

## **FIDE FINANCIAL RULES (Draft 06/12/2020)**

### **1. General**

- 1.1 The Financial Rules set out the broad framework of financial management policies, procedures and controls adopted by FIDE in order to ensure its on-going solvency, the safeguarding of its assets, and the effective and efficient use of resources.
- 1.2 The financial year of FIDE begins on January 1st and ends on December 31st of each year.
- 1.3 Decisions made by the General Assembly concerning Financial Rules will come into effect on the first day of the next financial year unless the General Assembly decides otherwise.
- 1.4 FIDE shall use Euro as the functional currency for denominating budgets and financial statements. For statutory reporting under Swiss law, the financial statements shall be translated from Euro to Swiss Francs.
- 1.5 Appendices to FIDE Financial Rules are integral part of FIDE Financial Rules.

### **2. FIDE Treasurer**

- 2.1 The Treasurer is responsible for financial management of FIDE.
- 2.2 The Treasurer, in cooperation with FIDE Council, shall develop financial management policies and procedures, which shall be in compliance with these present Financial Rules.
- 2.3 The Treasurer must manage FIDE finances in a conservative manner in order to ensure long-term financial viability of the organization.
- 2.4 The Treasurer must conduct the financial management on the basis of annual budgets approved by the General Assembly. One month before the General Assembly the Treasurer shall publish a proposal for the budget for the coming financial year, for further discussion and approval by the General Assembly. If the budget is not approved, FIDE shall function on the basis of the last budget adopted by the General Assembly. If the circumstances warrant, upon request by the Treasurer the FIDE Council can modify the budget between annual meetings of the General Assembly.
- 2.5 All documents that contain potential financial obligations by FIDE (including but not limited to employment contracts, contracts with contractors, service providers and other vendors, contracts for FIDE events, tournament regulations, and other documents that contain potential financial obligations by FIDE) must be approved by the Treasurer prior to signing the contracts and / or publication of such documents on FIDE website.
- 2.6 The Treasurer may delegate certain day-to-day financial management duties to appropriately qualified staff; however, in any case, the ultimate responsibility for FIDE finances stays with the Treasurer.

### **3. FIDE Financial Reporting**

- 3.1 FIDE shall prepare annual financial statements in accordance with applicable Swiss laws.
- 3.2 FIDE annual financial statements shall be subject to full-scope audit by a recognized auditing firm, which shall be appointed by the General Assembly.

3.3 The Treasurer's Report to the General Assembly shall comprise financial statements for the previous financial year (balance sheet, statement of income and expenses, and notes) together with the report by the auditor. After examination and approval of the Treasurer's Report and the Report of the Verification Commission, the General Assembly shall discharge the Treasurer of his / her obligations for the financial year in question.

#### **4. Bank Accounts**

4.1 All FIDE bank accounts and investment accounts must at all times be kept solely at reputable banks and be held in FIDE's name. FIDE may also use electronic payment systems for smaller payments. Money held in FIDE accounts in electronic payment systems must be transferred to FIDE bank accounts on a regular basis.

4.2 FIDE representative offices outside Switzerland may have bank accounts in relevant jurisdictions. These bank accounts shall be operated by the head of relevant representative office based on instructions of FIDE Treasurer.

4.3 Payment to / from FIDE shall be done by means of bank transfer or electronic payment systems. Cash payment can be made only under extraordinary circumstances.

4.4 All transactions shall be approved by at least two persons, one of whom must be the Treasurer (or his / her appointee).

4.5 When making payments FIDE should comply with all applicable government regulations including anti-money laundering requirements.

4.6 If FIDE would have to do repeat payment due to wrong account details provided by the beneficiary initially, FIDE may deduct EUR 100 (or equivalent in other currencies) from the transfer amount in order to compensate for the charges incurred due to an additional payment. The second payment can only be performed after the first transfer has returned to FIDE account unless the Treasurer decides otherwise due to the urgency of the situation.

4.7 A petty cash fund may be operated by the FIDE Secretariat which will be reconciled with the Treasurer on a monthly basis. Petty cash fund report shall be sent monthly to the Treasurer.

4.8 FIDE may use credit cards, which shall be paid in full on a monthly basis. The list of persons holding the cards, as well as the limits on the credit cards, shall be decided by the President and approved by Treasurer. FIDE credit cards shall be used exclusively for business expenses, such as travel expenses, office expenses, etc.; usage of cards for personal expenses is strictly prohibited. The card shall be used for electronic payments (card terminal or online). Cash withdrawals from ATM machines can be made only in exceptional circumstances when other means of payment are impossible.

#### **5. Revenues and Expenses**

##### **5.1 Revenues**

FIDE revenues accrue from:

- Membership fees (Appendix A)
- Fees for services provided by FIDE (Appendix B)
- Income from FIDE events
- Sponsorship & donations

- Marketing income (TV and advertisement rights, licensing, royalties etc)
- Merchandise sales
- Investment dividends and bank interests
- Any other income earned from activities aimed at promotion of FIDE mission

## 5.2 Costs

FIDE may incur expenses aimed exclusively at promotion of its mission stated in Article 2 (“Mission and Role of FIDE”) of FIDE Statutes. Such expenses may include, but not limited to:

- Organization of official FIDE events
- Organization of meetings of FIDE bodies
- Administrative and office expenses
- Employees’ salaries
- Consultants’ and contractor’s fees
- Travel expenses of FIDE officials and employees
- Business development costs
- Support of development programs of National Chess Federations, FIDE Continents and Affiliated Organizations
- Any other reasonable expenses aimed at promotion of FIDE mission.

## 6. FIDE Fees

6.1 Fees levied by FIDE are stipulated in Appendices 1 and 2, which form an integral part of FIDE Financial Rules. Fees related to transfer of players are stipulated in Transfer Regulations and Rules of Eligibility for Players.

6.2 FIDE can receive fees from member federations as well as from individuals (players, arbiters, trainers, organizers, school instructors and other members of chess community). The FIDE Council, based on recommendations by the Treasurer, shall decide on the procedures of receiving payments from individuals.

### 6.3 Invoices to Member Federations

- Member federations are responsible for all fees charged to them for all registered chess competitions that are held in their territories, as well as for all fees due by individuals (entry fees, title application and licence fees, exam fees, etc) who represent relevant member federations.
- Submission by member federations rating reports, title & license applications, registrations for FIDE events, as well as bids to organize FIDE events represents unequivocal obligation by member federations to pay fees for the above-mentioned services.
- In January and July each year, FIDE shall invoice all member federations for the services during the previous six months; January invoices shall also include the annual membership fees for the current year.
- Member federations settling all outstanding amounts by the following 1 April / 1 October respectively shall be entitled to deduct 5% from the amount due. Federations that have not settled all outstanding amounts by the following 1 April / 1 October respectively are considered in arrears. The in-arrears period starts from 1 April / 1 October respectively and lasts until all outstanding amounts have been settled in full.

- On 1st April and 1st October of each year the Treasurer shall publish on the FIDE website the list of member federations that are deemed to be over six months in arrears and have unpaid debt of more than EUR 500.
- A member federation that has unpaid debt of more than EUR 500 and has been in arrears for more than six months cannot bid to organize any FIDE event. FIDE Council may decide on imposing additional penalties, such as suspension of FIDE services, prohibition for players from such member federation to participate in any official FIDE events, and sanctions against the federation's officials until the arrears have been settled in full.
- If a member federation has been in arrears for more than two years, the General Assembly may decide to temporarily exclude such federation.
- FIDE Council can request Continental Associations not to allow member federations to participate in continental team events when that member federation has services withdrawn by FIDE due to non-payment of outstanding balances. Three months' notice shall be given to the Continental Associations by FIDE after a proposal has been approved by the Council. Players from temporarily excluded member federations shall not participate in any continental events.
- Continental Associations can request that FIDE withdraws service to a member Federation that is in arrears with the Continental Association. A request must be sanctioned by the decision of the Continental Board and sent to FIDE Secretariat. Such requests shall be reviewed by FIDE Council who will review the presented information and will determine the sanctions. Shall the Council approve the request, the ratings of the players of the member federation in question will be withdrawn at the date of the next publication of the rating list, and other services will be withdrawn three months after the decision of the Council.

#### 6.4 Fee Reduction for Developing Countries

- Rating fees, entry fees for participation in FIDE tournaments, title application fees and license fees are waived for Level 5 and Level 4 developing countries.
- Each Level 3 developing federation has EUR 500 per annum credit to be applied against rating fees, entry fees for participation in FIDE tournaments, title application fees and license fees. Shall the number after the subtraction of EUR 500 allowance be negative, the fees shall be zero.

#### 6.5 Council Discretion to Reduce Fees

On the request by the Treasurer, the Council has the right to decide to reduce the amount of fees for a particular year if it finds the financial situation sustainable.

## APPENDIX 1

### Membership Fees

1.1 Membership fees for member federations shall be paid as decided by FIDE General Assembly held in Calvia, Spain in 2004:

Member Federation	Current Membership Fees
Afghanistan	380
Albania	380
Algeria	380
Andorra	380
Angola	380
Antigua and Barbuda	380
Argentina	1500

Armenia	905
Aruba	380
Australia	905
Austria	1810
Azerbaijan	950
Bahamas	380
Bahrain	380
Bangladesh	380
Barbados	380
Belarus	1205
Belgium	905
Bermuda	380
Bhutan	380
Bolivia	380
Bosnia&Herzegovina	905
Botswana	380
Brazil	1135
Br. Virgin Islands	380
Brunei	380
Burkina Faso	380
Burundi	380
Cambodia	380
Cameroon	380
Cape Verde	380
Canada	1260
Central African Rep	380
Chile	1260
China	1580
Chinese Taipei	380
Colombia	750
Comorian Isles	380
Congo	380
Costa Rica	380
Croatia	1720
Cuba	1325
Cyprus	380
Czech Republic	1950
Denmark	1810
Djibouti	380
Dominican Republic	380
Ecuador	905
Egypt	905
El Salvador	380
England	2210
Eritrea	380
Estonia	750
Ethiopia	380
Faroe Islands	380
Fiji	380
Finland	1205

France	3080
Gabon	380
Georgia	1205
Germany	3320
Gambia	380
Ghana	380
Greece	1580
Guam	380
Guatemala	380
Guernsey	380
Guyana	380
Haiti	380
Honduras	380
Hong Kong	380
Hungary	2370
Iceland	905
India	1520
Indonesia	750
Iran	750
Iraq	380
Ireland	750
Israel	1810
Italy	1810
Ivory Coast	380
Jamaica	380
Japan	380
Jersey	380
Jordan	380
Kazakhstan	1205
Kenya	380
Kosovo	380
Kyrgyzstan	380
Kuwait	380
Laos	380
Latvia	750
Lebanon	380
Lesotho	380
Liberia	380
Libya	380
Liechtenstein	380
Lithuania	905
Luxembourg	380
Macau	380
Madagascar	380
Malawi	380
Malaysia	380
Maldives	380
Mali	380
Malta	380
Mauritania	380

Mauritius	380
Mexico	905
Moldova	905
Monaco	380
Mongolia	380
Montenegro	380
Morocco	380
Mozambique	380
Myanmar	380
Namibia	380
Nauru	380
Nepal	380
Netherlands	2210
Netherlands Antilles	380
New Zealand	380
Nicaragua	380
Nigeria	380
North Macedonia	750
Norway	905
Oman	380
Pakistan	380
Palau	380
Palestine	380
Panama	380
Papua New Guinea	380
Paraguay	380
Peru	750
Philippines	790
Poland	2840
Portugal	905
Puerto Rico	380
Qatar	380
Romania	1410
Russia	3320
Rwanda	380
San Marino	380
Sao Tome & Principe	380
Saudi Arabia	380
Scotland	750
Senegal	380
Serbia	1860
Seychelles	380
Sierra Leone	380
Singapore	380
Slovakia	1160
Slovenia	1260
Solomon Isles	380
Somalia	380
South Africa	380
South Korea	380

South Sudan	380
Spain	3320
Sri Lanka	380
Sudan	380
Surinam	380
Swaziland	380
Sweden	1900
Switzerland	1500
Syria	380
Tajikistan	380
Tanzania	380
Thailand	380
Togo	380
Timor Leste	380
Trinidad & Tobago	380
Tunisia	380
Turkey	905
Turkmenistan	380
Uganda	380
Ukraine	3080
United Arab Emirates	380
United States of America	2840
Uruguay	380
Uzbekistan	750
Venezuela	380
Vietnam	380
U.S. Virgin Islands	380
Wales	380
Yemen	380
Zambia	380
Zimbabwe	380

1.2 Affiliated Organizations shall pay a one-off fee of 1000 Euro on affiliation.

## APPENDIX 2

### 1. Rating Fees

1.1 Rating Fees will be charged to the national federations in whose territories registered tournaments are held.

1.2 All rated tournaments are subject to rating fees. FIDE Council, at its sole discretion, may waive or reduce rating fees for rapid and blitz tournaments for a given year.

1.3 The Rating Fees are calculated as follows:

Round-Robin Tournaments / Matches with average rating of below 2230	EUR 1 per player
Round-Robin Tournaments / Matches with average rating 2230 - 2379	EUR 5 per player
Round-Robin Tournaments / Matches with average rating 2380 - 2599	EUR 10 per player
Round-Robin Tournaments / Matches with average rating 2600 - 2699	EUR 15 per player
Round-Robin Tournaments / Matches with average rating 2700 or higher	EUR 20 per player
Swiss Tournaments / Team Tournaments	Number of players who play rated



	games multiplied by EUR 1
Scheveningen Tournaments / Other Formats	Same as Round-Robin Tournaments

#### 1.4 Penalties for late registration / reporting of tournaments:

1.4.1 According to FIDE Rating Regulations, the tournament and its playing schedule must be registered one week before the tournament starts; a national federation that fails to register a tournament as specified above shall be charged a penalty fee of 5 euros per day or part thereof.

1.4.2 According to FIDE Rating Regulations, the tournament report file for a FIDE registered tournament has to be uploading to the FIDE Rating Server no later than 30 days after the end of the tournament. A national federation that fails to submit a tournament report before the deadline specified above shall be charged 50 euro per month up to a maximum of two months, after which the tournament shall not be rated and the penalty fee of 100 euros shall apply.

1.5 Tournaments submitted for rating by federations that are not receiving services shall be returned to the federation. There will be a delay of three months from the time a federation no longer receives service to the implementation of this regulation.

## 2. Entry Fees for Participation in FIDE Tournaments

2.1 The entry fees for participation in FIDE tournaments are as follows:

Chess Olympiad	EUR 270 for each team
World Team Championship / World Women Team Championship	EUR 1000 for each team
World Junior / Youth / Cadets Team Championships	EUR 100 for each team
World Junior / Youth / Cadets Championships	EUR 70 for first player per each category from each federation <sup>1,2</sup> EUR 140 for each additional player
World Youth / Cadets Rapid & Blitz Championship	EUR 70 for each player
World School Championship	EUR 40 per player
World Seniors Team Championship	EUR 0
World Seniors Championship	EUR 0

Notes:

1) except defending champion

2) The organizing federation of World Junior / Youth / Cadet events can include without payment of entry fee: a) for individual events - seven players per category, b) for team events – two teams. Any further entries are charged at the additional player rate. In the case of a world event organised by a federation in the levels 3, 4 and 5 chess developing countries, the entry fees for all participants of the organising federation shall be waived.

2.2 In addition to events listed in paragraph 2.1 of the present Appendix 2, FIDE may organize other events including, but not limited to, World Amateurs Championship, World Cities Championship, World Corporate Championship, as well as various online championships. Entry fees for these events shall be approved by FIDE Council based on proposals by the Treasurer.

2.3 Continental Presidents shall inform the Treasurer of the names of those who have a personal right to enter another event as a result of their performance in a Continental Junior/Youth Championship. Continental Presidents shall issue to such players a document that can be handed to the organizers confirming their personal right of entry.

2.4 The entry fees must be paid to FIDE at the time the participant (participating team) is entered for the competition. Twenty per cent (20%) of the entry fees for FIDE events (except Olympiad) will go to the credit of the organizing federation (50% in case of levels 3, 4 and 5 developing countries federations).

2.4 Entry fees for late registration, withdrawal or no show shall be charged as follows:

1. Late registration after the closing date - two times of stipulated entry fee
2. Withdrawal after submission of registration - three times of stipulated entry fee
3. No show after registration - five times of stipulated entry fee

If a player/team registers late and withdraws or does not appear, the federation will be charged the higher penalty.

2.5 All organizers of FIDE competitions must send to the FIDE Office the list of registration of participants three days after the registration deadline. The organizer shall be fined 1,000 euros for failing to do so.

2.6 Based on the penalty fees received, FIDE shall credit the appropriate amounts to the organizers according to paragraph 2.4 of the present Appendix 2.

### 3. Title Application and Licence Fees

3.1 For the application of titles, the following amounts will be charged to the federations of the players concerned:

Grandmaster	EUR 330
Woman Grandmaster	EUR 200
International Master	EUR 165
Woman International Master	EUR 100
FIDE Master	EUR 70
Woman FIDE Master	EUR 50
Candidate Master	EUR 50
Woman Candidate Master	EUR 30
International Arbiter	EUR 100
FIDE Arbiter	EUR 50
FIDE Senior Trainer	EUR 300 <sup>1</sup>
FIDE Trainer	EUR 200 <sup>1</sup>
FIDE Instructor	EUR 100 <sup>1</sup>
National Instructor	EUR 50 <sup>1</sup>
Developmental Instructor	EUR 50 <sup>1</sup>
School Instructor	EUR 50 <sup>1</sup>
FIDE School Chess Leader	EUR 30 <sup>1</sup>
Early Years Skills Program	EUR 20 <sup>1</sup>
International Organizer	EUR 200 <sup>2</sup>

Note:

- 1) Title Fee includes Licence Fee for two calendar years (the year of title award and the subsequent year)
- 2) Title Fee includes Licence Fee for four calendar years (the year of title award and three subsequent years)

3.2 Title applications received after the appropriate deadline shall be charged a supplement of 50%, while those received less than three days before the start of the meeting at which they are to be approved will not be considered.

3.3 Holders of the titles FIDE Senior Trainer, FIDE Trainer, FIDE Instructor, National Instructor, Developmental Instructor, School Instructor, FIDE Schools Chess Leader, Early Years Skills Program and International Organizer must renew their licenses on a regular basis as per the following schedule:

Title	Initial Licence Validity Period	Subsequent Licence Validity Period	Licence Fee for Subsequent Licence
FIDE Senior Trainer	2 years	4 years	EUR 180
FIDE Trainer	2 years	4 years	EUR 120
FIDE Instructor	2 years	4 years	EUR 60
National Instructor	2 years	4 years	EUR 30
Developmental Instructor	2 years	4 years	EUR 30
School Instructor	2 years	2 years	EUR 40

FIDE School Chess Leader	2 years	2 years	EUR 30
Early Years Skills Program	2 years	4 years	EUR 30
International Organizer	4 years	4 years	EUR 100

Licence renewal fees are due on each subsequent renewal date. Absence of payment of license fee by an individual or commitment by a member federation to pay the said license fee prior to the license expiration date shall lead to cancellation of the license.

### 3.4 Licence Fees for Arbiters

- International Arbiters, FIDE Arbiters and National Arbiters working in FIDE-rated tournaments shall pay licence fee in order to be included in the list of active arbiters. The licence will be valid for life, on the condition the arbiter remains an active arbiter, and will be in effect from the day after FIDE has received the fee.
- The licence for National Arbiters is valid for life.
- If an Arbiter upgrades his / her title or category, only the difference between the title / category license fee has to be paid. The license fee will be charged together with the application fee for all arbiter titles awarded.
- The licence fee shall be:

A' Category Arbiters (only IAs):	EUR 300
B' Category Arbiters (only IAs):	EUR 200
C' Category Arbiters (only IAs):	EUR 160
D' Category Arbiters	
IAs	EUR 100
FAs	EUR 80
National Arbiters	EUR 20

- Failure to pay the licence fee will lead to exclusion from the FIDE Arbiters list. An arbiter who has become inactive is considered not to be licensed. In order to be active again the inactive arbiter has to pay for a new licence.

### 3.5 Seminar Fees

FIDE Commissions may organize seminars and charge participants seminar fees. Seminar fees shall be determined by relevant Commissions.

### 3.6 Examination Fees

FIDE Commissions may conduct examinations for qualification for titles and licences. Examination fee shall be determined by relevant Commissions but in any case shall be no more than EUR 100.

3.7 FIDE Council has the right to amend title and license fees for International Arbiter, FIDE Arbiter, National Arbiter, FIDE Senior Trainer, FIDE Trainer, FIDE Instructor, National Instructor, Developmental Instructor, School Instructor, FIDE Schools Chess Leader, Early Years Skills Program and International Organizer.

## 4. Bid Fees for Organization of FIDE Events

4.1 An application to organize a FIDE event shall be accompanied by non-refundable bid fee as per the following schedule:

Olympiad	EUR 5,000
World Team Championship	EUR 1,000
World Rapid and Blitz Championship	EUR 1,000
World Junior / Youth / Cadets Team Championships	EUR 1,000
World Youth / Cadets Championships	EUR 2,000
World Junior Championship	EUR 1,000

World Youth / Cadets Rapid & Blitz Championships	EUR 1,000
World School Championship	EUR 500
World Seniors Team Championship	EUR 500
World Seniors Championship	EUR 500

4.2 In addition to events listed in paragraph 4.1 of the present Appendix 2, FIDE may organize other events including, but not limited to, World Amateurs Championship, World Cities Championship, World Corporate Championship, as well as various online championships. Bid fees for these events shall be approved by FIDE Council based on proposals by the Treasurer.

4.3 If FIDE does not receive the bid fee by the bid deadline specified in particular regulations, such bids shall not be considered.

## 5. Deposit Fees for Organization of FIDE Events

5.1 Upon being awarded a FIDE event, the organizing member federation shall pay deposit fees as per the following schedule:

World Team Championship	EUR 10,000
World Rapid and Blitz Championship	EUR 10,000
World Junior / Youth / Cadets Team Championships	EUR 10,000
World Youth / Cadets Championships	EUR 30,000
World Junior Championship	EUR 10,000
World Youth / Cadets Rapid & Blitz Championships	EUR 10,000
World School Championship	EUR 10,000
World Seniors Team Championship	EUR 5,000
World Seniors Championship	EUR 5,000

5.2 In addition to events listed in paragraph 4.1 of the present Appendix 2, FIDE may organize other events including, but not limited to, World Amateurs Championship, World Cities Championship, World Corporate Championship, as well as various online championships. Deposit fees for these events shall be approved by FIDE Council based on proposals by the Treasurer.

5.3 The deposit fees must be received by FIDE within the timeframe specified in particular event regulations. If an organizer fails to pay the deposit fee by the prescribed deadline, FIDE may at its sole discretion revoke the right to organize the event and open another bidding procedure for the event in question.

5.3 When the event has been successfully concluded according to the bid and the regulations, the deposit fee shall be credited to the account of the organizing member federation or refunded.

5.4 If the organizing member federation cancels, or otherwise fails to organize the event, FIDE will retain the deposit fee. In addition, the FIDE Council may consider other sanctions against the organizing member federation, including prohibition to organize FIDE events for a period of up to 5 years.

## 6. Olympiad

6.1 The organizer of the Olympiad shall pay FIDE at the minimum the following fees:

EUR 350,000 – licence fee to organize the Olympiad

EUR 300,000 – the internet rights to the Olympiad (this payment includes the supply and cost of all server PCs, electronic chess equipment, clocks and manpower to operate the system)

EUR 250,000 – all other commercial rights.

6.2 Olympiad organizer shall issue in favour of FIDE a bank guarantee or deposit in escrow for the total amount of EUR 2,000,000 based on the following schedule:

- issuance of the first tranche of the bank guarantee or deposit in escrow for the sum of EUR 300,000 in favour of FIDE no later than sixty days after the acceptance of the bid by the General Assembly;

- issuance of the second tranche of the bank guarantee or deposit in escrow for the sum of EUR 600,000 within the period of one year after the acceptance of the bid by the General Assembly;
- issuance of the third tranche of the bank guarantee or deposit in escrow for the sum of EUR 600,000 within the period of two years after the acceptance of the bid by the General Assembly, but before the beginning of the General Assembly held two years before the Olympiad in question;
- issuance of the fourth tranche of the bank guarantee or deposit in escrow for the sum of EUR 500,000 bringing the total sum of the bank guarantee or deposit in escrow to EUR 2,000,000 within the period of three years after the acceptance of the bid by the General Assembly.

6.3 The bank guarantee or deposit in escrow, issued to FIDE under and by virtue of regulation 6.2 above, must be accepted as valid by FIDE`s bankers.

6.4 In addition to a bank guarantee or deposit in escrow, the Council has the right to accept other types of guarantees.

6.5 At any time, the deposit fee, the bank guarantee or deposit in escrow, or any portion of the bank guarantee or deposit in escrow, or any other guarantee issued in favour of FIDE shall be forfeited to FIDE if the applicant is in breach of the schedule of payments set forth in paragraph 6.2 of the present Appendix above or fail to meet their obligations as organizers of the Olympiad.

### **APPENDIX 3**

#### **Development Levels**

1. The criteria for Development Levels shall be determined by Council.
2. The Council may from time to time review criteria based on the economic prosperity of various countries and their levels of chess development.
3. The list of member federations by development levels shall at all times be published on FIDE website:  
<https://pdc.fide.com/fide-development-levels/>

### **APPENDIX 4**

#### **Travel Expenses Policy**

- 1) All business travel must be pre-approved by the Treasurer.
- 2) For the avoidance of doubt, the Treasurer`s approval prior to each business trip is required even if such trip was provided for in the annual budget.
- 3) The Treasurer, at his / her sole discretion, may grant certain FIDE officials and employees general pre-approval of business trips during a year. Such general pre-approval shall be subject to ceiling and shall be re-confirmed for each year.
- 4) Travel arrangements shall be made by the FIDE Secretariat or by the traveler after the approval by the Treasurer.
- 5) Upon completion of business trip(s), the person who incurred expenses shall submit expense claim supported by a copy of the original tickets, hotel and restaurant receipts, and other relevant documentation confirming the expenses.
- 6) Expenses incurred in a foreign currency shall be reimbursed using the exchange rate of the day when the expense occurred, or the rate shown on the credit card statement.
- 7) Expenses guidelines

### 7.1 Transportation

As a general rule, FIDE will provide or reimburse economy class (air) or second class (rail) tickets, unless the Treasurer gives prior approval for higher class of travel.

The cost of business travel by taxi will be reimbursed on condition that the use of public transport is not suitable under the circumstances.

### 7.2 Accommodation and meals

As a general rule, the following shall be the limit of expenses:

Position	Hotel (per night)	Daily meals allowance
President	No limit	Subject to receipts
PB Members	Euro 150	Euro 100
MB members	Euro 150	Euro 100
Commission	Euro 150	Euro 100
Consultant/Staff	Euro 100	Euro 100

The Treasurer may, at his / her sole discretion, to grant higher limits of expenses taking into account such factors as the level of prices in particular cities, representation considerations, etc.

### 7.3 Telecommunications

As a general rule, FIDE will not reimburse costs of mobile carriers / internet providers incurred during business trips. However, the Treasurer may decide, upon his / her own discretion, to reimburse telecommunication expenses of certain frequently travelling officials and employees, or grant them a lumpsum of up to 500 per year to cover their telecommunication expenses.

## APPENDIX 5

### Procurement Policy

The procurement of goods and services shall be conducted in a manner that is based on the principles set out below.

#### *Competition*

Procurement shall be carried out on a competitive basis to the maximum practical extent.

#### *Impartiality, Transparency and Accountability*

Procurement shall be conducted in an impartial, transparent and accountable manner. In ensuring impartiality, potential suppliers of goods and / or services shall be afforded equitable treatment and their offers shall be evaluated based on their legal, technical and financial abilities.

#### *Value for Money*

Procurement shall be conducted with the aim of obtaining value for money. In determining what represents value for money, due consideration shall be given to factors such as:

- the direct and indirect costs of the goods/services over the whole procurement cycle;
- the quality and fitness for purpose of the goods/services to be procured;
- the proposed supply time-frame for the goods/services;

- the performance history of each prospective supplier and the strategic importance and/or risks of engaging particular suppliers;
- the appropriateness of contracting options (for example, contract extension options); and
- the potential risks associated with the procurement of the goods/ services.

*Collective Approval of Large Procurement Contracts*

Any procurement of goods and services that have value above EUR 20,000 shall be approved by the Procurement Committee. The Procurement Committee shall comprise three persons appointed by FIDE President, and make decisions by majority vote.