



## THE INDIAN GOLF UNION

### THE IGU'S GUIDELINES ON CONTRACTS AND AGREEMENTS EFFECTIVE 1<sup>st</sup> JANUARY, 2016

#### A. INTRODUCTION

The Rules of Amateur Status, albeit with certain provisos, permit an amateur golfer to enter into contracts and agreements with:

- (i) The Indian Golf Union and
- (ii) Professional Agents, Sponsors and Other Third Parties

In all cases, an amateur golfer would be advised to consult with the Indian Golf Union or to seek independent legal advice prior to signing any such contract and/or agreement.

#### B. NATIONAL GOLF ASSOCIATIONS

Rule 2-2(a) states that:

*“An amateur golfer may enter into a contract and/or an agreement with his national golf union or association, provided that he does not obtain payment, compensation or any financial gain, directly or indirectly, whilst still an amateur golfer, except as otherwise provided in the Rules.”*

The Indian Golf Union spends considerable time, money and resources in training and developing amateur golfers. It is considered desirable; therefore, that this investment can be formally recognised in a contract and/or agreement between both parties and the responsibilities of each can be clearly recorded. Such contracts and/or agreements may allow the IGU to recoup some of its investment from the amateur at a later date, either financially or in the form of dedicated time.

Examples of permissible contracts and/or agreements include:

1. A contract and/or an agreement with the IGU, to repay the investment in an amateur golfer's development once the amateur golfer turns professional, e.g. a straight repayment of the sum invested or a percentage of the player's earnings as a professional golfer, whether over a certain period of time and/or once the player's earnings reach a certain level.
2. A contract and/or an agreement with the IGU, to spend a certain amount of time on promotion or development activities once the amateur golfer turns professional.



3. A contract and/or an agreement with the IGU to:
  - abide by a certain code of conduct,
  - attend certain training programmes and participate in promotional activities,
  - play in certain events, or
  - Wear the official IGU logo when representing the IGU.

### **C. PROFESSIONAL AGENTS, SPONSORS AND OTHER THIRD PARTIES**

Rule 2-2(b) states that:

“An *amateur golfer* may enter into a contract and/or an agreement with a third party (including but not limited to a professional agent or a sponsor), provided:

- (i) the golfer is at least 18 years of age,
- (ii) the contract or agreement is solely in relation to the golfer's future as a professional golfer and does not stipulate playing in certain amateur or professional events as an *amateur golfer*, and
- (iii) Except as otherwise provided in the *Rules*, the amateur golfer does not obtain payment, compensation or any financial gain, directly or indirectly, whilst still an *amateur golfer*.”

It is accepted that certain high profile amateurs will attract the interest of professional agents, sponsors and other third parties. Therefore, it is appropriate and realistic that amateur golfers may sign agreements with individuals and organisations, provided they are solely in relation to the amateur's future professional career and no “advance payments or benefits” are received.

A few examples of permissible and non-permissible contracts and/or agreements include but are not limited to the following:

Permissible

1. A contract and/or an agreement with a professional agent to be represented by that agent on turning professional, including any financial arrangements, provided no financial benefit is obtained by the amateur golfer and he does not infringe the Rules in any other way, e.g. by allowing his name or likeness to be used to promote or sell anything (Rule 6-2).



#### Non-permissible

1. A contract and/or an agreement with a professional agent, sponsor or other third party to play in certain amateur or professional events whilst still an amateur golfer.
2. A contract and/or an agreement with an equipment manufacturer to play with certain branded equipment as an amateur golfer.

Note: An amateur golfer may still enter into a contract and/or agreement with a manufacturer and he may receive and play with a manufacturer's equipment (see Note 1 to Rule 6-2), provided the contract and/or agreement covers only his career as a professional, not as an amateur.

Decision 2-2/1 of the R&A 's Decisions on the Rules of Amateur Status, effective January 1<sup>st</sup>, 2016 provides the detailed do's and don'ts.

#### **D. AMATEUR GOLFERS UNDER 18 YEARS OF AGE**

In special individual circumstances, an amateur golfer under the age of 18 may apply to the IGU to be allowed to enter into such contracts and/or agreements, provided it is of no more than 12 months duration and it is non-renewable. Amongst other things, this age restriction provides some protection to very young, talented amateur golfers and it should minimise the chances of an inadvertent breach of the terms of any educational golf scholarship (e.g. a NCAA scholarship in the USA).

#### **E. EDUCATIONAL GRANTS, SCHOLARSHIPS AND BURSARIES**

If an amateur golfer is in receipt of an educational golf scholarship (see Rule 6-5), or may apply for such a scholarship in the future, he is advised to contact the Indian Golf Union, the governing body regulating such scholarships and/or the relevant educational institution to ensure that any third party contracts and/or agreements are allowable under the applicable scholarship regulations.



#### **F. DISCLAIMER OF LIABILITY**

With respect to this document, neither the Indian Golf Union nor any of its Council Members and employees, makes any warranty, express or implied, including the warranties of fitness for a particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe any rights.

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