



**Hoedspruit Elephant Rehabilitation and Development (HERD)**  
 Jabulani Safari, Kapama Private Game Reserve, South Africa  
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HERD Trust Public Benefit Organisation number: 930072153



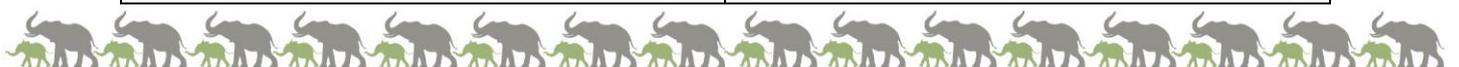
## Donation Agreement vs Cause Marketing Agreement

The purpose of this document is to explain the differences between the two agreements, as we strive for an mutual beneficial relationship between HERD Trust, our donors and case marketing partners.

The reason why we must distinguish between donations & cause marketing partners is due to HERD Trust being a registered PBO and tax exempt entity in South Africa. Therefore HERD Trust must adhere to the rules and regulations to keep our status in good standing with the South African authorities.

The concept that therefore applies; tax exempt companies are not allowed to compete with non-tax exempt companies, as they will have an unfair advantage.

<b>Cause Marketing</b>	<b>Donations Partnership</b>
HERD receives funds from a marketing & sales campaign	HERD receives a donation
HERD & Partner are both actively involved in marketing & selling the specific product/service <ul style="list-style-type: none"> <li>- Multiple postings/advertisements on social media etc.</li> <li>- HERD Shop</li> </ul>	HERD is not allowed to market or sell the product/service HERD may post a once off acknowledgement/ thank you on social media
HERD gives logo to partner to put on their website	HERD gives logo to partner to put on their website
Partner gives logo to HERD to put on our website	Partner gives logo to HERD to put on our website
Partner pays commission/fee to HERD	Partner donates to HERD
In HERD's books: <ul style="list-style-type: none"> <li>- Commission/fee income</li> <li>- Issue tax invoice</li> <li>- Classify as taxable income</li> </ul>	In HERD's books: <ul style="list-style-type: none"> <li>- Donations Receipt</li> <li>- 18A certificate</li> <li>- Classify as donation (non-taxable) income</li> </ul>



In Partner's books: - Marketing/sales expenses	In partner's books: - Donation made - Deduct from tax
TAXABLE INCOME FOR HERD	EXEMPT INCOME (DONATION) FOR HERD

We do hope that you understand why HERD Trust must obey the rules and regulations of the South African authorities. HERD Trust would very much like to be in an mutual beneficial agreement with the donation or cause marketing partners and request that your organisation choose to either be a donation partner or a cause marketing partner.

Should you have any enquiries regarding the above mentioned, please do not hesitate to contact us.

Looking forward to make you part of the herd

