

Host City Agreement
Amendment No.1

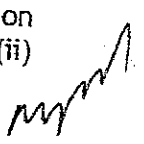
Terms of Cooperation

Official FIFA World Cup 2010™ Fan Parks
in the Host Cities

1 INTRODUCTION

- 1.1 Host City Agreement: FIFA, the 2010 FIFA World Cup South Africa™ Local Organising Committee ("LOC") and [Insert name of the Municipality / Host City - same entity that signed the Host City Agreement] ("Host City") have entered into the Host City Agreement (the "Host City Agreement") in relation to their cooperation in connection with the organisation and staging of the 2010 FIFA World Cup South Africa™ (the "Competition") and also, where applicable, the 2009 FIFA Confederations Cup.
- 1.2 Official Fan Parks: In order to ensure broad access to the Competition to the inhabitants of South Africa and to provide international visitors with a safe and secure, distinctly African football environment, the Host Cities, FIFA and the LOC wish to organise official 2010 FIFA World Cup™ public viewing events showing live all matches of the Competition in each of the Host Cities (the "Official Fan Parks"). These Terms of Cooperation confirm the cooperation between each Host City, the LOC and FIFA and set forth the rights and, as far as possible at this stage, the obligations of the Host City, the LOC and FIFA in connection with the organisation and staging of the Official Fan Parks.
- 1.3 Amendment of the Host City Agreement: These Terms of Cooperation are an amendment to the Host City Agreement and amend the Host City Agreement in that Section 6.10 of the Host City Agreement (Title: "FIFA Fan Park") is replaced and superseded in its entirety by these Terms of Cooperation. All other terms and conditions of the Host City Agreement shall remain unaffected by these Terms of Cooperation.
- 1.4 Agreement on Financial Terms as Condition Precedent: These Terms of Cooperation shall only become valid and binding upon the Host City, FIFA and the LOC as and when a written, final and binding agreement has been reached between the Host City, FIFA and the LOC on the Financial Terms and the Event Manual (as defined in Clause 4.2 below). Consequently, all rights and obligations of the Host City, FIFA and the LOC as contained in these Terms of Cooperation are subject to, and conditional upon, fulfilment of such condition precedent (i.e. an agreement on the Financial Terms reached between the Host City, the LOC and FIFA).

2 OFFICIAL 2010 FIFA WORLD CUP™ FAN PARKS

- 2.1 Description: The Official Fan Parks shall take place in every Host City on the basis of the following parameters: (i) each day of the Competition; (ii)
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entry free of charge; (iii) live-broadcast of all 64 matches of the Competition; (iv) food and beverage availability, (v) within fenced and secured areas and (vi) a stage of a dimension which allows entertainment programme by the Host City, the LOC, FIFA and/or the Commercial Affiliates, subject to Clause 4.1.

- 2.2 Locations: In principle, there will be one Official Fan Park location in each Host City. However, if there is more than one Official Fan Park location within a Host City, one of these multiple locations within the Host City shall be defined as the "main location" of the Official Fan Park in the Host City by the parties.

Such other (satellite) Official Fan Park locations, as may be agreed jointly between the Host City, the LOC and FIFA, shall differ from a general public viewing events insofar as it will be part of the Fan Park programme, all rules and regulations of these Terms of Cooperation will apply and they will incorporate, inter alia, the look and feel and security measures of an Official Fan Park.

In general, the Fan Park locations may vary in terms of size and infrastructure requirements depending on the location and the local circumstances within the respective Host City.

2.3 Host City Contributions under the Host City Agreement:

2.3.1 The Host City shall provide, free of charge, a suitable location at or near the centre of the Host City which is easily accessible for the establishment of the Official Fan Park for the duration of the Competition.

2.3.2 In relation to the location of the Official Fan Park, the Host City shall further ensure that: (i) the necessary security for the Official Fan Park is provided at no costs, (ii) the location is fenced, (iii) the location is free and clear of any third party advertising and (iv) the Host City obtains the necessary permits, licenses and/or clearances and negotiates with relevant administrators for specific matters as required to establish and operate the Official Fan Park.

- 2.4 Joint Responsibility for the Official Fan Park: The Host City, LOC and FIFA shall be jointly responsible for the staging, financing and organisation of the Official Fan Park in the Host City in the following manner:

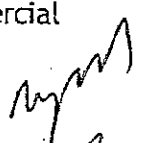
The Host City, the LOC and FIFA shall act as so-called "co-organisers", being jointly responsible for the set up and infrastructure required for the organisation, and the on-site operation and implementation, of the Official Fan Park in the Host City in accordance with the terms and conditions as generally set out in these Terms of Cooperation and as described in detail in the "Fan Park Allocation of Responsibilities" to be set out in detail in the Event Manual (as defined in Clause 5.1 below).

- 2.5 Other Public Viewing Events: The Official Fan Parks shall be the primary official public viewing event in relation to the 2010 FIFA World Cup™. For the avoidance of doubt, the Host City shall be entitled to organise other public viewing events in the Host City pursuant to Section 5.10 of the Host City Agreement (which stipulates that such other public viewing events may be organised subject to FIFA's General Public Viewing Guidelines).

3 MARKETING MATTERS

3.1 Sponsorship:

- 3.1.1 In accordance with the Host City Agreement, it is explicitly agreed that only the Commercial Affiliates may be appointed as Official Fan Park sponsors and be granted any sponsorship rights or other rights providing any kind of exposure relating to the Official Fan Park. Any revenues generated from the grant of rights to the Commercial Affiliates in relation to the Official Fan Park will accrue to the Official Fan Park budget as decided by FIFA, the LOC and the Host Cities.
- 3.1.2 No sponsorship rights or any other rights, in particular any rights providing any kind of exposure at any public viewing events may be granted to any entity which is considered a competitor of a Commercial Affiliate by FIFA. For the purpose of clarity, even in the event that a Commercial Affiliate decides to not purchase and/or exercise any sponsorship rights, no third party in such product category may purchase and/or exercise any such rights.
- 3.1.3 The Commercial Affiliates will receive the following rights relating to the Official Fan Parks:
- (i) **Basic Standard Rights**: The Commercial shall receive, free of charge, the following basic standard rights relating to the Official Fan Parks of all Host Cities (the so-called "Basic Standard Rights"): Branding in form of the Commercial Affiliate logo strip on all print material for the Official Fan Parks and/or branding placed on-site in a form to be defined at a later stage in the Event Manual, including the branded material provided by FIFA.
 - (ii) **Additional Standard Rights**: Working in conjunction with the LOC and the Host Cities, FIFA will negotiate with the Commercial Affiliates the commercial terms for the grant of additional standard sponsorship rights and opportunities relating to the Official Fan Parks of all Host Cities and to enter into the respective contracts with the Commercial Affiliates. These rights may include branding around the screens and stages, commercial display positions, stage programmes, promotional rights and/or additional on-site branding opportunities (the so-called "Additional Standard Rights"). FIFA shall also be responsible to negotiate and determine any value-in-kind services to be provided by the Commercial Affiliates to the Official Fan Parks, if any.



It is agreed that the primary benefit of central negotiation, rather than separate negotiation by each Host City with each Commercial Affiliate, is to ensure a more efficient and successful process and an even spread of commercial activity across the entire Fan Park programme as much as possible.

(iii) **Additional Individual Rights:** In addition to these standard rights, the Commercial Affiliates may be granted individual, on-site activation rights and opportunities (such as special local promotions or special branding opportunities, to be jointly determined by the Host City, the LOC and FIFA) in accordance with these Terms of Cooperation and the Event Manual (the so-called "Additional Individual Rights").

3.2 Food and Beverage Concessions:

3.2.1 The Commercial Affiliates in the categories of food and beverages shall have the exclusive right for the sale of products within their respective product categories at the Official Fan Park. Accordingly, the Commercial Affiliates shall be granted a First/Last Right of Negotiation in relation to the sale of such products at the Official Fan Park. FIFA shall be responsible to negotiate and contract with the Commercial Affiliates the commercial terms in relation to the supply of their products for sale at the Official Fan Parks.

3.2.2 Only if a Commercial Affiliate does not supply its products for sale at the Official Fan Park or at certain locations of a Official Fan Park, such products may be sold by a third party at such location(s) in a manner to be agreed between the parties, provided such products are sold unbranded and are sold in full compliance with the conditions to be set forth in the Event Manual.

3.2.3 Local products by other third parties in other categories than those of the Commercial Affiliates may be sold at the Official Fan Parks, but such products must be sold "unbranded" to safeguard the exclusive rights of the Commercial Affiliates in accordance with the conditions to be set forth in the Event Manual.

3.3 Sale and Exhibition of Products/Services:

3.3.1 The official retailer appointed by FIFA for the Competition (the "Official Retailer") shall have the exclusive right to sell official licensed products at the Official Fan Park. FIFA shall be responsible to negotiate with the Official Retailer the commercial terms on which the Official Retailer is granted the rights for the sale of official licensed and other products at the Official Fan Park and to enter into the contract with the Official Retailer. The Official Retailer shall receive appropriate spaces and locations at the Official Fan Park to set up its sales outlets to be allocated pursuant to the Event Manual, which may or may not include a rental fee for the space, depending on the outcome of the discussions with the Official Retailer.

3.3.2 In conjunction with the Host City and the LOC FIFA shall define the number and categories of other products which may be sold at the Official Fan Parks by the Official Retailer and other parties, especially taking into account its contractual obligations towards third parties.

3.3.3 In order to ensure that local, non-competitive handicrafts and entities have the opportunity to be present at the Fan Park and are appropriately involved, local, non-competitive handicrafts and entities may be granted the right to be exhibitors/supporters at the Official Fan Park, displaying and/or selling their local handcraft products and services, subject to the terms of these Terms of Cooperation and the conditions to be set forth in the Event Manual ("Third Party Exhibitors"), which will be jointly developed with the Host City pursuant to these Terms of Cooperation.

The Host City shall propose such handicrafts and entities to become Third Party Exhibitors, and in order to safeguard FIFA's contractual obligations towards its Commercial Affiliates, FIFA and the LOC together shall have the final decision as to whether a local entity or person may become a Third Party Exhibitor. All requests by the Host City shall be considered in good faith to allow local involvement as much as possible under the applicable rules and regulations.

4 OVERALL PROJECT BUDGET / FINANCIAL TERMS

4.1 Overall Project Budget: The Host City, the LOC and FIFA (within the Fan Park Project Group) shall establish an overall cost/revenue budget for the organisation and staging of the Official Fan Parks, which shall include all operational costs for the organisation as well as all revenues which are expected to be generated by any party from the exploitation of any rights relating to the Official Fan Parks (the "Overall Project Budget"). The Overall Project Budget shall be agreed in good faith between all parties.

4.2 Financial Terms: On the basis of such Overall Project Budget, the Host City, the LOC and FIFA shall agree in good faith the Financial Terms in relation to their cooperation for the Official Fan Park programme.

"Financial Terms", for the purposes of these Terms of Cooperation, means the overall funding principles of the Official Fan Park programme and the obligations of each party in respect of capital and expenditure to be contributed to the Official Fan Park programme.

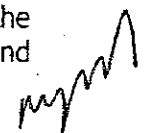
The Financial Terms shall be incorporated into these Terms of Cooperation in Clause 4.6 below once agreement has been reached between the parties. The parties intend to agree the Financial Terms by the end of the second quarter 2008 the latest.

4.3 Use of Revenues: It is explicitly agreed that all revenues generated by FIFA, the LOC and/or the Host Cities from the exploitation of any commercial rights relating to the Official Fan Parks (such as sponsorship, licensing and food and beverage concession rights) shall be used to cover

the costs incurred in connection with the organisation and staging of the Official Fan Parks.

- 4.4 National Government: It is agreed and acknowledged that the success or otherwise of this application to national government will determine the size and scale of the Fan Park programme.
- 4.5 Host City Obligation: For the avoidance of doubt, any responsibility of the Host City for capital or operating expenditure arising under these Terms of Cooperation shall be subject to an agreement amongst the Host City, the LOC and FIFA on the Financial Terms (as defined above in Clause 4.2 above), such agreement to be reached in full compliance with the provisions of Section 19 of the Municipal Finance Management Act.
- 4.6 Financial Terms:
[to be added once agreed between the parties at a later stage]

5 OTHER ORGANISATIONAL MATTERS

- 5.1 Television/Media Matters: FIFA shall grant to the Host City, free of charge, a public viewing license for the live-broadcast of all 64 matches of the Competition. FIFA shall ensure that SABC, the official broadcaster of the Competition for the territory of South Africa ("SABC") provides to the Host City, free of charge, the signal for all 64 matches of the Competition (including pre/post-match coverage and the airtime/sponsorship of the Commercial Affiliates). SABC shall be appointed as media cooperation partner of the Official Fan Park on terms to be agreed between FIFA and the SABC. Further details in relation to the provision and use of the signal (including its content), the SABC media cooperation and any rights which may be granted to SABC and/or any other media partners appointed by the Host City or FIFA (print, radio, etc) shall be defined by the Host City, the LOC and FIFA in the Event Manual.
- 5.2 Use of Marks/Official Branding: The Host City may use the Official Marks as defined in, and in compliance with, the Host City Agreement. FIFA shall be responsible to develop the overall branding concept to be used and applied by the Host Cities, the LOC and FIFA for all Official Fan Parks (which may consist of a Fan Park designation, a Fan Park logo and a specific Fan Park design based on the official look and feel of the Competition). FIFA will authorise the Host City to use the Official Fan Park branding in the same manner as the Official Marks.
- 5.3 VIP Hospitality: A VIP hospitality concept for the Official Fan Parks shall be developed by FIFA, the LOC and the Host City at a later stage, if any. The Hospitality Rights Holder of the Competition shall have a First/Last Right of Negotiation in relation to any VIP hospitality at the Official Fan Park.
- 5.4 Infrastructure Requirements: The Host City, the LOC and FIFA shall jointly source the infrastructure to be used at the Official Fan Parks in compliance with the infrastructure requirements to be defined in more detail in the Event Manual. The Commercial Affiliate in relation to giant screens and
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other electronic equipment (SONY) shall have a First/Last Right of Negotiation in relation to the supply of any giant screens used at the Official Fan Park.

- 5.5 Security: The Official Fan Park shall fully comply with the requirements set forth in the national security concept ("which is the responsibility of the South African Police Services (SAPS)", as developed for the Competition by the government of South Africa. The LOC and the National Government shall ensure that the necessary security measures are adopted for the Official Fan Park as part of such national security concept, including a secured fence and secured access controls for all visitors. ↗
- 5.6 Site Requirements: The Host City shall obtain all necessary permits, licenses and clearances required for the organisation and staging of the Official Fan Park. The Official Fan Park location and any infrastructure (such as the giant screens) used at the Official Fan Park shall be free and clear of any third party branding or advertising and comply with the on-site regulations in the Event Manual. The Host City advertising inventory shall be secured by the Host City in accordance with the Host City Agreement.
- 5.7 Programme: The Host Cities will be responsible for the cultural and other stage entertainment programme at the Official Fan Park within the framework and conditions of the overall entertainment concept to be jointly developed by FIFA, the LOC and the Host Cities. FIFA and the LOC will support the Host City in the creation of the cultural programme and shall have the right to use the stage for programme (such as a Fan Park opening party, a music concert or another entertainment activity), free of charge. The conditions for the use of the stage by FIFA and the LOC as well as the involvement of the Official Fan Park sponsors (such as stage and/or screen programme) shall be described in the Event Manual.
- 5.8 PR/Communication: The Host Cities, the LOC and FIFA will together develop a PR/communication concept for the Official Fan Parks on a local, regional, national and international level. FIFA will provide an information section on the official Competition website (www.FIFA.com), free of charge. The Host City shall be responsible for the local and regional PR/communication measures.
- 5.9 Other commercial rights: No rights or opportunities in relation to the Official Fan Parks may be granted to any entity other than as described in these Terms of Cooperation, unless previously approved by FIFA in writing.
- 5.10 Event Manual: FIFA, in conjunction with the Host Cities and the LOC, shall develop an event manual on the basis of these Terms of Cooperation to address all topics relevant for the implementation and operation of the Official Fan Parks, which will also include the Sponsorship, Food and Beverage Concession and Licensing Guidelines as well as a detailed description of the allocation of responsibilities of all parties, taking into account FIFA's contractual obligations to third parties (the "Event Manual").
- 5.11 FIFA Confederations Cup 2009: The Host City, FIFA and the LOC shall discuss and agree at a later stage as to whether and how an Official Fan Park shall be set up during the FIFA Confederations Cup 2009. ↗

6 MISCELLANEOUS

6.1 Fan Park Project Group: FIFA and the LOC will establish together with the Host Cities a joint project working group with the following responsibilities: (i) overall project management and coordination of all Official Fan Parks; (ii) establishment of the overall standards and guidelines; (iii) development of the commercial programme and (iv) integration into the overall planning of the Competition.

The Fan Park Project Group shall, at a minimum, meet every three to four months (or even often, if deemed necessary by all parties), in addition to all ongoing consultations between all parties on an ongoing and permanent basis. It is explicitly recorded that Host Cities shall be consulted on all matters throughout the development of the Fan Park Programme.

6.2 First/Last Right of Negotiation: The First/Last Right of Negotiation as referred to in these Terms of Cooperation shall mean that: (i) the entitled entity shall be offered the rights for the respective opportunity on reasonable commercial terms prior to any third party and (ii) if the entitled entity rejects an opportunity and such opportunity is thereafter offered to another third party, the entitled entity shall have the right to match the final offer by such other third party and be granted the rights for such opportunity on such terms ("First/Last Right of Negotiation"). Further details of the implementation of the First/Last Right of Negotiation shall be set out in the Event Manual.

6.3 Capitalized Terms: All capitalized terms used herein shall have the meaning ascribed to them in the Host City Agreement, unless such capitalized terms are defined in these Terms of Cooperation.

Signed at Cape Town on the 19th day of March 2008.

Host City:

[Signature]
Signature
2008-03-19
Date

Witness:

1. [Signature]
Signature
2008-03-19
Date

2. [Signature]
Signature
2008-03-19
Date

Signed at on the day of 2008.

LOC :
Signature Date

Witness: 1.
Signature Date

2.
Signature Date

Signed at on the day of 2008.

FIFA:
Signature Date

Witness: 1.
Signature Date

2.
Signature Date





CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

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OFFICE OF THE CITY MANAGER —

DATE 13 March 2008
TO The Executive Mayor

APPOINTMENT OF AN ACTING CITY MANAGER FROM 13:00 ON TUESDAY, 18 MARCH 2008 UNTIL THE CITY MANAGER'S RETURN TO CAPE TOWN ON THURSDAY, 20 MARCH 2008

Permission has been granted for the City Manager to attend the SALGA National Members' Assembly in Sun City from 19 to 20 March 2008 and he will be travelling to Sun City on 18 March 2008. It is accordingly herewith **RECOMMENDED** that Mr Mike Marsden, Executive Director: Service-Delivery Integration, be appointed Acting City Manager from 13:00 on Tuesday, 18 March 2008 until the City Manager's return to Cape Town on Thursday, 20 March 2008.

RECOMMENDED:

ACHMAT EBRAHIM
CITY MANAGER

13/03/08
DATE

APPROVED:

ALD. HELEN ZILLE
EXECUTIVE MAYOR

17/03/08
DATE