



Funding Agreement

This Funding Agreement ("Agreement") is concluded,

between:

The German Sailing Federation ("Patron"), with its head office located at:
Gründgensstraße 18,
22309 Hamburg
Deutschland

and:

The Sailing Federation of Ukraine ("Beneficiary"), with its head office located at
str. Esplanada 42,
Office 815
01601, Kiew-601
Ukraine

Recitals

- A. The basis of this agreement is the mission statement of the German Sailing Association, which is based on the assumption that the joint actions of the players are characterised by respect, tolerance, transparency, fairness and solidarity.
- B. The parties come together for the pursuit of common charitable purposes.
- C. The common goal of the parties is the promotion and cultivation of nature- and landscape-compatible sailing in all its manifestations on the basis of the amateur idea for adults and young people as a leisure and popular sport as well as a competitive sport and cruising.
- D. The aim is also to support Ukrainian sailing clubs affected by the war with donations in kind or money to help them fulfil their purpose.

In consideration of the mutual promises contained in this agreement, partners agree as follows:

1. Funding Measures

The patron supports the beneficiary by passing on donations in kind and/or money.

The beneficiary will use the donated funds only to promote and support sailing clubs (sub-grantees) affected by the war. The aim is the reconstruction and continuation of recreational and popular sailing sports in the Ukraine.

The beneficiary is advised to pass on funding to its own member clubs for the purpose of promoting sailing.

The beneficiary is responsible for the distribution and implementation of the fundings. The beneficiary must also ensure that, in accordance with this agreement, the essential terms of the agreement between the beneficiary and the patron are similarly applied to the contractual agreement between the beneficiary and the sub-grantees.

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The patron will provide the fundings to the best of its ability through targeted fundraising appeals. There is no legal entitlement to ongoing funding should the patron be unable to generate sufficient funding.

2. Reporting Guidelines

At the end of each calendar year, the beneficiary shall provide the patron with proof of the use of the donated material and financial resources.

The proof for the material resources must contain the value and number of the donations handed over as well as the complete contact details of the sub grantee and a signed confirmation receipt of the donations from the sub-grantees.

The use of the financial resources must be prepared in the financial report using annex 1a. All costs actually incurred must be allocated to the sub-grantees and each voucher must be listed individually in chronological order. In addition, all types of income must be recorded.

Each voucher must be given a unique internal voucher number in the beneficiary's accounts and may only be entered once in the 'Breakdown of actual costs.

Furthermore, the beneficiary shall provide a short factual report which describes the realisation of the use of the donations in accordance with the common goals of the parties. In addition to the factual report by the beneficiary, a reporting obligation of the funded sailing clubs must also be submitted upon request.

Every proof of use submitted to the patron becomes part of the annual audit of the patron.

The funds may only be passed on to the member associations free of charge. Resale is not permitted under any circumstances.

The beneficiary is responsible for ensuring that the sub-grantee uses the grants only for the common purposes of this contract. Resale by the sub-grantee is also not permitted and will result in the exclusion of the sub-grantee from the funding measures and the immediate return of the funding to the beneficiary.

The patron also receives the right of information and the submission of documents concerning the transfer of the fundings and, if necessary, he can also demand an on-site inspection of the funding measures

3. Duration

The funding contract runs for an indefinite period of time and only ends with an informal termination agreement signed by both parties.

4. Termination of the contract

Misappropriation of funds by the beneficiary will result in an immediate termination of the agreement.

In the event of misuse of funds by the beneficiary, the patron may demand recovery of the fundings, this also includes the non-use of the fundings after a period of 2 years after receiving the donations.

In the event of gross violations of the joint agreement, the beneficiary is entitled to claim damages in the amount of the misused funds.

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Should the German tax office object to the intentions of this agreement, the patron has the right to terminate the agreement within a period of 4 weeks and immediately stop the transfer of the fundings. All funds forwarded up to this point would again become the property of the patron.

5. Amendment to the Agreement

This agreement shall not be varied or amended unless such variation or amendment is agreed in writing by or on behalf of each and all the parties hereto.

6. Severability

If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid, illegal, or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of this Agreement, the parties shall immediately commence good faith negotiations to remedy such invalidity.

Should further requirements or documentation obligations be imposed on the joint funding agreement by the German tax office, both parties agree to comply with these requirements without delay and to incorporate all necessary requirements into the joint cooperation.

Date 17 June 2023

German Sailing Federation
Monika Kueppers
President

Date 17 June 2023

Sailing Federation of Ukraine
Rodion Luka
President