



15 December 2022

Hi Everybody

Provisional Agreement with Kouga Municipality on Property Rates

Please find attached a letter from the Municipal Manager more or less summarizing our agreements to date after several meetings and intense negotiations. It is not the final product and you will see in our response (also attached) that we will have a meeting on 11 January '23 to pick up all the loose ends in an agreement.

We believe that a lot of progress was made ea. the following:

1. A letter from KLM with a proposed SLA will be emailed to all relevant HOA's by latest Monday, 19 December '22. We have no idea of the content thereof and in that regard we reserved our rights. Will you please inform us when you receive this letter with your comments.
2. The increases on property rates for Business-, Industrial- and Vacant properties will be close to zero for the next financial year, but we are still in a process of negotiating increases of less than CPI for the following years.
3. We managed to get KLM to withdraw all rates on Public- and Private Open Spaces as from 1 July '23.
4. KLM will also now apply to the Department of Cooperative Governance and Traditional Affairs for a new category to support OLD Age Homes, Frail Care Centres and Pensioners financially.

We will inform you again on any further progress after the meeting on the 11th of January '22.

In the mean time, we wish you and your family a Happy Christmas and a Prosperous 2023.

Regards

A handwritten signature in black ink, appearing to be 'Dries du Preez'.

Dries du Preez