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REGULATIONS GOVERNING THE ISSUE OF PRIZES – Under the Rules of Amateur Status

The following is for the information of golf clubs, event organisers, and amateur golfers in general. It applies to regular golf competitions as well as longest drive, nearest the pin, putting, hole-in-one, and other similar events in which golf skill is a factor.

A. THE GOVERNING BODY

Golf Australia is the governing body for the Rules of Amateur Status in Australia. Golf Australia implements the Rules and Decisions laid down by the international governing authority, R&A Rules Limited. The Rules of Amateur Status are available from Golf Australia and State Associations.

B. AMATEUR STATUS

Amateur Status is a universal condition of eligibility for playing in golf competitions as an Amateur golfer. A person who acts contrary to the Rules may forfeit their status as an Amateur golfer and as a result be ineligible to play in Amateur competitions.

Amateur golf is almost unique in all of sport in that it is heavily reliant on a handicapping system which allows any golfer to compete on equal terms with any other golfer. Additionally, in virtually every amateur golf event, competition is reliant upon self-regulation as regards the Rules of play.

It is The R&A's position that uncontrolled sponsorship and financial incentive in the amateur game would provide significant temptation to players to manipulate scores and handicaps and to consequently diminish the competitive experience that is enjoyed by so many millions of players. As a result, The R&A, in consultation with the United States Golf Association, has set standards that limit the degree to which sponsorship and financial incentive may be involved with amateur golfers and amateur golf events. Golf Australia and its member state associations implement The R&A's position.

The R&A further makes the following general statement: "The Rules of Amateur Status are there to protect the best traditions and integrity of the game."

An Amateur golfer is defined as someone who plays the game as a non-remunerative or non-profit making sport and who does not receive remuneration for teaching golf or for other activities because of golf skill or reputation, except as provided in the Rules.

C. 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. See Section D for further information.

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 C.v.5). See also Section E – *Raffles, Lucky Draws, Sweepstakes*.

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 clubhouse, pro shop, or other retail source. *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, bottles of wine, a sit-down meal, MP3 players, or mobile phones.* 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.

To redeem the voucher it must be handed over by the winner to the provider of the good/s or service/s in exchange for the good/s or service/s. If the Committee has not already paid the provider, the provider will send their bill directly to the Committee for payment (unless the Committee is also the provider). 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 Committee may also choose to operate a club rewards points program which accrues competition prize vouchers towards a member's points balance – points could, for example, be redeemed against clubhouse or pro shop items.

A voucher must not be used in a way that it is the equivalent of money. It cannot be used for crediting to a club account to pay off expenses already incurred, or for paying a club membership subscription, electricity bill or the like, or for opening a bank or investment account, or purchasing petrol. Additionally, a voucher cannot be used for the payment of competition entry fees or competition travel or hotel expenses as this would be a breach of the Expense Rule (Rule 4).

It is though perfectly permissible for competition vouchers to be accrued for redemption against, for example, any future purchases of the following:

- an expensive dinner produced by clubhouse catering, or;
- clubhouse/bar food and beverage items (either packaged or non-packaged), or;
- pro shop goods or services.

Additionally, vouchers may be applied toward use of a practice area, use of a golf cart, or green fees at a public course.

iv) Team Competitions

In a foursome, four-ball or team competition, each player may individually accept a prize up to the limit of \$1,200, 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 – contact Golf Australia for further details.)
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, net, 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.

D. NEAREST-THE-PIN, LONG-DRIVING, PUTTING, HOLE-IN-ONE, & SIMILAR EVENTS

The following information will be of assistance to anyone wishing to conduct a nearest-the-pin, long-driving, putting, or similar event in which golf skill is a factor. It should be read in conjunction with the preceding information on prize limits. The retail value of prizes that can be accepted for such a competition is \$1,200.

(NOTE – Whilst it is contrary to the Rules for a hole-in-one competition to offer a prize with a value greater than \$1,200 (or cash of any amount), Golf Australia will not take action against a club which conducts or hosts such a competition. This is PROVIDED players are advised in advance they will forfeit their Amateur Status if such a prize is accepted. Prizes of this type MAY NOT be offered for anything other than a hole-in-one competition. This recognises the unusual nature of hole-in-one competitions in that they exhibit an insignificant likelihood of a prize actually being won.)

i) Venues

The Rules of Amateur Status apply to all competitions (at a golf course, driving range, or golf simulator) where the player is asked to replicate a shot similar to that they would encounter during a round of golf. The Rules of Amateur Status do not apply to activities involving golf feats not encountered during play of a round of golf (eg pitching a ball into a bucket or striking a moving target). The Rules of Amateur Status also do not apply to activities that may occur other than at a golf facility or golf simulator.

A golf facility includes any adjoining car park, practice area or unused land that forms part of the club's or facility management's freehold, leasehold or other tenancy arrangement. An event conducted in conjunction with a regular golf competition is covered by the Rules irrespective of the venue. If an area has a number of golf holes temporarily laid out within it (ie with tees, greens, hazards, etc) this would be considered a "golf facility". A "green" mown on a sports oval or in a paddock for a one-off competition is not a golf facility.

ii) Donating Excessive Prizes to Charity

When a club or a promoter has a sponsor wishing to provide a prize in excess of \$1,200 at a golf facility, the only option open is to make the prize available to a recognised charity (however see NOTE above). The conditions of the competition must clearly state that the person achieving the required feat does not win the "illegal" prize but that the charity (nominated by the person or by the sponsor) will receive the prize.

iii) Attempts to Circumvent Rules

In efforts to publicise events, promoters often seek ways of trying to "get around" the Rules. Other than as described above in i), ii), & the NOTE, please be assured that there are no such ways. The following points are made:

- Quiz, Raffle, or Prize Draw – See E below.
- Open Championships – At events in which both professional and amateur golfers are competing, Amateurs cannot be given an option to accept prize money or a non-conforming prize. Conditions of such events must be clearly set out. (However see the NOTE above.)

E. RAFFLES, LUCKY DRAWS, SWEEPSTAKES

If a quiz, raffle, or prize draw is limited to competitors who have achieved either a certain standard in a golf competition, or a particular feat (such as a hole-in-one, longest drive, or nearest the pin), the Rules still apply. NB The Rules do not apply to quizzes, raffles, or prize draws, where the entry requirements are otherwise – so long as they are not conducted in an attempt to circumvent the Rules, for example as would be the case where a prize draw is structured or used to lure elite-level players to compete in an event.

If a raffle or prize draw is limited to players to have achieved a certain standard in a golf event or a specific feat (such as a hole-in-one, longest drive, or nearest-the-pin), golf skill would be an entry requirement and when the retail value of such a raffle or draw prize is added to any other prize won by the same person in the same event, this must not total an amount in excess of \$1,200.

An informal sweepstake, whereby a competitor voluntarily wagers a set amount of money on themselves, is acceptable provided; the cost of an individual ticket does not exceed \$10, the players in general know each other, and the conduct of the sweepstake is incidental to the primary competition/s. The sole source of money won by the players in an acceptable sweepstake will have been advanced by the players themselves, the prizes must not be excessive, and advertising of the sweepstake must not take place. A competition featuring characteristics other than these (and which offers cash prizes) is likely to be considered to be offering prize money.

A Calcutta or auction sweepstake is considered contrary to the purpose and spirit of the Rules (Rule 7-2).

F. BREACHES OF RULES

Breaches of Amateur Status rules will be handled by Golf Australia or the appropriate State Golf Association, whether or not the golfer is a member of an affiliated club. If Golf Australia is satisfied that an amateur golfer has knowingly breached the Rules by accepting an illegal prize, the golfer's amateur status will be revoked. A period of up to two years awaiting reinstatement applies for accepting a prize of excessive value.

G. AFFILIATED CLUBS

When a State Association or Golf Australia receives advice that an improper prize is on offer at an affiliated club (other than for a hole-in-one competition), that club will be requested to have the prize withdrawn, irrespective of the time and cost invested by the organiser in promoting the event, or the worthiness of any charity involved.

Where an affiliated club is aware of, but makes no effort to discourage, a competition on its course for an excessive prize (other than for a hole-in-one competition), the State Association and Golf Australia would consider appropriate sanctions on that club, the ultimate being one of disaffiliation.

Clubs are urged to ensure that outside users of their course provide management with copies of entry forms and publicity releases as well as a list and value of all prizes that are proposed to be on offer. A copy of this document should be provided to the organiser.

If any doubt exists as to the legality of any prize, details should immediately be sent to your State Association for clarification so as to avoid any embarrassment.

Golf Australia hopes this paper is useful to all interested parties and we strongly urge club officials and event organisers to familiarise themselves with the contents.

Kind regards,

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