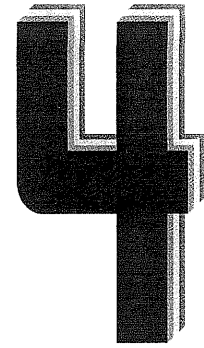




Government Guarantees

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Government Guarantees

INTRODUCTION

The Government of the Republic of South Africa has submitted a declaration to FIFA to issue all guarantees required in the List of Requirements to ensure the success of the 2010 FIFA World Cup™.

The Government Guarantees cover the provisions specified under points 4.1 to 4.17 and are issued as individual and separate guarantees by the relevant Government authority in accordance with all applicable laws. Furthermore, SAFA has issued corresponding guarantees to comply with the FIFA requirements.

Please refer to Annex A for details of the SAFA guarantees.

4.1

The Government guarantees that visas shall be issued unconditionally to the entire FIFA Delegation, FIFA's Commercial Affiliates, the Broadcast Right Holders, including the Host Broadcaster, and the Media representatives, regardless of nationality, race and creed. This provision shall also apply to foreign visitors to the 2010 FIFA World Cup™.

Please refer to Annex A for a letter of guarantee from the Ministry of Home Affairs.

4.2

The Government guarantees that, if required by local law, work permits shall be issued to all of the following groups of people:

- ◆ the FIFA Delegation
- ◆ representatives of FIFA's Commercial Affiliates
- ◆ Media Representatives
- ◆ representatives of the Broadcasters (including the Host Broadcaster), and other Broadcast Rights Holders, including technical personnel
- ◆ team doctors and FIFA medical officers, including, if necessary, the issuing of medical licences.

The Government guarantees that any existing labour legislation that could restrict the above groups of people from performing their duties (such as limited working hours) shall be suspended for the length of their stay, should the need arise.

Please refer to Annex A for a letter of guarantee from the Ministry of Home Affairs.

4.3 CUSTOMS DUTIES AND TAXES

The Government guarantees that the import and subsequent export of goods belonging to the FIFA Delegation, the Commercial Affiliates, the Broadcast Rights Holders, the Media, the spectators and others travelling into the country in conjunction with the 2010 FIFA World Cup™, such as, but not limited to the following goods, be permitted, free of customs duties, taxes, and any other costs and levies:

- ◆ personal belongings of all those accredited for the 2010 FIFA World Cup™,
- ◆ technical equipment for players and officials,
- ◆ technical equipment (such as film and playback equipment, films, lighting, etc.) for broadcast rights holders including, in particular, the entire technical equipment required by the Host Broadcaster for the production of unilateral television and radio coverage,
- ◆ the entire technical equipment as specified by the Host Broadcaster, required for the production and transmission of the multilateral international television and radio signal, as well as for the construction, equipment and operations of the International Broadcast Centre and other broadcast centres at the venues,
- ◆ technical equipment of other representatives of media (telecommunications equipment, cameras, small computers, etc.) belonging to other Media representatives,
- ◆ the entire technical equipment required for the production of the official FIFA World Cup film,
- ◆ medical equipment and pharmaceuticals for the teams and representatives of the FIFA Medical Committee,
- ◆ food (with some exceptions),
- ◆ other technical equipment and material belonging to the FIFA Delegation and the Broadcast Rights Holders, including the Host Broadcaster required in the Headquarters and various organisational centres (such as photocopying machines, typewriters, telefax machines, telecommunication equipment, mobile phones, etc.),
- ◆ technical equipment (such as footballs, nets, equipment for the teams, etc.) needed by FIFA and/or SAFA,
- ◆ equipment from Commercial Affiliates required by FIFA and/or SAFA for the implementation of any and all marketing rights in connection with the 2010 FIFA World Cup™, including but not limited to, advertising and promotional material for the 2010 FIFA World Cup™ (including Preliminary Draw, Final Draw, Workshops and the Final Competition),
- ◆ material for the operative implementation of the contracts with Commercial Affiliates (including advertising boards, decorations and promotional material),
- ◆ office material for the FIFA general secretariat,
- ◆ official awards, trophies, medals, gifts, flags, etc., and
- ◆ any other material needed by the FIFA Delegation and the Host Broadcaster for the organisation and staging of the 2010 FIFA World Cup™.

Please refer to Annex A for a letter of guarantee from the Ministry of Finance.

4.4 OTHER TAXES, DUTIES AND LEVIES

The Government guarantees that South Africa and its tax authorities (including any governmental authority with jurisdiction over the assessment, determination, collection or imposition of any taxes, duties or other levies) shall not impose any kind of taxes, duties, or other levies on FIFA, FIFA's subsidiaries, the FIFA Delegation and the Host Broadcaster. They are to be treated as tax-exempt persons/entities.

In particular South Africa and its tax authorities recognise:

- ◆ that FIFA and FIFA's subsidiaries neither constitute a permanent establishment in South Africa, nor are they in any way subject to taxation in the country.
- ◆ that the exploitation of FIFA's Marketing and Broadcasting Rights shall not subject FIFA, FIFA's subsidiaries and the Host Broadcaster to any kind of taxation in the country.
- ◆ that the sale of tickets or levying of any other entry fee does not subject FIFA and FIFA's subsidiaries to any kind of taxation in the country.
- ◆ that the country does not levy any kind of withholding taxes and source taxes on payments to and from FIFA, FIFA's subsidiaries and /or the FIFA Delegation.

The government guarantees that it will, if required by FIFA, issue in advance written, unconditional and binding tax rulings on the above or any other tax issues relating to FIFA.

In addition, the Government, as well as SAFA, guarantees that they will provide FIFA, the Commercial Affiliates and the Broadcast Rights Holders, including the Host Broadcaster, with the highest level of administrative assistance and support with regard to the handling of any tax issues related to the organisation of the 2010 FIFA World Cup™.

The Government guarantees that Government charges of any kind, including handling charges, debited to the purchaser of tickets by SAFA or any ticket sales organisation retained by SAFA, shall not exceed 10% of the face value of the ticket (regardless of type of sale).

Please refer to Annex A for a letter of guarantee from the Ministry of Finance and a letter from SAFA.

4.5 SAFETY AND SECURITY

The Government guarantees to undertake all security measures necessary to guarantee the 2010 FIFA World Cup™ general safety and personal protection, especially at airports, inside and outside hotels, Stadiums, training grounds, the International Broadcasting Centre, Media centres, any official areas and other areas where accredited persons and/ or spectators are present.

The Government guarantees safety and security to the FIFA Delegation, Media Representatives and all accredited persons before, during and after matches, and while travelling around the country.

The Government also guarantees that a detailed written security plan shall be developed and implemented in conjunction with SAFA, taking into consideration the experience gained at previous major sporting events, as well as national security guidelines.

In addition to the above, the Government guarantees that police escorts will be available for use by teams, referees and members of the FIFA Delegation. The precise number and types shall be finalised at a later stage in accordance with FIFA's instructions.

Please refer to Annex A for a letter of guarantee from the Minister of Safety and Security and the National Commissioner of the South African Police Service together with a letter from SAFA.



4.6

The Government guarantees the unrestricted import and export of all foreign currencies to and from the country, as well as the exchange and conversion of these currencies into US dollars, Euros or Swiss Francs. These currencies shall also be exchangeable in the country at the conditions prevailing on the international foreign exchange market. Furthermore, the Government guarantees to provide written authorisation for payments to be transferred abroad at the official rate.

Please refer to Annex A for a letter of guarantee from the Ministry of Finance.

4.7 TELECOMMUNICATIONS, INFORMATION TECHNOLOGY

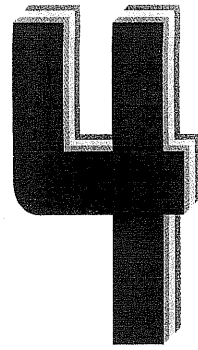
The Government guarantees to provide, at no specific costs to the users, a telecommunications infrastructure, including, but not limited to, all necessary networks (wireless and wireline), terminal equipment and codecs that will enable all kinds of telecommunication, including wire and wireless national and international telephone, data, audio and video exchanges for the 2010 FIFA World Cup™. The Government confirms that the telecommunications infrastructure shall conform to the highest standards and requirements applicable at the time of the 2010 FIFA World Cup™ and to specific requirements that FIFA may define from time to time.

The telecommunications infrastructure shall in particular provide at least dual route secured high-speed, high-availability link circuits between each of the 2010 FIFA World Cup™ venues, the IBC and International Gateways.

International audio and video connections shall provide fully reliable backup connections from the IBC to international cable networks and to the main satellites, including dial-up linking facilities (at the IBC and fixed earth stations).

The users at the 2010 FIFA World Cup™ shall have state-of-the-art telecommunications technology (for voice and data) at their disposal at all FIFA World Cup™ venues and offices, including but not limited to the team bases, FIFA headquarters, referees' headquarters, the VIP hotels, the IBC and other Media Centres.

Please refer to Annex A for a letter of guarantee from the Ministry of Communications.



Government Guarantees

4.8

The Government guarantees that it shall provide all assistance reasonably required by SAFA to enable the setting up of an International Broadcasting Centre (IBC), the requirements for which are contained in a document entitled "2010 Technical Annex".

Please refer to Annex A for a letter of guarantee from the Ministry of Communications and a letter from SAFA.

4.9

The Government guarantees that it shall provide all assistance reasonably required by SAFA to enable the setting up of the Main Media Centre, which shall ideally also encompass the IBC, and comply with the needs of television, press and photographers on a suitable site. Similar working facilities (subsidiary Media Centres) shall be made available at all venues in the Stadiums or in their vicinity, complying with the needs of television, radio, press and photographers.

Please refer to Annex A for a letter of guarantee from the Ministry of Communications and a letter from SAFA.

4.10

The Government guarantees that South Africa shall have the necessary national airport, road and rail infrastructure required to provide an efficient transport system, taking into account the organisational, technical and spectator transport needs of the 2010 FIFA World Cup™.

Please refer to Annex A for a letter of guarantee from the Ministry of Transport.

4.11

The Government guarantees the provision of priority treatment for the teams and the FIFA Delegation as well as for all accredited persons for the 2010 FIFA World Cup™ through the provision of special immigration, customs and check-in procedures.

Please refer to Annexure A for a letter of guarantee from the Ministry of Home Affairs.

4.12

The Government pledges to enact laws to ensure that hotel prices for the FIFA Delegation, representatives of FIFA's Commercial Affiliates, the Host Broadcaster, and accredited Media shall be frozen as of 1 January 2010. The Government guarantees that it will, in conjunction with SAFA, ensure that the hotel prices for the FIFA Delegation are 20% less than the frozen rate on 1 January 2010.

The Government guarantees that the FIFA Delegation will be charged only for the actual number of hotel room nights used and that no minimum stay requirement will be imposed (except for the final match, where a minimum of three nights may be required).

Please refer to Annex A for a letter of guarantee from the Ministry of Environmental Affairs and Tourism and a letter from SAFA.



4.13

The Government guarantees to unconditionally acknowledge, in accordance with applicable laws, particularly in the field of intellectual property, FIFA's legal and beneficial ownership of all Broadcast Rights, Marks and other intellectual property rights.

The Government shall, to the extent necessary, pass special laws designed to prevent ambush marketing of the 2010 FIFA World Cup™ in the country and shall provide FIFA with the support of officers of relevant authorities, such as police and customs, to assist in the protection of the Marketing and Broadcast Rights.

Please refer to Annex A for a letter of guarantee from the Ministry of Communications and from the Department of Trade & Industry.

4.14

The Government guarantees to ensure that there are no legal restrictions or prohibitions on the sale or distribution of Commercial Affiliates' products, including food and beverage, in the Stadium for the 2010 FIFA World Cup™.

Please refer to Annex A for a letter of guarantee from the Ministry of Trade and Industry.

4.15

The Government guarantees to indemnify FIFA and defend and hold it harmless against all proceedings, claims and related costs (including professional advisor's fees), which may be incurred or suffered by or threatened by others against FIFA in relation to the organisation and staging of the 2010 FIFA World Cup™.

Please refer to Annex A for a letter of guarantee from the Ministry of Justice and Constitutional Development.

4.16

The Government guarantees that the national anthem of each competing team may be played before kick-off at every match and the respective national flags flown inside the Stadiums.

Please refer to Annex A for a letter of guarantee from the Ministry of Foreign Affairs.

4.17

MEDICAL

The Government guarantees the availability of a comprehensive medical service (including 24-hour emergency treatment) for every participant accredited for the tournament in each venue. An emergency service shall also be on stand-by and ready for action, especially on match days, to treat anyone inside and outside the Stadiums.

Please refer to Annex A for a letter of guarantee from the Ministry of Health.

CONCLUSION

These guarantees shall be valid and operable, irrespective of any change in Government or its representatives. The Government shall ensure that all special laws, regulations and decrees necessary to establish the conditions required for organising and staging the 2010 FIFA World Cup™ are enacted and enforced.

