

Terms and Conditions for “M” Mark Events
(for World Championships/ one-off Championships/ one-series
Championships at equivalent level, with funding support and/or
subvention on LCSD venue charges)

[Name of Event] (the Event)
[Name of Applicant Organisation] (the Grantee)

Part I. Terms and Conditions

A. Acknowledgement of support

(1) (i) Acknowledgement of support given by the Government of the Hong Kong Special Administrative Region (hereinafter referred to as “the Government”) and the Major Sports Events Committee (hereinafter referred to as “the Committee”) -

- in writing: (a) for press releases^{note}; (b) programme booklets and other relevant publications **“Recognised as an “M” Mark event with funding support by the Major Sports Events Committee / 獲大型體育活動事務委員會支持撥款及認可為“M”品牌活動”**; and (c) on backdrops, banners and other publicity materials - **“Recognised / Supported by the Major Sports Events Committee / 大型體育活動事務委員會認可/支持”**; AND
- in the form of logos: (a) the Brand Hong Kong (**“BrandHK”**) signature; (b) the **“M” Mark** brand; and (c) the **Committee** logo, should appear as appropriate on all publicity materials for this “M” Mark event including, but not limited to, printed materials, posters, backdrops, A-boards, press release, programme booklets, TV commercials, websites, banners, advertisements, prizes and souvenirs.

Note: The following paragraph in the press releases of the Event –
The (event name) is proud of being an “M” Mark event that helps enhance the image of Hong Kong as Asia’s sports event capital. The “M” Mark awarded by the Major Sports Events Committee, symbolising intense, spectacular and signature event in the territory sports calendar.

(ii) The **BrandHK** signature, **“M” Mark** brand and **Committee** logo should be prominently featured and set apart from sponsors’ logos and should be no smaller or less prominent than those logos of the Grantee and any other sponsor.

(iii) The **BrandHK** signature, “**M**” **Mark** brand and **Committee** logo shall also be prominently displayed at the venues of the Event and other related locations in form of banners and/or A-boards at the Grantee’s own cost.

- (2) The Grantee should seek prior written consent from the **BrandHK** Management Unit of the Information Services Department for the presentation of the **BrandHK** signature for the Event. The Grantee should comply with all requirements and guidelines set out in the brand manual accessible at <http://www.brandhk.gov.hk/en/#/en/about/guidelines.html>.
- (3) The Grantee should reserve a total of three pages in the programme booklet, if any, for “**M**” **Mark** advertisements and for messages from the Secretary for Home Affairs and the Chairman of the Committee.
- (4) The Committee’s consent to the presentation of the “**M**” **Mark** brand and **Committee** logo should be sought in advance.
- (5) Individual(s)/commercial organization(s)’ donations should only be appropriately acknowledged and should not misrepresent the billing of the Event. The Grantee should seek endorsement from the Committee before committing to any sponsorship / donation; and this should not jeopardise the image of the Government / Committee or the Event.
- (6) Sponsorship from tobacco companies will not be permitted for this “**M**” **Mark** event.
- (7) Sponsorship from liquor companies will not be permitted for programmes organised for young people under the age of 18.
- (8) The Grantee should distribute “**M**” **Mark** related promotional materials and souvenirs to target participants of the Event when required by the Secretariat of the Committee.
- (9) The Grantee is required to invite Committee members or any other dignitaries as suggested by the committee for ceremonial functions of the Event.
- (10) The Grantee is required to reserve a reasonable number of tickets for public sales and a separate reasonable number of tickets for people with less privileged backgrounds.

- (11) The Grantee should provide to the committee quality photos and footage of the Event for publicity purpose and to allow the committee's representative(s) to take photos and footage of the Event when necessary.

B. Payment of Grants

Payment of grants under the “M” Mark Status and Support Packages (the System) (hereinafter referred as “the grant”) to the Grantee will be made in the following manner –

- (1) All payments will be made by crossed cheque made payable to the Grantee (by installments).
- (2) The Grantee is requested to open a separate account for the “M” Mark event.

(3) *Matching Fund*

- (i) The grant will be made after the Committee Secretariat has received and is satisfied with the authenticity of the certification of the secured cash sponsorship. (i.e Certified true copy(ies) of the following documents: a) legal agreement/contract on sponsorship between the Grantee and the sponsor for the specified “M” Mark event; OR b) cheque copy(ies) with sponsorship commitment for the specified “M” Mark event).
- (ii) Depending on the actual need, the Grantee may request for release of funds before the event for twice at maximum upon submission of documents and certifications on the secured cash sponsorship for assessment, while the remaining amount, if any, should be claimed within four months after the completion of event in one go.

(4) *Direct Grant*

- (i) [(a)/(b) Delete as appropriate]

- (a) [For events with funding support in the form of a Direct Grant of \$0.8 million or below] **100% of the approved grant; /**
- (b) [For events with funding support in the form of a Direct Grant exceeding \$0.8 million] **\$0.8 million or 50% of the approved grant, whichever is the more,**

payable (i.e., HK\$ [**XXX**] only) will be provided upon receipt of the signed Agreement (i.e., Part II – Articles of Agreement of these Terms

and Conditions) by the Committee Secretariat.

- (ii) For the release of direct grant for marketing, the Grantee is required to submit photo records for all publicity and marketing materials which were covered by the grant to the Major Sports Events Committee for audit purposes. Otherwise, claims may not be reimbursed in full.
 - (iii) The Grantee should return to the Committee Secretariat any unspent balance, if any, and submit evaluation report and audited statement of accounts *within four months* of completion of the Event;
 - (iv) The Committee will only release the remaining grant, if any, to the Grantee in accordance with the Terms and Conditions of this Agreement and after the Event has been satisfactorily completed and the Committee Secretariat has received and accepted the final Audited Accounts and Evaluation Report submitted by the Grantee, and is further subject to the Grantee's full compliance with all its obligations under this Agreement; and
 - (v) The use of grant should be confined to the specified ceiling amount for each expenditure item as shown in the attached 'Approved Breakdown of Expenditure and Income'.
- (5) A prescribed receipt form must be signed by the President / Chairman / Secretary / Treasurer of the Grantee upon receipt of payments.

C. Criteria of Granting Subvention on LCSD Venue Charges

- (1) Upon completion of the Event which has been granted of subvention on LCSD venue charges, the Grantee should produce an audited statement of accounts within four months and the Event has a surplus of up to \$5 million.

D. Evaluation and Statement of Accounts

- (1) Two separate accounts should be maintained for grants of Matching Fund and Direct Grant. The statement of accounts should be audited and certified as being accurate and completed by a public accountant registered under Section 22 of the Professional Accountants Ordinance (Cap. 50) in accordance with the Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of

Certified Public Accountants. The audited report should contain an expression of conclusion on the Grantee's compliance with this terms and conditions; and

- (2) A statement of audited account and an evaluation report on the Event together with copies of receipts and invoices for expenditure items covered by the grants for the Event incorporating necessary statistics and comments should be forwarded to the Committee Secretariat *within four months* of the completion of the Event.

E. Savings / Surplus

- (1) Any Matching Fund and/or operating surplus accumulated (net of loan repayment) may be retained by the Grantee for the sole purpose of hosting the same event in the subsequent years. Whereas **the Grantee is requested to open a separate account to keep the surplus / savings** for audit and inspection purposes, these surplus / savings will be treated as **Reserve Fund** for the same event in the coming year(s).
 - (i) For sustainable "M" Mark events, the Grantee is requested to return the full surplus, with interest generated from that surplus, to the Committee Secretariat within four months if the account has been left idle for more than two years.
 - (ii) For World Championships or one-off Championships or one-series Championships at equivalent levels, the Grantee is requested to return the full surplus, with interest generated from that surplus, to the Committee Secretariat within four months of the completion of the series of Event.
- (2) The Grantee should notify the Committee in the first instance upon receipt of any donation or sponsorship for the Event, and should keep proper records in relation to the donation and sponsorship for the Committee's scrutiny.

F. Use of Reserve Fund

- (1) For sustainable "M" Mark event -
 - (i) with accumulated reserves that *less than the cumulative government funding support to date* (including LCSD venue subvention), the Grantee should use the reserve funds *only* to meet the future deficit for the same event. The use of reserve fund should be audited under the same "M" Mark event; and

- (ii) with accumulated reserves that *exceed the cumulative government funding support to date* (including LCSD venue subvention), the Grantee should be allowed to use the reserve funds to meet the future deficit for the same event *and/or* to re-deploy the residual amount of the accumulated reserves – i.e., the difference between the total amount of reserve funds and the cumulative government funding support - for sports development initiatives after the first three years of the event. The use of funds re-deployed from the accumulated reserves would be subject to HAB's approval. The use of reserve fund should be audited under the particular "M" Mark event generated the surplus.
- (2) The Grantee is required to provide (a) the actual use of the reserve fund as well as its balance in the audited account report of the annual "M" Mark event; and (b) proof of the amount of reserve fund kept if the account has been left idle for more than two years.

G. Refund of Grants

The Grantee should refund the grants *within one month*, in whole or in part, as should be decided solely by the Committee in the case of –

- (1) Non-compliance with these Terms and Conditions; or
- (2) The Grantee being unable to implement the Event or part of the Event; or
- (3) Any part of the Event being materially affected by delay, change of timing, change of scope, cancellation or other circumstances; or
- (4) Temporary or permanent cessation of the Grantee's business or operation; or
- (5) Failure to deposit into the Reserve Fund savings from the grants provided for the Event as a result of any donation or sponsorship obtained for the Event or activity related to the Event.

H. Monitoring & Auditing of the Event

- (1) The Grantee should adopt proper internal controls to ensure that the grant is used in a cost-effective and accountable manner and should, in event of any irregularity, undertake an investigation and forward a full investigation report to the Committee *within 7 days*. The investigation report should

cover all aspects of the investigation and make recommendations on how to prevent recurrence of such irregularities. The Grantee will be requested to return all the grants to the Committee Secretariat if the Grantee is unable to comply with the above-mentioned requirements.

- (2) The President/Chairman and Treasurer/Secretary of the Grantee who certifies the statement of accounts of the Event and activities related to the Event, should be liable for the accuracy of the statement and should undertake to refund the Committee Secretariat any sum found to be in excess of the grants provided in the Event of any inaccuracy.
- (3) Original copies of all payment vouchers and accounting records should be kept by the Grantee for *at least 7 years*.
- (4) The Director of Audit and the Committee reserve the right to access to the accounts of the Grantee to examine supporting vouchers related to the Event.
- (5) The Event is subject to checking (including on-site inspection) by the Committee and/or the Secretariat against the terms and conditions agreed and the items reported in the evaluation report. Any violation will be subjected to penalty.
- (6) The Grantee should provide the Committee Secretariat with *at least 4 copies* each of all publications and promotion materials related to the Event in advance for audit purposes.

I. Safety and Insurance

- (1) The Grantee should ensure the safety of players / participants / officials / spectators of the Event. The Grantee should effect and keep in force a public liability policy of insurance exclusively for this Agreement in the joint names of the Government, the Committee and the Grantee for all the activities in the insured sum of not less than HK\$6.5 million for the occurrence of any single accident and an unlimited amount or in any other insured sum to be directed by the Government with a reputable insurance company authorised under the Insurance Companies Ordinance, Cap. 41.

The insurance policy should cover liability to pay damages and compensation for injury to or death of any person and for loss of or damage to any property where such injury, death, loss or damage is caused by or arises out of any act, omission or negligence of the Government, the Committee and the Grantee or any of their employees or agents. The Grantee should ensure that any public liability should be adequately

covered by the policy of insurance. The Grantee should bear all responsibility for any claim in relation to the Event.

- (2) The Grantee should inform the Committee by phone *within 12 hours* of any accident, followed by a written report *within three days*.
(Contact Person: ALSMI/LCSD at Phone No.: XXXX(office) / XXXX(mobile phone); Fax No.: XXXX)

J. Conflict of Interest

- (1) The Grantee should advise its members or employees or agents to avoid any conflict of their private interest, whether past, present or future, with their official duties in the Grantee and declare any such conflict to the Grantee which should report the same promptly to the Committee Secretariat. Potential conflict of interest, if any, should be declared in Part II of this agreement.
- (2) The Grantee agrees to allow the Commissioner of the Independent Commission Against Corruption (ICAC) or its authorised representatives to examine the management and control procedures of the Grantee and agrees to follow and act upon any corruption prevention advice rendered by the ICAC.

K. Laws and Ordinances

The Grantee is advised to observe all the laws and ordinances of the Government of the Hong Kong Special Administrative Region, for example, the Prevention of Bribery Ordinance and the Personal Data (Privacy) Ordinance.

L. Financial Undertaking

The Grantee should make its best endeavour to generate income from other sources through sponsorship and donations from fundraising activities according to the Approved Budget.

Part II. Articles of Agreement

To: Major Sports Events Committee Secretariat,

It is agreed that the [Name of Applicant Organisation] will stage the [Name of Event] as stated in the proposal and application documents submitted to the Committee Secretariat during the application process. In addition, [Name of Applicant Organisation] should act in accordance with the Terms and Conditions listed in **Part I** above.

Declaration of interest:

Any perceived potential conflict of interest especially with event co-organisers or appointed agents (e.g. on out sourcing arrangements and procurement etc.) should be declared:

President / Chairman
signed for and on behalf of
[Name of Applicant Organisation] :

(Signature)



Name :

:

Date