

HARMONY FUND - FUNDING TERMS AND CONDITIONS

FUNDING

1 The Government agrees to provide the Agency with funding (the “Funding”), on a reimbursement basis, to conduct the Project in accordance with the Agency’s Project proposal as accepted by the Government. The Funding shall consist of a sum that is the lowest of the following:

- (a) [$\$X$];
- (b) [$X\%$] of the total qualifying expenditure (as set out in the letter of approval dated [*Date*] incurred by the Agency in respect of the Project; or
- (c) the net expenditure, if any, derived from the difference between the total expenditure incurred and the total income earned by the Agency in respect of the Project.

2 The Funding shall not be applied to any of the following costs and expenses incurred by the Project:

- (a) Any expenses incurred outside Singapore;
- (b) Any expenses incurred in relation to any fundraising event;
- (c) Any cash prize;
- (d) Capital expenditure (for example, office equipment, computer infrastructure, etc.);
- (e) Manpower-related costs (for example, staff salaries, or any monetary claims by staff members);
- (f) Any expenses incurred in relation to any form of religious activity.

3 The Funding is not transferable, and must not be used for any purpose other than the Project. For the avoidance of doubt, the Agency may use the Funding to engage vendors with relevant professional expertise (for example, technical or creative expertise) that will be used in furtherance of the Project’s objectives as specified in the Project proposal.

4 The Funding shall be disbursed by the Government to the Agency subject to the following requirements:

- (a) The Agency shall maintain proper financial records for the Project (including records of all miscellaneous costs, income received and expenditure incurred);

- (b) The Agency shall make a claim to the Government for reimbursement, within 6 months after the completion of the Project, by submitting to the Government a Reimbursement Form. The Agency must also submit all relevant supporting documents (for example tax invoices, cash sales bills, receipts) with the Reimbursement Form;
- (c) In relation to any claim for reimbursement, the Agency shall ensure that:
- (i) Where an invoice is a photocopy of the original, the photocopied version must be certified by a senior officer (for example, CEO or CFO) of the Agency. The Agency shall submit to the Government a specimen of the Agency's certifying officer's signature within 7 days of signing this Agreement. A certification that purports to be authenticated by the certifying officer's signature or initials (whether handwritten or not) shall be deemed to be signed by him unless it is shown that the signature or initials were not placed there by him and were not placed there by any other person apparently authorised to use the signature or initials for the purpose of certifying any invoices on the Agency's behalf;
 - (ii) the names and other relevant details of the vendors (such as telephone number, address and e-mail) are made available to the Government;
- (d) MCCY reserves the right to reject any claims by the Agency for reimbursement if the supporting documents submitted by the Agency do not comply with the requirements above, or any other requirement that the Government may specify from time to time;
- (e) The Agency shall refund to the Government any excess funds (if any) disbursed by the Government upon the Government's request, and within such time and in such manner as the Government may specify.

OBLIGATIONS OF AGENCY

5 The Agency shall be responsible for obtaining all required licences, permits, permissions and other authorisation to use any photographs, copyright materials or other property or other rights belonging to third parties that the Agency uses for the Project.

6 The Agency agrees to have its name and contact details listed in any form of publication and permit details of its Project to be featured in any form of publication, including the MCCY website and forms of social media.

7 The Agency shall not proselytise, and shall take all reasonable precautions, measures and means to prevent proselytising by its employees and agents conducting the Project and by persons making use of the Project.

8 The Agency shall (a) allow the persons authorised by the Government (“authorised inspectors”) to inspect all the relevant documents in its possession pertaining to the Project; (b) make copies of any such relevant documents as may be requested by the authorised inspectors, to be given to the said authorised inspectors, at its own cost; and (c) allow, and if necessary, facilitate, the interview of any person making use of the Project by the authorised inspectors.

AUDIT AND REPORTING REQUIREMENTS

9 The Agency shall collate, prepare and submit to the Government, in the format and medium specified by the Government, the following:

- (a) a report of how the Project objectives are achieved, to be submitted within 6 months after the completion of the Project;
- (b) an annual audited income and expenditure statement for the Project certified by an accounting firm, an accounting corporation or an accounting limited liability partnership as approved under the Accountants Act (Cap. 1) if the total payment received by the Agency for the Project is S\$100,000 or more. The annual audited income and expenditure statement shall be submitted within 6 months after the completion of the Project;
- (c) an annual income and expenditure statement for the Project certified by the Agency’s CEO/ CFO (or their respective equivalent), if the total payment received by the Agency for the Project is less than S\$100,000. The annual income and expenditure statement shall be submitted within 6 months after the completion of the Project;
- (d) such Project information as may be specified by the Government, to enable the Government to conduct an evaluation and audit of the Project in such format and for such periods as may be specified by the Government, to be submitted within two weeks of being required to do so by the Government.

10 The Agency shall declare to the Government all sources of funding that is provided for the Project, including any current and/ or expected funding from any other agency or organisation. The Agency shall submit all relevant supporting documents with regard to such other funding to the Government:

- (a) where the Project is already in receipt of such funding, before this Agreement is entered into between the Parties;
- (b) where the Project receives such funding on or after the date this Agreement is entered into between the Parties, at the time that the Agency submits its claim for reimbursement under Clause 4(b) above.

11 The Agency shall notify the Government in writing before effecting or allowing any changes in the direct or indirect ownership or ultimate or effective control or management of the Agency. In the absence of such written notification, the Government may terminate this Agreement immediately, or review and amend the terms and conditions of this Agreement (including terms and conditions relating to the funding levels and disbursement mechanisms) by written notification thereof to the Agency.

12 The Agency shall maintain sufficient written records pertaining to the operation of the Project to allow a proper assessment to be made by the Government and its agent(s) as to whether the Agency has complied, or is complying, with the terms and conditions of this Agreement, including the details of the Project in Annex A. The Agency shall retain such records, and the reports, statements and information referred to in Clause 9 above, for a period of three years after the close of the financial year in which the records were made. The maintenance and retention of these written records are only for the Government's purposes, and this Clause is not intended to affect the Agency's duty to comply with any law or any requirement of other authorities.

BREACH OF AGREEMENT

13 The Government shall be entitled to terminate this Agreement at any time by notice in writing to the Agency and reclaim part or the whole of the Funding provided to the Agency as it thinks fit, if the Government considers that —

- (a) the Project is profit-making;
- (b) the Agency has, in carrying out the Project, deviated from the objectives and aims of the Project;

- (c) the Agency has provided false or incorrect information to the Government in its application for the Funding or pursuant to any provision in this Agreement;
- (d) there is any material omission in its application for the Funding;
- (e) the Project has a political or religious agenda, or the Agency, its employee, its vendor or any other person involved directly or indirectly in the Project has, in carrying out the Project, proselytised any particular faith;
- (f) the Project denigrates or debases an individual, or any group or class of individuals, on the basis of race or religion, or the Project is intended or is likely to cause conflict or misunderstanding in Singapore's multi-cultural and multi-religious society;
- (g) the Project advocates or lobbies for lifestyles or has content that risks being or is likely to be held as objectionable by the general public; or
- (h) the Project demeans or disparages any government department or agency, public institution or national leader, undermines the authority or legitimacy of any government or any public institution, or threatens Singapore's security or stability.

14 Where the Agency has breached any provision of this Agreement, the Government may require the Agency to remedy or rectify any such breach immediately or within such period as the Government may specify. The Government shall be entitled, without prejudice to its other rights and remedies under this Agreement, to reduce or withhold the Funding until such time the Agency has remedied or rectified the breach to the Government's satisfaction.

14A If the Agency fails to remedy or rectify a breach in accordance with Clause 14, or if the Agency commits a breach of this Agreement that the Government considers to be incapable of remedy or rectification, the Government shall be entitled to terminate this Agreement immediately and withhold and/or reclaim the whole or part of the Funding as it thinks fit.

SUBCONTRACTING, DELEGATION AND ASSIGNMENT

15 The Agency shall not assign, directly or indirectly, all or part of its rights or obligations under this Agreement without the prior written consent of the Government, which consent shall not be unreasonably withheld or delayed.

DISCLAIMER OF LIABILITY

16 Notwithstanding anything in this Agreement, except for death and personal injury resulting from the Government's own or any of its employees' or agents' negligence, the Government shall not be liable to the Agency for any loss, damage, cost or expense of any nature whatsoever, arising from: (a) any representation, statement or tortious act or omission, including negligence of the Government, in the course of the performance of the Agreement; or (b) any delay, failure or refusal by the Government to furnish the Agency with the Funding or any decision by the Government to suspend the provision of the Funding, unless the delay, failure, refusal or suspension was done in bad faith.

INDEMNITY

- 17 The Agency shall indemnify and hold harmless the Government against:
- (a) any claim or action by any person whomsoever including employees of the Agency by reason of or arising from this Agreement, including but not limited to anything done or any failure to do anything by the Agency, its servant or agents in carrying out the Agency's obligations under this Agreement;
 - (b) any claim or action by any person for infringement of any intellectual property rights over any document, product, process, invention or discovery which is used in connection with this Agreement or results from the performance of either Party's obligations under this Agreement; and
 - (c) any loss, damage, cost or expense suffered by the Government arising from the Agency's provision of the services under this Agreement, or arising from the Agency's breach of any provision of this Agreement.

RELATIONSHIP OF PARTIES

18 Nothing in this Agreement shall be construed as creating a partnership, joint venture or agency and both Parties agree that they shall not be authorised to represent, make any commitment or bind the other to third parties.

MEDIATION

19 Notwithstanding anything in this Agreement, in the event of any dispute, claim, question or disagreement arising out of or relating to this Agreement, or breach thereof, no Party shall proceed to litigation or any other form of dispute resolution UNLESS the Parties have made reasonable efforts to resolve the same through mediation in accordance with the mediation rules of the Singapore Mediation Centre.

20 A Party who receives a notice for mediation from the other Party shall consent and participate in the mediation process in accordance with Clause 29 above.

21 Failure to comply with Clauses 19 or 20 above shall be deemed to be a breach of contract.

SEVERABILITY

22 In the event any provision of this Agreement shall be determined to be illegal, invalid or unenforceable, all other remaining provisions of this Agreement shall continue in full force and effect.

NOTICES

23 Any notice or other communication served by either Party to the other under this Agreement shall be deemed to be properly served if served by hand, under registered mail cover, or by confirmed telefacsimile to:

(a) The Government: Ministry of Culture, Community and Youth, 140 Hill Street, Old Hill Street Police Station, #01-01A, Singapore 179369 (Fax No: 68378675);

(b) The Agency: *[to state address and fax number of the Agency]*

or to such other address or number as either Party may notify the other Party of in writing from time to time, at least 3 days before the service of the notice or communication is effected.

24 Any notice or other document shall be deemed to have been duly served upon and received by the receiving Party:

(a) if delivered by hand, at the time of delivery;

(b) if sent by registered post, on the 3rd day after the date of despatch;

- (c) if transmitted by way of telefacsimile transmission, at the time of transmission, provided that the transmission is evidenced by a transmission report generated by the transmitting equipment.

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

25 This Agreement does not create any rights under the *Contracts (Rights of Third Parties) Act* which is enforceable by any person who is not a party to it.

SET-OFF

26 Whenever under this Agreement any sum of money shall be recoverable from or payable by the Agency, the same may be deducted from any sum then due or which at any time thereafter may become due to the Agency under this Agreement.

ENTIRE AND WHOLE AGREEMENT

27 This Agreement contains the entire and whole agreement between the Parties and supersedes all prior written or oral commitments, representations, arrangements, understandings or agreements between them.

28 Each Party warrants to the other that it has not entered into this Agreement on the basis of any prior written or oral commitments, representations, arrangements, understandings or agreements between them.

APPLICABLE LAW AND JURISDICTION OF COURTS

29 This Agreement shall be subject to, governed by and interpreted in accordance with the laws of the Republic of Singapore for every purpose and the Parties agree to submit to the exclusive jurisdiction of the Singapore courts.

SURVIVAL AFTER TERMINATION OR EXPIRATION

30 Clauses 6, 8, 16, 17, 19 20 and 21 of this Agreement (relating to *Obligations of the Agency, Disclaimer of Liability, Indemnity and Mediation*) shall survive the termination or expiration of this Agreement.

SAMPLE

FORM OF AGREEMENT

THIS AGREEMENT is made on *[Date]*

BETWEEN

- (a) the Government of the Republic Singapore (“the Government”) as represented by the Ministry of Culture, Community and Youth having its office at 140 Hill Street, Old Hill Street Police Station #01-01A, Singapore 179369; and
- (b) _____ *[name of Agency]* (“the Agency”) a *[to state what the legal status of the Agency is, for example, “a company limited by guarantee incorporated in Singapore, with registration number XXXX]”*, and having its *[registered] office at [to state registered address of the Agency]*.

WHEREAS the Agency has applied for funding for the *[state name of Project]* and the Government has accepted the application by the Agency for the said funding.

NOW IT IS AGREED as follows:

- 1 In this Agreement, words and expression shall have the same meanings as are respectively assigned to them in the Funding Terms and Conditions hereinafter referred to.
- 2 The following documents shall be deemed to form and be read and construed as part of this Agreement:
- (a) Instructions to Applicants;
 - (b) Funding Terms and Conditions;
 - (c) Agency's Project proposal;
 - (d) Government’s Letter of Offer dated *[to state date]*; and
 - (e) This Form of Agreement.
- 3 In consideration of the funding (“Funding”) to be provided by the Government to the Agency as hereinafter mentioned, the Agency agrees to carry out the Project mentioned in this Agreement in conformity in all respects with the provisions of this Agreement.
- 4 The Government agrees to provide the Agency with the Funding for the operation of the Project mentioned in this Agreement in conformity in all respects with the provisions of this Agreement.

5 This Agreement shall expire on *[to state date]*, unless terminated sooner in accordance with the provisions of this Agreement.

IN WITNESS WHEREOF the Parties hereto have by their respective duly authorised representatives have hereunto set their respective hands the day, the month and the year first above written.

Signed by :
(Signature)

[Name]

[Designation of Office]

Ministry of Culture, Community and Youth
for and on behalf of the
GOVERNMENT OF THE REPUBLIC
OF SINGAPORE

in the presence of :

.....
(Signature of Witness)

[Name of Witness]

[Designation of Office]

Ministry of Culture, Community and Youth

Signed by :
(Signature)

[Name]
[Designation of Office]
for and on behalf of
[Name of Agency]

in the presence of :

.....
(Signature of Witness)

[Name of Witness]
[Designation of Office]
[Name of Agency]

SAMPLE