



GOLF AUSTRALIA
Level 3, 95 Coventry Street
South Melbourne Victoria 3205
Australia
Reg No: A0048256Z
ARBN: 118 151 894
ABN: 54 118 151 894
Telephone: 61 3 9626 5050
Facsimile: 61 3 9626 5095

GOLF AUSTRALIA GUIDELINES FOR APPROVAL OF EVENTS UNDER AMATEUR STATUS RULE 4-2g – Sponsored Handicap Competitions

As a general rule an amateur golfer cannot accept expenses to compete in a golf competition. A number of exceptions apply and these are set out in Amateur Status Rule 4-2. They include family support, junior events, team events, and support from national and state golf associations.

Each year Golf Australia is asked to approve a small number of sponsored handicap competitions under Rule 4-2g of the Rules of Amateur Status, thereby allowing the organisers or sponsors of such events to pay expenses (ie travel and accommodation costs) on behalf of competitors. Events that are approved receive a reference code that should be included on all advertising material and entry forms (eg *Approved for the payment of expenses Rule 4-2g GA/01/2006*).

In order for an event to qualify for approval under Rule 4-2g, Golf Australia, which adopts the guidelines set out by the international governing authority, R&A Rules Limited, requires that the following criteria must be met:

1. The event must be a handicap individual or handicap team event where the handicaps are applied. Events designed primarily for low handicap players where gross scores count do not qualify. Competitions other than normal rounds of golf, eg putting or long driving, also do not qualify.

Approval will not normally be given for payment of expenses for subsequent stages that are not primarily a part of the original competition.

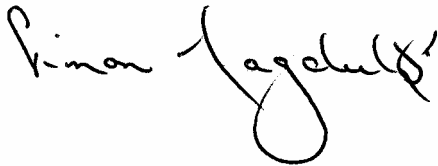
2. The event must have a sponsor that financially supports it for charitable or promotional reasons.
3. All prizes must conform with Rule 3 (Prizes) of the Rules of Amateur Status. Golf Australia Regulations on prizes are detailed at Appendix 1 below.
4. For a domestic stage of an event, a participant may only have expenses covered in connection with the event for a maximum of eight days (seven nights). This includes travelling, practice, and competitive days, and also includes any 'free' days incorporated within the expenses paid trip. The payment of partners' or caddies' expenses is not allowed (Exception – see Appendix 1.v.6), however the payment of expenses of a parent or chaperone of a junior competitor may be considered.
5. For a domestic stage of an event, the level of expenses covered per individual must not exceed \$2,500. The relevant expenses are limited to travel and accommodation costs only. Other costs, such as green fees and meal costs are not included in the expenses total. This is not a "retail value" figure and if organisers can, for example, arrange a reduced-cost block booking, it is the reduced cost that is used in determining the level of expenses. However, Golf Australia reserves the right to apply special provisions in this regard to sponsors of events who can arrange travel and accommodation at unusually low prices, (eg airline or hotel groups), and who may thereby be able to circumvent this level of expenses.

6. There are no geographical restrictions on the venues of finals. However, Golf Australia approval is contingent upon it being able to obtain the approval of the Governing Body in the country in which the final will be held.
7. Each stage of the event must have at least six competitors.
8. **Approval for the payment of expenses must be sought each year from Golf Australia.**
9. The payment of expenses under Rule 4-2g must not be referred to, or implied, as "prizes" in any event statement.

Related applications to Golf Australia must include the following:

- A listing of the official event title.
- The name of the event's major sponsor/s.
- The competition format (including a copy of the event conditions).
- The proposed number of players to be involved in each stage of the event for which expenses are to be paid.
- The maximum period for which a player's expenses will be covered (to be supplied for each stage of the event).
- The maximum cost of expenses (ie travel and accommodation) to be provided for a player (to be supplied for each stage of the event).
- Assurance the event will comply with each of the above listed conditions.

Please contact me with any queries.



Simon Magdulski
Manager – Rules & Handicapping

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*Email – simonm@golfaustralia.org.au
 Direct phone – (03) 9626 5023*

APPENDIX 1 – Prize Limits

In Australia, the maximum retail value of a prize or prizes that can be accepted by an amateur golfer for any event or series of events in any one tournament, exhibition or event is \$1,200 (as from 1 January 2004).

This limit also applies to a prize for a hole-in-one, however such a prize may be accepted in addition to any other prize won in the same competition.

NB Playing for Prize Money – Money prizes of any amount cannot be accepted by amateur golfers. In fact it is a breach of the Rules to play in a competition where cash or its equivalent is on offer – a breach is not restricted to winning such a prize (although note v.5). All sweepstakes must be voluntary, otherwise it is equivalent to playing for money.

i) Symbolic Prizes

A Symbolic Prize is a trophy made of gold, silver, ceramic, glass, or the like, that is permanently and distinctively engraved. Symbolic prizes are exempt from the above prize limits. Prizes such as watches, electrical goods, luggage, golf bags, and clothing, even though engraved or otherwise marked, are not considered to be symbolic prizes.

ii) Retail Value

This is the normal recommended selling price at which merchandise is available to anyone at a retail source over a reasonable period of time. Specially-discounted or short-term offers, or those restricted to certain customers, do not fall within this definition.

iii) Prize Vouchers

A prize voucher, in lieu of an actual prize, may be issued by the organisation conducting the competition for the purchase of goods from a pro shop or other retail source. To redeem the voucher it must be handed over by the winner to the retailer in exchange for goods purchased. If the Committee has not already paid the retailer, the retailer will send their bill directly to the Committee for payment. The winner does not handle any cash. It is permissible for a Committee to award a "gift card" or "gift voucher" that can be used at a number of different retail sources.

A voucher must not be used in such a way that it is the equivalent of money. It cannot be used for the payment of competition entry fees or competition travel or hotel expenses, crediting to a club account, or paying a club membership subscription, a bar account, electricity bill or the like, opening a bank or investment account, or purchasing petrol.

The function of a voucher is to provide the winner the opportunity to select their own prize from items that might normally be presented in a golf competition, eg clothes, shoes, furniture, suitcases, pictures, cameras, crockery, cutlery, glassware, or radios. Vouchers may also be applied toward use of a practice area, use of a golf cart, and green fees at a public course. The recipient is not entitled to receive back any cash by way of change. When the price of an item is in excess of the voucher value, the holder may pay the balance in order to acquire the item.

Clubs may allow vouchers to be redeemed in their dining room and/or bar for specific items or goods to the voucher's value. Bar products are restricted to packaged items.

iv) Team Competitions

In a foursome, four-ball or team competition, each player may individually accept a prize up to the legal limit, however the players may not jointly accept one prize worth over the limit of \$1,200.

v) Other pertinent R&A Decisions

1. A prize of an honorary club membership cannot be accepted.
2. A prize (irrespective of value) of an expenses paid trip to compete in a golf competition cannot be accepted. (With Golf Australia approval, certain events qualify for the sponsor to pay the expenses of competitors in handicap events – Rule 4-2g.)
3. A prize of a place in a Pro-Am can be accepted provided the Pro-Am's normal entry fee does not exceed the prize limits.
4. The cumulative value of all prizes, other than for a hole-in-one, won by one golfer relating to the overall tournament, (eg gross, nett, first nine, nearest the pin), must not exceed the prize limits.
5. Players competing for cash prizes in hole-in-one, closest-to-the-hole, long-drive, or putting contests are not considered to be "playing for prize money". Consequently only a player who accepts such a prize will be considered to have breached the Rules.
6. An amateur golfer may accept an expenses-paid trip as a prize provided it is worth no more than \$1,200 when added to all other prizes won by them in that event and is not for the purpose of participating in a golf competition, including a subsequent stage of the same event. Furthermore, no part of the prize may be in cash.