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REGULATION FOR GRANTING SUPPORT FOR ATTRACTING, ORGANISING AND HOLDING EVENTS WITH HIGH POTENTIAL FOR TOURIST ATTRACTION OR MEDIA GENERATION FOR DESTINATION

MADEIRA (hereinafter referred to as 'Regulation')

Rua dos Aranhas, 24-26 9000-044 Funchal - Portugal

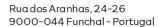


Associação de **Promoção da Madeira**

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Whereas:

- a) pursuant to Government Council Resolution No. 447/2015 of 28.05.2015 (published in the Official Journal of the Autonomous Region of Madeira, Series I, No. 81, of 4 June 2015), the powers of the Regional Government as part of the implementation and enhancement of tourism promotion were transferred to Madeira Promotion Bureau (hereinafter referred to as APM), in accordance with the Protocol signed on 13.11.2015;
- b) pursuant to its Statutes, APM aims to promote and publicise the Autonomous Region of Madeira as a tourist destination, particularly focusing on promoting and attracting business by, among other activities, supporting events and congresses;
- c) events, regardless of their nature, not only generate an immediate impact on the places where they are held, contributing directly to the creation of wealth and jobs, but they are also a key instrument for increasing tourist demand and promoting the notoriety of a given destination;
- d) the effects of holding events on a micro economy, such as that of Madeira, are felt even more intensely as the economic players responsible for organising the events become the driving force behind the promotion and notoriety of Destination Madeira, thus contributing towards increasing and attracting demand for Destination Madeira;
- e) it is, therefore, of the utmost interest to create the necessary conditions to attract the organisation of events that, due to their positioning, notoriety and image, contribute towards improving the tourist experience, adequately structuring tourist products and developing the regional economy,
- f) it is important to outline and establish a proper and consistent regulatory framework that enables any and all beneficiaries, national or foreign, to submit an application to receive support for an event to be held in the Autonomous Region of Madeira;
- g) it is essential that legality and equity be guaranteed and complied with in the allocation of the support to be granted, which must be based on mechanisms that promote the principles of transparency, equal treatment and non-discrimination, impartiality and competition,





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h) These Regulations are approved, establishing the conditions and requisites necessary for granting financial support aimed at attracting, organising and holding new events, with a view to satisfying, in this way, the pursuit of the regional public interest.

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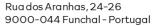
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Chapter I

Object and eligibility conditions of the applications

Article 1

(Object)

The purpose of these Regulations is to establish the general conditions for granting financial support with a view to attracting, organising and holding events of an artistic, sporting, cultural, scientific, corporate, associative, entertainment or business nature in the Autonomous Region of Madeira, in a face-to-face or hybrid format, which, due to their positioning, notoriety and international image, contribute towards improving the tourist experience, adequately structuring tourist products or developing the regional economy and proving to be relevant for the sustainable development of the tourist industry.

Article 2

(Definitions)

For the purposes of these Regulations, the following shall be deemed to apply:

- a) Financial support: any monetary sums granted by APM, upon submission of the corresponding application, to natural or legal persons, public or private, in accordance with the eligibility requirements set out in these regulations;
- b) Beneficiary/Organiser/Promoter of the event: any natural or legal persons, public or private, with national or foreign legal personality, which hold the rights to organise events, are responsible for organising them or which, as their main activity, organise the events referred to in these Regulations;
- c) Associative events: events promoted with the aim of presenting and debating topics in line with the interest and field of activity of groups of private or public entities, namely congresses, conferences, forums, seminars, colloquia, symposia, lectures and similar events;
- d) **Corporate events**: events promoted by companies, with the aim of holding communications and work meetings, presenting products or services, either internal or external, namely general meetings, conventions, conferences, courses, workshops, team motivation initiatives and similar events.
- e) **Tourism trade & media**: events associated with people/organisations that have a direct influence on the sale of products or services associated with travels and





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their distribution or promotion (e.g. AV, OT, CA, MICE Agencies, Specialised Media). They also include events associated with the development of strategic tourism products, which, due to their scale, are catalysts for attracting tourists, contribute to boosting local economies and are capable of representing Portugal or the region where they take place;

- f) **Destination activation events**: physical activities with the aim of giving visibility to Destination Madeira and/or the Madeira Brand;
- g) **Hybrid Events**: Events that combine a face-to-face and a digital component and cumulatively meet the following characteristics:
 - All the activities of the event take place in specific physical venues, with the presence of public and participants;
 - ii. The event is broadcast via a digital platform or on social media, through which remote access is guaranteed to other members of the public and participants by means of their own devices (computer, tablet, smartphone or similar devices);
 - iii. As part of these Regulations, events in the Remote Speaker format, where the virtual aspect is based solely on the online connection of speakers, shall not be considered hybrid events;
 - iv. This includes events in the Multi-Hub Meeting format, where there is a main event and multiple locations connected through a live broadcast, whether fully digital or hybrid.
- f) High strategic interest events: events that are not tourism trade & media, as defined above in subparagraph e), but which may bring interest to the destination, given their topics, such as, e.g.: sustainability, climate policies, digital nomads, artificial intelligence, cryptocurrency. In other words, topics that are considered relevant and of strategic interest, according to APM's analysis;
- g) **AVE**: Ad Value Estimate;
- h) **Reach**: Number of persons reached.



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Article 3

(General access conditions)

- 1. The general access conditions are as follow:
 - a) The Beneficiary/Organiser/Promoter of the event submits the event application in accordance with the procedure set in these regulations;
 - b) The event, regardless of its nature, must aim to pursue the regional public interest, namely to pursue the tourist promotion of Destination Madeira;
 - c) Must not go against:
 - The strategic goals set by APM and included in the corresponding Activity Plan, regarding the calendar year in which the support is eligible;
 - ii. The Madeira Brand;
 - iii. The Image of Sustainability of the destination, except when the ecological footprint is offset; and
 - iv. The Destination Madeira strategy.
 - d) Compliance with the procedural requirements set forth in these Regulations;
 - e) All Social Security and Tax contributions paid, where applicable;
 - f) The event to be held, which is the subject of the application, shall not be financed under any other support system or incentive instrument promoted by the APM;
 - g) No debts or any other situation of default involving Turismo de Portugal, IP or APM:
 - Submission of the access code to the Central Register of Beneficial Ownership, pursuant to Law no. 89/2017, of 21st of August, or, where applicable, submission of the grounds for exclusion from the scope of that Law;
 - i) Where applicable, proof of registration with the competent national authorities for exercising its activity, as well as any licensing required by law to access, accept, recognise, exercise or practice the activities included in the object of the Beneficiary/Organiser/Promoter of the event.
- 2. Throughout the duration of the agreement, the Beneficiary/Organiser/Promoter of the event shall guarantee the fulfilment of the general access conditions mentioned above





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in paragraph 1, especially those contained in subparagraphs f) to h), being responsible for keeping the information contained therein permanently updated in the corresponding file.

- 3. For the purposes of the final part of the preceding paragraph, whenever requested by APM, the Beneficiary/Organiser/Promoter of the event shall be responsible for sending the supporting documents proving the fulfilment of said general access conditions.
- 4. If, throughout the duration of the agreement, the Beneficiary/Organiser/Promotor of the event fails to comply with any of the general access conditions referred to in paragraph 1 above, any payments due under the terms of these Regulations shall be immediately suspended, without prejudice to the provisions of the following paragraph.
- 5. If any of the general access conditions referred to in paragraph 1 above cease to be fulfilled by the Beneficiary/Organiser/Promoter of the event, APM shall immediately notify the Beneficiary/Organiser/Promoter of the event of this fact so that, within a reasonable period of time, it may fulfil the condition(s) in question; if, after the expiry of the deadline, the Beneficiary/Organiser/Promoter of the event is still failing to fulfil the condition(s), it shall be deemed non-compliant under the terms and for the purposes of Article 19 of these Regulations.

Article 4

(Access specific conditions)

- 1. All events to be supported under these regulations must fulfil at least one of the following conditions:
 - a) Prove to have tourist relevance, being innovative or trendsetters, pursuing the public interest of promoting Madeira as a tourist destination;
 - b) Contribute towards reducing the seasonality of Destination Madeira and increasing its notoriety among the participants in the events;
 - c) Prove to be relevant to the regional economy;
 - d) Ensure the best environmental sustainability practices, namely by adopting initiatives aimed at waste management, eliminating single-use plastics, water management, using low-consumption energy sources, protecting and respecting biodiversity and implementing circular economy principles;





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- e) Best social sustainability practices, including gender parity in terms of speakers, prioritising local suppliers and the positive impact on the local community where the event takes place;
- f) The best accessibility practices;
- g) Adopt measures that ensure a smooth experience, such as virtual payments, online reservations, digital ticketing and information.
- 2. It is up to the APM Board to assess whether each application fulfils the specific access conditions referred to in the preceding paragraph.

Article 5

(Purpose and support model)

- 1. The financial support granted under these Regulations shall not exceed the amount necessary to finance the costs of the event to be held by the Beneficiary/Organiser/Promoter of the event, and shall, under no circumstances, serve to support structure and operating costs of the Beneficiary/Organiser/Promoter of the event, including salaries, allowances, representation expenses, meals, supplements, additional work and social contributions related to staff members, costs with service provision agreements related to staff members assigned or to be assigned to the proposed activities.
- 2. The support to be granted shall take the form of a financial contribution, non-refundable in nature, to which VAT at the statutory rate in force shall be added, when applicable.
- 3. The support to be granted shall take the form of a non-refundable financial contribution.
- 4. The maximum amount of support to be granted in each financial year shall be set annually in APM's budget for that purpose.
- 5. The financial support to be granted shall be limited to the amounts foreseen and included for this purpose in the annual budget of the Madeira Promotion Bureau.
- 6. The non-approval or partial approval decision of any application on the grounds of budgetary insufficiency, as provided for in the preceding paragraphs, cannot be contested by the interested parties.
- 7. Applications that have not been approved due to budget insufficiency will lapse and shall have to be resubmitted, as they will not be carried forward to a new budget period.





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Chapter II Procedure for granting support Article 6 (Advertising)

These Regulations are publicised on APM's website.

Article 7

(Opening the procedure)

- 1. The procedure for granting financial support under the terms of these Regulations begins with the submission of an application by the Beneficiary/Organiser/Promoter of the event, under the terms set forth in the following articles.
- 2. With the opening of the procedure, the APM Board appoints an Events Management and Monitoring Commission (hereinafter 'CGA'), comprising three members, who shall exercise the competencies referred to under these regulations, free of charge.
- 3. It is up to the CGA to:
 - a) Check for the assumptions and eligibility conditions provided for under these Regulations;
 - b) Monitor and follow up on the application dossier;
 - c) Determine the amount of the support to be granted, according to the criteria set out in these Regulations and taking into account the maximum amount of support to be granted under the terms referred to above in Article 5(3) of these Regulations; and
 - d) Successively supervise the execution of the Agreements to be concluded, being able to request all documentation and information from the promoting/beneficiary entities, as well as to send all requests for information and clarification deemed necessary.

Article 8

(How to submit the application)

1. The application process begins by completing and submitting the application form, in accordance with the template included in Annex I to these Regulations, which is an





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integral part thereof, properly attaching all the documents described in Article 10 of these Regulations.

- 2. The application may be submitted in person at the registered office of Madeira Promotion Bureau, located at Rua dos Aranhas, 24/26, 9000-044 Funchal, by registered mail with acknowledgement of receipt, or sent by email to the address geral@apmadeira.pt, with a copy to the APM member responsible for following up on the event.
- 3. The application form and other information shall be made available by APM upon request of the interested parties.
- 4. All applications submitted, as well as the documents that comprise them, shall be written in Portuguese or English.

Article 9

(Submitting applications)

- 1. Applications may be submitted all year round, regardless of the period to which the events relate; however, the APM Board may, whenever it deems necessary, set deadlines for the submission of applications; such decisions, as well as the deadlines that may be set therein, shall be advertised and publicised in due time by APM on its website and/or by electronic communication.
- 2. Without prejudice to the provisions of the preceding paragraph, applications for receiving support must be submitted at least 90 (ninety) days prior to the date on which the event will take place.
- 3. The APM Board may accept applications submitted within a period shorter than the one mentioned in the preceding paragraph, if the necessary funds are available and the approval decision can still be taken in good time.

Article 10

(Elements to be included in the application)

- 1. The application process must consist of the following elements:
 - a) Application form, referred to above in Article 8(1) of these Regulations;
 - b) Documents proving fulfilment of the general access conditions identified above in Article 3 of these Regulations; and



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- c) Descriptive document containing, at least, a general description and the objectives of the event, as well as the following information concerning the event:
 - Number of participants in the event, by nationality/origin, indicating, where applicable, the history of production of previous events supported under these Regulations;
 - ii. Media plan and promotional material for the event;
 - iii. Estimated revenue from/expenses with the event:
 - iv. Environmental and sustainable practices to be adopted in the event;
 - v. Where applicable, AVE generated by the event, indicating the history thereof and the estimated AVE for future editions, detailing the media in which the event was featured and the amount granted to each media, and the Reach/Coverage of the event, in number of people.
- 2. In the case of the events provided for in Article 2(c) to (e) of these Regulations, the application must also indicate the estimated number of room nights in tourist resorts and/or local accommodation establishments generated by the participants of the event, in accordance with the model in Annex II of these Regulations.

Article 11

(Clarifications and follow-up of applications)

- 1. Once the application has been submitted, APM may request any clarifications deemed necessary for the proper follow-up of the process, provided that it does not substantially change the terms and conditions of the application that was submitted.
- 2. During the assessment of the applications, the Beneficiary/Organiser/Promoter of the event may introduce new elements deemed relevant to an adequate consideration of the granting of support.
- 3. Once the application is submitted and before it is approved, the Beneficiary/Organiser/Promoter of the event is required to inform APM of any changes relating to the event that is the object of the request for support.
- 4. APM will notify the Beneficiary/Organiser/Promoter of the event of the decisions to assess and grant the support concerning the applications that have been submitted within a maximum period of two months after the submission of the applications or of the provision of clarifications under the terms of this article, as the case may be.



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- 5. For the purposes of the preceding paragraph, applications are considered to be in the assessment phase once the Beneficiary/Organiser/Promoter of the event has submitted all documentation required and/or requested by APM.
- 6. The time period referred to in paragraph 4 of this article shall be considered suspended whenever APM requests clarifications that are deemed necessary to assess the application and until such clarifications are fully provided.

Article 12

(Payment schedule of financial support)

- 1. Unless otherwise provided for by APM, the financial support referred to in the preceding paragraph shall be made according to the following schedule:
 - i. At most 50% (fifty per cent) of the support granted, after the agreement has been signed, during the year in which the event is being held and upon presentation of proof of development of activities included in the application, corresponding to the amount requested;
 - ii. At least 50% (fifty per cent) of the support granted, with any adjustments, under the terms of Article 20-A of these Regulations, after the event has taken place and the final evidence report has been validated by the APM, under the terms of Article 15(e) of these Regulations.
- 2. The payment of a percentage of the financial support after the date on which the agreement is signed and before the date on which the event is scheduled to take place, under the terms permitted by paragraph 1(i) of this article, must be requested in writing and with justified reasons by the Beneficiary/Organiser/Promoter of the event.

Chapter III

Eligibility criteria for applications

Article 13

(Eligibility of applications)

- 1. The eligibility of financial support depends on the demonstration of regional public interest, namely the tourist promotion of Destination Madeira, taking into account the following factors:
 - a) Objectives to be achieved by the events;



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- b) Adequacy of the events to the strategic goals set by APM, and included in the corresponding Activity Plan regarding the calendar year in which the support is being sought.
- 2. The assessment of the request for support of each application that is submitted shall respect the principles of equal treatment of all interested entities, administrative transparency, and free competition.
- 3. The CGA shall prepare an analysis report, for every application submitted, containing a proposal with a decision on whether or not the support is granted, as well as the weighting of the support amounts to be allotted; after a preliminary hearing of the interested parties, this shall be delivered to the APM Board.
- 4. It will always be up to the APM Board to make the final decision on whether or not to grant financial support, including the definition of the respective amount, which in any case will depend on the eligibility of the expenses, under the terms defined in the following article, as well as the case-by-case analysis of the applications submitted and limited to the budget allocation provided for each year.

Article 13-A

(Eligible expenses)

- 1. Eligible expenses are as follows:
 - a) Rental of rooms/spaces for the congress or event, and respective social programme;
 - b) Rental of audiovisual equipment;
 - c) Transfer services;
 - d) Accommodation services;
 - e) Meals provision;
 - f) Entertainment or tourist entertainment services;
 - g) Air transport services;
 - h) Construction or assembly of structures to extend existing spaces for the congress or event;
 - i) Material for exhibiting the Madeira Brand, digital media communication campaigns for promotion in national and international markets;
 - j) Those that justifiably prove to be essential to the event, namely travel, accommodation, transfers, meals, tourist entertainment activities and other land





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arrangements for media or opinion leaders travelling to the Autonomous Region of Madeira, be they athlete-influencers, influencers, journalists or others (in the case of bands or artists, these will only be considered 'opinion leaders' if the organisation guarantees a clear promotion of the Destination through their communication channels of clear relevance);

- k) Multimedia coverage of events, namely photographs or videos, provided that the respective rights of use are safeguarded by the APM;
- I) Air transport services, accommodation and hiring of promotional spaces for the organisers of local events, when promoting those events outside the Autonomous Region of Madeira.
- 2. The expenses referred to in paragraph 1(a) to (h) of this article relate only to those incurred in the context of Meetings & Incentives events.

Chapter IV

Formalising the granting of support and following up on the Agreement

Article 14

(Concluding the Agreement)

- 1. Once the application has been approved, it must be formalised by means of an agreement to be signed between APM and the Beneficiary/Organiser/Promoter of the event, containing a description of the agreed-upon conditions.
- 2. Up to the date of signature of the Agreement, the Beneficiary/Organiser/Promoter of the event must provide APM with the necessary documents for its identification, including its corporate name, tax identification number and/or companies register number, registered office and identification of the legal representative(s) who will sign the Agreement and the capacity in which they will do it.
- 3. The Agreement must contain, inter alia, the following information:
 - a) Name or corporate name and domicile of the contracting parties;
 - b) Object:
 - c) General obligations of the contracting parties;
 - d) Amount of support granted;
 - e) Deadline and place of execution of the event; and
 - f) Termination of the Agreement.



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Article 15

(Obligations of the Beneficiary/Organiser/Promoter of the event)

- 1. Without prejudice to the obligations expressly provided for in the Agreement to be concluded and in these Regulations, the obligations of the Beneficiary/Organiser/Promoter of the event are as follows:
 - a) The sole responsibility for holding the event, as described in their application, ensuring the following minimum considerations:
 - i. Destination Madeira logo included in all official event communications, including publicity and communication materials and activities;
 - ii. Presence of the Madeira Brand, clearly visible in the event's venues, namely through promotional and branding material such as outdoor flags, gantries, banners, golf banners, roll-ups, among others provided by the APM, which requests the Beneficiary/Organiser/Promoter of the event to display in highly visible areas of the event, namely in places where participants, the general public and the media circulate. To this end, before the event takes place, the Beneficiary/Organiser/Promoter shall submit to APM's approval a proposal for the digital and physical use/placement of the Madeira Brand logo;
 - iii. Broadcast/screening of a video on Destination Madeira, at the event's opening ceremony and/or at other moments of equal importance;
 - iv. Mandatory dissemination of the Madeira Digital Kit among the participants of the event, especially among the main headliners, influencers or media; if the event has its own Digital Kit, it must include the information contained in the Madeira Digital Kit, namely social media tags and top 3 hashtags. The event's official social media page shall also adopt these guidelines, including the main tags and hashtags throughout the year; and, whenever the support to be granted includes photographic or videographic productions, ensure the
 - v. Authorisation for the APM to use, at no additional cost to the latter, any graphic, phonographic, videographic, photographic or other content, in any medium or format, that may be captured, produced and/or performed within the scope of the event, under the terms and for the purposes of Articles 9, 40(a) and 41 of the Code of Copyright and Related Rights,

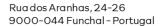




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approved by Decree-Law 63/85 of 14 March, comprising authorisation to publish, share, disseminate, reproduce, use and explore, in full, by any process and in any way it sees fit, by itself, or by partners and associates - namely hotels, tourist entertainment companies, travel agencies or airlines - using any existing or future digital/online or offline support or format, including social media, web platforms, events and fairs, dedicated to promoting Destination Madeira, under conditions of time and space to be defined by mutual agreement.

- The signing of the agreement is considered to be written authorisation, under the terms and for the purposes of Article 41 of the Code of Copyright and Related Rights, approved by Decree-Law 63/85 of 14 March;
- The Beneficiary/Organiser/Promoter of the event is also obliged to guarantee the necessary authorisations and/or consents, in writing, for the transfer of the image rights of the people whose image has been captured, including the dissemination, processing, reproduction, use, streaming, communication and exhibition of their images, under the exact terms and conditions stipulated for the use of said graphic, phonographic, videographic, photographic or other content, for the purposes of publicity, dissemination, communication and promotion of Destination Madeira, and is also responsible for delivering the documents proving the transfer of image rights within the time limit set by the APM.
- b) Immediately inform the APM of any changes or occurrences that jeopardise the conditions related to the approval of the support;
- Respond to all requests for information or clarification made by APM, including the provision of documentation, within a period not exceeding 8 (eight) calendar days;
- d) Accept the monitoring and control of the execution of the event and the fulfilment of the project's goals, allowing access to the venues where the event will be held and to all documents and elements that may prove the effective application/enforcement of the support;





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- e) Present a final evidence report after the event has taken place, which must contain at least the following:
 - i. Dates and venues where the event was held;
 - ii. Information on:
 - the number of room nights (for Meetings & Incentives events only) or participants generated by the event, using the template in Annex II of these Regulations and, when applicable,
 - the AVE generated by the event, specifying the media in which the
 event was featured and the value attributed to each media, and to the
 Reach/Coverage expressed as the number of participants, where
 such information is included among the elements constituting the
 application pursuant to point v), subparagraph c) of paragraph 1 of
 Article 10 of these Regulations;
 - iii. Ex-post evaluation of the information referred to above in Article 10(a) of these Regulations, containing a description of the actions carried out as part of the event, accompanied by evidence, namely images, videos, screenshots or, in general, any material intended to demonstrate the effective development of the actions carried out;
 - iv. Analysis of the fulfilment of the objectives set for the event.
- f) Provide CGA with access to evidence of everything included in the final evidence report, including proof of payment of expenses incurred, such as receipts, invoices or receipt-invoices, in accordance with the list of eligible expenses in Article 13-A of these Regulations, in order to confirm the eligibility conditions, the amount of support and other elements reported and provided, deemed relevant for a correct and proper evaluation;
- g) Notify APM and request its prior approval of any addition, change or replacement of actions/activities in the events, included in the initial calendar of the approved application, pursuant to the following article.
- 2. In the case provided for above in paragraph 1(a)(ii) of this article, the Beneficiary/Organiser/Promoter of the event undertakes to collect and return the promotional and exhibition material to APM's premises, or to a place indicated by APM; said material must be delivered to APM in the same condition as it was delivered, except for normal wear and tear resulting from prudent use.





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3. In the event of theft or damage to any element of the brand's promotional and exhibition material, the amount needed to replace or repair it, as the case may be, will be deducted, in proportion, from the financial support granted under these Regulations to the Beneficiary/Organiser/Promoter of the event.

Article 16

(Changes to approved events)

- 1. Once the application has been approved, the Beneficiary/Organiser/Promoter of the event is required to notify the APM and request its prior approval in respect of any additions, changes or replacements to the terms and conditions contained in its initial application.
- 2. In the case provided for in the preceding paragraph, the support that has been approved will be subject to a new assessment and approval decision, under the terms set out above in Article 11 of these Regulations.

Article 17

(Image and graphic elements of the Madeira brand)

- 1. For the purposes of controlling the image and application of the destination's logo, the Beneficiary/Organiser/Promoter of the event must submit all communication and dissemination materials to APM for prior approval; otherwise, the financial support will not be granted.
- 2. In addition to the obligation provided for in the preceding paragraph, the event communication and dissemination materials contained in the application submitted by the Beneficiary/Organiser/Promoter of the event must comply with the Destination Madeira Brand Manual; otherwise, the financial support will not be granted.
- 3. The contents of the Destination Madeira Brand Manual referred to in the preceding paragraph are intended to be solely and exclusively used in the event's communication and dissemination materials, and may not be used for any other purposes or transferred to third parties, under penalty of civil or criminal liability.
- 4. The institutional logo of Destination Madeira and other graphic elements to be included in the event's communication and dissemination materials will be made available by APM to the Beneficiary/Organiser/Promoter of the event.





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Article 18

(Management, monitoring and supervision of the execution of events by the monitoring responsible)

- 1. Without prejudice to the powers conferred on the Management and Monitoring Commission under these Regulations, following the decision approving the applications and determining the amount of financial support to be granted, the management, monitoring and respective supervision of the event shall be ensured by the monitoring responsible for the execution of the agreement, who shall be appointed by the APM Board.
- 2. The monitoring responsible undertakes to manage, monitor and continuously supervise the performance of the agreement to be concluded under these Regulations, and may, in particular:
 - a) Ask the Beneficiaries/Organisers/Promoters of the event for all the documentation and information it deems convenient;
 - b) Make all requests for information and clarification it deems relevant;
 - Undertake visits to the venue(s) of the event(s) and, whenever necessary, propose to the Beneficiary/Organiser/Promoter the adoption of corrective measures;
 - d) Assess the performance levels of the promoting/beneficiary entity during the implementation of the Protocol; and
 - e) Report any deviations, defects or other irregularities detected in the performance of the agreement.
- 3. The Beneficiaries/Organisers/Promoters must provide all the information and carry out all the steps requested by the APM.
- 4. For the purposes of subparagraph d) of paragraph 2 of this Article, the monitoring responsible may request the Beneficiary/Organiser/Promoter of the event to provide supporting documents or evidence of the data referred to above in sub-subparagraph ii), subparagraph e) of paragraph 1 of Article 15.
- 5. Further to the preceding paragraph, should it be established, after the event has taken place, that any of the assumptions referred to in sub-subparagraph ii), subparagraph e) of paragraph 1 of Article 15, underlying the determination of the amount of support to be granted, has changed to a lower value compared to that initially indicated in the approved application, that amount shall be adjusted proportionately.

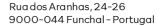


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Article 19

(Non-compliance and inhibitions)

- 1. Without prejudice to the provisions of the Portuguese Civil Law for breach of contract, in case of definitive breach of the contractual obligations undertaken by the Beneficiary/Organiser/Promoter of the event, APM reserves the right to terminate the agreement, being entitled to demand the full reimbursement of the amounts paid in the meantime or not to grant part or all of the contracted financial support.
- 2. For the purposes of the provisions of the preceding paragraph, the following are considered definitive breaches of contractual obligations of the Beneficiary/Organiser/Promoter of the event:
 - a. Failure to hold the event or hold the event under terms and conditions substantially different from those included in the application that was initially approved, for reasons attributable to the Beneficiary/Organiser/Promoter of the event, without prejudice to amendments to the approved events, under the provisions of Article 15(g) and Article 16 of these Regulations;
 - b. Failure to comply with the proposed objectives and the obligations set out in the agreement entered into hereby; and
 - c. Provision of false information, data or elements related to the event, either during the application submission phase, or after the event, in the final report provided for above in Article 15(e) of these Regulations.
- 3. Once the situations of non-compliance have been definitively established, the Beneficiary/Organiser/Promoter of the event shall be inhibited from submitting new applications for a period of no less than 2 (two) years.
- 4. The termination referred to in paragraph 1 shall always be preceded by a notification sent to the Beneficiary/Organiser/Promoter of the event, so that it may comply within a reasonable period of time.
- 5. The termination of the agreement, due to a definitive non-compliance of the Beneficiary/Organiser/Promoter of the event, determines the immediate reimbursement of the amounts of support that have been handed over by APM, as part of the application that was submitted.





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Chapter V

On the payment and decision not to grant financial support

Article 20

(Payment of financial support)

- 1. The financial support granted under and in accordance with the terms of these Regulations shall be paid in accordance with the schedule set out in Article 12 above, after it has been verified that the beneficiary's tax and social security situation is in order, through the submission of the relevant declarations or certificates, pursuant to and for the purposes set out in Article 31-A of Decree-Law no. 155/92, of 28th of July, and Article 198 of Law no. 110/2009, of 16th of September, as well as the submission of the access code to the Central Register of Beneficial Ownership under Law no. 89/2017, of 21st of August, or, when applicable, the presentation of the grounds for exclusion from the scope of application of that Law.
- 2. The Beneficiaries/Organisers/Promoters of the events shall send, by the means they deem most convenient, the invoice to the addresses listed in the corresponding Agreement, indicating all the data and/or bank references necessary for the corresponding payment, namely the IBAN; the invoice shall also mention the agreement signed and have an internal reference which will be included in the corresponding Agreement.
- 3. Upon reception of the invoice under the terms of the preceding paragraphs, and once its compliance with the provisions of the Agreement and these Regulations has been checked, the amounts resulting from that document shall be paid by bank transfer to the IBAN indicated by the Beneficiary/Organiser/Promoter of the event, within a maximum of 60 (sixty) days from the date of issue.
- 4. Where applicable, the Beneficiary/Organiser/Promoter of the event must duly complete and submit to APM the 21-RFI form/template concerning the total or partial exemption from the Portuguese withholding tax, when the beneficiary of the income resides in a country with which Portugal has signed an Agreement on the Avoidance of Double Taxation, as better explained in the link: https://drive.google.com/drive/folders/1kyOVxQebGi_cTwldbGLggvW3IBXhqRdV?usp =sharing; failure to comply with this obligation implies that the amounts due to the contractor under the agreement to be concluded will not be paid.



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Article 20-A

(Adjustment of financial support)

- 1. If the final evidence report shows that the actual number of room nights (relating only to Meetings & Incentives events) registered at the event falls into a lower support rank than initially estimated, the amount of support to be granted will be adjusted, according to the following criteria:
 - a) If the adjustment corresponds to a lower rank than initially estimated, the amounts of support not due and already paid will be returned within the time limit set by the APM;
 - b) Under the terms of the previous subparagraph, an adjustment will only be made if the number of room nights (for Meetings & Incentives events only) is less than 15% of the number estimated at the application stage, following a decision by the Board.
 - 2. Without prejudice to the cases provided for in the preceding paragraph, the financial support will be adjusted when, following approval of the financial support by the APM Board and the conclusion of the respective agreement:
 - a) The financial support has not yet been paid and, once the final evidence report required under Article 15(1)(f) has been delivered, it is found that the expenses considered eligible by the APM, incurred by the Beneficiary/Organiser/Promoter of the event, are less than the financial support approved and contracted. In such cases, only the expenses considered eligible will be paid, under the terms and for the purposes defined above in Article 13-A of these Regulations;
 - b) The financial support has been partially paid, under the terms of Article 12(i) of these Regulations, and once the final evidence report required under Article 15(1)(f) has been delivered, it is found that the expenses considered eligible by APM, incurred by the Beneficiary/Organiser/Promoter of the event, are less than the financial support approved and contracted. In such cases, the APM will demand that the Beneficiary/Organiser/Promoter of the event refunds any amounts already paid to the respective extent, within the time limit that the APM may set for this purpose.

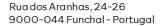


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Article 21

(Decision not to grant financial support)

- 1. Acts of God or force majeure events, provided they are duly substantiated, exempt the parties from liability, as part of the agreement that was concluded and allow APM not to grant or adjust an approved support, under the terms of these Regulations.
- 2. For the purposes of the preceding paragraph, acts of God or force majeure events are events or facts of nature or man that are invincible, unavoidable and insurmountable, such as:
 - a) Acts of war or subversion;
 - b) Epidemics and/or pandemics;
 - c) Fires;
 - d) Volcanic eruptions or earthquakes;
 - e) Storms and floods.
- 3. The following are not acts of God or force majeure events:
 - a) Circumstances that do not constitute force majeure for subcontracted parties of promoting/beneficiary entities, in the part wherein the latter intervene;
 - Strikes or labour disputes limited to companies of promoting/beneficiary entities or to groups of companies whereof the latter is a part, as well as companies or groups of companies of the subcontracted parties thereof;
 - c) Governmental, administrative or judicial determinations of a sanctioning nature or otherwise resulting from the non-compliance by the promoting/beneficiary entities of duties or obligations incumbent upon them:
 - d) Popular demonstrations due to non-compliance by promoting/beneficiary entities with legal norms;
 - e) Fires or floods originating at the premises of promoting/beneficiary entities, whose cause, propagation or proportions are due to blame or negligence on the part of the latter or to non-compliance with safety standards;
 - f) Malfunctions in computer or mechanical systems of promoting/beneficiary entities not due to sabotage;
 - g) Events that are or should be covered by insurance.





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4. In addition to the situations referred to in paragraph 1 of this article, the APM Board may also decide not to grant or to adjust an approved support in situations of cancellation or change of event dates, without prejudice to the provisions above, in Article 15(g) and Article 16 of these Regulations.

Chapter VI

Personal enforcement and Subcontracting

Article 22

Personal enforcement and subcontracting

- 1. The Beneficiary/Organiser/Promoter of the event shall be responsible for the exact and timely provision of the contractual services, in compliance with the agreement, and may not transfer the responsibilities undertaken under this Agreement to third parties.
- 2. Under penalty of termination of the agreement, and without any right to indemnity or compensation to the Beneficiary/Organiser/Promoter of the event, it undertakes not to subcontract, in whole or in part, and not to assign its position in this Agreement or any of its rights and obligations hereunder without the prior written consent of APM.
- 3. The provision of the preceding paragraph shall not apply whenever the subcontracted entity or transferee is a company that is in a control or group relationship with the subcontracting company or transferor.
- 4. The termination referred to in paragraph 2 grants APM the right to receive compensation under the general terms.
- 5. Without prejudice to the provisions of the preceding paragraphs, the responsibility for the exact and timely compliance with all the contractual obligations shall always lie with the Beneficiary/Organiser/Promoter of the event.



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Chapter VII

Final provisions

Article 23

(Complaints, appeals and conflict resolution)

- 1. Any decisions issued by the CGA, whether those made within the scope of the application approval procedure for support granting or within the scope of the execution, monitoring and supervision of approved applications, may be contested.
- 2. If the CGA upholds the original decision, an appeal may be lodged before the APM Board, or any other entities to which the APM Board may delegate any of the competencies provided for under these Regulations and/or regarding the enforcement of the Protocols concluded thereunder.
- 3. Appeals may also be lodged to the APM Board against any of its decisions, either within the scope of the application approval procedure or within the scope of the implementation, monitoring and supervision of approved applications.
- 4. Should any question arise in connection with the interpretation or enforcement of the Agreements, the contracting parties hereto shall endeavour to reach an appropriate and equitable solution amicably.
- 5. If they are unable to resolve the matter amicably, the contracting parties hereby agree, expressly waiving any other, to turn to the jurisdiction of the district court of Funchal to resolve any conflicts or disputes arising from the enforcement of this Agreement and/or related to the enforcement of Agreements concluded hereunder, without prejudice to the recourse to an Arbitration Court, provided that this has been previously agreed upon by the parties.
- 6. APM decisions can also be contested under the general terms of the law.

Article 24

(On interpretation and the inclusion of omissions)

- 1. Any doubt arising from the interpretation of these Regulations shall be communicated by any interested party to the APM Board.
- 2. If, following doubts raised by any interested party under the terms of this article, it is found that there is an omission in these Regulations, it shall be integrated by the APM Board, in accordance with the applicable provisions of the Civil Code.





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- 3. The deliberations of the APM Board, communicated to the interested parties, are valid as authentic interpretation until the procedure for amending the Regulations is completed.
- 4. Answers to questions resulting from the interpretation of the rules in these Regulations and the omissions that may be integrated under the terms of this article and that may result in an improvement in the wording of the articles of these Regulations will be contemplated in a proposal for the revision of these Regulations to be submitted for consideration and approval by the APM Board.
- 5. Any amendments to these Regulations that may be approved, under the terms of the preceding paragraph, shall only apply to applications submitted after their entry into force.
- 6. Without prejudice to the provisions of the preceding paragraphs, the APM Board, as an exception and whenever it deems necessary, even if justified, may introduce amendments to these Regulations and set a period of validity different from that set forth in the preceding paragraph.

Article 25

(Amendments)

Any amendments to the Agreements to be concluded by APM and the Beneficiary/Organiser/Promoter of the event shall only be valid if made in writing, in a document signed by the contracting parties, with an express indication of the clauses that are being amended and the wording of those that have been modified or added.

Article 26

(Competent jurisdiction)

To resolve any legal dispute arising from aid allotment agreements covered by these Regulations, the competence of the Administrative and Tax Court of Funchal is hereby stipulated, with express waiver of any other.

Article 27

(Entry into force)

These Regulations shall enter into force after being approved by the APM Board and on a date to be determined by the Board.



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ANNEX I

(Application form)



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ANNEX II

(Declaration of registration of participants and estimated room nights)