**AGREEMENT**

**Assistance Provided by FIDE for the Development of Chess**

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The World Chess Federation (FIDE), registered as a legal entity under the Swiss Law, represented by **FIDE Managing Director Dana Reizniece-Ozola**, acting under the authority granted by FIDE Statute, on the one side, and **<National Chess Federation name>**, a < type of legal entity> under the laws of Federation Country>, hereinafter referred to as ‘Federation’, represented by the **President of the Federation, <President Name>**, acting on the basis of the <Constitution/Statutes…. of the Federation>, on the other hand, hereinafter jointly referred to as the ‘Parties’, have concluded this agreement on the assistance for the development of chess on the following:

**1. Objectives**

**1.1.** The agreement regulates the conditions of the financial assistance from FIDE in favor of the Federation for the development of chess in <Federation Country> and the reporting provisions on the use of the assets received by the Federation from FIDE.

**1.2.** For the purposes of this Agreement any transfer of the assets to the Federation is recognized by the Parties as a donation, provided that the assets is used for its intended purpose, which is the development and promotion of chess.

**1.3.** Any transfer of the assets under this Agreement is non-business related activity and is intended to meet the statutory objectives of chess promotion and development by the Parties.

**1.4.** The criteria by which Federations are eligible for funding/assistance and the levels of assistance are detailed in the **Federation Funding Guidelines** in **Appendix A.**

**2. Forms of assistance to the Federation from FIDE**

**2.1.** The Parties agreed on the following possible forms of assistance from FIDE:

* The transfer of the necessary chess equipment (chess clocks, chess boards, sets of chess pieces, chess books, etc.) to the ownership of the Federation;
* Holding of FIDE seminars aimed at improving the knowledge of the chess players, organizers and arbiters related to the Federation. By agreement of the Parties, FIDE can either fully pay or compensate the costs of the seminars, and provide partial assistance, for example, in the form of the provision of seminar trainers free of charge;
* Inclusion of the Federation into already implemented FIDE programs aimed at the development of chess, for example, ‘Chess in Schools’;
* Direct cash transfer to the Federation;
* Other forms of assistance.

2.1.1 Any request for funding/assistance by the Federation must be initiated by a **Request for Funding/Assistance** as per template in **Appendix B.**

**2.2.** The parties agreed that **Key Performance Indicators (KPIs)** have been established in **Appendix C** to assess the performance of the Federation under the conditions for the provision of financial assistance from FIDE. At the time of application, the Federation undertakes to provide FIDE with information on the current value of KPIs to the best of its understanding.

At the end of each year, the Federation undertakes to provide FIDE with a certified report on achieved KPIs as per Appendix C. At the same time, for the purpose of monitoring, FIDE has the right to request at any time from the Federation an interim report on the status of its KPIs.

In the event that the KPIs indicated by the Federation in the report are lower than the established ones, FIDE has the right to take this fact into account when signing an agreement for a future period and at its own discretion is entitled to:

2.2.1. Stop providing financial assistance to the Federation;

2.2.2. Reduce the amount of financial assistance provided to the Federation in proportion to the unfulfilled indicators.

In any case, when deciding on the provision/reduction of the amount of financial assistance, FIDE will take into account the objective reasons for the inability of the Federation to achieve its KPIs and will work together with the Federation, where possible, with the view to improving the performance of the Federation.

**2.3.** The Parties agreed that in all cases the Federation shall cover, at its own expense, all tax or customs fees in connection with the transfer of the assets or its import to <Federation Country>.

The Parties have the right to envisage the additional donation of funds from FIDE if needed, to service any mandatory payments to paid by the Federation for the importation of such assets.

**2.4.** The specific forms of assistance, implementation activities for which assistance is provided, the estimated value of the transferred assets, the timing of the assistance, are set by the Parties in the Annexes concluded, as a rule, before the beginning of each calendar year. The Parties are entitled to supplement the Appendices during the year.

**3. Reporting of the Federation on the use of the received assistance**

**3.1.** The Federation is obliged:

3.1.1. No later than thirty (30) working days from the date of receipt of the assets from FIDE, provide confirmation of payment by the Federation of mandatory taxes, duties and/or customs fees, confirmation of the registration of the received assets to the Federation’s records (if such statement is provided by the legislation of <Federation Country>) and confirmation of the transfer of the assets to its destination (if the transfer of assets was intended for subsequent transfer, for example, to regional offices of the Federation). If the legislation of the country where the Federation is located provides for other terms of payment of mandatory taxes, duties and/custom fees, the Federation shall inform FIDE.

3.1.2. In the case of an event and no later than thirty (30) working days from the date of the event, for which FIDE has provided assistance, provide FIDE with the signed report on the event, including dates and venue, number of participants, provide a link to the report on the Federation website and/or the media of the country of the Federation, other photographic and/or video reports. FIDE should be informed about the dates of events at least 2 weeks in advance and an invitation should be extended to FIDE representatives.

FIDE reserves the right to request additional reports if necessary with additional supporting documents.

3.1.3. The Federation is obliged to conduct the annual audit of its activities with an eligible audit company located in the country of registration of the Federation and present the results of the audit to FIDE.

**3.2.** If at the time of submission of the first report, in accordance with the paragraph 3.1. of this Agreement, the use of assets/funds has not yet been completed, the Federation reports to FIDE the approximate terms of using the assets. In this case, the Federation must report every ninety (90) calendar days from the submission of the first report to the full use of the assets.

**3.3.** The Federation agrees and confirms that if it is unable to submit a report as per Appendix D on the use of assets (according to the objectives specified in **Appendix B** on the allocation of this assets) within 180 calendar days from the date of receipt of the assets, then it is obliged if there is a demand from FIDE, to return the assets, the use of which has not been reported, within thirty (30) calendar days from the date of receipt of the request of FIDE.

**3.4.** In case of non-fulfilment by the Federation of the obligation to return the assets provided for in the paragraph 3.3., FIDE has the right:

3.4.1. To apply to the court provided for in this Agreement with a request to require the Federation to pay the debt, including the interest, provided for by the National Bank of the country of the Federation, from the moment the assets is received from FIDE;

3.4.2. To consider non-payment of the corresponding debt as a violation by the Federation of the requirements of Chapter 2 ‘Membership’ of the FIDE Statute, and in accordance with the procedure stipulated by FIDE Statute, decide to limit the membership of the Federation.

3.4.3. To suspend the transfer of the assets to the Federation, provided for in the already signed Annexes.

3.4.4. FIDE has the right to unilaterally cancel the transfer of assistance or change the amount of assistance if, in the opinion of FIDE, the continuation of the transfer of assistance may create reputational damage to FIDE. Such cases include, but not limited to, the occurrence of disputes of the Federation with the competent authorities of the country of registration of the Federation, the occurrence of a conflict between the authorities of the Federation, other reputational conflicts related to the activities of the Federation.

**4. Term of the Agreement**

**4.1.** The term of the Agreement is set to four (4) calendar years. The expiration of the Agreement does not relieve the Federation from the obligation to report on the use of previously received assets and from the obligations provided for in Section 3 of this Agreement, in case of violation of such obligations.

**5. Confidentiality**

**5.1.** The Parties hereby agreed that the content of this Agreement and any Annexes to it is confidential information and shall not be disclosed to third parties.

**6. Other conditions**

**6.1.** The relationships of the Parties that are not regulated by this Agreement are governed by the Law of the country where the Federation is registered, and the business customs used in practice.

**6.2.** The Federation hereby affirms and confirms that the President of the Federation has all the necessary powers to sign this Agreement.

**6.3.** All disputes relating to this Agreement are dealt within the following order:

6.3.1. If the Claimant is FIDE, then following courts will be chosen by the Claimant:

- The competent court of the Swiss Confederation, which deals with disputes related to the activities of FIDE;

- The competent court of the state where the Federation is registered, which disputes relating to the activities of the Federation are considered.

6.3.2. If the Claimant is the Federation, then all disputes are to be resolved in the competent court of the Swiss Confederation, which deals with the disputes related to FIDE activities.

**6.4.** The Parties agree that the Federation is not entitled to claim the transfer of assistance in the court, and in any case, FIDE shall not be liable for any possible losses of the Federation arising from the delay in the transfer of the assistance or in any way related to this Agreement.

**6.5.** The Parties agree that FIDE is entitled unilaterally to change the amount of assistance provided, including if a corporate sponsor is found for the Federation thanks to FIDE assistance. FIDE confirms that it respects the interests and plans of the Federation and will not use the above right without reasonable reason and without prior notice to the Federation.

**7. Signatures of the Parties**

On behalf of FIDE On behalf of the Federation

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Dana Reizniece-Ozola <Federation President’s Name>

Managing Director President

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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