



POLICY: SPONSORSHIP

Policy No	41	Issue			1
Board Approval	January 2026	Review cycle	2-yearly	Next review	January 2028

Introduction

The Board of DragonBoat SA is committed to ensuring that all sponsorship arrangements are conducted ethically, transparently and in alignment with the organisation's values and mission.

Purpose

This policy outlines the framework for building meaningful and ethical sponsorship partnerships between DragonBoat SA and external entities, including corporations, foundations, individuals, and other organisations. Sponsorships can contribute financial or in-kind support and represent a strategic opportunity to strengthen relationships with like-minded partners, provided these arrangements are managed in line with legal and reputational responsibilities.

Definitions

Sponsorship is defined as a business arrangement in which DragonBoat SA receives cash or in-kind support from an external party in exchange for agreed benefits. These may include, but are not limited to, acknowledgement, promotion, brand exposure, or other forms of recognition.

Policy

1. DragonBoat SA will not permit any sponsorship arrangement to influence, or be perceived to influence, its independence, priorities, decision-making or governance.
2. DragonBoat SA will not enter into sponsorship agreements with entities whose practices, products, or reputation are inconsistent with the organisation's mission, values, or strategic objectives. Prohibited sponsors may include, but are not limited to, those involved in:
 - 2.1 Tobacco, vaping, or smoking-related products
 - 2.2 Alcohol production or promotion (unless relevant to an adult-only fundraising context and with board approval)
 - 2.3 Gambling, betting, or gaming
 - 2.4 Weapons, firearms, or military equipment
 - 2.5 Products or services that are discriminatory, exploitative, or environmentally harmful
 - 2.6 Any organisation whose products conflict with DragonBoat SA's goals (e.g. fast-food companies sponsoring a health program)
3. Sponsorships will only be accepted where they do not compromise the legal, financial, reputational or moral integrity of DragonBoat SA.
4. All sponsorship arrangements must be:
 - 4.1 Documented in a written agreement approved by the Board.
 - 4.2 Time-bound, with defined renewal or termination clauses.
 - 4.3 Consistent with DragonBoat SA's branding, communications, and ethical fundraising standards.
 - 4.4 Compliant with relevant legal and regulatory obligations, including GST and reporting requirements under the ACNC Act, fundraising laws, and Australian Consumer Law.

5. Sponsorship agreements must clearly state:
 - 5.1 The name of the sponsor and their business nature.
 - 5.2 The type and value of the support (cash or in-kind).
 - 5.3 The benefits provided in return (e.g. brand placement, event access, media exposure).
 - 5.4 Any restrictions or requirements on public association with DragonBoat SA.
 - 5.5 Termination or withdrawal conditions for both parties.
6. Due diligence will be conducted before entering any sponsorship, including reviewing:
 - 6.1 The sponsor's values, business practices, public reputation, and alignment with our mission.
 - 6.2 Potential legal or reputational risks.
 - 6.3 Conflicts of interest with existing donors, partners or policies.
7. DragonBoat SA reserves the right to decline or terminate any sponsorship if new information comes to light that would bring the organisation into disrepute or breach this policy.
8. Staff and Board members must disclose any potential conflicts of interest in accordance with DragonBoat SA's Conflict of Interest Policy.
9. All sponsorships over a threshold amount determined by the Board must be reported in the annual financial report or public disclosures in line with legal and ethical transparency expectations.

Responsibilities

The Board is responsible for the development, approval, and periodic review of the Sponsorship Policy and associated procedures.

All Board members, casual, permanent and contract staff, and volunteers are responsible for adhering to this policy and ensuring sponsorship arrangements are consistent with the organisation's values, legal obligations, and strategic objectives.

Procedures

1. All event and project sponsorships must involve a material financial or in-kind contribution that meaningfully offsets the costs associated with the sponsored activity.
2. Prior to acceptance, all proposed sponsorships must be assessed for alignment with DragonBoat SA's mission, values, and the exclusion criteria set out in the Sponsorship Policy. This includes screening for associations with prohibited industries such as tobacco, alcohol, gambling, or other sectors inconsistent with our purpose.
3. A risk and reputational assessment will be conducted before entering any sponsorship agreement. The organisation reserves the right to decline sponsorship offers that could compromise its integrity or reputation.
4. All sponsorship relationships must be recorded in the organisation's sponsorship register. Sponsorships over \$5,000 must be reported to the Board annually.
5. All sponsorships involving naming rights or prominent brand placement must be approved by the Board.
6. Sponsorships over \$500 must be formalised through a written agreement approved by the Board. (See Appendix A: Sponsorship Agreement Template.)
7. All sponsorship agreements must include:
 - o Details of the sponsor and the nature of their business
 - o The type and value of the support provided (cash or in-kind)
 - o The specific benefits or acknowledgements to be provided in return
 - o Duration of the agreement and review dates
 - o Termination or withdrawal clauses for both parties
 - o Conditions for use of logos, branding, and marketing collateral
 - o Legal and financial compliance provisions, including GST obligations if applicable
8. A copy of each signed agreement must be stored in the organisation's contracts register.

9. The organisation will comply with all relevant laws and regulations regarding sponsorship, including fundraising laws, GST and taxation obligations, and ACNC reporting standards where applicable.
10. All sponsorship arrangements will be reviewed periodically for performance, compliance, and reputational risk. The organisation reserves the right to terminate sponsorships if these risks change or new concerns arise.

APPENDIX A

Sponsorship contracts/letters of agreement guidelines

Sponsorship contracts and letters of agreement involving DragonBoat SA must include the following clauses:

1. **Description of the Sponsorship Alliance:** The contract will contain a comprehensive description of the item, project or event around which the sponsorship alliance is constructed, including a list of obligations for both parties. Obligations of the parties in market research or sponsorship analysis will be explicitly itemised in the contract. (See also item 7 below.)
2. **Terms of Agreement:** the dates for commencement and conclusion of sponsorship alliances must be included in the contract.
3. **Key Personnel:** The contract will include the names of the individuals from both parties primarily responsible for the sponsorship, and to whom issues regarding the contract are to be referred.
4. **Limitations on and Approval of the Use of DragonBoat SA's Name:** The following clause limits the use of our name by the sponsor in its own internal and external promotion and advertising as per the negotiated arrangements: *"Neither party, in any situation, whether within or outside the parameters of the sponsorship, shall be deemed to be the spokesperson for, or the representative, of the other party."* The accepted use of DragonBoat SA's word mark, logo or crest must be stipulated in all contracts and agreements.
5. **Exclusivity:** DragonBoat SA may wish to offer outright or industry exclusivity to a sponsor, or the sponsor may request such exclusivity within the sponsorship alliance. Where relevant, the following statement regarding exclusivity will be included in the contract: *"DragonBoat SA agrees that [Name of Sponsor] shall be the sole and exclusive sponsor of [Name of Initiative] for the term of this agreement."*
6. **Financial Terms and Schedule of Payments:** The total value and payment schedule of the sponsorship agreement between the parties will be clearly identified in the contract.
7. **Obligations of the Parties to Each Other:** The obligations of the parties are dependent upon the form of the alliance and will be determined on an individual basis. Responsibility for any market research or program or evaluation duties, reporting, and approvals will be specified in the contract, along with specific criteria and methodologies for the evaluation of the sponsorship.
8. **Breach of Contract:** The contract should stipulate what shall occur in the case of a breach of contract; for example: *"Prior to initiating formal notification of breach of contract, the parties will undertake all appropriate and reasonable efforts to resolve the matter. Should these efforts not prove successful within a reasonable time, either party may notify the other of breach of contract in writing. Such notification will require rectification within 14 days. If the breach is not rectified within that time then the non-breaching party may terminate the contract by written notice."*
9. **Right to Discontinue the Sponsored Program or Event:** The contract shall ensure DragonBoat SA reserves the right to cancel the sponsorship should circumstances dictate; for example: *"When circumstances beyond the control DragonBoat SA force the cancellation or substitution of a sponsored event or project, DragonBoat SA reserves the right to cancel without finding itself financially liable or in breach of contract."* If it is intended that DragonBoat SA be entitled to retain any sponsorship funds already paid then this should be specified in the contract.
10. **Right to Cancel Sponsorship for Reputational Reasons:** The contract shall ensure DragonBoat SA reserves the right to cancel the sponsorship if matters occurring or becoming known after the signing of the contract make it likely, in DragonBoat SA's reasonable opinion, that the continued association of the sponsor with DragonBoat SA may cause DragonBoat SA to become subject to criticism or otherwise held in disrepute.