on reasonable suspicion of fraud or fraudulent misrepresentation by the Operator which has a direct impact on SANParks and without any prior notice to the
Operator, meet and consult with the Operator’s auditors regarding the Operator’s accounts and operations from time to time at the cost of SANParks, subject to Clause 25.8 below.

25.7 SANParks may also, on reasonable suspicion of fraud or fraudulent misrepresentation by the Operator and without any prior notice to the Operator, conduct or require that a firm of independent auditors conduct additional audits of the Operator, at the cost of SANParks.

25.8 Notwithstanding the provisions of Clauses 25.6 and 25.7 above, if the investigations conducted conclude that the Operator has committed a fraud or fraudulent misrepresentation, as contemplated in Clauses 25.6 and 25.7 above, then the Operator shall be liable for the reasonable costs of meeting(s) and/or audit(s).

26. SANPARKS STEP-IN

26.1 If SANParks reasonably believes that it needs to take any action in connection with the Management Services because a serious and urgent risk arises to the health or safety of persons or property, or to the Environment, or to national security and/or to discharge a statutory duty, then SANParks shall in its sole discretion be entitled to take action in accordance with the following provisions, provided that SANParks must cease to exercise its rights in terms of this Clause when the reason for the exercise of the rights no longer applies.

26.2 If pursuant to Clause 26.1 SANParks wishes to take action, it shall as soon as possible after reaching its determination to do so notify the Operator in writing of -

26.2.1 the action it wishes to take;

26.2.2 its reasons for taking such action;

26.2.3 the date when it wishes to commence such action;

26.2.4 the time period (the "Step-in Period") which it reasonably believes will be necessary for such action and which must be a fixed period; and

26.2.5 to the extent practicable, the effect of such action on the Operator and its obligations to perform the Management Services during the Step-in Period.
26.3 Following the service of the notice referred to in Clause 25.2, SANParks shall take such action as notified thereunder and any ancillary action as it reasonably believes is necessary (the "Necessary Action") and the Operator shall give all reasonable assistance to SANParks in the conduct of such Necessary Action.

26.4 If the Operator is not in breach of any of its obligations under this Agreement in respect of which the Necessary Action is proposed to be taken, then for so long as and to the extent that the Necessary Action is taken, and such action prevents the Operator from providing any part of the Management Services:

26.4.1 the Operator shall be relieved from such obligations; and

26.4.2 in respect of the time period over which such Necessary Action is conducted and provided that the Operator provides SANParks with such reasonable assistance as SANParks may need in the conduct of such Necessary Action (such assistance, however, to be at the expense of SANParks to the extent of any incremental costs).

26.5 If the Necessary Action is taken as a result of a breach by the Operator of any of its obligations under this Agreement, then for so long as and to the extent that such Necessary Action is taken and prevents the Operator from performing any of its obligations, the Operator shall be relieved from such obligation.

26.6 The relief of the Operator’s obligations as contemplated in Clause 26.5 above shall apply only if by the expiry of the Step-in Period, the breach still subsists and if it constitutes a Operator Default, then SANParks must serve a notice in terms of Clause 25 (SANParks’ Options) requiring the Operator to remedy the Operator Default or to put forward a Remedial Programme.

26.7 Where the provisions of Clause 26.5 apply, the Operator shall be liable to SANParks for an amount equal to SANParks’ reasonable costs of taking any Necessary Action as contemplated in Clause 26.5.

27. **FORCE MAJEURE**

27.1 **Definition and Procedure**
27.1.1 For the purposes of this Agreement, "Force Majeure" means any of the following events or circumstances which are beyond the reasonable control of the party giving notice of force majeure, including but not limited to:

27.1.1.1 War (whether declared or not), civil war, armed conflicts or terrorism, revolution, invasion, insurrection, riot, civil commotion, mob violence, sabotage, blockade, embargo, boycott, the exercise of military or usurped power, fire, explosion, theft, storm, flood, drought, wind, lightning or other adverse weather condition, epidemic, quarantine, accident, acts or restraints of Government imposition, or restrictions of or embargos on imports or exports; or

27.1.1.2 nuclear contamination unless the Operator and/or any Sub-contractor is the source or cause of the contamination; or

27.1.1.3 chemical or biological contamination of the Skukuza Facility from any of the events referred to in Clauses 27.1.1.1 and 27.1.1.2 above, that directly causes either Party to be unable to comply with all or a material part of its obligations under this Agreement.

27.1.2 Subject to Clause 27.1.3, the Party claiming relief shall be relieved from liability under this Agreement to the extent that it is not able to perform all or a material part of its obligations under this Agreement as a result of an event of Force Majeure.

27.1.3 Where a Party is (or claims to be) affected by an event of Force Majeure:

27.1.3.1 it shall take all reasonable steps to mitigate the consequences of such an event upon the performance of its obligations under this Agreement, resume performance of its obligations affected by the event of Force Majeure as soon as practicable and use all reasonable endeavors to remedy its failure to perform; and

27.1.3.2 it shall not be relieved from liability under this Agreement to the extent that it is not able to perform, or has not in fact performed, its obligations under this Agreement due to its failure to comply with its obligations under Clause 24.

27.1.4 The Party claiming relief shall serve written notice on the other Party within fifteen (15) Business Days of it becoming aware of the relevant event of Force Majeure. Such initial notice shall give sufficient details to identify the particular event claimed to be an event of Force Majeure Event.
27.1.5 A subsequent written notice shall be served by the Party claiming relief on the other Party within a further period of 5 (five) Business Days. The written notice shall contain such relevant information relating to the failure to perform (or delay in performing) as is available, including (without limitation) the effect of the event of Force Majeure on the ability of the Party to perform, the action being taken in accordance with Clause 27.1.3.1, the date of the occurrence of the event of Force Majeure and an estimate of the period of time required to overcome it and/or its effects.

27.1.6 The Party claiming relief shall notify the other as soon as the consequences of the event of Force Majeure have ceased and when performance of its affected obligations will be resumed.

27.1.7 If, following the issue of any notice referred to in Clause 27.1.4, the Party claiming relief receives or becomes aware of any further information relating to the event of Force Majeure and/or any failure to perform, it shall submit such further information to the other Party as soon as reasonably possible.

27.1.8 Neither SANParks nor the Operator shall have any right to payment or otherwise in relation to the occurrence of an event of Force Majeure.

27.1.9 The Parties shall endeavor to agree any modifications to this Agreement, which may be equitable having regard to the nature of an event or events of Force Majeure. This Agreement shall terminate in terms of Clause 27.2 if no such agreement is reached.

27.2 Termination for Force Majeure

If, in the circumstances referred to in Clause 27.1.9, the Parties have failed to reach agreement on any modification to this Agreement pursuant to that Clause, within one hundred and eighty (180) days of the date on which the Party affected serves notice on the other Party in accordance with that Clause, either Party may at any time afterwards terminate this Agreement by written notice to the other Party having immediate effect, provided always that the effects of the relevant event of Force Majeure continue to prevent either Party from performing any material obligation under this Agreement.
28. OPERATOR DEFAULT

28.1 Definition

"Operator Default" means any of the following events or circumstances:

28.1.1 any arrangement, composition or compromise with or for the benefit of creditors (including any voluntary arrangement as defined in the Insolvency Act, No. 24 of 1936 or the Companies Act) being entered into by or in relation to the Operator;

28.1.2 a liquidator, business rescue practitioner or the like taking possession of or being appointed over, or any business rescue proceedings, winding-up, execution or other process being levied or enforced (and not being discharged within ten (10) Business Days) upon, the whole or any material part of the assets of the Operator (in any of these cases, where applicable, whether provisional or final, and whether voluntary or compulsory);

28.1.3 the Operator ceasing to carry on business;

28.1.4 a resolution being passed or an order being made for the business rescue proceedings, winding-up, liquidation or dissolution of the Operator (in any of these cases, where applicable, whether provisional or final and whether voluntary or compulsory);

28.1.5 the Operator commits a breach of any of its material obligations under this Agreement, which is not specifically mentioned in this Clause 27.1. For the avoidance of doubt for the purposes of this Agreement a failure to comply with any of the obligations imposed on the Operator as set out in the Schedules to this Agreement shall be deemed to be a breach of a material obligation;

28.1.6 The Operator or any of its directors or officers is found guilty of a criminal offence involving fraud or bribery or dishonesty, by a court of law, with punishment imposed of a fine of not less than R 100,000 (one hundred thousand Rand) or imprisonment for a period exceeding six (6) months unless such finding is the subject of an appeal that is being diligently pursued by the Operator or relevant director of officer;

28.1.7 the Operator or any of its directors or officers falsifies any report, document or
information that is provided by the Operator to SANParks;

28.1.8 breach of any provision of this Agreement has occurred at least 3 (three) times in any Financial Year and the Operator having failed to remedy such breach within the time stipulated therefor in terms of a breach notice issued to it by SANParks in terms of this Agreement;

28.1.9 the Operator breaches any of the provisions relating to its financial obligations in terms of this Agreement;

28.1.10 the Operator fails to obtain and maintain any insurances as required in terms of this Agreement; or

28.1.11 the Operator fails to commence trading at the Skukuza Facility on the Commencement Date.

28.2 SANParks' Options

28.2.1 On the occurrence of a Operator Default, or within a reasonable time after SANParks becomes aware of the same, SANParks may:

28.2.1.1 in the case of the Operator Default referred to in Clauses 28.1.1; 28.1.2; 28.1.3; 28.1.4; 28.1.6, 28.1.7, 28.1.8 and 28.1.10 terminate this Agreement in its entirety by notice in writing having immediate effect;

28.2.1.2 in the case of any other Operator Default referred to in Clauses 28.1.5, 28.1.9 and 28.1.11, serve notice of default on the Operator requiring the Operator to remedy the Operator Default referred to in such notice of default (if the same is continuing) within ten (10) Business Days of such notice of default; or

28.2.1.3 request that the Operator put forward, within 10 (ten) Business Days of a notice of default, a reasonable programme for remedying the Operator Default or to remedy the underlying cause of such Operator Default ("Remedial Programme"). The Remedial Programme shall specify in reasonable detail the manner in and the latest date by which, such Operator Default is proposed to be remedied. The Operator shall only have the option of putting forward a Remedial Programme if it first notifies SANParks within 5 (five) Business Days of such notice of Operator Default that it proposes to do so.
28.2.2 If the Operator Default is notified to the Operator in a notice of default in terms of Clause 28.2.1.2 and the Operator Default is not remedied before the expiry of the period referred to in the notice, then SANParks may terminate this Agreement with immediate effect by written notice to the Operator.

28.3 **Remedy Provisions**

28.3.1 Where the Operator puts forward a Remedial Programme in accordance with Clause 28.2.1.3, SANParks shall have 20 (twenty) Business Days from receipt of the same within which to notify the Operator that it does not accept the Remedial Programme, failing which SANParks shall be deemed to have accepted the Remedial Programme. SANParks shall act reasonably in rejecting the Remedial Programme and shall give reasons for its decision. Where SANParks notifies the Operator that it does not accept the Remedial Programme, the Parties shall endeavour within the following 5 (five) Business Days to agree any necessary amendments to the Remedial Programme put forward. In the absence of agreement within 5 (five) Business Days, the question of whether the Remedial Programme (as the same may have been amended by agreement) will remedy the Operator Default in a reasonable manner and within a reasonable time period.

28.3.2 If -

28.3.2.1 the Operator Default is not remedied before the expiry of the period referred to in the notice; or

28.3.2.2 where the Operator puts forward a Remedial Programme which has been accepted by SANParks, the Operator fails to achieve any material element of the Remedial Programme or to complete the Remedial Programme by the specified end date for the Remedial Programme; or

28.3.2.3 any Remedial Programme put forward by the Operator is rejected by SANParks as not being reasonable, and the dispute resolution procedure does not find against that rejection,

28.3.3 then SANParks may terminate this Agreement in its entirety by written notice to the Operator with immediate effect; provided that for the purposes of Clause 27 if the Operator’s execution of the Remedial Programme is adversely affected by the occurrence of an event of Force Majeure, subject to the Operator complying with the mitigation and other requirements in this Agreement concerning Force Majeure, the
time for execution of the Remedial Programme or any relevant element of it shall be
deeded to be extended by a period equal to the delay caused by the Force Majeure
event which is agreed by the Parties.

28.4 SANParks’ Costs

28.4.1 The Operator shall reimburse SANParks with all costs incurred by SANParks in
exercising any of its rights in terms of this Clause 28 (including, without limitation,
any relevant increased administrative expenses and attorney and own client costs,
where applicable).

28.4.2 SANParks shall not exercise, or purport to exercise, any right to terminate this
Agreement except as expressly set out in this Agreement. The rights of SANParks
(to terminate or otherwise) under this clause, are in addition (and without prejudice)
to any other right which SANParks may have in law to claim the amount of loss or
damages suffered by SANParks on account of the acts or omissions of the Operator
(or to take any action other than termination of this Agreement).

29. SANPARKS DEFAULT

29.1 Definition

"SANParks Default" means any one of the following events:

29.1.1 a breach by SANParks of the material obligations under this Agreement which
substantially frustrates or renders it impossible for the Operator to perform its
obligations under this Agreement for a continuous period of at least three (3)
months.

29.2 Termination for SANParks Default

29.2.1 On the occurrence of a SANParks Default, or within ten (10) days after the Operator
becomes aware of same, the Operator may serve notice on SANParks of the
occurrence (and specifying details) of such SANParks Default. If the relevant matter
or circumstance has not been remedied or rectified within thirty (30) Business Days
of such notice, the Operator may serve a further notice on SANParks terminating this
Agreement with immediate effect.

29.2.2 The Operator shall not exercise or purport to exercise any rights to terminate this Agreement (or accept any repudiation of this Agreement) except as expressly provided for herein.

30. CORRUPT GIFTS AND FRAUD

30.1 Definition and Warranty

The Operator warrants that in entering into this Agreement it has not committed any Corrupt Act. Any breach of this warranty shall entitle SANParks to terminate this Agreement immediately in terms of Clause 28.1.5.

"Corrupt Act" means:

30.1.1 offering, giving or agreeing to give to SANParks or any other organ of state or to any person employed by or on behalf of SANParks or any other organ of state any gift or consideration of any kind as an inducement or reward:

30.1.2 for doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of this Agreement or any other contract with SANParks or any other organ of state; or

30.1.3 for showing or not showing favor or disfavor to any person in relation to this Agreement or any other contract with SANParks or any other organ of state;

30.1.4 entering into this Agreement or any other contract with SANParks or any other organ of state in connection with which commission has been paid or has been agreed to be paid by the Operator or on its behalf, or to its knowledge, unless before the relevant contract is entered into particulars of any such commission and of the terms and conditions of any such contract for the payment of such commission have been disclosed in writing to SANParks;

30.1.5 committing any offence:

30.1.5.1 under any law from time to time dealing with bribery, corruption or extortion;
30.1.5.2 under any law creating offences in respect of fraudulent acts; or

30.1.5.3 at common law, in respect of fraudulent acts in relation to this Agreement or any other contract with SANParks or any other public body; or

30.1.5.4 defrauding or attempting to defraud or conspiring to defraud SANParks or any other public body.

30.2 **Termination Amount for Corrupt Gifts and Fraud**

30.2.1 The Operator shall reimburse SANParks with all costs incurred by SANParks in exercising any of its rights in terms of this Clause 30 (including, without limitation, any relevant increased administrative expenses and attorney and own client costs, where applicable).

30.2.2 The rights of SANParks (to terminate or otherwise) under this Clause are in addition (and without prejudice) to any other right which SANParks may have in law to claim the amount of loss or damages suffered by SANParks on account of the acts or omissions of the Operator (or to take any action other than termination of this Agreement).

31. **EFFECTS OF TERMINATION**

31.1 **Termination**

Notwithstanding any provision of this Agreement, on service of a notice of termination, this Agreement shall only terminate in accordance with the provisions of this Clause 31 (Effects of Termination).

31.2 **Transfers to SANParks on Termination**

On termination of this Agreement for any reason in accordance with its terms after the Commencement Date the Operator shall:

31.2.1 procure that any Transferable Licensed Intellectual Property procured either by the Operator or a Subcontractor and required for the continued performance of the Management Services after the Termination Date shall be provided to SANParks and SANParks shall be granted a perpetual non-exclusive, royalty-free licence to
use such Transferable Licensed Intellectual Property, irrespective of whether or not such Transferable Licensed Intellectual Property is owned by the Operator or a Subcontractor, or not;

31.2.2 deliver to SANParks (as far as not already delivered to SANParks) one complete set of:

31.2.2.1 maintenance, operation and training manuals for the Skukuza Facility and where they do not exist, the Operator has an obligation in terms of this Agreement to acquire or prepare them; and

31.2.2.2 the historical operating data and plans of the Skukuza Facility, its furniture, fittings and equipment in a format acceptable to SANParks;

31.2.3 use all reasonable endeavours to procure that the benefit of all manufacturer’s warranties in respect of mechanical and electrical equipment used or made available by the Operator under this Agreement and included in the Management Services are assigned, or otherwise transferred, to SANParks;

31.2.4 ensure that provision is made in all relevant contracts of any description whatsoever to which the Operator or any Subcontractor is a party to ensure that SANParks will be in a position to exercise its rights, and the Operator will be in a position to comply with its obligations in accordance herewith;

31.2.5 remove from the Skukuza Facility all property not owned by SANParks and if it has not done so within 10 (ten) Business Days after any notice from SANParks requiring it to do so, SANParks may (without being responsible for any loss, damage, costs or expenses) remove and sell any such property and shall hold any proceeds less all costs incurred for the credit of the Operator;

31.2.6 deliver to SANParks:

31.2.6.1 any keys, remote access apparatus and computer access cards to the Skukuza Facility;

31.2.6.2 without prejudice to Clause 39 (Intellectual Property of SANParks), any copyright licences for any computer programmes (or licences to use the same) necessary for the operation of the Skukuza Facility, including without limitation, the Transferable Licensed Intellectual Property;
31.2.6.3 complete asset registers and data registers pertaining to the Management Services; and

31.2.6.4 vacate the Skukuza Facility and shall leave same in a safe, clean and orderly condition.

31.3 **Transitional Arrangements**

31.3.1 For a period of 12 (twelve) months both before and after the Expiry Date or in the case of any earlier termination after the Commencement Date for the period from the service of notice of termination to 12 (twelve) months after the Termination Date, the Operator shall have the following obligations -

31.3.1.1 the Operator shall co-operate fully with SANParks and/or any successor providing services to SANParks in the nature of any of the Management Services or any part of thereof in order to achieve a smooth transfer and to avoid or mitigate in so far as reasonably practicable any inconvenience or any risk to the health and safety of SANParks employees and members of the public;

31.3.1.2 if SANParks wishes to conduct a tender process with a view to entering into a contract for the provision of services (which may or may not be the same as, or similar to, the Management Services or any of them) following the expiry or earlier termination of this Agreement, the Operator shall co-operate with SANParks fully in such tender process including (without limitation) by:

31.3.1.2.1 providing any information which SANParks may reasonably require to conduct such tender excluding any information which is commercially sensitive to the Operator (and, for the purposes of this Clause 31.3.1.2.1, "commercially sensitive" shall mean information which would if disclosed to a competitor of the Operator or Subcontractor give that competitor a competitive advantage over the Operator or Subcontractor and thereby prejudice the business of the Operator or Subcontractor).

31.4 **Continuing Obligations**

Save as otherwise expressly provided in this Agreement -

31.4.1 termination of this Agreement shall be without prejudice to any accrued rights and
obligations under this Agreement as at the Expiry Date or Termination Date, as the case may be; and

31.4.2 termination of this Agreement shall not affect the continuing rights and obligations of the Operator and SANParks under this Clause 31 or under any other provision of this Agreement which are expressed to survive termination or which are required to give effect to such termination or the consequences of such termination.

31.5 **Termination by reason of Expiry**

31.5.1 For the avoidance of doubt, the Parties agree that notwithstanding anything to the contrary in this Agreement -

31.5.1.1 if this Agreement terminates on the Expiry Date; or

31.5.1.2 if this Agreement terminates as a result of a SANParks Default, a Operator Default, an event of Force Majeure or a Corrupt Act.

31.5.2 SANParks shall not be liable for payment of any compensation to the Operator or any Subcontractor or any third party by virtue of any transfer or other effect of termination provided for in this Clause 31 (*Effects of Termination*).

32. **DISPUTE RESOLUTION**

32.1 **Referable Disputes**

The provisions of this Clause 32 shall, save where expressly provided otherwise, apply to any dispute arising in relation to or in connection with any aspect of this Agreement between the Parties.

32.2 **Internal Referral**

32.2.1 If a dispute arises in relation to any aspect of this Agreement, the Parties shall through mutual consultation, without involving any third parties, use their reasonable endeavours to resolve the dispute.

32.2.2 In the event that the dispute remains unresolved for a period of 10 (ten) Business Days after either Party has requested such consultation in writing, either Party shall
be entitled to refer the matter to arbitration.

32.3 Arbitration

32.3.1 Any Party ("the claimant") may demand by written notice given to the other Party ("respondent") that a dispute be referred to arbitration (the "arbitration notice").

32.3.2 The arbitration shall be:

32.3.2.1 held and will be completed as soon as possible;
32.3.2.2 governed by the provisions of the Arbitration Act, 1965;
32.3.2.3 in accordance with the provisions of the Commercial Arbitration Rules of the Arbitration Foundation of Southern Africa ("AFSA");
32.3.2.4 in Gauteng;
32.3.2.5 conducted in the English language; and
32.3.2.6 in the presence of only the arbitrator/s, his assistant/s and recording staff the arbitrator/s so require/s, the legal and other representatives of the claimant and respondent who wish to be present or represented, and only if and for so long as the arbitrator/s may permit, such witnesses as either of the claimant or respondent may wish to call to present expert or other evidence.

32.3.3 The Parties shall agree on the arbitrator within 7 (seven) Business Days of delivery of the arbitration notice, and failing such agreement, the arbitrator shall be appointed by the secretariat of AFSA on the basis that the arbitrator shall, if the matter in dispute is, or matters are, principally:

32.3.3.1 a legal or deemed legal matter, be a practising attorney or advocate of at least 15 (fifteen) years' standing;
32.3.3.2 an accounting matter, be a practising chartered accountant of at least 15 (fifteen) years standing; or
32.3.3.3 any other matter, be any independent person in the relevant field of not less than 10 (ten) years standing.

32.3.4 AFSA's decision regarding the appointment of the arbitrator, including the determination whether a dispute is principally a legal, accounting or other matter, shall be final and binding upon the Parties.
32.3.5 If two or more disputes are referred to arbitration at the same time, some being of an accounting or general nature and others of a legal nature, unless otherwise agreed and such disputes shall all be deemed to be legal matters.

32.3.6 The decisions of the arbitrator/s may be subjected to appeal by either Party in terms of the AFSA Rules. If no appeal is initiated, the arbitrator’s award will be final and binding on the Parties, and at the instance of either of them may be made an order of any court to whose jurisdiction the Parties are or either of them is subject.

32.3.7 Notwithstanding the provisions of this Clause 32.3.7, the High Court of South Africa shall have jurisdiction to determine any proceedings instituted by way of notice of motion by any of the Parties against any of the other Parties thereto in which interim relief, or urgent final relief, is claimed howsoever arising out of or in connection with this Agreement. In respect of such applications, each of the Parties specifically submits itself to and consents to the exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Pretoria.

32.4 Performance to Continue

No reference of any dispute to any resolution process in terms of this clause shall relieve either Party from any liability for the due and punctual performance of its obligations under this Agreement, including the payment of any monies due hereunder.

33. CHANGES IN CONTROL

For the Term, the Operator shall procure that there is no Change in Control in the Operator (or in any company of which the Operator is a subsidiary) without the prior written approval of SANParks, which approval shall not be unreasonably withheld.

34. CESSION, TRANSFER AND SUBSTITUTED ENTITY

34.1 Transfer by the Operator

The Operator may not, without the prior written consent of SANParks, cede, delegate, assign, encumber or transfer:

34.1.1 this Agreement or any Associated Agreement; or
34.1.2 any of its rights, interests or obligations thereunder,

save, in each case, to the extent required for the financing of the operation of the Skukuza Facility.

34.2 Subject to the provisions of Clause 34.1, the Operator may cede, delegate, assign, encumber or transfer the operation of the whole or a part of the Skukuza Facility, provided that:

34.2.1 the period of the cession, delegation, assignment, encumbrance or transfer shall not exceed the unexpired portion of the Term;

34.2.2 the Operator shall not be absolved from any liability, existing or future, of the Operator in terms of this Agreement;

34.2.3 the third party to whom the Operator cedes, delegates, assigns or transfers its rights and/or obligations, as the case may be ("Assignee"), shall be bound by all the same terms and conditions as set out in this Agreement as if originally a party hereto.

34.3 Substitute Entity

34.3.1 Upon the occurrence of an event in Clause 28 entitling SANParks to terminate this Agreement, and upon the expiry of the remedy period (in the event a remedy period is provided), or, where no remedy period is provided, upon the occurrence of such event, SANParks shall have the right, subject to the PFMA, to appoint a substitute entity, that the substitute entity nominated by SANParks-

34.3.1.1 is legally and validly constituted and has the capability to enter into such agreements as may be reasonably required to give effect to the substitution; and

34.3.1.2 has the financial and technical capability sufficient to perform and assume the obligations of the Operator under the Agreement.

34.3.1.3 The Operator shall reimburse SANParks with all costs incurred by SANParks in exercising any of its rights in terms of this Clause 34.3 (including, without limitation, any relevant increased administrative expenses and attorney and own client costs, where applicable).
34.3.1.4 The rights of SANParks under this Clause are in addition (and without prejudice) to any other right which SANParks may have in law to claim the amount of loss or damages suffered by SANParks on account of the acts or omissions of the Operator.

34.4 **Disposal of Shares**

34.4.1 SANParks will, notwithstanding the provisions of Clause 34, approve any sale of shares or other beneficial interest in the Operator and permit that the Shareholders or beneficiaries sell any such shares or beneficial interest where such change does not bring about a Change in Control and provided that:

34.4.1.1 the Operator informs SANParks of its intention to sell or permit the sale of such shares or beneficial interest at least 30 (thirty) Business Days before such sale is scheduled to take place;

34.4.1.2 the sale of such shares or beneficial interest does not alter the financial, BBBEE and technical capability of the Operator to perform and assume the obligations of the Operator in terms hereof; and

34.4.1.3 SANParks cannot reasonably object to the sale for any reason.

35. **INTELLECTUAL PROPERTY OF SANPARKS**

35.1 Nothing anything contained in Schedule 18 – Branding Requirements, al Intellectual Property Rights whatsoever, whether capable of registration or not, regarding SANParks' name, trademarks, logos, image and all other intellectual property matters relating to SANParks, including its name, trademarks, logos and/or image shall remain the sole property of SANParks.

35.2 Subject to Clauses 35.1 and Clause 35.3, SANParks shall, on prior written application by the Operator and only to the extent necessary for the Operator to perform the Management Services, grant a non-exclusive revocable right and licence to the Operator to use SANParks’ trademarks and logos for a period not to exceed the remainder of the Term.

35.3 In order to establish and maintain standards of quality and propriety acceptable to SANParks, in the event that the Operator desires to use SANParks’ trademarks or logos in any way, the Operator shall first submit the concept or a sample of the proposed use to
SANParks for approval, which shall be in its sole and absolute discretion. SANParks shall use reasonable endeavours to advise the Operator of its approval or disapproval of the concept or sample within 20 (twenty) Business Days of its receipt of the concept or sample. If SANParks approves the concept or sample, the Operator shall not depart therefrom in any respect without SANParks’ further prior written approval.

35.4 If at any time SANParks revokes its approval for the specified use of any trademark or logo, the Operator shall forthwith discontinue all use of such trademark or logo and shall remove from public sale or distribution any previously approved product in respect of which SANParks has revoked its approval. The costs incurred by the Operator as a result of such revocation shall be borne by the Operator if the grounds for the revocation include any ground described in Clause 35.5.

35.5 SANParks may revoke its approval immediately upon 10 (ten) Business Days written notice to the Operator if the Operator, any Subcontractor or any of its or its Subcontractors’ officers, directors or employees commits any crime or otherwise engages in conduct which violates any law, or engages in any conduct that offends against public morals and decency and, in SANParks’ reasonable opinion, materially prejudices the reputation and public goodwill of SANParks.

35.6 The Operator acknowledges that the name(s) of SANParks (the "Protected Names") are associated with and peculiar to SANParks and are the Intellectual Property of SANParks. Consequently, the Operator agrees that the sole and exclusive ownership of the Protected Names shall vest in SANParks.

35.7 In circumstances where the Operator utilises any of the Protected Names, either on its own or in combination or association with any other name, it does so only in terms of this Agreement and with the prior approval of SANParks. On termination or expiry of this Agreement, the Operator shall not be entitled to operate or conduct any business using any of the Protected Names either on its own or in combination or association with any other name.

35.8 Within 60 (sixty) Business Days after the Expiry Date or the Compensation Date and where the Operator has operated a company utilising any of the Protected Names with the permission of SANParks, the Operator shall either:

35.8.1 de-register the company bearing any of the Protected Names; or
35.8.2 change the name to a name not substantially similar to any of the Protected Names.

35.9 The naming of the Operator’s business operation shall be undertaken in consultation with SANParks and subject to SANParks’ approval. In circumstances where the name chosen by the Operator and approved by SANParks is not part of SANParks’ intellectual property, then the rights of SANParks contemplated in this Clause 34 shall not be applicable and the intellectual property shall be the sole property of the Operator.

35.10 SANParks may at its discretion allow its own name, logo and or other branding on the stationery of the Operator, at cost to the Operator. The Operator may not use SANParks name, logo or other branding without written consent from SANParks for any reason whatsoever.

35.11 SANParks reserves the right to disallow the Operator to apply its own name, logos or other branding to the Skukuza Facility in any manner, or otherwise to stipulate the placement and size of such names, logos or other branding. If so allowed by SANParks, the name, logo or other branding of the Operator shall not conceal, obstruct, compete with the name or logo of SANParks, or be contrary to the professional image of SANParks at any time or in any manner. Any such branding of the Operator shall be at cost to the Operator.

36. **INTELLECTUAL PROPERTY OF THE OPERATOR**

36.1 The Operator shall, in respect of all Intellectual Property that is owned by it and any of its subcontractors, on termination of this Agreement in accordance with its terms after the Commencement Date, grant to SANParks a non-exclusive, royalty free licence to use such Intellectual Property for the Management Services or any operational and maintenance services to be provided in the future by or for SANParks in relation to the Skukuza Facility, or any facilities that succeed them (the “Permitted Purposes”). Those licences shall be capable of being freely transferred by SANParks to third parties at no cost, for the Permitted Purposes, but to no other parties without the prior written consent of the Operator.

36.2 In the event that any Intellectual Property is not owned by the Operator but was specifically developed for the Management Services, whether or not it is Licensed Intellectual Property, the Operator shall ensure that it is at all times after the Commencement Date entitled to –
36.2.1 grant to SANParks a non-exclusive licence, on terms no less favourable than those applicable to the Operator, to use that Intellectual Property for the Permitted Purposes. Those licences shall be capable of being further transferred by SANParks to third parties at no cost, for the Permitted Purposes; or

36.2.2 assign all of its rights in and to that Intellectual Property to SANParks on the basis that those rights shall be capable of being further assigned to third parties for the Permitted Purposes.

36.3 In the event that any Licensed Intellectual Property is not owned by the Operator but is specifically required in order to operate any of the Transferable Licensed Intellectual Property for the Permitted Purposes, the Operator shall, upon termination of this Agreement in accordance with its terms after the Commencement Date, procure that a license for such Licensed Intellectual Property is issued in the name of SANParks for a period equal to the difference between the Termination Date and the Expiry Date had this Agreement not terminated early, provided that the Operator shall not be required to procure same where this Agreement terminates on the Expiry Date.

36.4 In the event that the Operator uses any Intellectual Property owned by any third party in the Management Services, other than Intellectual Property which is the subject of Clause 36.1, the Operator shall prior to using any such Intellectual Property ensure the consent of the relevant owner in order to ensure that the Operator is at all times after the Commencement Date entitled to –

36.4.1 grant to SANParks a non-exclusive licence, on terms no less favourable than those applicable to the Operator, to use that Intellectual Property for the Permitted Purposes, which licences shall be capable of being further transferred by SANParks to third parties at no cost, for the Permitted Purposes; or

36.4.2 assign all of the Operator’s rights in and to such Intellectual Property to SANParks, on the basis that those rights shall be capable of being further assigned by SANParks to third parties at no cost, for the Permitted Purposes.

36.5 If the owner of Intellectual Property contemplated in Clause 36.3 withholds or denies such consent, the Operator shall not use any such Intellectual Property for the Management Services without the prior written approval of SANParks.
36.6 The Operator indemnifies SANParks against any liability or costs which SANParks suffers or incurs as a result of the infringement of any third party rights arising from the use by SANParks, any Responsible Authority, or any third party who is licensed to use any Intellectual Property for the Permitted Purposes, or to whom any rights in respect of the Intellectual Property are assigned for the Permitted Purposes, in accordance with the provisions of that licence or assignment, save to the extent that such liability or cost was occasioned by any intentional act or omission by an indemnified party in question, or by its gross negligence.

37. **AMENDMENTS**

This Agreement may not be varied or voluntarily terminated, except by an agreement in writing signed by duly authorised representatives of the Parties.

38. **ENTIRE AGREEMENT**

38.1 Except where expressly provided otherwise in this Agreement, this Agreement constitutes the entire agreement between the Parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings concerning the subject matter of this Agreement.

38.2 Each of the Parties acknowledges that:

38.2.1 it does not enter into this Agreement on the basis of and does not rely, and has not relied, upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made or agreed to by any person (whether a Party to this Agreement or not) except those expressly contained in or referred to in this Agreement, and the only remedy available in respect of any misrepresentation or untrue statement made to it shall be a remedy available under this Agreement; and

38.2.2 this Clause shall not apply to any statement, representation or warranty made fraudulently, or to any provision of this Agreement which was induced by fraud, for which the remedies available shall be all those available under the law governing this Agreement.

38.2.3 In the event of any conflict between this Agreement and any document, contract or
agreement in respect of the Management Services, the provisions of this Agreement will prevail.

39. **VARIATION, CANCELLATION AND WAIVER**

39.1 No provision of this Agreement (including, without limitation, the provisions of this Clause) may be amended, substituted or otherwise varied, and no provision may be added to or incorporated in this Agreement, except (in any such case) by an agreement in writing signed by the duly authorised representatives of the Parties.

39.2 Any relaxation or delay (together “Relaxation”) by either Party in exercising, or any failure by either Party to exercise, any right under this Agreement shall not be construed as a waiver of that right and shall not affect the ability of that Party subsequently to exercise that right or to pursue any remedy, nor shall any Relaxation constitute a waiver of any other right (whether against that Party or any other person).

39.3 The waiver of any right under this Agreement shall be binding on the waiving Party only to the extent that the waiver has been reduced to writing and signed by the duly authorised representative(s) of the waiving Party.

39.4 The expiry or termination of this Agreement shall not prejudice the rights of any Party in respect of any antecedent breach or non-performance of or in terms of this Agreement.

40. **SEVERABILITY**

Whenever possible, each provision of this Agreement shall be interpreted in a manner which makes it effective and valid under applicable Law, but if any provision of this Agreement is held to be illegal, invalid or unenforceable under applicable law, that illegality, invalidity or unenforceability shall not affect the other provisions of this Agreement, all of which shall remain in full force.

41. **GOVERNING LAW AND JURISDICTION**

41.1 This Agreement is to be governed by and construed in accordance with the laws of South Africa.
41.2 Each Party agrees that the High Court of South Africa shall have exclusive jurisdiction to hear and decide any application, action, suit, proceeding or dispute in connection with the Management Services and this Agreement, and irrevocably submits to the jurisdiction of the High Court of South Africa.

42. CONFIDENTIALITY

42.1 For purposes of this Clause, "Confidential Information" means all information or data disclosed under and/or pursuant to this Agreement, whether communicated orally or in writing by either Party to the other or by the representatives of one Party to the representatives of the other and shall include commercially sensitive information contained in any internal document of a Party regarding the nature of its business, operations, processes, intentions, product information, know-how, trade secrets, software, market opportunities, customer and business affairs, but shall exclude information which is prohibited from release for national security reasons.

42.2 Each Party shall keep all Confidential Information of the other Party confidential while this Agreement remains in force and for a period of 10 (ten) years after it terminates for any reason. Each party also use reasonable endeavours to prevent its employees, agents and Subcontractors from making any disclosure to any person of any Confidential Information of the other Party while this Agreement remains in force and for a period of 10 (ten) years after it terminates for any reason.

42.3 The provisions of Clause 42.2 shall not apply to -

42.3.1 any disclosure of information that is reasonably required by persons engaged in the performance of the restricted Party’s obligations under this Agreement;

42.3.2 any matter which a Party can reasonably demonstrate is already generally available and in the public domain otherwise than as a result of a breach of this Clause 42 (Confidentiality);

42.3.3 any disclosure which is required by any Law (including any order of a Court of competent jurisdiction), or the rules of any stock exchange or governmental or regulatory authority having the force of Law;

42.3.4 any disclosure of information that is already lawfully in the possession of the
receiving Party prior its disclosure by the disclosing Party;

42.3.5 any provision of information to the advisors of the receiving Party, or to any funders or potential funders, but in the latter case, only to the extent reasonably necessary to enable a decision to be taken on whether that potential funder will become a funder;

42.3.6 any disclosure by SANParks of information relating to the design, construction, operation and maintenance of the Management Services; or

42.3.7 any disclosure of information by SANParks to any Responsible Authority.

42.4 The disclosures permitted under Clauses 42.3.5, 42.3.6 or 42.3.7 may only be made subject to obtaining appropriate confidentiality restrictions consistent with the provisions of this Clause 42 (Confidentiality) from the intended recipients.

43. NOTICES

43.1 Any notice or correspondence to be given under this Agreement shall be in writing, in English, unless otherwise agreed and shall be delivered personally, sent by telefacsimile (fax) or electronic mail (e-mail) followed by the original delivered by hand.

43.2 The addresses for Notices are as follows:

SANParks:

Marked for the attention of the CEO:
c/o Legal Services
Groenkloof National Park
643 Leyds Street
Muckleneuk
Pretoria
Telephone: (012) 426-5000
Facsimile: (012) 343-0155
E-mail: fahlaza.monaledi@sanparks.org

Operator:
43.3 A notice sent by one Party to another Party shall be deemed to be received:

43.3.1 on the same day, if delivered by hand;

43.3.2 on the same day of transmission if sent by fax or e-mail.

43.4 Either Party may change its nominated address to another address in South Africa by prior written notice to the other Party.

44. COUNTERPARTS

This Agreement may be executed in any number of identical counterparts, all of which when taken together shall constitute one agreement. Any single counterpart or a set of counterparts taken together which, in either case, are executed by the Parties, shall constitute a full original of this Agreement for all purposes.

SIGNED AT …………………. ON THE ................................. 2018.

For and on behalf of

SOUTH AFRICAN NATIONAL PARKS

______________________________

who warrants his authority hereto

SIGNED AT …………………. ON THE ................................. 2018.
For and on behalf of
THE OPERATOR

who warrants his authority hereto
45. SCHEDULE 1 - DESCRIPTION OF SKUKUZA FACILITY

45.1 Introduction

SANParks has resolved to develop the Skukuza Safari Lodge adjacent to the Conference Facility in the Kruger National Park. SANParks appointed a professional team to design and project manage the implementation of the new Skukuza Safari Lodge. The Design is based on the following:

45.1.1 A 3-star facility offering 4-star service and price;

45.1.2 128 keys (256 bed) with a combination of 8 luxury suites, standard rooms and family rooms including universal access rooms;

45.1.3 Staff accommodation facilities in Skukuza for essential staff. Housing for the senior staff will not be completed at inception. Senior staff must be housed in the lodge until such time that these houses are completed;

45.1.4 Upgrades to service infrastructure within Skukuza to accommodate the additional demand;

45.1.5 Green building initiatives to ensure the greenest lodge possible within the framework of international best practice; and

45.1.6 Community beneficiation through economic opportunities in the construction and operation of the lodge.

45.2 Lodge Vision

The bigger Kruger National Park offer a wide range of accommodation choices; from camping to luxury concession lodges. Skukuza Camp currently offer camping, chalets and corporate style houses. The number of ‘rooms’ are limited. A modern conference centre has been built. It is currently under-utilised as the current accommodation available cannot provide adequately for conference guests. Skukuza Safari Lodge has been built to develop additional accommodation choices that plans to:

45.2.1 Provide accommodation for conferences and attract the MICE market with its own
requirements and needs; and through them attract guests who would for the first time be exposed to the Kruger National Park;

45.2.2 Meet the needs of the local emerging tourist market that would be exposed to Kruger (perhaps for the first time) and may become loyal to Kruger Park;

45.2.3 Draw the International Group Tourist and FIT market for whom camping or self-catering would not be attractive; and

45.2.4 Attract the corporate and business market.

45.2.5 The vision of the Skukuza Safari Lodge is to widen the guest base for SANParks and Kruger National Park; and to provide an acceptable hotel style accommodation option for tourists and delegates of the conference centre.

45.3 **Underlying Principles**

The following underlying principles needs to be taken into consideration:

45.3.1 Skukuza Safari Lodge and the adjacent Conference Centre are designed to operate as one business entity. It is managed independently from other services and products of the camp.

45.3.2 Rooms are loosely based on a 4-star standard, but graded as 3-star.

45.3.3 No room service is envisaged.

45.3.4 The room stock is on the Lodge Property Management System (PMS) and is managed from the lodge. Room stock must be linked to SANParks room stock on the SANParks website.

45.3.5 The lodge can have its own stand-alone website, as well as its inventory on the SANParks website.

45.3.6 The lodge complies with all the relevant Universal Access legal requirements.

45.3.7 Green principles have been applied in the construction process and the Operator is
expected to apply green principles in the Management of the property.

45.3.8 Minimising noise is important in the Kruger National Park. The Operator is responsible for controlling noise levels on the property.

45.3.9 The Operator shall ensure that condiments sachets, paper serviettes, butter tubs/pads, straws and any packaging that may pollute the environment is not used at Skukuza Safari Lodge.

45.4 Description of Facilities

45.4.1 Green Principles

Green principles were carefully considered in the design and building of the lodge. It is a fundamental requirement for an Operator to develop and implement green standard operating procedures and standards in all activities included in the Management of the property. The Operator needs to subscribe to becoming a member of the GBCSA and maintain its membership annually on an ongoing basis.

45.4.2 Safety and Security

The Skukuza Safari Lodge falls within the KNP Safety and Security Plan

- Operator to provide security staff to patrol 24 hours in liaison with Park Management;
- CCTV: High resolution, wide angle surveillance cameras have been provided for at staff entrances; and other public areas;
- Clocking In System: Provided for at staff entrance with desk area and search area;
- There is no separate search room at the security gate for staff at the back of house, but the gents and ladies ablution facilities are next door if required;
- All visitor access will be via the Skukuza Rest Camp entrance gate security;
- All staff access will be via the back of house entrance and security or the Skukuza Airport;
- No staff will be allowed to walk through Skukuza Safari Lodge unless it is required as part of their duties.
• All the delivery vehicles will only use back of house access and not via the Skukuza Rest Camp. Delivery times will be in accordance with the gate open/close times. All delivery vehicles will comply with the maximum load capacity and speed limits as per KNP rules and regulations.

45.4.3 Parking and Porte Cochère

• Bulk parking is catered for at the conference centre and lodge.

• Porte Cochère: Roofed at the entrance and is large enough for vehicles to turn.

• Sedan style parking bays: 70% of the number of rooms has been provided for. No parking is under cover.

• Disabled parking: as per government requirements has been provided for.

• Game Drive vehicles: an area has been provided for to accommodate drop off and pick up or game drives.

45.4.4 Gardens and Pool

• Natural garden with established trees and indigenous plants are part of the court yard area. Minimal garden maintenance is required.

• A lap pool is in the centre of the court yard area.

45.4.5 Curios

• No provision has been made at the lodge. There are curios shops in the camp.

• The Operator may include their own curios subject to agreement by SANParks.

45.4.6 Gymnasium

A small gymnasium has been built for exclusive use by lodge guests. It is stocked with basic equipment. Access is with a room key card.

45.5 Front Office: Reception, Reservations, Concierge and Reception Public Areas

45.5.1 General

• ATM'S are already in the park.

• Operator to consider FOREX requirements for guests.
• All offices and desks shall have internet connectivity as supplied by the Operator
• All offices shall have telephones as supplied by the Operator

45.5.2 Rooms Division Manager/Front Office Manager

• Provided for close to reception with a view of the lobby and reception desk.
• Simple desk and chair provided

45.5.3 Multifunctional Office in Front Office Area

• 1 x open office space for general administration
• Space allocation for drop safe – No safe provided, Operator to provide and install as part of the Operational Expenditure.

45.5.4 Reservations

• The Operator is expected to supply their own Property Management System (PMS) and Point of Sale (POS) System.
• The room stock must be interfaced with the SANParks system so that reservations can be made from the SANParks website as well as the Operator's website.
• Reservations office is situated in a closed area in the Front of House section.

• Switchboard situated near Reservations and separate from the Reception Desk

45.5.5 Reception

• Multi-functional check-in desk that caters for both group and individual check-ins with space for three check-in terminals
• Filing space at desk for stationery and Pitt files
• Telephone points and telephones as provided by the Operator.

45.5.6 Porters/Concierge

• Concierge desk is a multi-functional area operating both as an Activities Desk and Concierge Desk
• Counter and seated desk space are provided for
• Lockable luggage room.

45.5.7 Reception and Lounge Public Areas

• No piped music in the public area
• General lounge and waiting area

45.5.8 Activities

An area that forms part of the Concierge Desk is provided for the Operator or its activity co-ordinator and manage a separate safari/activities desk

45.5.9 Information/Research Area

An office is provided for that SANParks, in conjunction with the Operator will develop into an Information Nook/Space. Aspects of sightings, wildlife, research projects and the Skukuza Safari Lodge area will be featured.

45.6 Rooms

45.6.1 Bedrooms

• Three star graded with 4-star comfort and space.
• 120 x rooms (universal, single, double and twin configurations)
• 8 x suites sleeping 16 guests. (2 x queen size beds)
• 20% of room's universal access. Both hearing and sight impaired guest needs were considered but is not yet included. Needs to form part of the telephony that the Operator needs to supply. All the universal access rooms are inter-leading rooms.

45.6.2 General Room Features

• Door: Self-closing, Key card system, Peep hole, Wishbone lock
• Flooring: Carpeting
• Air-conditioning
• Electrical supply: Normal points conveniently placed, International Plug points, TV Point
• Telephone as supplied by the Operator
• Built in Lighting, Bedside lamp, Desk top lamp
• TV – Flat Screen fitted onto wall
• Full length mirror and dressing table mirror
• Luggage Rack
• Wardrobe with Long hang space, Shelving,
• Electronic safe in wardrobe
• Built in dressing table/coffee station/ desk space
• Built in headboard
• Balcony: 2 x Chairs, 1 x Table. Sliding door to balcony, balcony floor tiled
• Stool, Office style chair, Arm chair or couch depending on room type
• Coffee table
• Bedside Table
• 8 x Suites: 2 x Double Beds
• 120 x Room: 2 x single Beds converting to King. All beds extra length
• Mosquito screens provided

45.6.3 **Bathrooms**

• Bathroom is separate from bedroom with a closing door leading to bedroom. No bath tub
• Tile Flooring
• Semi-solid Door
• Steam extraction
• Lighting fluorescent/LED
• Vanity, Single basin with standard cobra fittings, low flow water pressure
• Press-down plug
• Mirror above basin
• Large shower stall, Standard rectangular shower head – low flow water pressure
- Toilet
- Single towel rail, 2 x single hooks
- Soap caddie in shower (depending on design)

45.6.4 Suites

Same as above but with a bath tub and shower.

45.7 Food & Beverage and Public Areas

45.7.1 Overview

Dining facilities are mainly buffet to cater for conferences and accommodate large volumes of meal requirements. Although there is a semi equipped conference kitchen in the conference centre, it is envisaged that, if the lodge is booked for a conference, guests will make use of the meal facilities at the lodge.

- SA la carte sack meals are catered for in the open air, roofed veranda area adjacent to the main bar.
- Snack meals can be served in the public lounge off Reception
- Coffee/tea be served from reception or bar area for group game drives
- No room service is offered
- WIFI available in all areas to be supplied by the Operator

45.7.2 Buffet Restaurant

Centrally situated off reception. Design gives a cordoned off effect.

Can be operational for breakfast, lunch and dinner

- Welcome area: 2 x entry areas with desk and telephone
- Space for Computer and POS terminal
- Seating: 200 in configurations of 2, 4 and 6’s
- Buffet: 1 large equipped buffet
- Central buffet area: multi-purpose use
45.7.3 **Public Lounge – Reception Area**

Public lounge with a configuration of lounge seating flows from the Reception area. Snacks can be served.

45.7.4 **Main Bar and Veranda**

Main bar and veranda area is one functional area.

Wine and drinks for restaurant served from the service area in Main Bar

- Seating: Restaurant tables & chairs (can be used as an overflow area when restaurant is full) and lounge style seating, 6 bar stools.
- Bar counter: u-shaped with 2 x POS facility for waiters and service bar area
- Lockable liquor and glassware storage
- Glass washing area with small glass dishwasher
- Back of house storage space in bar

45.7.5 **Veranda**

Flows from the main bar area. Open air, roofed area with configuration of lounge and table seating

Waiter station with POS at the bar counter

2 x Waiter stations at the entrances

45.7.6 **Small Bar/Cocktail Bar**

Initially an area has been allocated and equipped to serve as an ad hoc bar area for cocktail parties and other smaller functions.

It is used mainly as a multi-functional and semi children-friendly area. The Operator to develop according to the guests’ needs

45.7.7 **Boardrooms**

2 x Small Boardrooms adjacent to the restaurant. To serve as ad hoc meeting rooms and sales and tasting areas for banquets and conferences.
- 1 x Boardroom furnished with lounge furniture and 1 x restaurant table and chairs
- 1 x Boardroom furnished with a boardroom table and television

45.7.8 Food & Beverage Administration and Back of House

- F&B Manager Office
- Open Plan Office with desk space for 3 with computer terminals and space for cash-ups
- Space for administrative supplies
- F&B Control Office
- Liquor Cellar
- One store room with shelving close to the restaurant
- Crockery and Cutlery Store
- Equipment and General Store

45.7.9 Kitchen

The kitchen designed for buffet and à la carte snack or light menu.

As the lodge is situated far from large bakeries, a bakery section is included in kitchen.

- Goods Delivery and Receiving close to the back entrance of the kitchen
- Chefs Office - desk space for 2 with computer terminals, Internet connectivity and telephone points to be supplied by the Operator
- Dry Store
- Walk in Deep Freeze
- Walk in Cold Store/Fridge

45.8 Housekeeping Back of House

It is estimated that room attendants clean about 12 rooms per day.

Each block has one small storage area for housekeeping trolleys and supplies.
Dry cleaning service is not provided.

Guest laundry can be offered

45.9 Stores, Laundry and Linen Room

45.9.1 Laundry

Housekeeping back of house is situated in a separate building behind the lodge. Laundry equipment is installed in a dedicated laundry room, but as soon as land claimants/community laundry is ready, then the land claimants laundry will be utilised and only guest laundry will be done on site (Limited laundry only). All water and other connections are installed. It is intended that laundry for both the lodge and conference centre be sent off-site for laundering to a land claimants laundry

45.9.2 Linen Room

Linen room shelving for a 3 par stock level

A sewing area where linen can be mended

45.9.3 Housekeeping Administration

- 1 x Housekeeping Manager Office - computer terminal supplied by the Operator linked to Reception
- Lost Property and General Store
- Linen Store
- Supply store - room and bathroom amenities, Chemical Store

45.9.4 General Administration and Back of

Desk top computer supplied in most offices to be supplied by the Operator.

Telephones supplied and internet connectivity to be supplied by the Operator.

Lodge safe to be supplied by the Operator

- 1 x General Manager Office – in Reception area
- 1 x Sales Office
• 1 x Personnel Office – Located close to staff entrance
• 1 x Payroll Office
• 1 x Purchasing and Stock Control Office – back of house building

### 45.9.5 Staff Areas

• Male and Female Staff toilets – Back of House building
• Male and female staff change Rooms
• Space for 50 lockable lockers in each to be supplied by the Operator
• Full length mirror in each
• 1 x Staff Canteen – not equipped. Operator to equip and furnish – please ensure this is in the Capex budget

### 45.9.6 Other

• 1 x Technical Store/Office - Located in back of house area
• 1 x Technical Workshop
• Goods receiving at back of house area and kitchen. Space large enough for Trucks to offload and turn
• 1 x Security office where CCTV and staff clocking in system is controlled from.
46. **SCHEDULE 2 – ICT INFRASTRUCTURE**

46.1 **IT Backbone and Cabling Infrastructure**

The Operator to supply an IP network throughout the lodge. From the server room, optical fibre cable needs to run to switches located in the electronics cupboards in each wing and the central area. From these switches Ethernet cables will be used to connect to each guest room or to the work stations in the administration or back of house areas. Each switch will have a UPS backed socket outlet.

46.2 **Hardware**

The following equipment should be supplied by the Operator as part of the Capital Expenditure Budget:

- Local server hardware and software.
- Desktop and laptop computers and associated software.
- Tablet computers and associated apps.
- Printers. Energy efficiency considerations may require deviation from the SANParks standard.
- WIFI Aps.
- Telephones.
- Cash Registers/PMS/POS: There will be an allowance of three cash registers at the reception and bar areas but these quantities are still to be confirmed by SANParks. Cash Registers/PMS and POS must be interfaced to the billing system.
- No credit card speed points will be provided under this project for the Lodge or Conference Facility. This hardware, software and support systems will be provided by the Lodge Operator’s financial institution.
- No Pin Entry Devices will be provided under this project for the Lodge or Conference Facility. This hardware, software and support systems will be provided by the Lodge Operator’s financial institution.
46.3 **Main IT Server**

The Operator to supply the local server at the Lodge that will be function as a bridge to link all communications, business Management software and IT related functions to the hosted facilities on the SANParks main server systems based in Pretoria.

46.4 **Active Networking Equipment**

The Operator to supply active networking equipment in the form of switches and Wi-Fi access points.

46.5 **Wi-Fi**

Basic Wi-Fi allowances has been made. The Operator to supply Wi-Fi access throughout all public areas and all guest rooms.

46.6 **Telecommunications and Data**

The Operator to supply incoming Telecommunications Services via the existing telecommunication and data links to SANParks Head Office. This link will be extended to the Conference Facility and the Lodge. All voice and data traffic will be via this link.

The route into the lodge has been identified and drawings are being updated accordingly.
47. SCHEDULE 3 – ENVIRONMENTAL GUIDELINES FOR OPERATORS OPERATING WITHIN THE SOUTH AFRICAN NATIONAL PARKS

47.1 Introduction

47.1.1 This is an undertaking by the Operator to conduct, manage and carry out the Project at all times in an environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park.

47.1.2 The Operator undertakes to take all reasonable steps in conducting of the Project to prevent and limit the occurrence of any Environmental or health hazards and to ensure the health and safety of the Private Parties and the general public.

47.2 Legislative Basis for these Guidelines

SANParks is bound by a number of statutes with relevance to environmental management of Parks, including (without limitation) the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) (NEMPAA); the National Water Act 36 of 1998; the Water Services Act, 108 of 1997; the National Environmental Management Act, 107 of 1998 (NEMA); the National Environmental Management: Air Quality Act; the Hazardous Substances Act, 15 of 1973; and the National Heritage Resources Act.

Authorization of any development in a Protected Area is governed by the NEMA and the NEMPAA, and regulations. Any changes to infrastructure or operations require written approval from SANParks and are subject to the prescribed policies and procedures.

The process for upgrading or refurbishment of Skukuza Safari Lodge will be undertaken as per SANParks internal policies and procedures, and authorisations given by the Department of Environmental Affairs and Tourism where relevant and SANParks.

The EIA laws and Regulations do not specifically require an EIA for a development such as the refurbishment and/or expansion of a Skukuza Safari Lodge. However, given that the development is taking place within a protected area such as a National Park, SANParks requires environmental scoping to be conducted on any proposal to modify the Skukuza Safari Lodge. Modifications include both structural changes to the facility and
additions to the facility or its environs, including signage. The scoping report must be submitted to DEA, the "relevant environmental authority" as defined in the EIA Guideline documents.¹

Operator proposing significant expansions or structural modifications should anticipate that an EIA will be required, and should factor the cost of carrying out the EIA into their financial projections.

SANParks will have a role in the EIA process, both as an Interested and Affected Party (IAP), and as the regulatory authority with jurisdiction over the Protected Area. It will be DEA's responsibility to determine whether, on the basis of information provided in the scoping report, a detailed EIA needs to be carried out.

In addition to the environmental laws the Operator will also be bound by any laws pertaining to operation on a railway line as determined by the Rail Safety Regulator.

47.3 Guidelines Based on SANParks Internal Requirements

The EIA Regulations cover many of the issues that will arise during the assessment of developments within National Parks. In addition, SANParks undertook a review of its internal policies that may impact on such developments.

As a result, some of the Guidelines contained herein flow from internal SANParks management documents, such as the Kruger National Park Management Plan. In some instances, however, these documents were neither sufficiently comprehensive nor sufficiently detailed as to the allowable parameters for development by commercial Operators. Where this occurred, SANParks undertook an internal effort to develop the necessary Guidelines.

A series of workshops were held with SANParks conservation staff, and specifically from KNP, who assisted in establishing standards to be applied to commercial tourism developments within the Parks. Draft standards were reviewed by a wide range of professionals within SANParks, including the Manager, Environmental Management, and Park rangers and staff from Scientific Services, Conservation Services, Park Planning and Technical Services. The Guidelines contained herein are the result of these efforts.

The Environmental Guidelines set out and referred to in this document must be regarded

¹In the case of the SANParks, the ‘relevant environmental authority’ for review of EIAs conducted in National Parks is...
as a first step in SANParks’ efforts to compile a comprehensive Environmental Management System (EMS) for the entire Parks. Once in place, the EMS will likely be modified and refined over time, as and when needed to take into account new information, standards and conditions. Private Parties must therefore be aware that the terms and conditions set forth in these Guidelines are subject to amendment. Private Parties will be expected to comply at all times with the provisions of the Environmental Guidelines as they may change from time to time.

The remainder of this document presents the specific standards or parameters that the Operator will be expected to apply to activities in its Project Site.

47.4 Precautionary Principle

Ecological and natural resource processes are not always clearly understood, nor are the interactions among such processes. SANParks recognises that issues may arise suddenly, or circumstances change, due to limitations in current knowledge. SANParks has endeavoured to identify these limitations wherever possible, and to design the concession/operator management process in a way that minimises the environmental risk to the national assets under its control. However, situations may arise where changes which have not been anticipated may cause SANParks to require adaptations to the management of the area.

47.5 Code of Conduct

47.5.1 The Operator undertakes to induct all staff employed on the Kruger National Parks Code of Conduct.

47.5.2 The Operator confirms that the Code of Conduct is understood and will be complied with.

47.5.3 The Operator will ensure that all contractors understood and follow the code of conduct for Contractors working in a National Park.

the national Department of Environmental Affairs and Tourism.
47.6 Environmental responsibility:

47.6.1 The Operator acknowledges that SANParks has an active role to play in Responsible Tourism and expects the same from Private Parties that operates in National Parks. SANParks subscribes to the minimum standard of Responsible Tourism (SANS 1162) and expects the same from Private Parties that operates commercial outlets in National Parks.

47.6.2 Undertaking from the Operator to conduct, manage and carry out the Project at all times in environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park.

47.6.3 The Operator undertakes to take all reasonable steps in conducting of the Project to prevent and limit the occurrence of any environmental or health hazards and to ensure the health and safety of the Private Parties and the public.

47.7 Regulatory Provisions

47.7.1 The Operator undertakes to adhere to the Regulatory Provisions and the Environmental Specifications.

47.7.2 The Operator undertakes to comply with its statutory duties in terms of the Environmental Laws and to take reasonable measures to prevent pollution or degradation from occurring, continuing or recurring or, in so far as such harm to the Environment is authorised by SANParks, to minimise and rectify such pollution or degradation of the Environment.

47.7.3 The Operator undertakes to comply at all times with the provisions of the Environmental Guidelines.

47.7.4 The Operator acknowledges that the terms and conditions set forth in the Environmental Guidelines are subject to amendment.

47.7.5 The Operator undertakes to comply with amended Environmental Guidelines.

47.8 Environmental Impact
47.8.1 Confirmation that all legislative requirements including Environmental Impact Assessment (EIA) or Basic Assessment (BA) requirements are understood and will be complied with.

47.8.2 The Operator undertakes to bring to the attention of SANParks any matter which may, in its view, have a detrimental impact on the Environment within the Protected Area.

47.8.3 Where fish might be part of the menu, the Operator needs to subscribe to the South African Seafood Initiative (SASSI) and only sell fish with green status or SASSI certified.

47.9 **Solid Waste Management:**

47.9.1 The Operator undertakes to manage all waste that is generated in such a way that direct and indirect impacts are kept to a minimum.

47.9.2 The Operator undertakes to achieve Solid Waste Management Best Practices which implies the following:

47.9.2.1 Manage solid waste from source to disposal (use of green bags for recycle waste and black bags for non-recycle waste as per KNP Waste management system);

47.9.2.2 Strive to eliminate non-recyclable or hazardous packaging or containers at the procurement phase;

47.9.3 The Operator undertakes to include the following policies in the waste management:

47.9.3.1 Green Procurement Policy: This policy defines the procedures that the Operator will implement to ensure that all produce, containers and packaging comes from suppliers that under-write environmental principles, and that waste be recyclable as far as possible;

47.9.3.2 Hazardous Waste Policy: The Hazardous Waste Policy defines procedures that the Operator will implement to manage any hazardous waste, to ensure that it is firstly minimised, but also that it is stored and discarded in a safe and legal way.

47.9.4 The Operator will follow the following guidelines to minimise the effect of the solid
waste on the ecosystem:

47.9.4.1 Minimise solid waste production at all sources, by striving for the minimization of all waste.

47.9.4.2 Maximise the recycling of solid waste. Glass, tin, paper and cardboard must be sorted on site for recycling, while actual recycling will take place off site at the approved camp waste disposal site.

47.9.4.3 All waste must be removed to the respective approved camp waste disposal site and incinerator for disposal and recycling. The dumping and disposal of waste other than at the approved waste site is strictly prohibited and failure to comply may result in termination.

47.9.4.4 Waste storage and sorting areas must be properly maintained. Back-of-house waste cages and waste storage areas must remain clean and secure from problem animals.

47.9.4.5 Waste storage areas must remain visually hidden from visitors to the park.

47.9.4.6 Packaging and containers given to visitors must be environmentally friendly, biodegradable and recyclable.

47.9.4.7 The distribution of plastic bags and polystyrene to visitors is strictly prohibited and only brown paper bags are allowed to be given for the purpose of carrying items purchased.

47.9.4.8 In terms of packaging the Private Operator undertakes to not use the following in outside seating and eating areas as this pollutes the park:

47.9.4.8.1 Sachets (for sugar, tomato sauce, salt and pepper, etc.);

47.9.4.8.2 Paper serviettes;

47.9.4.8.3 Butter tubs/pads

47.9.4.8.4 Plastic Straws

47.9.4.8.5 Plastic cutlery

47.9.4.9 The Operator must undertake to continuously strive towards eliminating plastic water bottles and single-use plastics in their operations as part of an initiative by the KNP.
47.9.4.10 Ensure that all areas are kept free of litter by promoting an ethic amongst guests and staff alike and soliciting the co-operation of all staff to pick up litter wherever they find it.

47.10 **Liquid Waste Management:**

47.10.1 Liquid waste refers to sewerage as well as grey water;

47.10.2 The Operator undertakes to manage liquid waste in accordance with national and local legislation requirements;

47.10.3 The Operator undertakes to design management techniques to be both economically viable and environmentally sustainable;

47.10.4 The Operator will operate and maintain the grey water purification plant and ensure that the quality of grey water effluent complies with the required SANS standards;

47.10.5 The Operator undertakes to implement waste procedures that optimize the principles of waste reduction and waste recycling and ensures that the end product does not pollute the environment;

47.10.6 The Operator undertakes to clean and maintain the grease taps for:

47.10.6.1 Pot and Rinse Sinks attached to Dish Washers;

47.10.6.2 Fixtures or drains through which significant amount of fats, oils or grease may be introduced;

47.10.6.3 Soup Kettles or similar devices;

47.10.6.4 All sinks that are used to clean any dishes, pots, pans or cooking utensils.

47.10.7 The Operator undertakes to implement processes and procedures which stipulates the following:

47.10.7.1 Kitchen staff should inspect and clean grease traps and interceptors at daily and maintain a log sheet of each trap inspection detailing condition of the trap and any maintenance activity;

47.10.7.2 that grease traps are cleaned daily; and

47.10.7.3 That waste recovered from the grease traps be removed from the park and disposed of at an authorised facility.
47.11 **Water Management and guidelines:**

47.11.1 The Operator undertakes to implement water conservation measures in the design and implementation of their operations;

47.11.2 The Operator undertakes to:

47.11.2.1 Monitor the use of water;

47.11.2.2 Educate staff via on-site notices on the use of water;

47.11.2.3 Set water usage targets (monitored weekly/monthly) and manage these targets

47.11.2.4 Aim to avoid accidental loss through effective maintenance, installing quality storage and reticulation systems and implementing leak detection systems.

*Note:* KNP will install bulk water meters and the Operator to pay for the water use in accordance with the rate as included in the latest approved tariff document.

47.12 **Chemical substances**

47.12.1 The Operator (including staff of the Operator) undertakes to not use any of the chemicals that are banned from use in KNP (as determined by any Environmental Manager in National Parks);

47.12.2 The Operator acknowledges that all chemicals listed as “Prohibited” ([Schedule 19](#)) may not be brought into or used in the KNP.

47.12.3 The Operator undertakes to ensure safe storage and disposal of preferred chemicals ([Schedule 20](#)) and their containers;

47.12.4 The Operator undertakes to have a specific disposal system for toxic or other waste regarded as being dangerous under supervision of the Technical Services Department;

47.12.5 The Operator undertakes to only use environmentally friendly and biodegradable detergents and cleaning agents.
47.13 **Pest Control**

47.13.1 The Operator undertakes to comply with the integrated pest management plan as provided by SANParks Schedule 22;

47.13.2 Where and if required the Operator undertakes to control bats as outlined in the SANParks Bat Management Plan;

47.13.3 The Operator undertakes to make use of preferred pest control chemicals as outlined in the SANParks Pest Control Report.

47.14 **Visual Impacts**

47.14.1 Describe efforts to minimize the visual impacts of the development, including lighting;

47.14.2 The Operator undertakes to implement mitigation measures in order to reduce the visual impact in the park.

47.15 **Monitoring and Compliance**

47.15.1 The Operator agrees to cooperate with SANParks in compiling a monitoring checklist that encompasses all environmental conditions. The checklist would be used for auditing purposes and would be conducted once every 6 months; and

47.15.2 The Operator agrees that SANParks will monitor, evaluate and score the operations (based on the line items in the checklist) and that a score of less than 85% for three (3) consecutive audits would imply material breach of the Management Agreement.

47.15.3 The Operator acknowledges and agrees that failure to comply with any of the environmental standards and requirements will result in a fine / penalties being issued to the Operator.

47.16 **Energy use**

47.16.1 The Private Operator undertakes:

47.16.1.1 To measure energy use and continuously aim to implement measures to reduce
energy usage until optimal levels are reached;

47.16.1.2 Monitor the use of energy;

47.16.1.3 Educate staff via on-site notices on the use of energy;

47.16.1.4 Set energy usage targets (monitored weekly/monthly) and manage these targets.
47.17 Operator Development and Environmental Proposal
48. SCHEDULE 4 – GREEN BUILDING INITIATIVES AND OPERATIONS STRATEGY

48.1 Green Operation Qualification Criteria

48.1.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.

48.1.2 The Operator needs to confirm that the new Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.

48.1.3 The Operator needs to adhere to the Green Operations Strategy submitted as part of its Bid Submission.
48.2 Operator Green Operations Plan
49. SCHEDULE 5 – OPERATOR BUSINESS AND OPERATIONAL PLAN

The Private Party shall adhere to and comply with the Private Party’s Bid Submission. Notwithstanding the generality of the foregoing, the Private Party is obliged to adhere to the Business and Operational Plan attached herewith.
49.1 Operator Business and Operational Plan
## 50. SCHEDULE 6 – CAPITAL AND OPERATIONAL EXPENDITURE

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50.1 Operator Financing & Capital Plan
51. **SCHEDULE 7 – OPERATOR MANAGEMENT FEE**

51.1 **Management Fee**

Under the Management Agreement, the Management Fee payable by SANParks, in arrears, a monthly fee equal to:

51.1.1 Base Fee – XX% of Gross Revenue; plus

51.1.2 Incentive Fee – XX% of \((\text{EBITDA})\) Earnings before interest, tax, depreciation and amortization.

51.2 Irrespective of which these elements determine the final amount payable in any given Financial Year, the payment schedule will be as follows:

51.2.1 The Base Fee shall accrue and be payable by SANParks to the Operator within 7 (seven) business days following the end of each month, free of deduction or set-off; and

51.2.2 The Incentive Fee shall accrue and be payable by SANParks to the Operator quarterly (in arrears) within 7 (seven) business days following the end of each quarter, free of deduction or set-off;

51.3 The Incentive Management Fee, shall be calculated by SANParks at the end of each Financial Year on the basis of SANParks’ audited accounts. If these figures are higher than the Base Fee and Incentive Fees already paid, the difference will be payable to the Management Operator 60 (sixty) Business Days after the end of the Financial Year in question.

51.4 No Management Fees shall be payable prior to the Effective Date of the Management.

51.5 Any overdue payment by either SANParks or the Operator shall be subject to an interest charge of prime plus 3 (three) %.
51.6 **Operator Management Fee Submission**
52. SCHEDULE 8 – OPERATOR’S PREQUALIFICATION RESOLUTION

52.1 Lodge Operator Qualification Criteria

The following shall constitute the mandatory requirements of this bid, and Operators are required to comply with the following qualification criteria:

52.1.1 Financial capacity

Given the fact that the project is of a high value and may entail risk to both the preferred Operator and SANParks, it is important that interested parties demonstrate financial strength. In this regard the Gross Asset Value of the interested party must be at least R10 million.

52.1.2 Tourism experience

The project requires interested parties with substantial experience and expertise in the tourism market. Interested parties are therefore required to provide examples of a minimum of two similar projects conducted by the interested parties. The interested party must be able to meet this tourism track-record requirement in the following ways:

52.1.2.1 A Hotel Operator or Hospitality Management company.
52.1.2.2 Experience: Proven ability to manage at least two properties of 100 beds plus each, currently in operation.
52.1.2.3 Operator must have been in existence for a minimum of 5 years.
52.1.2.4 Operator must have proven experience in conferencing and events.

52.1.3 Green Operation Commitments

52.1.3.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.
52.1.3.2 The Operator needs to confirm that the new Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.
52.1.4 **BEE Qualification Criteria**

52.1.4.1 The Operator must be a Level One Contributor according to the provisions of the November 2015 Amended Tourism B-BBEE Code gazetted in terms of Section 9 (1) of the Broad Based Black Economic Empowerment Act No. 53 of 2003 as amended by Act 46 of 2013.

52.1.4.2 In accordance with the Preferential Procurement Regulations of 2017, all Operators that adhere to paragraph 52.1.4.1 will be scored 20 points.

52.1.4.3 A tenderer must submit proof of its B-BBEE status level of contributor.

52.1.4.4 Hotel Management Operations - The Operator is required to have a 30% partnership with an EME or QSE in the hospitality industry which is at least 51% black owned for purposes of the hotel management operations. The intention of this requirement is to ensure significant skills transfer to the EME or QSE.

52.1.4.5 Subcontracting as a condition of tender – The successful Operator must subcontract a minimum of 30% of the project to:

- An EME or QSE which is at least 51% owned by black people;

- An EME or QSE which is at least 51% owned by black people who are youth; or

- An EME or QSE which is at least 51% owned by people who are woman.

52.1.4.6 At least 90% of total labour cost must be paid to South African employees;

52.1.4.7 Employment Equity - At least 70% of jobs created must be for Black People located within a 50 km radius of the Skukuza Safari Lodge;

52.1.4.8 At least 51% of total measured procurement spend must be from black South African Suppliers within a 200km radius of the Skukuza Safari Lodge;

52.1.4.9 Greenfield Enterprise Development – The Operator will be required to develop a minimum of four (4) enterprises with tourism related services and commodities, over the duration of the contract term distributed evenly over the period;

52.1.4.10 Failure to meet these requirements will be seen as a material breach of the contract which will result in termination.
52.2 Operator Prequalification Resolution
53. **SCHEDULE 9 – OPERATOR CONSTITUTIONAL DOCUMENTS**
54. **SCHEDULE 10– BROAD BASED BLACK ECONOMIC EMPOWERMENT**

54.1 **BEE QUALIFICATION CRITERIA**

54.1.1 The Operator must be a Level One Contributor according to the provisions of the November 2015 Amended Tourism B-BBEE Code gazetted in terms of Section 9 (1) of the Broad Based Black Economic Empowerment Act No. 53 of 2003 as amended by Act 46 of 2013 and the Preferential Procurement Regulations of 2017.

54.2 **BEE FURTHER REQUIREMENTS FOR THE DURATION OF THE MANAGEMENT AGREEMENT**

54.2.1 Hotel Management Operations - The Operator is required to have a 30% partnership with an EME or QSE in the hospitality industry which is at least 51% black owned for purposes of the hotel management operations. The intention of this requirement is to ensure significant skills transfer to the EME or QSE.

54.2.2 Subcontracting as a condition of tender – The successful Operator must subcontract a minimum of 30% of the project to:

54.2.2.1 An EME or QSE which is at least 51% owned by black people;

54.2.2.2 An EME or QSE which is at least 51% owned by black people who are youth; or

54.2.2.3 An EME or QSE which is at least 51% owned by people who are woman.

54.2.3 At least 90% of total labour cost must be paid to South African employees;

54.2.4 Employment Equity - At least 70% of jobs created must be for Black People located within a 50 km radius of the Skukuza Safari Lodge;

54.2.5 At least 51% of total measured procurement spend must be from black South African Suppliers within a 200km radius of the Skukuza Safari Lodge;

54.2.6 Greenfield Enterprise Development – The Operator will be required to develop a minimum of four (4) enterprises with tourism related services and commodities, over the duration of the contract term distributed evenly over the period;
54.2.7 Failure to meet these requirements will be seen as a material breach of the contract which will result in termination.

54.3 **EXTERNAL BEE VERIFICATION**

54.3.1 The Operator shall appoint a reputable external verification agency to determine the Operator's BEE status and a copy of such an independent verification certificate shall be provided to SANParks within 15 (fifteen days) after the end of each Financial Year.

54.3.2 The Operator shall be obliged in terms of the Management Agreement to, at a minimum, adhere to the requirements in Schedule 10. In the event of default by the Operator to comply with this provisions and the Operator default is not remedied before the expiry of the period referred to in the notice by SANParks, SANParks will have the right to terminate the Management Agreement with immediate effect by written notice to the Operator.

54.4 **OPPORTUNITIES FOR SUBCONTRACTING AND PREFERENTIAL PROCUREMENT**

54.4.1 **Laundry and Linen Room (Obligatory)**

54.4.1.1 The lodge laundry launders conferencing, lodge and guest laundry.

54.4.1.2 It manages the stock and issues linen as per the operational requirements.

54.4.1.3 The operator will be required to outsource their laundry as and when such a land claimant/local community laundry is operations.

54.4.1.4 Staff from this department would be sourced from the area regardless of whether the function is outsourced or not.

54.4.2 **Activities**

54.4.2.1 The organogram provides for one Activities Organiser or appointing of a local company to co-ordinate all transport and activities.

54.4.2.2 Options for uplifting and involving the community exists inclusive of ;
54.4.2.2.1 Safari outings and game drives (Obligatory)

54.4.2.2.2 Game walks

54.4.2.2.3 Tourist outings outside the Kruger

54.4.2.2.4 Airport transfers

54.4.2.3 Community involvement may be to supply both the guides and the vehicles.

54.4.2.4 Specifications must be set regarding minimum qualifications, vehicle requirements and tours.

54.4.3 Uniforms

54.4.3.1 It may be possible to identify interested persons in the community who could supply uniforms to the Lodge staff.

54.4.3.2 Various scenarios can be implemented i.e. establishing a factory and training a group of people to produce uniforms for the Lodge and probably other hospitality establishments or sourcing experienced tailors and co-ordinating their efforts.

54.4.4 Vending Machines

54.4.4.1 Three to six vending machines can be placed in strategic areas of the lodge. These will supply consumables and other guest items e.g. toothbrushes and paste, etc.

54.4.4.2 It may be possible to identify a local business – or locals who are able to start a business – to supply either the machines and the supplies or the supplies only.

54.4.5 VIP Room Drops/Flowers/Good night Amenities

An opportunity may exist to develop a supplier from the local area to supply room drops on order, flowers and the good night amenity for rooms.

54.4.6 Free journal upon arrival

The opportunity exists for providing guests with a free travel journal upon arrival with the welcome drink. Journaling has proved to benefit well-being, increasing mindfulness and reducing stress and anxiety. It also provides an opportunity for self-reflection and will help keep the trip alive after departure.
54.4.7 **Environmentally friendly bottled water**

Environmentally friendly water bottling using refillable glass bottles with the Wild Brands as well as ice-cube manufacturing.

54.4.8 **Fresh Produce**

It may be a worthwhile exercise to establish the viability of sourcing items from local farming collectives who are in possession of the relevant Health Certificates as determined by the applicable by-laws. Examples to be debated:

54.4.8.1 Seasonal vegetables
54.4.8.2 Seasonal fruits
54.4.8.3 Juices
54.4.8.4 Eggs
54.4.8.5 Chickens
54.4.8.6 Other

54.4.9 **Security**

54.4.9.1 Although the Safari Lodge falls within the security system of the park and no additional security department need to be allocated for, security staff must be provided for, the successful Operator shall be expected to comply with all the necessary government regulations governing the security industry.

54.4.9.2 24 hour security, Goods receiving, Staff clock-in, security clearance

54.4.9.3 A Security company can either be identified or created to supply security staff to the Lodge.

54.4.9.4 Staff must be trained in all security related issues, First Aid, Spoken and written English.

54.4.10 **Gardens and Pool**

54.4.10.1 A garden with indigenous plants will be planted which will require minimal maintenance.

54.4.10.2 A lap pool is situated in the central area of the lodge.

54.4.10.3 Number of staff: not known at the moment, but would provide for 2 garden/pool attendants for general gardening and pool cleaning and basic maintenance.
54.4.11  **Concierge, Drivers and Porters**

54.4.11.1  General guest enquiries, group luggage, conference liaison w.r.t. enquiries

54.4.11.2  Porters/General Assistants: Guest luggage, group luggage, messengers

54.4.11.3  Drivers: Lodge requirements. Possibly collection of guests from the airport

54.4.11.4  This function can be combined with the Activities Function.
54.5 **Operator BBBEE Commitments**
55. **SCHEDULE 11– NATIONAL RESPONSIBLE TOURISM GUIDELINES FOR SOUTH AFRICA**

55.1 **Guiding Principles for Economic Responsibility**

Tourism still plays a relatively small role in the South African economy and it has a long way to go if it is to fulfill its potential to significantly contribute to national income. Traditionally the main focus of governments has been on the growth in international arrivals and total foreign exchange earnings, and is now on fostering entrepreneurial opportunities for the historically disadvantaged, poverty relief, employment and local economic development. Both domestic and international tourism can create employment; it is a relatively labour intensive industry and it employs a multiplicity of skills from accountants and hairdressers to tour guides and trackers. Tourism can provide very good skills development opportunities for local communities.

The White Paper concluded in 1996 that tourism development in South Africa had largely been a missed opportunity; and that the focus on a narrow market has reduced the potential of the industry to spawn entrepreneurship and to create new services, like local entertainment and handicrafts, and to drive local economic development. In fact formal tourism sector provides major opportunities for the informal sector. Tourists travel to the ‘factory’ to consume the product; they travel to the destination to enjoy their holiday. Tourism is a “final good”, all the final touches have to be provided in South Africa and so the value is captured here. The value of a taxi ride from the airport, wildlife viewing and restaurant meals all accrue to the local economy – the challenge is to maximise it by reducing leakages and developing the multiplier effect. Tourist enterprises attract domestic and international tourists and create opportunities for small entrepreneurs and economic linkages, for example agriculture, hunting, handicraft production, and a wide range of service industries which tourists are likely to consume in the destination.

South Africa is now beginning to work on maximising the local economic benefits which tourism can bring to an area; there is much to be gained from creating a more diversified tourism product and marketing a wider range of experiences, activities and services to tourists. Established enterprises can gain by encouraging and assisting the development of complementary product – the larger and more diversified the local tourism base, the more successful enterprises in the area will be. The White Paper identified a wide range of opportunities for historically disadvantaged groups ranging from small guesthouses,
shebeens and restaurants with local cuisine, through community tour guiding, music, dance and story-telling, arts and crafts, traditional hunting and medicine to laundry, gardening and specialty agriculture. Tourism provides particular opportunities for local economic development in rural areas where it can provide people with an alternative to moving to urban areas. Tourism must be market related. If community-based and other tourism development processes are not planned, implemented and managed according to market demands then far too many South Africans, especially the poor, are facing not merely “missed” opportunities, but the hard realities of failed or under-performing products to which tourists simply do not come. The African cultural tourism experience needs to be woven into the fabric of the mainstream South African tourism product.

Domestic tourism plays an important part in the South African tourism sector and it is expected to continue to grow, as historically disadvantaged people become tourists and travellers themselves. Whether the tourists are domestic or international, their expenditure in local communities contributes to the economic development of the area. The greater the proportion of total tourism spending that stays in the local area, the stronger and more diverse the local economic base. The multiplier effect is greatest where the local linkages are strongest – the imperative is clear, source the inputs for all tourism enterprises as locally as possible in order to maximize local economic benefit and to assist in diversifying the local economy. Reducing economic leakages from the local area and increasing linkages will bring significant local economic development and assist in local economic diversification. Similarly, the development of complementary product will strengthen the local economy and local enterprises, groups of established enterprises working together can make a significant difference. Strong economic linkages at the local level were identified in the White Paper as a critical success factor in the local economy.

There is an increasing aspiration for Fair Trade in Tourism in several of the international originating markets; part of a trend towards increasing demand for equitably traded products. Increasing numbers of consumers are purchasing products that demonstrably benefit local communities more fairly than competitor products. The IUCN South Africa Fair Trade in Tourism marketing initiative has identified a set of principles that embody a strong commitment to responsible tourism. It is a good example of a responsible tourism marketing association with a vision of just, participatory and ethical tourism that provides meaningful benefits to hosts and visitors alike. The principles of Fair Trade should be part of the culture of responsible tourism.
55.2 Economic Objectives and Indicators

55.2.1 Assess economic impacts as a pre-requisite to developing tourism

(a) Extend the season of enterprises by developing new products to create better employment conditions and to provide a stronger base for local economic development. Monitor occupancies or seasonality of employment over the year to show progress in extending the season.

(b) The historically disadvantaged are a significant emerging domestic tourism market. Identify and encourage commercial responses to this opportunity.

(c) Recognize that our cultural heritage should not only be assessed in economic terms, and that tourism can create revenue from cultural heritage, traditional ways of life and wildlife and habitats.

(d) Encourage business relationships between foreign entrepreneurs and local and emerging entrepreneurs.

(e) Always consider the opportunity costs of tourism for local communities and their livelihoods, and be prepared to accept that there may be more appropriate economic opportunities for the area. Maintain and encourage economic diversity, avoid over dependency on tourism.

(f) Plan initiatives and investment to contribute to the broader local economic development strategy (for example, Integrated Development Plans (IDP’s) for the area).

(g) Planning authorities need to consider how they can intervene to avoid tourism developments where they may cause adverse effects such as local land price inflation, loss of access to resources or undermining sustainable livelihoods.

(h) Exercise a preference for business and land tenure arrangements that directly benefit local communities and/or conservation.

(i) Conduct market and financial feasibility assessments before raising expectations and exposing the community or local entrepreneurs to risk.

55.2.2 Maximizing local economic benefits – increasing linkages and reducing leakages

(a) Encourage all establishments to upgrade their standards of service, particularly small, medium and micro-enterprises and emerging entrepreneurs, and to maximize their revenue earning potential by adding value.
(b) Encourage the informal sector to become part of the formal sector.

(c) Buy locally made goods and use locally provided services from locally owned businesses wherever quality, quantity, and consistency permits. Monitor the proportion of goods and services the enterprise sourced from businesses within 50 km and set 20% target for improvement over three years.

(d) Help local communities or emergent entrepreneurs to develop their product so that it can be more easily used by others and marketed to tourists.

(e) Co-operate with other formal sector businesses to maximize benefits for local community enterprises – for example, a community laundry or tailoring business may only be viable if a group of enterprises commit to source supplies there. Showcase the initiative and be explicit about whether community projects are funded by tourism revenue to the enterprise, donations from tourists or tour operators, or funds from donor aid agencies.

(f) Give customers the opportunity to purchase locally produced crafts and curios, set targets to increase the proportion of sales of goods sourced within 20 km of the enterprise. Assist local craft workers to develop new products to meet market demand as evidenced in the enterprise.

55.2.3 Ensure communities are involved in and benefit from tourism

(a) Government and established businesses need to redress previous imbalances, and to enable the historically disadvantaged to engage in the tourism sector. For example, they should source 15% of services and 15% of products, increasing by 5% per year, for 3 years, from historically disadvantaged groups, and/or individuals, and report on purchasing activities.

(b) Work closely with local communities, small, medium and micro-enterprises and emerging entrepreneurs to develop new products that provide complementary products for formal sector tourism enterprises.

(c) Develop partnerships and joint ventures in which communities have a significant stake, and with appropriate capacity building, a substantial role in Management. Communal land ownership can provide equity in enterprises.

(d) Identify projects that the enterprise can support that will benefit the poor. Identify at least one project.

(e) Assist the development of local communities and emergent entrepreneurs with visitor feedback on their products.
(f) Consider guaranteeing loans for promising projects in communities or with emerging entrepreneurs, and providing marketing, training and managerial support.

(g) Foster the development of community-based tourism products by providing marketing and mentoring support.

(h) Encourage visitors to spend more money in the local economy, and to visit local bars and restaurants and participate in tours to local areas, bringing business to local communities. Where appropriate treat this as part of the business of the enterprise and charge a booking fee or commission, or sell craft and local food products through the mainstream enterprise.

(i) Encourage tour Operators be more innovative in their itineraries, by for example including shebeens, local museums, arts and craft shops and local ethnic restaurants in their tour itineraries, and by doing so encourage visitor spend.

(j) Consider using local entrepreneurs (particularly emerging and historically disadvantaged entrepreneurs), experienced consultants and non-governmental organisations in developing community initiatives.

(k) Be transparent when reporting community benefits distinguish between benefits to employees, benefits to emerging or community based entrepreneurs and community benefits, for example leasehold payments that go to community projects (grinding mills or school books) or are distributed as household income in the local area.

(l) Consider establishing targets to monitor progress in achieving objectives.

55.2.4 Marketing & Product Development

(a) Lack of market access is a major constraint on the growth of new enterprises. Enterprises should provide information about local services and attractions provided in local communities, and encourage their clients (individuals and Operators) to use them.

(b) Consider co-operative advertising, marketing and the promotion of new and emerging products and attractions.

(c) Ensure that the visual way in which the product is presented includes local cultural elements and emphasizes the richness of the local complementary product.
(d) Consider developing and marketing fairly traded tourism products.

(e) Foster the development of access opportunities for all visitors and potential visitors, regardless of physical or mental conditions of the visitor. Public authorities and enterprises need to understand and embrace financial incentives that enhanced accessibility will create, and the positive image such ‘access to all’ will provide.

55.2.5 Equitable Business

(a) Enterprises should pay fair prices for local services purchased or packaged as part of mainstream itineraries. Beware of abusing market power and imposing unfair commissions or pushing down prices inequitably.

(b) Develop transparent systems of sharing the benefits of tourism through equitable contracts. (E.g., this can be applied through tendering processes.)

(c) When entering into agreements with local communities or emerging entrepreneurs ensure that the risk is equitably shared.

(d) Recruit and employ staff in an equitable and transparent manner and maximize the proportion of staff employed from the local community. Set targets for increasing the proportion of staff and/or of the enterprise wage bill going to communities within 20 km of the enterprise.

(e) Develop a community labour agreement with targets for employment and for progression. Recognize that the enterprise can play a significant role in increasing the skills and capacity of the local community and that the enterprise benefits from that.

(f) Go beyond the bare minimum wage rate and invest in local staff – quality is dependent upon well-motivated staff.

55.3 Guiding Principles for Social Responsibility

*Batho Pele: Putting People First – One and all should get their fair share*

Tourism and the travel industry "is essentially the renting out for short-term lets, of other people's environments, whether that is a coastline, a city, a mountain range or a rainforest." Tourism is dependent upon the social, cultural and natural environment within which it occurs, and its success is dependent upon the environment that it operates within. Good relationships with neighbours and with the historically disadvantaged make
good business sense. These relationships need to be based on trust, empowerment, cooperation and partnerships. Too few of the benefits from tourism currently accrue to local communities whose environment is visited.

As was pointed out in the White Paper, the majority of South Africans have never been meaningfully exposed to the tourism sector. In the new South Africa, the government’s objective is to ensure that all citizens have equal access to tourism services as consumers and providers. Enterprises and communities need to identify ways in which they can provide a range of tourism experiences sufficiently wide to be accessible to the average South African. Programmes are being established to allow South Africans, and particularly front-line tourism employees, to become “tourists at home”. To this end, the notion of Batho Pele is a guiding principle.

The opportunity costs of the creation of national parks and subsequent reduced access to natural and cultural resources was often borne by local disadvantaged communities in the past. Such communities did not perceive or receive any significant direct benefits from the change in land use from conservation and tourism. Communities must be empowered to take part in the Management of areas so that they can have a say in the distribution of the benefits and the sustainable use of their environment. Efforts are not being made to enable local communities to experience wildlife in the parks.

One of the key challenges for business, local government and educators is to develop knowledge amongst the historically disadvantaged regarding what tourism is, and how it can benefit local communities. In the 1996 White Paper the involvement of local communities and historically disadvantaged groups was identified as a critical success factor. Communities need to be involved in the planning, decision-making and the development of tourism; and in all operational aspects of the industry as tourists, employees and entrepreneurs. Social exclusion has contributed to the historically narrow, myopic focus of the industry in South Africa. Responsible tourism is about enabling and encouraging historically disadvantaged local communities to access lucrative tourism markets. This is to overcome the problem of visitors being kept within the hotels and resorts and only venturing out to ‘sanitized’ places of interest. For example, local shebeens and craft vendors rarely see a tourist.

One of the key challenges for the formal sector is to develop ways of engaging with community entrepreneurs and community groups to develop new products and diversify the industry. The success of township tours is one example of the product development opportunities that exist in the new South Africa. Much more effort needs to be made to
improve the linkages between the formal and informal sectors of the tourism sector. The exclusion of the historically disadvantaged has contributed towards poverty and crime – the ‘township tours’ demonstrate that where local guides act as hosts, and where there are clear benefits both to communities and to historically disadvantaged entrepreneurs, tourists can have a good experience and be assured of their safety. In 1995, involving local communities in tourism, creating employment, training, and awareness programmes were identified as solutions to the problem of security for tourists. There is much still to be done and this is a core challenge for responsible tourism. National priorities for action are described within 3.1: Social objectives and indicators.

The meaningful involvement of historically disadvantaged communities as employees and as entrepreneurs in South Africa is a priority. This requires both market access and capacity building. Training at all levels is essential to the development of a more inclusive industry, able to demonstrate its social responsibility and to develop new products which meet the cultural and “meet the people” interests of tourists. The development and delivery of new quality products for the changing market place is of central importance to enable the historically disadvantaged to become part of mainstream tourism. It is also required for social justice and the avoidance of exploitation of local cultures and community groups. The value of the culture of historically disadvantaged people needs to be recognized and new tourism products developed. Their awareness of the opportunities in tourism needs to be a key element in training and education, and it is important that these opportunities be presented in a realistic commercial framework.

55.4 Social Objectives and Indicators

55.4.1 Involve the local community in planning and decision-making

(a) Understand the historical, political and cultural context of local and host communities, and historical relationships with tourism development and protected areas.

(b) Creating opportunities and eliminating barriers to access mainstream tourism markets for local communities, historically disadvantaged people and individuals.

(c) Understand the local, safety and security, infrastructural, resource, educational, poverty, disability and health constraints (e.g. HIV/AIDS), when designing, operating and marketing tourism.
(d) Encourage proactive participation and involvement by all stakeholders - including the private sector, government at all levels, labour, local communities (their leaders and structures) - at all stages of the tourism life cycle.

(e) Encourage formal and informal sector enterprises to develop effective structures, or join existing bodies, for marketing and tourism development. Create the environment to do so by providing resources, technical and management capacity.

(f) Encourage successful entrepreneurs, particularly those from the emerging tourism fraternity, to mentor others.

(g) Planning authorities should work to include stakeholders as part of a decision-making process at the destination level, to determine what constitutes sustainable levels of tourism in the social, natural, and economic context.

(h) Programmes of education within school curriculums, and public awareness within communities, are needed regarding the potential positive and negative aspects of tourism.

(i) Post-employment education and training programmes within the framework of the Skills Development Act and South African Qualifications Authority (SAQA) are required to educate employees regarding the potential pros and cons of tourism, and comparative costs and benefits of alternative enterprises in order to aid decision-making.

(j) Involve the local communities in growing the local tourism business by using existing facilities and by developing new activities and attractions. Individual enterprises and groups of enterprises need to develop complementary products. (Report number of new activities/attractions; number of visitors).

(k) Empower communities to market their cultural traditions and products as assets and enhance their economic opportunities.

(l) Interpretation material and visitor information centers should be developed in consultation with local communities.

(m) Integrate community development goals as identified in the Integrated Development Plan (and similar processes) into the enterprise’s social and sustainability mission and objectives.

55.4.2 Assess social impacts as a prerequisite to developing tourism
(a) Identify and monitor potential adverse social impacts of tourism and minimize them in the short and the long-term, and ensure that communities actively participate in the monitoring.

(b) Larger enterprises should appoint a member of staff to take responsibility for developing better local relationships and partnerships. Implement social audits of tourism projects. These can be conducted in an inexpensive, rapid and participatory way.

(c) Consider schemes to encourage local co-operation and civic pride like an “adopt a school” initiative or ‘adopt a street’, or other local area near the enterprise. Work with local government and the local community to identify priority sites, and make them safe and attractive for tourists.

(d) Enterprises should develop strategies to promote equality in terms of gender, ethnicity, age, and disability, and report progress on implementation.

55.4.3 Maintain and encourage social and cultural diversity

(a) Develop tourism with dignity, respect and nurture local cultures (including religion), so that they enrich the tourism experience and build pride and confidence among local communities.

(b) Use tourism as a catalyst for human development, focusing on gender equality, career development and the implementation of national labour standards. (Report on gender equality and career development)

(c) Tourism development should not compromise respect for social, cultural, and religious rights, or the essential human rights of people to food, a safe and clean environment, work, health, and education.

(d) Support the development of sustainable local handicraft enterprise by assisting with improvement of design, marketing, production and packaging skills for craft workers in relation to market demand. Consider specifically what can be done to enhance the skills and earnings of women, particularly in rural areas.

(e) Support visits by local schoolchildren to tourism sites that promote and display their heritage.

(f) Consider what contributions the enterprise can make to scholarships, local youth sports teams and other community causes. Monitor and report increasing contributions with respect to the number of projects and level of investment.
(g) Display local cultural artifacts in your enterprise and encourage the development and sale of traditional cultural products, crafts and folklore. Aim for 25% items for sale at enterprise from within 50 km, with tours offered to local markets, and try to increase these by 25% over 3 years. Provide customer feedback in order to raise standards.

(h) Be wary of the dangers of commoditization, and encourage craft and other cultural workers to maintain the authenticity and cultural values of their products. Encourage craft workers to explain the cultural values and history of their crafts.

(i) Give enterprises a local flavour by serving local dishes and source soft furnishings, arts and crafts locally. Monitor the proportion of local dishes on menu and the proportion of furnishings & crafts locally made, and aim to increase these proportions by 25% over 3 years. Visitors expect to find at least one local dish their menus.

(j) Identify cultural heritage resources in the local area and where there is sufficient demand from tourists and work with the local community to develop them as sustainable tourism attractions. Consider mission settlements, sites of slave occupation, festivals, struggle related monuments and places, rock art sites, cultural monuments, food, drink, arts and crafts, music, dance and storytelling.

(k) Encourage tourists to show respect by learning a few words of the local language, (and to use them when talking to local people!) and to learn about the host culture and traditions.

(l) Share enterprise level knowledge regarding informal sector tourism skills and products. Draw the attention of ground handlers, the media and tour Operators to complementary product opportunities in the local community.

55.4.4 **Be sensitive to the host culture**

(a) Respect, invest in and develop local cultures and protect them from over-commercialisation and over-exploitation. Encourage workers and staff to observe their religious and cultural practices.

(b) Respect indigenous intellectual property, especially when setting up contractual arrangements for the use of indigenous knowledge.

(c) Use local guides, and encourage them to continually improve their quality, to
ensure that the community speaks for itself and to increase the revenues going into the local community (by higher fees for quality tours). Monitor and report this economic contribution to the community and set targets to increase it annually.

(d) Develop a local social contract for interactions and behavior between the local community and tourists (including responsible bargaining), developed with the participation and contributions from the community, and display it prominently for visitors and publicly within the community.

(e) Create opportunities for visitors to interact with locals in an unstructured, spontaneous manner (e.g. through sporting activities, visits to local schools, shebeens, taverns, restaurants in townships).

(f) In accordance with the Batho Pele principle, provide visitors with inclusive, honest and reliable information about history and contemporary life in South Africa, local tourism attractions and facilities.

(g) Promote a sound, proud, service ethic among all participants in the tourism sector.

(h) Promote and ensure the respect and dignity of people in the development, marketing and promotion of tourism.

(i) Ensure that tourism does not undermine the resource rights, traditional knowledge and skills of local communities.

(j) Negative social and cultural impacts associated with tourism, such as increased crime, drug and alcohol abuse, prostitution, and crime should be monitored and be proactively addressed in cooperation with the community.

(k) Educate tourists regarding local culture and where necessary make them aware of how they should behave to respect it.

(l) The exploitation of human beings in any form, particularly sexual and when applied to women and children, should be energetically combated with the cooperation of all concerned.

55.5 **Guiding Principles for Environmental Responsibility**

Responsible tourism implies a proactive approach by the tourism sector to the environment through the promotion of balanced and sustainable tourism. This is particularly important where the focus of the tourism sector and of the activities of tourists
is the natural environment, as is the case with wildlife viewing, hunting and marine tourism. There are particular challenges in making nature-based tourism sustainable. Responsible tourism development has to be underpinned by sustainable environmental practices. In the environmental sphere, only conservative decisions based on the precautionary principle can be considered responsible. Cultural heritage is also part of the environment, and the responsibility of the tourism sector towards the cultural environment was considered in the social responsibility guidelines.

Central to environmental responsibility is thinking about the life cycle impact of an enterprise or product, and so these guidelines apply to the stages of design, planning, construction, operation and decommissioning. The process of managing the business should be fully integrated with environmental Management, throughout the project life cycle (from conceptualization to decommissioning). In constructing concessions and leasehold developments it is particularly important to ensure that during decommissioning it will be possible to remove all structures and restore the area. Larger businesses should be using Environmental Management Systems to exercise environmental responsibility; for businesses above a defined size in each sector, it would be irresponsible to operate without one.

All tourism enterprises can contribute to environmental sustainability by exercising care in purchasing decisions – by seeking out and supporting responsible producers of the products that are required to run the enterprise, and by making clients aware of the responsible purchasing policy. The practical guidelines and indicators that follow are organized around the key environmental elements of responsible tourism identified in the 1996 White Paper.

55.6 Environmental Objectives and Indicators

55.6.1 Assess environmental impacts as a prerequisite to developing tourism

(a) Plan new developments only in areas where the use of water and other natural resources for tourism will not conflict with local community needs, now or in the foreseeable future. Integrate environmental Management into the project planning cycle.

(b) Follow best practice guidelines on the design, planning and construction of buildings and associated infrastructure to minimize environmental impacts and to reduce energy requirements for lighting, cooling and heating.
(c) Use local materials (where sustainable) and local architectural styles on a scale that does not create a negative aesthetic impact.

(d) Avoid damaging the environmental quality of the enterprise’s neighbourhood by noise or light pollution.

(e) Design buildings with natural ventilation and actively plan to reduce resource use during the construction and operational phases. Tell visitors what has been done to make the enterprise more environmentally friendly. Quantify the resources “saved”.

(f) Plan new developments to have the lowest possible ecological impact, particularly in environmentally sensitive areas such as the coastal zone, indigenous forests, wildlife habitats and wetlands. Minimize the transformation of the environment around the enterprise.

(g) When developing plans for a new enterprise include elements, which contribute to the maintenance of biodiversity by planting local indigenous and non-invasive species, which provide habitats for birds, bees, and butterflies.

55.6.2 Use local resources sustainably, avoid waste and over-consumption

(a) Meter the quantity of water consumed and manage consumption and leakage to reduce water consumption by percentage to be agreed per annum for 3 years, and report water consumption and performance in monitoring.

(b) Measure electricity consumption and introduce energy saving measures to achieve percentage to be agreed reduction in use per annum over three years. This can be done by for example dimming lights, using low energy appliances and light bulbs and enhancing the use of natural ventilation.

(c) Monitor the use of diesel, paraffin and petrol and set targets to reduce consumption and switch to less polluting fuels.

(d) Set targets to increase the proportion of energy used from renewable resources – for example solar, wind, hydroelectric (increase by 10% over 3 years). Sustainable use of wood, from indigenous and plantation forests is complex, and great care needs to be taken.

(e) Install and display appropriate technology to reduce consumption of natural resources, production of waste and incidences of pollution.

(f) Monitor the sewage system and demonstrate how pure the outflow back into
the environment is. If the enterprise has one, make the reed bed a valuable habitat feature.

(g) Set percentage targets and time scales for the reduction of waste produced, levels of recycling and reuse of waste from the enterprise. Set appropriate targets for reduction and/or recycling of waste produced per year for paper (5%), plastics (5%), metal (5%) and glass (5%). Report on progress towards percentage targets over 3 years.

(h) Work with suppliers to minimize the amount of packaging purchased with supplies, and therefore reduce the amount of waste that needs to be disposed of. It may be appropriate for trade associations to conduct these discussions on behalf of members.

(i) Reduce “food miles” by using locally produced food.

(j) Enterprises should assist conservation by investing in sustainable trails, hides and interpretation. Tell visitors what the enterprise is doing, and claim credit for activities.

(k) Encourage the use of environmentally friendly transport.

55.6.3 Maintain and encourage natural diversity

(a) Encourage visitor behaviour that respects natural heritage and has a low impact upon it.

(b) Discourage the purchase of products that exploit wildlife unsustainably or contribute to the destruction of species or habitats (e.g. some handicrafts; bush meat).

(c) Look for ways in which the enterprise and its guests can assist with the conservation of natural heritage, for example through removing litter.

(d) Invest a percentage of profits or turnover in species conservation or habitat restoration and Management. Report the investment, and try to increase this by 5% per year.

(e) Avoid pollution by using environmentally friendly chemicals, and by using biodegradable soaps and detergents – tell visitors and staff why the enterprise is doing this and how it benefits the environment.

(f) Work with conservation authorities to ensure that visitors to natural heritage areas are aware of the impacts that they may have on the ecology of the area
and how they should behave in order to minimize those impacts.

(g) Ensure that relevant members of staff are familiar with the issues and ways of avoiding environmental impacts – they should abide by the advice and communicate it to guests, and use the services of companies that abide by local environmental Best Practice.

(h) Do not market tourism resources to encourage tourists into ecologically sensitive areas which are vulnerable to irresponsible tourism practices, particular sports or recreational uses discourage these activities (e.g. irresponsible 4x4 use, hunting, diving or sand boarding).
56. **SCHEDULE 12 – COMPLIANCE EVENTS**

The following Compliance Events will apply to the Project:

56.1 Provision by the Operator of a Performance Bond in the amount and form indicated in *Schedule 16*; and

56.2 The commencement of operations by 1 March 2019 or otherwise agreed date between the Operator and SANParks.
57. **SCHEDULE 13 - RESPONSIBILITY IN TERMS OF MAINTENANCE OF THE FACILITY**

The Operator must:

57.1 From operations set aside a provision for a FFE and OE reserve fund. Amounts are deposited in a separate investment account managed by the Operator and reported on to SANParks monthly.

57.2 Agree to having a maintenance policy ensuring that the following refurbishment is done:

57.2.1 **Short term (Annual)**

57.2.1.1 Break down maintenance of all building, equipment and service assets (all infrastructure that forms part of the Lodge).

57.2.1.2 Servicing of all mechanical and electrical equipment.

57.2.1.3 Replacement of any assets that cannot be maintained.

57.2.2 **Medium term (0-5 years)**

57.2.2.1 Planned maintenance of all the infrastructure classes.

57.2.2.2 Planned services.

57.2.2.3 Planned replacements.

57.2.3 **Long term (5 - 10 years)**

57.2.3.1 Planned maintenance of all the infrastructure classes.

57.2.3.2 Planned services.

57.2.3.3 Planned replacements or upgradings.
58. **SCHEDULE 14 – KEY PERFORMANCE INDICATORS**
59. **SCHEDULE 15 – INSURANCE**
60. **SCHEDULE 16 – FORM OF PERFORMANCE BOND**

**PART A: FORM OF PERFORMANCE BOND**

To be provided to South African National Parks having its principal place of business at 643 Leyds Street, Muckleneuk, Pretoria (hereinafter called “SANParks”)  

Whereas:

(a) SANParks has awarded a Agreement for the design, construction, fitting, installation, equipping, commissioning, financing, Operation, Management and Maintenance of the SANParks Skukuza Facility in KNP under a Agreement (hereinafter called the “Agreement”) to [ ] (hereinafter called the “Operator”); and

(b) The Operator is obliged by the terms of the Agreement to provide this Bond to SANParks to secure the performance of its obligations under the Agreement.

We, the undersigned

__________________________ and  _______________________________

(Name)   (Name)

acting herein as

__________________________ and ________________________________

(Position)   (Position)

of _____________________________________________________________

(Hereinafter called the “Bank”)

being duly authorised to sign and incur obligations in the name of the Bank under and in terms of a Resolution of the Board of Directors of the Bank, a certified copy of which is annexed hereto, hereby irrevocably and unconditionally guarantee and undertake on behalf of the Bank that:

1. The Bank shall pay an amount not exceeding 12 (twelve) months' payments of the Base Management Fee, namely an amount of __[.........] in aggregate (the “Maximum Amount”) without delay, on receipt by the Bank of the first written demand of SANParks that the amount is due and payable and without proof of any breach or other default. The Bank shall pay such amount(s) to SANParks upon receipt of a certificate in the form
attached signed by an authorised representative of SANParks certifying that SANParks is entitled to draw on this Bond pursuant to the provisions of the Agreement (the “Certificate”). SANParks may make partial and/or multiple demands under this Bond provided that the aggregate of amounts paid under this Bond shall not exceed the Maximum Amount.

2. The demand for payment together with this Bond (or a certified copy hereof) and the Certificate shall constitute prima facie proof of the Bank’s indebtedness hereunder for the purposes of any proceedings including but not limited to provisional sentence proceedings instituted against the Bank in any court of law having jurisdiction.

3. Neither the failure of SANParks nor of the Operator respectively to enforce strict or substantial compliance by the Operator or any contractor or sub-contractor with their respective obligations nor any act, conduct, or omission by SANParks or Operator prejudicial to the interests of the Bank including, without limitation, the granting of time or any other indulgence to the Operator, any contractor or sub-contractor or any other person or by amendment to or variation or waiver of terms of the Agreement, any sub-contract or any ancillary or related document (the “Underlying Documents”) will discharge the Bank from liability under this Bond. For the avoidance of doubt, the Bank's liability under this Bond will not be discharged notwithstanding the winding up, dissolution or judicial management of the Operator, any contractor or sub-contractor or any other Person and the Bond shall be honoured regardless of the invalidity, illegality or unenforceability of the Underlying Documents.

4. This Bond shall:

4.1 remain in full force and effect from the date hereof, and shall expire on the earlier of:

4.1.1 the issuance of a replacement Bond in accordance with the terms of the Agreement;

4.1.2 90 (ninety) Business Days after the expiry or earlier termination of the Agreement; or

4.1.3 the date when the Bank has paid to SANParks an amount which is equal to (or amounts which in aggregate total) the Maximum Amount;

4.2 exist independently of the Agreement or any amendment, variation or novation thereof;
4.3 not be ceded, assigned or otherwise transferred by SANParks, or otherwise dealt with in any manner whatsoever (save for the purposes and in the manner referred to above) which has or may have the effect of transferring or encumbering or alienating SANParks’ rights hereunder;

4.4 be returned to the Bank on its expiry, cancellation, withdrawal or this Bond being fully drawn; and

4.5 be governed by the laws of South Africa.

5. The Bank shall deposit any payment made under this Bond into an account designated by SANParks.

6. The Bank shall make any payment demanded under this Bond free, clear of and without any deduction, withholding, counterclaim or set-off of any kind. If the Bank is required by law to make payments subject to the deduction or withholding of tax, it will make such further payments as are necessary to ensure that the amounts paid to SANParks equal the amounts that would have been paid to SANParks had no such deduction or withholding been made or been required to be made.

7. The obligations of the Bank under this Bond shall not in any way be affected by the invalidity, illegality or unenforceability for any reason of the obligations of the Operator.

8. The Bank shall have no right of recourse or claim of whatever nature against SANParks arising out of its obligation to pay or arising out of actual payment under this Bond to SANParks.

9. Addresses and Notices:

9.1 The parties hereto choose domicilium citandi et executandi for all purposes of and in connection with this Agreement as follows:

SANParks:

Groenkloof National Park

643 Leyds Street

Muckleneuk

Pretoria
Telephone: (012) 426-5027
Facsimile: (012) 343-3849

The Bank: ______________________________________________________
Telefax: _______________________________________________________

9.2 Any party hereto shall be entitled to change its domicilium from time to time, provided that any new domicilium selected by it shall be a physical address in South Africa, and any such change shall only be effective upon receipt of notice in writing by the other party of such change.

9.3 All notices, demands, communications or payments intended for any party shall be made or given at such party’s domicilium for the time being.

9.4 Any notice required or permitted to be given under this Bond shall be valid and effective only if in writing.

9.5 A notice sent by one party to another party shall be deemed to be received

9.5.1 on the same day, if delivered by hand; and

9.5.2 on the same day of transmission, if sent by telefax with a receipt confirming completion of transmission.

9.6 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen domicilium citandi et executandi.

SIGNED ON ____________________ ______________________2018

AT _________________________________ (Place)
PART B: FORM OF CERTIFICATE

To: [Name and address of Bank]

Attention:

From: South African National Parks

Address:

Dated:

Dear Sirs

Performance Bond Dated [insert date] (the “Bond”)

We refer to the above Bond issued by you. Terms defined in the Bond shall have the same meaning when used in this Certificate.

SANParks is entitled to call on this Bond under the Agreement and we demand payment of the sum of R[........] under the Bond. Payment is to be made in accordance with the provisions of the Bond.

Payment must be made without delay to [SANParks bank account details].

Yours faithfully,

..................................
for and on behalf of

South African National Parks
61. SCHEDULE 17 – FORM OF GUARANTEE

TO BE TYPED ONTO LETTERHEAD OF GUARANTOR

To: The Board

South African National Parks
643 Leyds Street,
Muckleneuk,
Pretoria

DATE:

GUARANTEE NUMBER:

MANAGEMENT AGREEMENT ("AGREEMENT") ENTERED INTO BETWEEN SOUTH AFRICAN NATIONAL PARKS ("SANParks") AND [ ] PROPRIETARY LIMITED ("the Operator")

1 Terms defined in the Agreement will, save as defined herein, bear the same meanings when used herein.

2 Subject to the remaining provisions hereof, [INSERT NAME OF GUARANTOR BANK], Registration Number [•] ("Guarantor") hereby unconditionally and irrevocably undertakes in favour of SANParks that the Guarantor will upon receipt of a notice in writing, signed by the Chief Financial Officer of SANParks, notifying the Guarantor that a claim for a shortfall of the Opex Provision has been made against the Operator ("Claim Notice"), pay to SANParks such amount as specified in the Claim Notice but not exceeding the sum of the sum of R5 000 000,00 (five million rand) ("Guaranteed Amount"), without deduction or set-off, by way of electronic transfer of the Guaranteed Amount in immediately available funds into SANParks’ Designated Account, details whereof are as follows:
3 This Guarantee shall remain in full force and effect from the Effective Date (as defined in the Agreement), and shall expire on the earlier of -

3.1 the date on which the SANParks notifies the Guarantor in writing that this Guarantee is no longer required;

3.2 the date on which the Guarantor has paid to SANParks an amount not exceeding the Guaranteed Amount pursuant to a Claim Notice; and

3.3 the Expiry Date or the Termination Date, (provided that SANParks has not by the end of the Guarantee Period given the Guarantor a Claim Notice).

4 This Guarantee shall -

4.1 exist independently of the Agreement and any amendment, variation or novation thereof;

4.2 not be ceded, assigned or otherwise transferred by SANParks, or otherwise dealt with in any manner whatsoever which has or may have the effect of transferring or encumbering or alienating SANParks' rights hereunder; and

4.3 be returned to the Guarantor on its expiry or cancellation or on the Guarantee being fully drawn.

5 This Guarantee contains all of the Guarantor's obligations in relation to the subject matter hereof and there are no undertakings, covenants, representations or warranties in relation to the subject matter hereof other than as expressly contained herein.
6. This Guarantee is neither negotiable nor transferrable and is restricted to the payment of money only.

7. This Guarantee will be governed and construed in accordance with the laws of South Africa.

8. Please countersign the copy of this Guarantee (which accompanies the original hereof) in the space designated for your signature below in acceptance of the terms and conditions hereof and return such original signed copy to the Guarantor.

By its signature hereto, each party hereby accepts the terms and conditions of this Guarantee and undertakes and agrees to be bound by the provisions hereof.

SIGNED at _________________________ on _________________________ 2018

For and on behalf of:

[●] [INSERT DETAILS OF GUARANTOR]

Signature

Name of Signatory

Designation of Signatory

SIGNED at _________________________ on _________________________ 2018

For and on behalf of:

SANPARKS
<table>
<thead>
<tr>
<th><strong>Signature</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name of Signatory</strong></td>
</tr>
<tr>
<td><strong>Designation of Signatory</strong></td>
</tr>
</tbody>
</table>
62. SCHEDULE 18- BRANDING REQUIREMENTS

62.1 Brand Overview

62.1.1 Skukuza Safari Lodge effectively falls under three brands:

62.1.1.1 SANParks generic brand.

62.1.1.2 Wild Brand – as applicable for possible hotel/lodge developments in other National Parks

62.1.1.3 Site specific Impala Lily brand

62.1.2 The application of elements of the three brands are used on the varying elements of the property, depending on the aspect it is applied on.

62.1.3 The Operator may apply its own branding on several aspects.

62.1.4 The Operator must accept the branding limitation in that the SANParks Wild and Impala Lily brands take precedence. These form part of the mother brand of SANParks. Should the Operator wish to co-brand, it should acknowledge that that the SANParks Wild and Impala Lily brand will be the primary brand and their brand secondary and limited to certain locations subject to SANParks approval;

62.1.5 The Operator shall not, in the operation, promotion or marketing of the Skukuza Safari Lodge, be entitled to use, directly or indirectly, any commercial branding similar to any branding used outside of the Protected Area by the Operator, or any of its associated companies or competitors, without the prior written consent of SANParks;

62.1.6 Any commercial branding developed by the Operator in respect of the Skukuza Safari Lodge may not be used outside the Protected Area without SANParks’ prior written consent; and

62.1.7 The use of any branding, logo, trademark, trade name, and get up, signage, outdoor advertising, livery, promotion, promotional or marketing material or other proprietary intellectual property in connection with the Skukuza Safari Lodge shall require the prior written approval of SANParks.
62.2 **Marketing Collateral**

<table>
<thead>
<tr>
<th>Sales packs listing conference packages, room rates, etc.</th>
<th>Wild and Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Templates for promotions</td>
<td>Wild and Impala Lily and Operator</td>
</tr>
<tr>
<td>A separate Skukuza Conference Lodge website</td>
<td>Wild and Impala Lily and SANParks and Operator</td>
</tr>
<tr>
<td>Pull Up Posters to use at exhibitions</td>
<td>Wild and SANParks and Operator</td>
</tr>
<tr>
<td>Email signatures for all staff with computer access</td>
<td>Wild and Impala Lily and SANParks and Operator</td>
</tr>
<tr>
<td>Business Cards</td>
<td>Wild Small, Lodge Name Large and Operator</td>
</tr>
<tr>
<td>A4 Folders, Brochures, Fact Sheets</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>Pull Up Posters to use at exhibitions</td>
<td>Wild and Operator</td>
</tr>
<tr>
<td>Guest Comment Sheets</td>
<td>Impala Lily</td>
</tr>
</tbody>
</table>

62.3 **Pre-opening branding for the lodge**

**Signage:**

Several designs for signage for the different outlets and their operating hours.

Parking and other instructive signage.

<table>
<thead>
<tr>
<th>Directional Signage</th>
<th>Impala Lily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Signage</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Room numbers</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Restaurant menus and wine lists</td>
<td>Impala Lily and Selected Name and Operator</td>
</tr>
<tr>
<td>Cocktail list template</td>
<td>Impala Lily and Selected Name and Operator</td>
</tr>
<tr>
<td>Terrace menu and drinks list</td>
<td>Impala Lily and Selected Name and Operator</td>
</tr>
</tbody>
</table>

62.4 **Staffing Branding Decisions**

| Logos for chef’s jackets                    | Impala Lily |
| Signature items: scarves and ties          | Wild and Impala Lily |
| Name badges                                | Impala Lily |
### 62.5 Lodge Collateral

#### 62.5.1 Front Office and General Administration

<table>
<thead>
<tr>
<th>Item</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complimentary Slips</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>Letterheads</td>
<td>Wild and Impala Lily and Operator</td>
</tr>
<tr>
<td>Registration Cards</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>Luggage Tags</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>VIP Welcome Card (Fits into a printer)</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>A5 Welcome Template for VIP Arrivals</td>
<td>SANParks, Wild and Impala Lily</td>
</tr>
</tbody>
</table>

#### 62.5.2 Lodge Bedrooms and Suites

<table>
<thead>
<tr>
<th>Item</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Directory (no content, only design)</td>
<td>Digital/paper? SANParks, Wild and Impala Lily and Operator</td>
</tr>
<tr>
<td>Escape Notice Boards</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>A6 Note Pads</td>
<td>Wild</td>
</tr>
<tr>
<td>Maintenance Request Forms</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Safe Instructions</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>TV Channel Guide</td>
<td>Wild</td>
</tr>
<tr>
<td>Laundry Lists</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Laundry Bag</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Do Not Disturb Signs</td>
<td>Full logo with Wild and Impala Lily</td>
</tr>
<tr>
<td>No Smoking Signs</td>
<td>Wild</td>
</tr>
<tr>
<td>Turndown sticker for sweet</td>
<td>Impala Lily and Operator</td>
</tr>
<tr>
<td>Packaging for rusks or biscuits in rooms</td>
<td>Impala Lily</td>
</tr>
</tbody>
</table>

#### 62.5.3 Hotel Bathrooms

Green in terms of packaging and content.

<table>
<thead>
<tr>
<th>Item</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Save Water’ Notice and ‘Towel/Laundering’ Notice</td>
<td>SANParks and Wild</td>
</tr>
<tr>
<td>Toilet Paper Sticker – 12mm x 12 mm</td>
<td>Impala Lily</td>
</tr>
<tr>
<td>Shoe Mitt</td>
<td>OD Item - Wild</td>
</tr>
<tr>
<td>Vanity Kit</td>
<td>OD Item</td>
</tr>
</tbody>
</table>
### Management Agreement Skukuza Safari Lodge Kruger National Park

<table>
<thead>
<tr>
<th>Item</th>
<th>Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shower Cap</td>
<td>Wild</td>
</tr>
<tr>
<td>Shower Gel/Body wash</td>
<td>Wild</td>
</tr>
<tr>
<td>Shampoo</td>
<td>Wild</td>
</tr>
<tr>
<td>Soap</td>
<td>Wild</td>
</tr>
<tr>
<td>Hand and Body Lotion</td>
<td>Wild</td>
</tr>
</tbody>
</table>

#### 62.5.4 Conferencing

<table>
<thead>
<tr>
<th>Item</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conference Pack - Folder</td>
<td>SANParks, Wild and Impala Lily and Operator</td>
</tr>
<tr>
<td>A4 Note Pad</td>
<td>SANParks, Wild and Impala Lily and Operator</td>
</tr>
<tr>
<td>Logotype Pens</td>
<td>Wild</td>
</tr>
<tr>
<td>Conference Menu templates</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>Wine List templates</td>
<td>Wild and Impala Lily</td>
</tr>
</tbody>
</table>

#### 62.5.5 Food and Beverage Areas

<table>
<thead>
<tr>
<th>Item</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infinity Water</td>
<td>‘Green’ bottled water supply for Housekeeping Conferencing F&amp;B. Bottled on site in logotype bottles. This system could perhaps be implemented in other SANParks properties.</td>
</tr>
<tr>
<td>Decide on operational implications</td>
<td></td>
</tr>
<tr>
<td>Can be offered for purchase – consider co-branding</td>
<td></td>
</tr>
<tr>
<td>One-Page Menu Template</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>A5R-Page Menu Template</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>A4 Menu page Template</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>A4 Wine List Page Template</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>T-stand Template</td>
<td>Wild and Impala Lily</td>
</tr>
<tr>
<td>Table Numbers for the different areas – Buffet, terrace, banquets</td>
<td>N/A</td>
</tr>
<tr>
<td>Labels for Buffet Dishes</td>
<td>N/A</td>
</tr>
<tr>
<td>Coasters</td>
<td>Impala Lily</td>
</tr>
</tbody>
</table>
### SCHEDULE 19- PROHIBITED CHEMICALS

<table>
<thead>
<tr>
<th>CHEMICAL</th>
<th>TRADE NAME</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atrazine</td>
<td>Atrazine</td>
<td>Toxicity group III</td>
</tr>
<tr>
<td></td>
<td>Gesaprim</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Atraflo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bladex</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Terbutal</td>
<td></td>
</tr>
<tr>
<td>Parathion</td>
<td>Folidol</td>
<td>An organophosphate. Extremely toxic, Toxic group I. Banned in 17</td>
</tr>
<tr>
<td>Diethyl (p-nitropheny) phosphothioate</td>
<td>Parafos</td>
<td>countries, restricted use status in RSA.</td>
</tr>
<tr>
<td></td>
<td>Agrithion</td>
<td></td>
</tr>
<tr>
<td>PCP</td>
<td>Woodprufe</td>
<td>An organochloride</td>
</tr>
<tr>
<td>Pentachlorophenol</td>
<td>Timerlife</td>
<td></td>
</tr>
<tr>
<td>Pentachlorophenyl</td>
<td>Borcide</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Timbertret</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Anti-stain</td>
<td></td>
</tr>
<tr>
<td>Chlorodane</td>
<td>Termidan</td>
<td>An organochlorine insecticide. Moderately, toxic, Toxic group I</td>
</tr>
<tr>
<td>Octahoro-a hexahydromethiodene</td>
<td>Chlorsdasol</td>
<td>Banned in 25 countries, restricted status in RSA</td>
</tr>
<tr>
<td>Aldicard</td>
<td>Termik</td>
<td>A N-Methyl Carbonate insecticide. Extremely toxic, Toxic group I</td>
</tr>
<tr>
<td>Methyl-(methylthio)-propinaldehyde</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Methylcarbonmoy oxine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDB</td>
<td>Edabrom</td>
<td>A halocarbon pesticide. Toxic group II.</td>
</tr>
<tr>
<td>Dibromoethane</td>
<td>Gerbex</td>
<td>Banned in 14 countries. Restricted status in RSA.</td>
</tr>
<tr>
<td></td>
<td>Aquamix</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bacfume</td>
<td></td>
</tr>
<tr>
<td>Dieldrin</td>
<td>Aldrin</td>
<td>An organochlorine insecticide. Highly toxic, Toxic group I.</td>
</tr>
<tr>
<td>Hexachloro-hexahydro-</td>
<td>HHDN</td>
<td>Banned in 34 countries. Restricted status in RSA.</td>
</tr>
<tr>
<td>dimethanonaphthalene</td>
<td>Shelldrite</td>
<td></td>
</tr>
<tr>
<td>Plus derivities Aldrin and Endrin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dichloro-diphenyl trichloro-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ethane plus derivities DDE and DDD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difenacoum</td>
<td>Rattex</td>
<td></td>
</tr>
<tr>
<td>Brodifacoum</td>
<td>Finale</td>
<td></td>
</tr>
<tr>
<td>Flocoumafen</td>
<td>Tornadel</td>
<td></td>
</tr>
<tr>
<td>Chlorofluoro-carbon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFC-11, CFC-12, CFC-113, CFC-114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halon gas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halon-1211, Halon1301, Halon</td>
<td></td>
<td>Total phase-out by 1996. Manreal protocol 1987, amended Copenhagen</td>
</tr>
<tr>
<td>CHEMICAL</td>
<td>TRADE NAME</td>
<td>NOTES</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>Gamma – BHC</td>
<td>Dyant</td>
<td>An organochloride insecticide. Moderately toxic, Class II</td>
</tr>
<tr>
<td>Hexachlorocyclohexane</td>
<td>Bexadust</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fumitabs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ant and garden spray</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nextit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lindane</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Anticide</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gardit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Everdeath</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lindastof</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Agronex</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Linden</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Woodprufe</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Blue death</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Servidol</td>
<td></td>
</tr>
<tr>
<td>Paraquat Dimethyl-bipyridinium dichloride</td>
<td>Paraquat Chloride Preeglone WPK PARAQUAT Gramoxone</td>
<td>A bipyriyl herbicide. Moderately toxic, Toxic Group II</td>
</tr>
</tbody>
</table>
### 64. SCHEDULE 20- PREFERRED CHEMICALS

<table>
<thead>
<tr>
<th>PEST</th>
<th>SPECIES</th>
<th>MORPHOLOGICAL PHASE</th>
<th>PESTICIDE INGREDIENT</th>
<th>ACTIVE PESTICIDE/CHEMICAL CLASS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cockroaches</td>
<td>Various spp.</td>
<td>Adult</td>
<td>Alpha - cypermethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Deltamethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cyfluthrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Beta-cyfluthrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Triflumuron</td>
<td>Benoylurea</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Larvae</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bed Bugs</td>
<td>Various spp.</td>
<td>n/a</td>
<td>Permethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td>Rats and Mice</td>
<td>n/a</td>
<td>n/a</td>
<td>Coumatetralyl</td>
<td>Coumarin anti-coagulant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Warfarin/Sulphaquinoxaline</td>
<td>Coumarin anti-coagulant</td>
</tr>
<tr>
<td></td>
<td>Subterranean wood</td>
<td>n/a</td>
<td>Imidacloprid</td>
<td>Chloronicotinyl</td>
</tr>
<tr>
<td></td>
<td>destroying</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Termites</td>
<td>Subterranean wood</td>
<td>n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>destroying</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Thatch mites</td>
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<td>n/a</td>
<td>Permethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
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<td>n/a</td>
<td>n/a</td>
<td>Permethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td>Ants</td>
<td>n/a</td>
<td>n/a</td>
<td>Permethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td>Mosquitoes</td>
<td>n/a</td>
<td>Smooth walls</td>
<td>Beta-cyfluthrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Deltamethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cyfluthrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lambda-cyhalothrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Alpha - cypermethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rough walls</td>
<td>Permethrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Propoxur</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cyfluthrin</td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mozzie nets/clothing</td>
<td></td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Cyanamid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pyrethroid</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pyrethroid</td>
</tr>
<tr>
<td>Fleas</td>
<td></td>
<td>See Cockroach</td>
<td>See Cockroach</td>
<td></td>
</tr>
<tr>
<td>PEST</td>
<td>SPECIES</td>
<td>MORPHOLOGICAL PHASE</td>
<td>PESTICIDE INGREDIENT</td>
<td>ACTIVE PESTICIDE/CHEMICAL CLASS</td>
</tr>
<tr>
<td>------</td>
<td>-----------</td>
<td>---------------------</td>
<td>----------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>Fishmoths</td>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
<td></td>
</tr>
<tr>
<td>Ticks</td>
<td></td>
<td></td>
<td>Pyrethroid</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PESTICIDE</th>
<th>FORM</th>
<th>COMPANY NAME</th>
<th>GRAMS ACTIVE INGREDIENT</th>
<th>DOSAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fendona</td>
<td>AL</td>
<td>Cyanamid</td>
<td>1g/l</td>
<td>Undiluted 25-50ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Cyanamid</td>
<td>100g/l</td>
<td>40-85ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>AgrEvo</td>
<td>125g/l</td>
<td>20-40ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Bayer</td>
<td>480g/l</td>
<td>10ml/10l</td>
</tr>
<tr>
<td>Coopex max Mini smoke generator</td>
<td>FD</td>
<td>AgrEvo</td>
<td>135g/kg</td>
<td>1 tin/120-1000m3</td>
</tr>
<tr>
<td></td>
<td>DP</td>
<td>AgrEvo</td>
<td>5g/kg</td>
<td>na</td>
</tr>
<tr>
<td>Racumin</td>
<td>CB (I)</td>
<td>Bayer</td>
<td>7.5g/kg</td>
<td>1 part in 15-20 parts bait material undiluted</td>
</tr>
<tr>
<td>Premise</td>
<td>SC</td>
<td>Bayer</td>
<td>350g/l</td>
<td>145ml</td>
</tr>
<tr>
<td>Coopex max Mini smoke generator</td>
<td>FD</td>
<td>AgrEvo</td>
<td>135g/kg</td>
<td>1 tin/120-1000m3</td>
</tr>
<tr>
<td>Raidyard Collar or Jays fluid</td>
<td>Spray</td>
<td></td>
<td></td>
<td>Na</td>
</tr>
<tr>
<td>Coopex ant dust</td>
<td>DP</td>
<td>AgrEvo</td>
<td>5g/kg na</td>
<td>Na</td>
</tr>
<tr>
<td>Fendona</td>
<td>DP</td>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
</tr>
<tr>
<td>Tempo</td>
<td>SC</td>
<td>Bayer</td>
<td>125g/l</td>
<td>20-40ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Bayer</td>
<td>100g/kg</td>
<td>78g (1 sachet of 62.5g/8l of water)</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Cyanamid</td>
<td>1g/l</td>
<td>Undiluted 25-50ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Cyanamid</td>
<td>100g/l</td>
<td>40-85ml</td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Cyanamid</td>
<td>60g/l</td>
<td></td>
</tr>
<tr>
<td>Coopex</td>
<td>WP</td>
<td>AgrEvo</td>
<td>250g/kg</td>
<td>25-50g</td>
</tr>
<tr>
<td>Baygon</td>
<td>WP</td>
<td>Bayer</td>
<td>500g/kg</td>
<td>?</td>
</tr>
<tr>
<td>PESTICIDE</td>
<td>FORM</td>
<td>COMPANY NAME</td>
<td>GRAMS PER ACTIVE INGREDIENT</td>
<td>DOSAGE</td>
</tr>
<tr>
<td>------------------</td>
<td>------</td>
<td>--------------</td>
<td>-----------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Baythroid</td>
<td>WP</td>
<td>Bayer</td>
<td>100g/kg</td>
<td>20-40g</td>
</tr>
<tr>
<td>Solfac Peripell</td>
<td>EW</td>
<td>Bayer</td>
<td>50g/l 50g/l</td>
<td>40-80ml 66ml</td>
</tr>
<tr>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
</tr>
<tr>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
<td></td>
<td>See Cockroach</td>
</tr>
<tr>
<td>Bayticol</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
65. **SCHEDULE 21 – BAT MANAGEMENT GUIDELINES**

65.1 **Introduction and background**

Nearly 80% of all bat species in South Africa occur within the National Parks. Of the 42 species recorded within the parks, four species are also listed as threatened and have Red Data status. Bats play an important role in the ecosystem in that they control insect numbers and also contribute towards the pollination and further propagation of various flowering plants. Mosquitoes are among the primary prey of many insectivorous bats and a thriving bat population can consume huge numbers of these potentially dangerous insects. Fruit eating bats on the other hand play a very important role in the pollination of certain fruit bearing trees and the dispersal of their seeds. Despite the above, people often view bats as household pests due to the unpleasant sounds, smells and possible unhygienic conditions associated with bats roosting in the roofs of houses and accommodation units. With the development of rest camps, staff villages and concession lodges in the National Parks, bats started colonizing many of these buildings as the thatched roofs, attics and eaves provided ample shelter and roosting sites. Unfortunately, this brought bats into conflict with people. Foreign and local visitors to the KNP often feel threatened by the presence of bats in their accommodation units and the noises, as well as the smells emanating from the bat urine and dung, often lead to complaints regarding quality and maintenance standards in our camps. In order to minimize the problem, bat colonies need to be evicted from the roofs of all accommodation units and houses and all buildings need to be sealed to prevent bat re-colonization. To achieve this may prove to be technically complicated, e.g. in thatched roofs where it is impossible to seal every crack between the thatch and wooden poles. The aim of this document is to provide practical guidelines on the removal of bats and to highlight preventative measures to be taken to minimize recolonization by bats.

65.2 **Management Options**

Unfortunately there are no quick-fix solutions to the bat problems experienced. To achieve any lasting measure of success both a preventative and crises management approach needs to be followed. Preventative management will necessitate a large scale and long term approach, whilst crisis management will focus on interim solutions to the most immediate problems. The Section Ranger from the area should be involved to ensure that no bats are injured and that conservation ethics are upheld during implementation.
65.2.1 Preventative Management (Long Term and Large Scale)

This approach is aimed at preventing bats from establishing new roosting sites in huts/chalets/houses not yet infested. Management action must therefore specifically be aimed at the systematic sealing of all uninhabited units to make them bat proof. This process must be completed before any evictions of bats can start from colonized units. If not, the evicted bat colony will just relocate themselves to the nearest unsealed units once removed. Preventative management thus requires a large scale approach necessitating proper planning and the cost-effective use of available funds and manpower. It remains the only long term solution to the bat problem within the park.

The suggested approach should be the following:

65.2.1.1 Phase 1: Seal – off all units not already occupied by bats

- Identify all structures that are not already colonized by bats and identify all possible bat entry points (usually where the roof and the wall meet).

- Systematically seal all possible entry points in each unoccupied unit using Sista Expanding Foam Filler (Henkel Product available at Mica). This process can take a couple of weeks and will necessitate proper planning between Technical Services and Hospitality staff.

- Expanding Foam Filler is both rodent and insect proof, easy to apply and will cut down on the time needed to seal the units. Cement is the cheaper option and can be used, but it will crack over time and the bats will re-enter the unit.

65.2.1.2 Phase 2: Evict bats from units already colonized by them

- Ensure that all adjacent chalets/houses are sufficiently sealed before bat eviction start.

- Identify all the chalets/houses occupied by bats as well as the access points the bats use to gain entry.

- Ensure that no access is possible through the thatch/roof of the chalet/house to be sealed.
• Proceed to seal all possible access/exit points, but allow for at least one opening to be left unsealed to allow the bats to escape. If infection is severe allow for 2 or 3 exit points.

• Determine the roost site/s (the colony may have more than 1) within the chalet/house and apply deterrent solution.

• Jeyes fluid should be administered as a deterrent by spraying or painting it onto rafters and beams. Jeyes fluid is a strong smelling substance and the unit will have to be ventilated after application.

• Do not apply the deterrent directly to the roost site. This is merely general practice to avoid any unknown complications.

• The colony should be sufficiently disturbed and leave after the first application, but one may have to apply continuously to remove all individuals.

• If the situation calls for removal by hand, the Section Ranger should be present. Removal by hand should be done with discretion and the utmost care must be taken not to injure any bats.

• The structure must be sealed immediately after exclusion to prevent the bats from returning to the site after the deterrent’s smell has dissipated. Sealing should be done so that the entire perimeter of the structure is secure.

• The structure must be monitored subsequent to exclusion and sealing to ensure that the process was successful and bats do not re-enter.

Eviction should preferably be implemented from May to October during the non-breeding season, but special allowance will be given to individual situations outside of this period. If bats have to be evicted from November to April, special care must be taken to ensure safe removal. If the colony that has infested the structure does not have young, then one can follow the above procedure. However, if the colony has young, then it is best to remove the entire colony by hand. All efforts must be made to ensure that the entire colony is caught and moved together. The group should be moved together to a new site, preferably not far from their original roost. The structure should then be sealed as discussed above.
The exclusion of bats can be avoided during breeding season through continual management of the structures throughout the year.

65.2.1.3 Phase 3 - Monitor and re-evaluate all the units on a regular basis and ensure that systematic maintenance is done to seal/close any new holes or entry points which might appear.

Squirrels might pose a limited problem even though bats are not likely to use these entry points. However to ensure that these do not become problem areas these sites must be sealed too as soon as they are located. Many Bat experts and Bat Interest Groups are of the opinion that these areas are not true points of concern, however there is still a belief that if these sites are left long enough Bats will use them.

65.2.2 Crises Management (Short Term and Small Scale)

This approach requires immediate intervention and only provides an interim solution. It is aimed at immediate eviction of bats from a unit and should not take more than 1 to 2 days to complete. No phases are involved, just systematic exclusion:

- Locate the roost site of the bat colony within the hut/chalet/house.
- Spray detergent (Jeyes fluid) on rafters/beams around the roosting site. This will disturb the colony sufficiently and the bats will vacate the unit within a day or two.
- If any bats remain, remove them by hand using gloves. Release the bats at an alternative site nearby only once the unit where they were evicted from has been sealed properly. Approach the Section Ranger for assistance.
- Once all bats have vacated the unit, immediately seal all openings and possible bat entry points with Sista Expanding Foam Filler.

65.3 Post-Removal Treatment of Roosting Sites

Once all bats are removed from a unit and the entry points sealed, all roosting sites must be cleaned and disinfected.

The following approach is recommended:

- Mix 10ml Starycide (Bayer) with 10l of water and add 80ml Responsar (Bayer). Do not exceed the prescribed dosages and always wear protective clothing, gloves and a
- Spray this mixture liberally over the bat faeces and sediment in the roof in order to kill all larvae and other insects.
- Wait for 30 minutes and then remove the faeces and sediment and clean the roof.
- Disinfect the area with the disinfectant Virkon-S to kill all viruses and bacteria.

### 65.4 Responsibility Matrix

<table>
<thead>
<tr>
<th>RESPONSIBLE PERSONS</th>
<th>ACTIONS</th>
<th>TIME FRAMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hut Attendants and Supervisors</td>
<td>➢ Conduct daily inspection of huts/accommodation units for the presence of bats. ➢ If any signs are found that bats are starting hut/accommodation unit, immediately report it to supervisor and camp hospitality staff</td>
<td>Daily</td>
</tr>
<tr>
<td>Hospitality and Duty Mangers</td>
<td>➢ Conduct regular a-hoc inspections to ensure that units are bat proof and that scheduled maintenance is done to prevent bat infestation. ➢ Ensure that all reports and complaints regarding bat problems are pointed</td>
<td>Ad-hoc Immediate</td>
</tr>
<tr>
<td>Maintenance officers</td>
<td>➢ Conduct regular inspections of all facilities and implement preventative measures. ➢ Systematically seal all units to make them bat proof ➢ Evict bats from units and seal all entry/exit points in accordance with these guidelines. ➢ Once bat eviction completed, clean and disinfect the units in accordance with these guidelines.</td>
<td>Bi-Monthly On-going Immediate Immediate</td>
</tr>
<tr>
<td>Section Rangers</td>
<td>➢ Monitor and oversee the eviction of bats to ensure safe and ethical handling in accordance with these guidelines.</td>
<td>As required</td>
</tr>
<tr>
<td>Technical officers</td>
<td>➢ Conduct random inspections of all facilities to ensure maintenance are done</td>
<td>Ad-hoc and Random</td>
</tr>
<tr>
<td>RESPONSIBLE PERSONS</td>
<td>ACTIONS</td>
<td>TIME FRAMES</td>
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<tr>
<td>--------------------------</td>
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</tr>
<tr>
<td></td>
<td>timeously and in accordance with these guidelines.</td>
<td>Bi- monthly</td>
</tr>
<tr>
<td></td>
<td>➢ Partakes in inspections with Hospitality staff to ensure that units are bat proof and that maintenance is done effectively</td>
<td></td>
</tr>
<tr>
<td>Corporate Technical</td>
<td>➢ Monitor and conduct spot checks to ensure maintenance procedures and programs are in accordance with these guidelines.</td>
<td>Ad hoc and Random</td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

65.5 **Safety guidelines when handling bats**

- Don’t handle bats unless you have to;
- Always wear gloves when handling bats to prevent being bitten;
- If bitten or scratched, use soap and iodine to disinfect wounds.
- Immediately seek medical attention if rabies infection is suspected and also contact the Onderstepoort Veterinary Institute near Pretoria for assistance.

Address:

Rabies Laboratory

Private Bag X5

Onderstepoort 0110

South Africa

Tel: (012) 5299440     Fax: (012) 5299390
66. SCHEDULE 22 - INTEGRATED PEST MANAGEMENT PLAN

66.1 INTRODUCTION AND BACKGROUND

66.1.1 PEST CONTROL: Aiming towards natural and barrier methods (mechanical control) as opposed to chemical control.

All chemicals that are artificially introduced into the natural environment may create an imbalance and have a negative effect on that environment. These effects can range from slight to catastrophic, but will be largely dependent on the type of chemical, the method of application and the dosage applied. Chemicals must be controlled and used in such a way as to impact as little as possible on the natural diversity and functioning of ecosystems.

66.1.2 WARNING ON THE USE OF CHEMICALS

Pesticides are poisonous. Always read carefully and follow all precautions and safety recommendations given on the container label. Store all chemicals in the original labelled containers in a locked cabinet or shed, away from food and out of reach of children and unauthorized persons. Consult the pesticide label to determine active ingredients and signal words. Pesticides applied in your home and landscape can move and contaminate streams, lakes and rivers. Confine chemicals to the property being treated and never allow them to reach drainage areas. Do not place containers containing pesticide into the rubbish bin, down the sink, toilet or outside drain. Either use the pesticide according to the label until the container is empty, or take unwanted pesticide to a household hazardous waste collection site. Dispose of empty containers by following label directions. Never reuse or re-burn the containers or dispose of them in such a manner that they may contaminate water supplies or natural waterways.

66.1.3 TERMINOLOGY

Pest: Any organism occurring in unnaturally high numbers due to human development, which has a deleterious effect on the human population in terms of health and wellbeing.

Pesticide: A species specific chemical component designed to combat a particular pest species that is deemed as having deleterious effects on the resident human
Herbicide: A chemical component designed to eliminate a specific type or species of vegetation.

Active ingredient: the chemical compound within the pesticide that produces the required negative effect on the target species.

Synergist: Substance added to pesticide in order to make the active ingredient more effective by performing a catalytic function.

Wetter (spreader): enables the chemical to stick evenly onto the target.

Coloring agent: used to discourage birds, animals and people from consuming the pesticide.

Bitter compound: prevents animals from swallowing the compound.

Carrying medium: usually inactive and won't have an effect on the pest.

Pesticide toxicity: All pesticides must be considered to be toxic. The relative toxicity, however, varies considerably as does the susceptibility of the human being, animal or plant. Species, age, sex, physical and nutritional state and type of formulation are some of the more important factors influencing the potential toxicity and hazard.

LD50: The toxicity of a chemical is expressed as an LD50 value. This is the lethal dosage expressed as mg per kg body mass which will kill 50% of a random sample of a population of test animals (usually white laboratory rats). This standard makes comparison of toxicity possible. The potential hazard of a pesticide may not be judged only by its oral toxicity, as many pesticides can be absorbed through the skin, eyes and or lungs.

Pesticide hazard: Both the concentration of a pesticide and its formulation affect the hazard of a remedy. The higher the concentration of an active ingredient, the more hazardous it becomes. A pesticide formulated as a solution or as an emulsifiable concentrate, is more hazardous than when formulated as a dust or as a wettable powder.

Pesticide formulations: Nearly all pesticides have to be formulated in order to enhance their efficacy and to make them suitable for application in a particular...
manner. Sometimes certain materials such as sticking or wetting agents are added to increase the terminal effectiveness.

AE – Aerosol dispenser

AL – Other liquids to be applied

BB – Bait block

CB – Bait concentrate (solid or liquid for dilution before used as a bait)

CS – Capsule suspension (normally diluted in water)

DP – Dusting powder

EC – Emulsifiable concentrate (applied as liquid after dilution in water)

EW – Emulsion, oil in water (pesticide within oil droplets in water)

FD – Smoke tin

FK – Smoke candle

FT – Smoke tablet

FU – Smoke generator

GA – Gas

GB – Granular bait

GE – Gas generating product

GR – Granule

HN – Hot fogging concentrate

KN – Cold fogging concentrate

OL – Oil miscible liquid – dilute in an oil before application

PA – Paste (water based film forming)

SC – Suspension concentrate
SL – Soluble concentrate
SP – Water soluble powder
RB – Ready bait
TB – Tablet
UL – Ultra low volume liquid
VP – Vapor releasing product
WP – Wettable powder

First generation poison: A poison that will only affect the target species, in that it requires multiple feeds to be fatal.

Second generation poison: A poison that will have immediate deadly effects on the target population, as well as any predatory populations feeding on the dead target or other affected animals.

66.2 CHEMICAL CLASS OF ACTIVE INGREDIENT

Chemical class: Classification of chemicals based on the composition of the active ingredient.

66.2.1 Organochlorine: E.g. DDT. These compounds take a long time to decompose (e.g. 8 tonnes of DDT will take 90 years to decompose). This means that the long-term effects are much worse than short-term effects, due to the build-up in the environment. All these products should be banned from use in terms of the environmental damage caused. Organochlorine should not be permitted for use in a National Park.

66.2.2 Organophosphate: These are acutely toxic in most cases, however, only to animals not plants. Organophosphates should not be permitted for use within a National Park.

66.2.3 Pyrethroid: These compounds are made from the carnation flower, by extracting pyrethrin from the oil. They are made in Kenya. They are mostly highly toxic to insects, fish and amphibians, but not so toxic to reptiles, birds and mammals. When
used correctly, this is the least harmful class of all chemicals. When chemicals are used within a National Park, it is preferable that they are Pyrethroid in nature.

66.2.4 Carbamate: These compounds are medium in toxicity when compared to organophosphates but more toxic than pyrethroids. They do however break down rapidly (chemicals last 4 weeks indoors and only a few days outdoors) and are not very toxic to fish and amphibians. Carbamates should not be used in a National Park.

66.2.5 RESTRICTED USE OF CHEMICALS WITHIN A National Park

A management plan for the use of chemicals within National Parks was written by D.A. Zeller and L.E.O. Braak in January 1995. This document contained policies regarding the use of chemicals within National Parks as well as list of restricted chemicals, prohibited chemicals and chemicals to be phased out. This list has since been updated by L. Foxcroft in January 2004. The new edition has one list of chemicals, for which the importation and use of within National Parks are strictly prohibited. A second list has been included outlining chemicals that are not recommended for use within National Parks, based on the chemical class of their active ingredients. Although the prohibited list has been part of the management plans since 1995, a large number of pesticides containing chemicals on these restricted and prohibited lists, are currently available and being sold within both staff and tourist retail outlets inside National Parks.

66.2.6 RATS AND MICE

66.2.6.1 General information

Rats and mice are mostly active at night. They have poor eyesight, but they make up for this with their keen senses of hearing, smell, taste and touch. Rats and mice constantly explore and learn about their environment memorizing the locations of pathways, obstacles, food and water, shelter and other elements in their domain. They quickly detect and tend to avoid new objects placed in a familiar environment. Thus, objects such as traps and baits are often avoided for several days or more following their initial placement. Mice and young rats can squeeze beneath a door with only 2cm gap. If the door is made of wood, rats may gnaw to enlarge the gap. Rats and mice eat a variety of foods including cereal grains, meats, fish, nuts, fruits, slugs and snails. When
searching for food, rats and mice can travel up to 150m from their nests or burrows. Females can wean between 3 – 6 litters per year, each litter containing between 3 – 5 young. Rats consume and contaminate foodstuffs and damage storage containers. They can also cause damage by gnawing electrical wires and wooden structures.

66.2.6.2 Management

Three elements are necessary for a successful rat and mouse management program: sanitation, building construction and rodent proofing and, if necessary, population control.

66.2.6.3 Mechanical Control

66.2.6.3.1 Sanitation: Sanitation is fundamental to rat control and must be continuous. If sanitation measures are not properly maintained, the benefits of other measures will be lost and rats will quickly return. Good housekeeping in and around buildings will reduce available shelter and food sources for rats and mice. Neat, off-the-ground storage of pipes, timber, crates, boxes, gardening equipment and household goods will help reduce the suitability of the area for rats and will also make their detection easier. Garbage and garden refuse should be collected frequently and all garbage containers should have tight fitting covers. Thinning dense vegetation will make the habitat less desirable including climbing hedges such as jasmine and ivy. Trees with branches hanging closer than 1m to the roof should be trimmed.

66.2.6.3.2 Building construction and rodent proofing: The most successful and long lasting form of rat control in buildings is to “build them out”. Seal off cracks and openings in building foundations, and any openings for water pipes, electric wires, sewer pipes, drain spouts and vents. No hole larger than 7mm should be left unsealed. Make sure doors, windows and screens fit tightly. Their edges can be covered with sheet material if gnawing is a problem. Coarse steel wool, wire screen and lightweight sheet material are excellent materials for plugging gaps and holes. Plastic sheeting, wood, caulking and other less sturdy materials are likely to be gnawed away. Because rats and house mice are good climbers, openings above ground level must all be plugged, especially all access points in the roof. Chimneys should be covered with wire netting or gauze to prevent rat and mice entry. Check all screens on windows, doors, and air vents are in good condition.
Make sure all exterior doors are tight fitting and weatherproofed at the bottom.

66.2.6.3.3 Trapping: This is the safest and most effective way of controlling rats in and around homes. Traps can be used more than once therefore it is a cost effective but more labor-intensive method. The kind of bait used for the trap is important. Dried fruit or bacon makes excellent bait for rats. The bait should be fastened securely to the trigger of the trap with a light string or bit of glue. Soft baits such as peanut butter or cheese can also be used, but rats sometimes take soft baits without setting off the trap. Leaving traps baited but unset until the bait has been taken at least once improves trapping success by making the rodents more accustomed to the traps. Set traps so the trigger is sensitive and will spring easily. The best places to set traps are in secluded areas where rats are likely to travel and seek shelter. Droppings, gnawing and damage indicate the presence of rodents and areas where such evidence is found are usually the best places to set traps, especially when these areas are located between their nests and food sources. Place traps in natural traveling paths such as along a wall, so the rodents will pass directly over the trigger of the trap. Position traps along a wall at right angles, with the trigger end nearly touching the wall. If traps are set parallel to the wall, they should be set in pairs to intercept rodents traveling from either direction. If a rat sets off a trap without getting caught, it will be very difficult to catch the rat with the trap again. Other good places for traps are behind objects, in dark corners, on ledges, shelves, branches, fences, pipes or overhead beams. In overhead places, the traps should be attached securely with screws or wire. In areas where children or birds and other animals might contact traps, place the trap in a box or use a barrier to keep them away. Use as many traps as are practical so trapping time will be short and decisive. A dozen or more traps for a heavily infested home may be necessary. Place rat traps about 5-10 meters apart. Dispose of dead rats by burying them. Do not touch the dead rodent with bare hands and wash thoroughly after handling traps. Live traps are not recommended because trapped rats must either be killed or released elsewhere. Releasing rat’s outdoors is not recommended because of health concerns.
66.2.6.4 Chemical control

While trapping is generally recommended for controlling rats indoors, when the number of rats around a building is high, it may be necessary to use toxic baits to achieve adequate control, especially if there is a continuous infestation from surrounding areas. Most toxic baits for rodents contain active ingredients that work as an anticoagulant, causing death by internal bleeding. Most anticoagulant baits have been considered as relatively safe baits to use around the house and garden because they require multiple feedings to be effective. This is referred to as a first generation poison, as only the target animal will be killed. Some of the more lethal rodent poisons that are prohibited for use in a National Park, contain a single feed, second generation poison, that will result in death to anything that eats the poison directly from the baits, or indirectly, by eating the dead rodents (e.g. Predators including owls, genets etc.). Rodent bait should only be used, when placed in a bait station (Rodent bait station made by Bayer). These bait stations protect the bait from weather and restrict accessibility to rodents, providing a safeguard for people and other animals. Place bait stations next to walls or in places where rats will encounter them. Stations that may be accessible to children must be made of sturdy, tamper resistant material and be secured in a way that they cannot be tipped. All bait stations should be clearly labelled. The use of bait stations help rats to feel secure when feeding. Place all bait stations in rat travel-ways or near their burrows. Do not expect rats to go out of their way to find the bait. If you place bait stations above the ground (on fences, eves), make sure they are securely fastened, and won’t fall onto the floor where children may find them. Because rats are often suspicious of new or unfamiliar objects, it may take several days for them to enter and feed in bait stations. For best results, make sure there is a continuous supply of bait until feeding stops. It usually takes 5 days or more once the rats start feeding for them to succumb. During the baiting process, dispose of dead rodents by burying them, or placing them in a marked plastic bag, and putting them in the rubbish for incineration at the dump. Use gloves and wash hands thoroughly after handling dead rodents, traps or bait stations. Additionally, poisoned rats often die in inaccessible locations within a building, leading to persistent and unpleasant odours, so rodent proof the building before you use toxic baits outside. A successful bait formula that can be administered in a Bayer Rodent Bait station can be made up as follows: Dilute 1 part Racumin (made by Bayer) in 30-40 parts water (8g/l). Dilute 1 litre of lecol
pinenut with 7 litres of water, and add 40ml of Racumin. Keep this available for 16 days and refill as required. This is a first generation poison, so animals need multiple feeds to die. It will therefore not affect predators feeding on them. Rats drink every 24 hours, therefore bait after dark, in secluded spots to minimize contaminating other small animals. Remove bait stations during the day.

66.2.7 **COCKROACHES**

66.2.7.1 **General information**

Cockroaches may become pests in any structure that has food preparation or storage areas. They contaminate food and eating utensils, destroy fabric and paper products, and impart stains and unpleasant odours to surfaces they contact. They may transmit bacteria that cause food poisoning. The skin shed by cockroaches may cause asthma in children if inhaled. In South Africa, the exotic German cockroach is the main pest. Cockroaches are common in kitchens and bathrooms because they favour warm, humid areas that are close to food and water. The German cockroaches are the fastest reproducing of all the pest cockroaches and a single female and her offspring can produce over 30,000 individuals in a year. Egg laying occurs more frequently during warm weather. The female carries around a light tan egg case (6mm long) for about 28 days (1-2 days before the eggs hatch), when she drops it. Each case contains about 30 young and a female may produce a new egg case every few weeks. Young or immature cockroaches undergo gradual metamorphosis resembling the adult visually and in feeding habits, but do not have fully developed wings and are not reproductively active. Cockroaches are white after molting, but their outer covering thickens and darkens as it hardens within hours. Cockroaches are nocturnal; hiding in dark, warm areas especially narrow spaces where surfaces touch them on both sides.

66.2.7.2 **Management**

Cockroaches are tropical and like warm hiding places with access to water. If cockroaches have access to food, baits will have limited effect. Sprays alone will also not be effective against cockroaches. An integrated approach is required. The keys to controlling cockroaches are sanitation and exclusion: cockroaches will continue to re-invade as long as the habitat is suitable for them (i.e. available food, water and shelter). In addition to sanitation and exclusion, baits
Sprays or dusts that are registered for use on cockroaches may temporarily suppress populations, but they do not provide long-term solutions.

66.2.7.2.1 Mechanical control

Sanitation: Cockroaches thrive where food and water are available to them. Even tiny amounts of crumbs or liquids caught between cracks provide a food source.

Important sanitation measures include:

- Store food in insect-proof containers such as glass jars or sealed plastic containers.
- Keep rubbish in containers with tight fitting lids. Remove rubbish, newspapers, magazines, piles of paper bags, rags, boxes and other items that provide hiding places. Do not store rubbish indoors or close to the house.
- Eliminate plumbing leaks and correct other sources of free moisture. Increase ventilation where condensation is a problem.
- Vacuum cracks and crevices to remove food and debris. Be sure surfaces where food or beverages have been spilled are cleaned up immediately. Vacuuming also removes cockroaches, shed skins and egg capsules. Removing cockroaches reduces their numbers and slows development.
- Trim shrubbery around buildings to increase light and air circulation, especially near vents, and eliminate ivy or other dense ground covers near the house as these may harbor cockroaches.
- Remove trash and stored items such as piles of wood that provide hiding places for cockroaches from around the outside of buildings.

Exclusion and removal of hiding places: During the day, cockroaches hide in cupboard cracks, stoves, crawl spaces, outdoor vegetation and many other locations. They invade kitchens at night. Limiting hiding areas or avenues of access to living areas is an essential part of an effective management strategy. False-bottom cupboards, hollow walls and similar areas are common cockroach refuges. Prevent access to the inside of buildings through cracks, conduits, under doors of through other structural
flaws:

- Seal cracks and other openings to the outside
- Look for other methods of entry such as from items being brought into the building, especially appliances, furniture and items that have been in storage.
- Look for egg sacs glued to undersides of furniture, in refrigerator and other appliance motors, boxes and other items. Remove and destroy any that are located.
- Locate and seal cracks inside the treatment area where cockroaches can hide.

### 66.2.7.2.2 Chemical control

Insecticides are most effective in controlling cockroaches when combined with sanitation and exclusion practices that limit the cockroaches’ ability to establish or re-invade; chemical control alone will not solve the problem. If insecticides are used, they must always be used with extreme care. Indoor chemical control is warranted only in the cockroach population is established but not for an incidental intruder or two.

- **Fendona** (Made by Cyanamid, active ingredient = Alpha-cypermethrin) should be diluted at the specified rate, and sprayed onto surfaces frequented by cockroaches. Use a higher rate for longer residual action or where infestation is severe. Repeat when necessary.

- **Staryside** (made by Bayer, active ingredient = Triflumuron) should be diluted at 10ml per 10l, and applied simultaneously (in the same sprayer) with the adult treatment. In summer, it can be effective for up to 3 months, and in winter, up to 6 months.

- **Premise cockroach bait gel** (made by Bayer, active ingredient = imidacloprid). Use in pistol gun, apply in small cracks and holes. Very effective and long lasting. Most insecticides used in baits are slow-acting; cockroaches quickly learn to avoid fast acting ones.

Consequently, an effective bait program does not give immediate results,
but may take 7 days or longer. Baits can be quite effective for long-term control of cockroaches unless the cockroaches have other food sources available to them. Baits to not control all cockroaches equally. Female cockroaches with egg cases do very little feeding and avoid open spaces; consequently they are less likely to be immediately affected by bait. Baits do not attract cockroaches, so place them near hiding places or where cockroaches are likely to encounter them while foraging. Bait can also be placed near to fecal specks and droppings of cockroaches, which contain a natural aggregation pheromone. Look for these fecal specks and droppings under kitchen counters, behind kitchen drawers and in the back on cabinets. The German cockroach has developed resistance (or tolerance) to many insecticides used for their control. If cockroaches seem to be unaffected a day after the application of the spray, a different material or strategy may be required. After a cockroach control program has been started, evaluate the effectiveness visually. If populations persist, re-evaluate the situation. Look for other sources of infestation, making sure all possible entryways are blocked, be certain that food and water sources are eliminated as much as possible, and continue sealing and eliminating hiding places. When populations are under control, continue monitoring on a regular basis to make sure re-infestation is not taking place. Maintain sanitation and exclusion techniques to avoid encouraging a new infestation. If severe re-infestations continue to occur, consider having the infested area modified or remodeled to reduce the amount of suitable habitat for cockroaches.

66.2.8  **FISH MOTHS**

66.2.8.1  **General information**

Fish moths hide during the day, but are active at night looking for food and water. Fish moths eat cereals, moist wheat flour, books, paper on which there is glue or paste, wall paper, bookbindings and starch in clothing. They can live for several months without food. Fish moths live and develop in damp cool places particularly in basements and laundry rooms.
66.2.8.2  Management

66.2.8.2.1  Mechanical control

To keep fish moths away, keep basements, laundry rooms and bathrooms (especially shower stalls) clean and dry. Plug or putty holes or spaces around pipes. Repair leaks and drips in plumbing. Clean out closets periodically. Collections of magazines, papers and books provide food for them. Move books around in bookcases occasionally. Keep foods in containers with tight lids.

66.2.8.2.2  Chemical control

Fish moths can be controlled using the same chemicals used to control cockroaches. A properly and thoroughly applied insecticide will show results in a few weeks. If control is not achieved in 2 or 3 weeks, fish moths are probably coming from untreated areas. Seek these areas out for treatment and also eliminate water sources. Large populations of fish moths cannot be controlled unless their water sources are eliminated. Chemical control advised for cockroaches will also work on fish moths, no additional pesticides are necessary.

66.2.9  BEDBUGS

66.2.9.1  General information

Female bedbugs lay from 200-500 eggs (in batches of 10 – 50) on rough surfaces such as wood or paper. Eggs are covered in a glue and hatch in about 10 days. There are 5 progressively larger nymph stages each requiring a single blood meal before molting to the next stage. The entire life cycle from egg to adult requires anywhere from 5 weeks to 4 months, depending on temperature. Nymphs and adults generally feed at night and hide in crevices during the day. Common hiding places include seams in mattresses and box springs, cracks in bed frames, under loose wallpaper, behind picture frames and inside furniture and upholstery. Bed bugs can go without feeding for 80-140 days; older stages can survive longer without feeding than younger ones. Adults have survived without food for as long as 550 days. A bed bug can take 6 times its weight in blood and feeding can take 3 – 10 minutes. Adults live about 10 months and there can be 3-4 generations of bed bugs per year. In addition to leaving a bite
wound on their hosts, bed bugs have stink glands that leave odours; they also leave fecal spots on bed sheets and around their hiding places.

66.2.9.2 Management

Infestations of bed bugs can be detected by looking for their fecal spots, egg cases and shed skins under wallpaper, behind picture frames, and inside cracks and crevices near beds.

66.2.9.2.1 Mechanical control

Indirect measures can go a long way in controlling bed bugs: keep bats and birds away from houses; clean furnishings, launder bedding and mattress pads and stem-clean mattresses; and prevent bed bugs from getting into homes by removing debris from around the house, repairing cracks in walls, and caulking windows and doors. Simple physical control methods include standing the legs of beds in soapy water, coating the legs with petroleum jelly or double-sided sticky tape. Bed bugs cannot climb polished glass or metal easily and they don’t fly. Legs of beds can also be placed inside glass jars or metal cans. Heating to 50 degrees C, or freezing to below 0 will kill most bed bugs.

66.2.9.2.2 Chemical control

Doom dual Action Fogger Insecticide (made by Robertson’s homecare, and contains pyrethroid active ingredients) lasts for about 6 months. Also kills adult cockroaches. Ignite and let smolder for 2-3 hours.

66.2.10 TERMITES

66.2.10.1 General information

Termites are small white, tan or black insects that can cause severe destruction to wooden structures. They belong to the insect order Isoptera, dating back more than 100 million years. Although many people think termites have only negative impacts, in nature they make positive contributions to the world’s ecosystems. Their greatest contribution is the role they play in recycling wood and plant material. Their tunneling efforts also help to ensure that soil are porous, contain nutrients and are healthy enough to support plant growth. Termites are very important in the Sahara desert where their activity helps to
reclaim soils damaged by drying heat and wind and overgrazing by livestock. Termites have become a problem where they consume structural timber. Termites may also damage utility poles, food, books and household furniture. Termites are social and can form large nests or colonies consisting of very different looking individuals (castes). Physically, the largest individual is the queen. Her function is to lay eggs, sometimes thousands in a single day. A king is always at her side. Other individuals have large heads with powerful jaws, or a bulblike head that squirts liquid. These individuals are called soldiers. The largest groups of termites in a colony are the workers. They work long hours tending to the queen, building the nest or gathering food. While other species of social insects have workers, termites are unique in that they have both male and female workers. Termites can be long-lived: queens and kings can live for decades while individual workers can survive several years.

66.2.10.2 Management

Successful termite management requires special skills including a working knowledge of building construction and an understanding of termite biology. An integrated program is required to manage termites. Combine methods such as modifying habitats, excluding termites from the building by physical and chemical means, and using mechanical and chemical means to destroy existing colonies.

66.2.10.2.1 Inspection: Before beginning a control program, thoroughly inspect the building. Verify that there are termites, identify them, and assess the extent of their infestation and damage. Look for conditions in and around buildings that promote termite attack, such as excessive moisture or wood in contact with the soil.

66.2.10.2.2 Mechanical control

Prevention: Building design may contribute to termite invasion. Keep all substructural wood at least 30 cm above the soil beneath the building. Alternatively, sink subterranean wood in concrete as a barrier against termites. Identify and correct other structural deficiencies that attract or promote termite infestations. Keep foundation areas well ventilated and dry. Reduce chances of infestation by removing or protecting any wood in contact with the soil. Look for and remove tree stumps, stored wood, untreated fence posts and buried scrap wood near the structure that may
attract termites. Foundation sand barriers can be used for subterranean termite control. Sand with particle size in the range of 10-16 mesh, is used to replace soil around the foundation of a building. Subterranean termites are unable to construct their tunnels through the sand and therefore cannot invade wooden structures resting on the foundation.

66.2.10.2.3 Chemical control

**Pre-infection treatment of wood:** Wood used in foundations and other wood in contact with the soil may be chemically treated to help protect against termite damage in areas where building designs cannot be altered or concrete or sand cannot be used. Treated wood is toxic to termites and discourages new kings and queens from establishing colonies in it. If susceptible wood is used above the treated wood, subterranean termites can build their shelter tubes over chemically treated wood and infest untreated wood above. Use only “exterior grade” treated wood for areas that are exposed to weather; otherwise the chemical that is in the wood may leach from the wood. All topical (applied to wood by painting on) treatments that will be exposed to weather must also have a sealer coat to prevent leaching into the soil following rain. Also, because they contain pesticides, disposal of treated wood requires special handling. CCA (chromated copper arsenate) can be used to treat wood prior to construction. It gives the wood a green tint. Although this is a natural poison, it will not leach much into the soil. Creosote is a natural treatment. Wood can be soaked in a hot bath (almost boiling) of creosote until it has penetrated 1/3 of the way into the wood.

**Post-infection treatment of wood:** Subterranean termites in structures cannot be adequately controlled by fumigation, heat treatment or freezing because the reproductives or nymphs are concentrated below ground level in structures out of reach of these control measures. The primary methods of controlling these termites are the application of insecticides. Treating infested wood in a structure requires drilling and injecting chemicals into the wood to reach the colony. Alternatively, the infested wood can be sprayed liberally with the insecticide (Premise). Spray wood at least 1 m above ground level, and spray the soil all around the infected wooded structure. Use of insecticides should be supplemented with the destruction
of their access points or nests. To facilitate control of subterranean termites, destroy their shelter tubes whenever possible to interrupt access to wooden substructures and to open colonies to attack from natural enemies such as ants.

_Treatment of soil:_ Insecticides are applied to the soil either in drenches or by injection. Special hazards are involved when applying insecticides to the soil around and under buildings. Applications in the wrong place can cause insecticide contamination of plumbing used for water under the treated building. Soil type, weather and application techniques influence the mobility of insecticides in the soil. Soil applied insecticides must not leach through the soil profile to contaminate groundwater. Premise (made by Bayer) is effective in combating subterranean termites. It is expensive, but very concentrated and long lasting. One application should be effective for up to 6 years. Dilute as specified (350g/l) and apply in a trench around the building along foundations (6 x 6 inches wide). For existing buildings, apply 3 – 6 l per linear meter (trench treatment). Where possible, treat similarly treat inside along outer foundation walls (suspended floors), or, if impossible, (solid floors), drill through floor adjacent to our foundation walls, flood soil below by injecting emulsion through holes and seal. Ensure that soil along the whole length of the foundation walls, is thoroughly treated.

For new buildings, prior to construction, apply as an overall drench to soil under floor area at 5l per square meter. Use higher rate on heavy (clay e.g. basalt) soils. Apply to bottom of foundation and service trenches, and to soil on both sides of outer foundation walls at 6l per linear meter (trench treatment). For infested wooden structures, apply Premise in a spray (mix as above) liberally to the infested wood, and surrounding soil.

66.2.11 **ANTS**

66.2.11.1 **General information**

Ants are among the most prevalent pests in the household. They are found in any environment where they have food and water. Once ants have established a colony inside or near a building, they may be difficult to control. On outdoor (and sometimes indoor) plants, ants protect and care for honeydew-producing insects such as aphids, increasing damage from these pests. Ants also perform many useful functions in the environment, such as feeding on other pests (e.g.
Fleas, caterpillars and termites), dead insects, and decomposing tissue from dead animals. Ants are close relatives of bees and wasps, and are often confused with termites. Three main characteristics distinguish ants from termites:

- The ant’s abdomen is constricted where it joins the thorax, giving it the appearance of having a thin waist; the termite’s abdomen is broad where it joins the thorax.

- The ant’s hind wings are smaller than its front wings; the termites’ front and hind wings are about the same size (shortly after their flights to find new colonies, both ants and termites remove their wings so wings may not always be present).

- Winged female ants and worker ants have elbowed antennae; the termite’s antennae are never elbowed.

Ants undergo complete metamorphosis, passing through egg, larval, pupal and adult stages. Larvae are immobile and wormlike and do not resemble adults. Ants are social insects with duties divided among different types or castes of adult individuals. Queens conduct the reproductive functions of a colony and are larger than any other ants: they lay eggs and sometimes participate in the feeding and grooming of larvae. Female workers, who are sterile, gather food, feed and care for the larvae, build tunnels and defend the colony; these workers make up the bulk of the colony. Males do not participate in colony activities; their only apparent purpose is to mate with the queens. Few in number, the males are fed and cared for by the workers. Inside a building, household ants feed on sugars, syrups, honey, fruit juice, fats and meats. Long trails of thousands of ants may lead from nests to food sources, causing considerable concern among building occupants. Outdoors they are attracted to sweet, sticky secretions, or honeydew, produced by aphids. Ant usually nest in soil; nests are often found next to buildings, along sidewalks, or in close proximity to food sources such as trees and plants that harbour honeydew producing insects. They also construct nests under boards, stones, tree stumps or plants, and sometimes under buildings or other protected places. Ants enter buildings seeking food and water, warmth and shelter, or a refuge from dry, hot weather or flooded conditions. They may appear suddenly in buildings of other food sources become unavailable or weather conditions change. A new colony is
typically established by a single newly mated queen. After weeks or months of confinement underground, she lays her first eggs. After the eggs hatch, she feeds the white, legless larvae with her own metabolized wing muscles and fat bodies until they pupate. Several weeks later the pupae transform into sterile female adult workers, and the first workers dig their way out of the nest to collect food for themselves, for the queen (who continues to lay eggs) and for subsequent broods of larvae. As numbers increase, new chambers and galleries are added to the nest. After a few years, the colony begins to produce winged male and female ants, which leave the nest to mate and form new colonies.

66.2.11.2 Management

Ant management requires diligent efforts and the combined use of mechanical, cultural, sanitation and sometimes chemical methods of control. It is unrealistic and impractical to attempt to totally eliminate ants from an outdoor area. Focus your management efforts on excluding ants from buildings and eliminating their food and water sources. Become aware of the seasonal cycle of ants in your area and be prepared for annual invasions by sealing the building in time.

66.2.11.2.1 Mechanical control

*Exclusion and sanitation:* To keep ants out of buildings, seal cracks and crevices around foundations that provide entry from the outside, using silicon. Ants prefer to make trails along structural elements, such as wires or pipes, and frequently use them to enter and travel within a structure to their destination. Indoors, eliminate cracks and crevices wherever possible especially in kitchens and other food preparation and storage areas. Store attractive food items such as sugar, syrup, honey and other sweets in closed containers that have been washed to remove residues from outer surfaces. Rinse out empty soft drink containers and remove them from the building. Thoroughly clean up grease and spills. Do not store rubbish indoors. Look for indoor nesting sites such as potted plants. If ants are found, remove containers from the building and submerge the pot for 20 minutes in standing water that contains a few droplets of liquid soap. Ant nests may be associated with plants that support large populations of honeydew producing insects. Avoid planting such trees and shrubs near to buildings.
66.2.11.2.2 Chemical control

*Coopex ant dust* (made by AgrEvo) is the only chemical that is legal to use against ants in National Parks. Dust freely along runs and around nests, repeating where necessary. *Fendona* (see cockroach control) is also an effective and approved chemical used in ant control. *This however, is for use on man-made structures only, not for application to vegetation/in gardens etc.*

66.2.12 BEES

Bees play a vital role in the functioning of the ecosystem.

66.2.12.1 Management

66.2.12.1.1 Mechanical control

Bees can be smoked out in most cases. Once the bees have been removed, (either by smoke or pesticide), *Coltar* (carbolic acid) can be sprayed onto the area to get rid of the smell of the pheromones. If not removed, the pheromones could attract the bees back to the same place. *Jays fluid* can be applied to the area after the Coltar to further clean it. These can then be washed off using soapy water. *Brown vinegar* is a bee repellent. Once bees have been removed, it can be applied directly to the area. Pieces of cloth swabbed in brown vinegar can be left in the area to repel the bees.

66.2.12.1.2 Chemical control

It not policy for pesticides to be used to remove bees from any man-made structure except in extreme circumstances. If the bees are posing a threat to humans and the option of smoking them out is not viable, the pesticide *Raidyard* can be used to kill the bees. This can be sprayed from 6m away to avoid danger to the person applying the pesticide. *Permethrin spray* is also a good repellent, and can be sprayed on the cleaned area to repel the bees from re-occupying the space.

66.2.13 SPIDERS
66.2.13.1 **General information**

Unlike mosquitoes, spiders do not seek people in order to bite them. Generally a spider doesn’t try to bite a person unless it is being squeezed, lain on or simply provoked to defend itself. Moreover, the jaws of most spiders are so small that the fangs cannot penetrate the skin of an adult person. Sometimes when a spider is disturbed in its web, it may bite instinctively because it mistakenly senses an insect has been caught. Spiders are primarily beneficial and their activities should be encouraged in the garden. Pesticide control is difficult and rarely necessary. The best approach to controlling spiders in and around the home is to remove hiding spots for reclusive spiders and regularly clean webs off the house with brushes and vacuums.

66.2.13.2 **Management**

66.2.13.2.1 **Mechanical control**

Spiders may enter houses and other buildings through cracks and openings. They may also be carried in on plants, wood and boxes. Regular vacuuming or sweeping of windows, corners of rooms, storage areas and basements and other seldom used areas helps remove spiders and their webs. Vacuuming spiders can be an effective control technique because their soft bodies usually do not survive this process. Indoors, a web on which dust has gathered is an old web that is no longer being used by a spider. Individual spiders can also be removed from indoor areas by placing a jar over them and slipping a piece of paper under the jar that then seals off the opening of the jar when it is lifted up. To prevent spiders from coming indoors, seal crack in the foundation and other parts of the structure and gaps around windows and doors. Good screening will keep out spiders but will also keep out the insects that attract the spiders in the first place. In indoor storage spaces, place boxes off the floor and away from walls, where possible, to help reduce their usefulness as a harborage for spiders. Sealing the boxes with tape will prevent spiders from taking up residence within. Clean up clutter in garages, sheds, basements and other storage areas. Outdoors, eliminate places for spiders to hid and build their webs by keeping the area next to the foundation free of trash, leaf litter, heavy vegetation and other accumulations of materials. Trimming plant growth away from buildings will discourage spiders from first taking up...
residence near the structure and then moving indoors. Outdoor lighting attracts insects, which in turn attracts spiders. If possible, keep lighting fixtures off structures and away from windows and doorways. Sweep, mop, hose and vacuum spiders and webs off buildings regularly.

66.2.13.2.2 Chemical control

Insecticides will not provide long-term control and should not generally be used against spiders. Pesticide control of spiders is difficult unless you actually see the spider and are able to spray it. If you spray a spider, it will be killed only if the spray lands directly on it; the spray residual does not have a long-lasting effect. This means a spider can walk over a sprayed surface a few hours after treatment and not be effected. Control by spraying is only temporary if not accompanied by housekeeping. It is just as easy and much less toxic to catch and remove the spider from the building, or to simply vacuum it up.

66.2.14 SCORPIONS

66.2.14.1 General information

Scorpions are nocturnal, predatory animals that feed on a variety of insects, spiders and centipedes. Although they have two eyes in the center of the head and usually from two to five more along the margin on each side, they do not see well and depend on touch. Scorpions that hide under stones and other objects during the day tend to carry their stinger to one side, whereas burrowing scorpions hold their stinger up over their backs. Scorpions grow slowly. Depending on the species, they may take between 1-6 years to reach maturity. On average, scorpions may live 3-5 years, but some species can live as long as 10 – 15 years. Scorpions have an interesting mating ritual that may last several hours, with the male grasping the female’s pincers in his and leads her in a courtship dance. The male then deposits a sperm packet and manoeuvres the female over it. The sperm packet is drawn into the females opening located near the front on the underside of her abdomen. The female stores the sperm packet, and the sperm is later used to fertilize the eggs. After mating, unless he is quick and able to escape, the male is often eaten by the female. Once impregnated, the gestation period may last several months to a year and a half, depending on the species. A single female may produce 25-35 young.
Scorpions are born live and the young climb onto their mothers back. The young remain on their mother’s back until the first molt. They assume an independent existence once they leave their mothers back. Scorpions molt five or six times until they become fully grown adults. Scorpions generally hunt at night using their stinger to paralyze prey. However, if the scorpion is strong enough to overpower its prey, instead of injecting venom, it will simply hold the prey and eat it alive. This conserves venom which can take up to 2 weeks to regenerate, during which time the scorpion’s main defence is inactive. Outside during the day, scorpions hide in burrows or debris, under wood, stones or tree bark and under floors of buildings in crawl spaces. Indoors, scorpions may be found in cracks and crevices of woodwork, behind baseboards, in closets and attics, and inside walls. Scorpions gain entry into buildings through poorly sealed doors and windows, cracks in foundations, vents that are not properly screened and through plumbing and other openings.

66.2.14.2 Management

66.2.14.2.1 Mechanical control

To prevent stinging encounters with scorpions, do not leave shoes, boots, clothing items or wet towels outdoors where scorpions can hide. Shake all clothing/bed linen and towels before use. Portable UV lights can be used to detect scorpions as they glow luminously under this light and are easily seen. Outdoor lights attract insects and thus the scorpions that feed on insects. Yellow outdoor lighting is less attractive to insects and is recommended in areas where scorpions are prevalent. The first strategy for control is to modify the area surrounding a house because scorpions are difficult to control with insecticides. Use the following checklist to protect a building:

a) Clean the area by removing all rubbish, logs, stones, brick and other objects from around the foundation of the building.

b) Prune overhanging tree branches away from the house because they can provide a path to the roof for scorpions.

c) Install weather stripping (rubber seal) around loose fitting doors, between doors and floors and around windows.

d) Seal all eves, pipes and other cracks that allow entrance into the
e) Make sure window screens fit tightly in the window frame and keep them in good repair.

**How to safely capture a scorpion**

Scorpions can be captured by placing a medium sized jar over the scorpion and sliding a sheet of heavy paper under the jar, trapping the scorpion. With the sheet of paper securely over the mouth of jar, invert the jar and the scorpion will fall to the bottom of the jar. Scorpions can also be picked up safely with forceps (10-12 inches) or with other long mechanical devices made for picking up small objects.

**66.2.14.2.2 Chemical control**

Chemical control of scorpions is not recommended. Apart from the unnecessary negative effects on the environment, pesticides are not very effective against scorpions as they hide in cracks and crevices during the daylight hours. Adult scorpions are difficult to kill with pesticides because of their larger body size and thicker cuticle.

**66.2.15 SAFE AND EFFECTIVE PESTICIDE USE**

All pesticides are considered to be potentially poisonous and must be handled accordingly. On the label of each remedy, the minimum requirements for safe handling are given. In the case of many pesticides it is sufficient to follow a few basic rules. These may be summarized as follows:

a) Wear rubber gloves when pouring or measuring a concentrate before dilution. This should be done in such a manner that any fumes or dust will drift away from the applicator. Immediately wash off any spillage on the body with soap and lots of water.

b) Wear an overall or other old clothing that will cover most of the body. These should be regularly washed especially when applying pesticide over an extended period of time. When applying, always keep out of the spray drift or dust cloud.

c) Never smoke, eat or drink during application. Wash at least the hands and face before doing so, during a break.
d) Take a bath after completing the application and change into clean clothes never continue with another job while still wearing clothes contaminated by a pesticide.

e) In the case of highly poisonous pesticides it is imperative that additional precautions be taken. Special protective clothing in good repair, rubber gloves and boots, headgear, goggles and mask or respirator must be worn. The eyes and respiratory tract must be adequately protected.

66.3 REFERENCES


STATEWIDE INTEGRATED PEST MANAGEMENT PROGRAM. 2004. UC IPM ONLINE. University of California; Agriculture and Natural Resources.
67. SCHEDULE 23 – CONSUMER PROTECTION ACT

This Schedule set out certain provisions as contained in CPA that apply to the activities of the Business. The said provisions are adopted as minimum norms and standards that need to be strictly adhered to by the Private Party in executing the Project, and may lead to the termination of the PPP agreement if the Private Party does not adhere to these standards, thus fails to remedy the breach when notified by SANParks. However, it is advisable that the Private Party obtains the full version of the CPA, and professional legal advice on CPA.

67.1 Purpose and Policy of CPA

The purposes of CPA are to promote and advance the social and economic welfare of consumers in South Africa by:-

67.1.1 establishing a legal framework for the achievement and maintenance of a consumer market that is fair, accessible, efficient, sustainable and responsible for the benefit of consumers generally;

67.1.2 reducing and ameliorating any disadvantages experienced in accessing any supply of goods or services by consumers:-

67.1.2.1 who are low-income persons or persons comprising low-income communities;
67.1.2.2 who live in remote, isolated or low-density population areas or communities;
67.1.2.3 who are minors, seniors or other similarly vulnerable consumers; or
67.1.2.4 whose ability to read and comprehend any advertisement agreement, mark, instruction, label, warning, notice or other visual representation is limited by reason of low literacy, vision impairment or limited fluency in the language in which the representation is produced, published or presented;

67.1.2.5 promoting fair business practices;
67.1.2.6 protecting consumers from:-

67.1.2.6.1 unconscionable, unfair, unreasonable, unjust or otherwise improper trade practices; and
67.1.2.6.2 deceptive, misleading, unfair or fraudulent conduct.

The Private Party shall in the course of operating the Pop Up Wellness & Healing
Experience Facility in the Protected Area observe the following procedures:

### 67.2 Disclosure and Information

#### 67.2.1 Information in plain and understandable language

Private Party shall be required to produce, provide or display any notice, document or visual representation of anything connected with the Business in plain language.

#### 67.2.2 Disclosure of price of products

Private Party shall be required to adequately display a written indication of price in relation to any products to be sold by the Private Party at the Pop Up Wellness & Healing Experience Facility, the price of which should be expressed in South African currency (Rand), and in the following manner:

1. **67.2.3.1** the price should be annexed or affixed to, written, printed, stamped or located upon, or otherwise applied to the products or to any band, ticket, covering, label, package, reel, shelf or other thing used in connection with the products or on which the products are mounted for display or exposed for sale; or

2. **67.2.3.2** in any way represented in a manner from which it may reasonably be inferred that the price represented is a price applicable to the products in question.

#### 67.2.4 Product labelling and trade descriptions

The Private Party shall not:

1. **67.2.4.1** knowingly apply to any products a trade description that is likely to mislead the consumer as to any matter implied or expressed in that trade description; or

2. **67.2.4.2** alter, deface, cover, remove or obscure a trade description or trade mark applied to any products in a manner calculated to mislead consumers;

3. **67.2.4.3** not offer for sale, or display any particular products if the Private Party knows, reasonably could determine or has reason to suspect that:-

4. **67.2.4.3.1** a trade description applied to the products is likely to mislead the consumer as to any matter implied or expressed in that trade description; or

5. **67.2.4.3.2** a trade description or trade mark applied to the products has been altered.
67.2.4.4 Private Party shall be required to display a notice that discloses the presence of any genetically modified ingredients in products to be sold at the Addo Pop Up Wellness & Healing Experience Facility such notice shall be in a manner and form as described in CPA and related legislations.

67.2.5 Sales records

67.2.5.1 Private Party shall provide a written record of each transaction to the consumer to whom any service sold.

67.2.5.2 The record must include at least the following information:

67.2.5.2.1 Private Party’s full name, or registered business name, and VAT registration number;

67.2.5.2.2 the address of the premises at which, or from which, the products were sold;

67.2.5.2.3 the date on which the transaction occurred;

67.2.5.2.4 a name or description of any products sold or to be sold;

67.2.5.2.5 the unit price of any particular products sold or to be sold;

67.2.5.2.6 the quantity of any particular products sold or to be sold;

67.2.5.2.7 the total price of the transaction, before any applicable taxes;

67.2.5.2.8 the amount of any applicable taxes; and

67.2.5.2.9 the total price of transaction, including any applicable taxes.

67.3 Fair and Honest Dealing

67.3.1 Unconscionable conduct

67.3.1.1 Private Party or any of its representatives or employees during the course of conducting the Business in the Addo Pop Up Wellness & Healing Experience Facility shall not use physical force against a consumer, coercion, undue
influence, pressure, duress or harassment, unfair tactics or any other similar conduct, in connection with any marketing and/or the offering for sale of any products.

67.3.2 False, misleading or deceptive representations

67.3.2.1 Private shall not, by words or conduct:

67.3.2.1.1 directly or indirectly express or imply a false, misleading or deceptive representation concerning a material fact to a consumer;

67.3.2.1.2 use exaggeration, innuendo or ambiguity as to a material fact, or fail to disclose a material fact if that failure amounts to a deception; or

67.3.2.1.3 fail to correct an apparent misapprehension on the part of a consumer, amounting to a false, misleading or deceptive representation, or permit or require any other person to do so on behalf of the Private Party.

67.4 Quality Service

67.4.1 Private Party shall be expected in the sale of its products to provide timely service and in a manner and quality that persons are generally entitled to expect. The service shall entail:

67.4.1.1 making sure that the consumer does not wait for too long in the queue, when the consumer is purchasing some product items at the Pop Up Wellness & Healing Experience Facility;

67.4.1.2 ensuring that the product items provided for sale in the Pop Up Wellness & Healing Experience Facility are free of defects such as freshness, safe, not hazardous to health and are of quality that the consumers are generally entitled to expect.

67.4.2 If a Private Party fails to perform a service to the standards contemplated in Clause 67.4.1 above, the consumer is entitled to demand from the Private Party, to either:-

67.4.2.1 remedy any defect in the quality of the service performed or goods bought; or

67.4.2.2 refund to the consumer a reasonable portion of the price paid for the services performed and goods supplied, having regard to the extent of the failure.