



Superyacht Industry Development Fund

Round One – 2018/19

Program Guidelines

The Department of State Development, Manufacturing, Infrastructure and Planning

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1. Introduction

Queensland's beautiful coastline and world-class marine environments are the envy of the world, and amongst one of our state's leading tourism attractions. These advantages, along with a highly-skilled workforce and excellent marine infrastructure, make Queensland a prime location for superyacht visitation and activity.

The [Queensland Superyacht Strategy 2018-23](#) sets out the Queensland Government's support for growing this high-value industry.

Part of the \$650 million Advance Queensland initiative, the Superyacht Strategy envisions that by 2023, Queensland's share of the global superyacht sector will have increased by 10 per cent, and that Queensland will be recognised as the key superyacht hub in the Asia-Pacific region. This growth is expected to create thousands of new highly-skilled jobs across the state and contribute hundreds of millions of dollars to the Queensland economy.

The Superyacht Strategy sets out four priority areas for government action:

- Priority 1 Supportive, clear and well-communicated policy
- Priority 2 Promote infrastructure to facilitate industry growth
- Priority 3 Promote Queensland as a global superyacht destination
- Priority 4 Support and develop Queensland's superyacht supply chain.

The Queensland Government is committed to fostering emerging and priority industry sectors with global growth potential, such as the superyacht industry, to diversify the state's economy and create greater knowledge-based jobs of the future.

The Superyacht Industry Development Fund (SIDF) program, administered by the State of Queensland, through the Department of State Development, Manufacturing, Infrastructure and Planning (the department) is a statewide funding program that will provide funding over five years to provide financial support to Queensland businesses to develop and promote superyacht industry-related capabilities.

This document sets out the guidelines for applicants for round one of the SIDF program.

The competitive process for round one applicants will commence from 12 November 2018.

2. SIDF Program

2.1. Scope

The SIDF program has been established to assist Queensland's small-to-medium enterprises (SME) to access superyacht contracts both directly and through supply chain opportunities and will contribute to maintaining a competitive position for major projects with long term (20+ years) sustainment horizons.

The SIDF program will address identified industry challenges that impede growth of the Superyacht industry including:

- access to global opportunities through participation at international trade shows, exhibitions and other superyacht related events
- access to inbound international delegation visits to superyacht related events held in Queensland
- undertake certification to assist SME employees to access superyacht industry supply chains.

2.2. Overview

Round 1 of the SIDF program offers support to eligible Queensland-based SMEs by offering grants to reimburse up to 50 per cent of the cost of eligible activities (as set out in Section 2.5) to be conducted by the applicant. Grants will be:

- available as matched funding (on a dollar-for-dollar cash basis)
- available for activities that align with the applicant's strategic direction and SIDF program objectives
- allocated following the conduct of a competitive assessment process.

Eligible Queensland-based SMEs are encouraged to apply for funding under the SIDF program for the following two categories of activities

1. International market access events (international trade show events and inbound international delegation visits):

- Grants of up to \$3,000 per event (excluding GST) for each eligible applicant per calendar year;
 - for up to a maximum of three international market access events, and/or one inbound international delegation visit at a maximum of up to \$9,000 (excluding GST).

2. Superyacht related certification:

- Grants of up to \$10,000 (excluding GST) for each eligible applicant per calendar year.

Applications will be assessed against assessment criteria set out in section 2.11.

Grants will be recommended to those successful applicants with the highest ranked applications.

The department reserves the right to award grants to the highest ranked applications overall or to the highest ranked applications within each of the eligible activity categories (as described above).

2.3. Program objectives

The key objectives of the SIDF program are to:

- support the growth of Queensland's superyacht industry by supporting Queensland SMEs to stimulate job opportunities and international competitiveness
- assist Queensland SMEs to take-up key capability building measures including:
 - international promotion and business matching activities through participation in targeted international trade show and industry related events
 - leverage off high quality leads (for example: potential investors) generated by attending international trade show events and other Superyacht related activities offering an inbound international delegation visit to promote Queensland as a prime destination for international business
 - superyacht industry-related certification.

2.4. Eligibility criteria

To be eligible to receive funding under the SIDF program, an applicant must:

- be an SME; or demonstrate that, the business should be, to the department's satisfaction, considered:
 - an SME or
 - an industry body representing a consortium of Queensland-based SMEs
- be Queensland-based (main operations located in Queensland)
- be registered for GST and hold an active Australian Business Number (ABN)
- already operating in or have the capability to commence operating in the Queensland superyacht industry
- have a proposed eligible activity that targets the Queensland superyacht industry and be relevant to the international market, products and services of the applicant
- have a proposed eligible activity (that meets the requirements set out in section 2.5) and able to demonstrate that the applicant can verify or validate the expected effectiveness and outcomes of the proposed eligible activities
- meet the minimum eligibility requirements, as stated under the course outline or activity guidelines, to participate in superyacht related certification
- have the financial capacity and standing necessary to conduct the proposed eligible activity (including the contribution of at least 50 per cent of the eligible activity costs)

- be willing to enter into a binding funding agreement with the State, stipulating that the allocated grant will be used to fund eligible activities (as set out in section 2.5)
- provide accountancy prepared (CPA/CA qualified) financial statements of up to three years, including profit and loss, balance sheet and statement of cash flows (where available) including notes to the accounts that are either accountant (CPA/CA qualified) prepared, audited and certified (preferred) or accountant (CPA/CA qualified) prepared and signed financial statements
 - if the applicant has been in operation for less than three years, a statement of viability and a 'management accounts' report prepared by an accountant (CPA/CA qualified)
- must not have an associated entity that has made an application under round one of the SIDF program
- not be insolvent or have owners or directors that are an undischarged bankrupt
- not be a Federal, State or Local Government entity, statutory authority or not-for-profit organisation (other than an industry body representing a consortium of Queensland-based SMEs).

2.5. Eligible activities

1. INTENATIONAL MARKET ACCESS	
Eligible Activities	Example Activities
Participation at international trade shows listed below, exhibitions and superyacht focused events, where the Queensland Government is not already providing subsidised support for industry to participate. <ul style="list-style-type: none"> • Cannes • Monaco • Tahiti • Fort Lauderdale • Singapore • METS • Barcelona • Antigua. 	Exhibitor costs, including event registration, stand space, design and fit-out, at relevant international trade shows.
Inbound International Delegation Visits to Queensland, e.g.: <ul style="list-style-type: none"> • superyacht: <ul style="list-style-type: none"> – marinas – supply chain organisations – manufacturers. 	Reasonable costs of flights and accommodation that are directly related to inbound international delegation visit (e.g. costs of economy class flights, costs of a business-style hotel accommodation).

2. SUPERYACHT RELATED CERTIFICATION	
Eligible Activities	Example Activities
Superyacht-related certification.	AS/NZS ISO 3834 Certification
	<p>Costs associated with the provision by an independent certification body (International Accreditation Forum accredited) of written assurance that the product, service or system in question meets specific requirements relating to the superyacht industry, including costs associated with:</p> <ul style="list-style-type: none"> • initial application fee • initial registration fee • assessment costs: <ul style="list-style-type: none"> - document review - site workshops - recommendation and issuing of certificate.

2.6. Eligible activity costs

Applicants must identify their expected total activity costs (including both eligible and ineligible activity costs), and the grant amount requested. The amount of the grant must not exceed 50 per cent of the total eligible activity costs.

Applicants will only be entitled to claim funding for eligible activity costs.

Applicants will not be entitled to receive funding in respect of ineligible activity costs.

2.7. Ineligible activity costs

Ineligible activity costs include both costs and expenses as listed below:

- in relation to preparing an application for the SIDF program, including any third-party consultant costs involved in the preparation of materials in support of an application or any benchmarking reports used as the basis for an application
- costs associated with attendance at domestic trade show related events
- flights, accommodation (except for inbound international delegation visits) and all other transport related costs, all personal expenses, including meals, beverages, and entertainment expenses
- costs associated with attendance at international trade shows and superyacht related events where the Australian Government and/or the Queensland Government is already providing subsidised support for industry to participate
- fees and charges associated with registering domestic or international patents or other intellectual property
- certification that already attracts a Commonwealth or Queensland Government subsidy
- certification that does not support or enhance the development of superyacht industry capabilities
- general on-the-job training and supervision

- internal costs associated with implementing certification systems within the business
- legal/or other professional advice (such as financial services provided by an accountant)
- normal operating costs (for example, utility and telecommunication charges, building lease costs)
- costs for consultants/contractors that are associated entities with the applicant
- employee salaries or costs associated with recruitment activities
- any other costs deemed ineligible by the department
- activities paid for prior to approval of the submitted grant application.

2.8. Funding arrangements

Successful SIDF program applicants will be required to execute a funding agreement with the State (represented by the department).

This funding agreement will outline the terms of the proposed grant and detail the outcomes to be achieved by the applicant.

On completion of the international trade show related activity, the SIDF program will reimburse up to 50 per cent of the cost of eligible activities. Payments will be made in arrears.

Once funds for the SIDF program are exhausted, no further applications will be accepted. The department will provide information via the department's website when all funds have been allocated.

Activities funded by the SIDF program are to be completed within 12 months of the signing of the funding agreement, unless agreed otherwise with the department.

Under the funding agreement and for each completed activity the applicant must submit:

- a valid tax invoice (addressed to the State, represented by the department)
- a financial acquittal report
- evidence of expenditure (for example, supplier invoice, remittance advice).

The tax invoice will be paid within 20 business days after acceptance of the required documentation.

An outcomes/benefits report will be required to be submitted at the end of the term of the funding agreement.

2.9. Application process

The key timeframes for the conduct of the process are as follows. Other than the opening and closing dates for applications, all dates are indicative only.

Indicative Dates	Key Activities
12 November 2018	Opening Date for receipt of applications.
7 December 2018 (5:00pm, AEST)	Closing Date for receipt of applications.
End of January 2019	Assessment of applications.
End of February 2019	Due diligence and probity checks
Early 2019	Applicants advised of assessment outcome.

2.10. How to apply

Applications will only be accepted when submitted electronically by 5. pm AEST on the closing date.

The department may, at its discretion, accept or reject any late applications with the application form available on www.dsdmip.qld.gov.au/superyacht.

Applicants will be responsible for their own costs in relation to the application.

Applications must include the following information:

- evidence that the proposed activity aligns with the strategic direction of the applicant
- confirmation of the number of employees employed by the SME
- information on the structure of the SME
- any additional information about the proposed scope of the activity
- detailed activity cost breakdowns, including eligible activity costs and ineligible activity cost estimates
- evidence that the applicant can fund eligible activity costs not funded by the SIDF program. This must include details of the extent to which this will be financed internally or externally and any associated security
- evidence to support claims (or the rationale behind claims) about the activity's expected benefits, including value for money to the SME, the local region or supply chain and the department
- a detailed activity timeline
- copies of valid insurances cover
- evidence of the governance structure or processes of the applicant for decision-making
- if the applicant has been in operation:

- for three years or more, financial statements of up to three years, including profit and loss, balance sheet and statement of cash flows (where available) including notes to the accounts that are either accountant (CPA/CA qualified) prepared, audited and certified (preferred) or accountant (CPA/CA qualified) prepared and signed financial statements
- for less than three years, a statement of viability and a 'management accounts' report prepared by an accountant (CPA/CA qualified).

In conjunction with applications being assessed against the assessment criteria set out in section 2.12, due diligence and probity checks may also be undertaken by the department.

2.11. Advice and support

A list of frequently asked questions (FAQs) is available to assist with preparation of applications.

Questions and responses to questions asked after the SIDF program opens will be added to the FAQs. The department may in its discretion determine not to publish questions and responses where they are application specific or do not have general application. Applicants should check the FAQs for updates prior to submitting their application.

2.12. Assessment criteria

The grant application will be assessed against the following assessment criteria:

Assessment Criteria	Weightings
1. The activity demonstrates that it will build the capacity of the applicant to increase superyacht industry competency and international competitiveness.	40%
2. The activity aligns key objectives of the SIDF Program by supporting current superyacht industry related jobs and provide opportunities for high-skilled industry jobs.	30%
3. The activity aligns with the strategic direction of the applicant and related to the superyacht industry.	20%
4. The activity is achievable within the applicant's stated budget and timeframes.	10%

2.13. Assessment process

Applications must contain all information required to be submitted at the time of lodgement for the application stage. The department may decide not to consider applications that do not include all required information (refer to section 2.10).

Applicants may be contacted during the assessment process to clarify information provided in the application and/or request further information to enable comprehensive due diligence and probity checks to be undertaken.

If an applicant does not submit all clarification information in the required timeframe the department may set aside the application.

The department's decision in relation to an application is final and may not be appealed. If, however, an applicant has any dispute in relation to the application or assessment process, a formal complaint may be submitted to the department via the department's [website](#).

2.14. Program evaluation

As a new initiative of the Queensland Government, the SIDF program will be continuously monitored and reviewed to ensure that the SIDF program effectively achieves SIDF program objectives. These guidelines may therefore be updated to reflect future changes to the SIDF program.

The program guidelines will be formally evaluated after completion of each round of the SIDF program.

2.15. Tax obligations

Grants may be treated as assessable income for taxation purposes and GST may also be applied. The department does not provide advice to applicants and recommends applicants seek independent professional advice on their tax obligations.

3. Communications

3.1. Communications with the media

Once the SIDF program is open, all media enquiries or public announcements relating to the SIDF program will be coordinated and managed by the department's media team. Where possible, media and communications about the SIDF program will be undertaken jointly with successful applicants.

Applicants will be required to:

- seek and obtain the department's approval before making public statements, or contacting the media, regarding successful or unsuccessful applications through the SIDF program
- provide the department with at least 25 business days' notice of any proposed media event
- provide any proposed media or public statement to the department for approval prior to its release as well as making any changes or amendments to the form, content or manner reasonably requested by the department.

3.2. Confidentiality

The department will maintain strict controls in relation to the management of confidential information provided by applicants and all internal documentation produced in relation to the administration of the SIDF program.

Applicants must keep confidential any dealings with the department about their application, including any funding offered, but may make disclosures to advisors who are under an obligation of confidentiality or if required by law.

The department reserves the right to publicly disclose the names of applicants, information about funding granted and details about the anticipated economic outcomes and benefits to the state.

The department may also disclose confidential information of, or provided by, the applicant:

- if required to be disclosed by law
- to its advisors
- to comply with or meet applicable standards for accountability of public money or established governmental policies, procedures and protocols
- to a government agency.

2.3. Contact details

For inquiries or assistance, please contact Defence Industries Queensland:

- Phone: 13 QGOV (13 74 68)
- Email: DIQLD@dsd.qld.gov.au.

Alternatively, you can contact the department via:

<http://www.dsdmip.qld.gov.au>

4. Definitions

In these Guidelines, unless the contrary intention appears, the following terms are defined as:

1. **Small to Medium Enterprise or SME** –A small business is defined as a business employing less than 20 people and a medium business (excluding agriculture) is defined as a business employing 20 or more people up to 200 people. The Australian Bureau of Statistics defines a micro business as less than five employees however this is included in the Queensland definition of a small business.
2. **Inbound International Delegation Visits:** business and industry delegations and official government visits to the superyacht industry in Queensland to increase commercial superyacht activity in the state (e.g. overseas superyacht manufacturers, captains of superyachts, superyacht supply chain companies, superyacht brokers).
3. **Associated Entity:** Associated Entity has the same meaning as under s50AAA of the *Corporations Act 2001*.
4. **Eligibility Criteria:** The Eligibility Criteria are set out in section 2.4 of these guidelines.
5. **Program Objectives:** The Program objectives are the objectives of the SIDF program set out in section 2.3 of these Guidelines.
6. **Eligible Activity** means an activity which meets the requirements listed in section 2.5 of these guidelines.
7. **Eligible Activity Costs** means those costs and expenses reasonably incurred by the applicant in relation to the eligible activity.
8. **Ineligible Activity Costs** means the costs listed as such in section 2.6 of these guidelines.
9. **Opening Date** means Monday 12 November 2018.
10. **Closing Date** means Friday 7 December 2018.
11. **State** means the State of Queensland.

5. Terms and Conditions

5.1. Reservation of rights

The department reserves the right to administer the SIDF program and conduct the process for the assessment and approval of applications to the SIDF program in such manner as it considers fit and to:

- a) change the structure, procedures, nature, scope or timing of, or alter the terms of participation in, the process or overall SIDF program (including timeframes and submission and compliance of applications)
- b) consider or accept or refuse to consider or accept any application which:
 - i. is lodged other than in accordance with these guidelines
 - ii. is lodged after the relevant closing date for lodgement
 - iii. does not contain the information required by these guidelines; or
 - iv. is otherwise non-conforming in any respect
- c) vary or amend the eligibility criteria or assessment criteria set out in these guidelines
- d) take into account any information from its own and other sources (including other government agencies and other advisors)
- e) accept or reject any application, having regard to these guidelines, the eligibility criteria and the assessment criteria or any other item, matter or thing which the department considers relevant, including the limitations on the funds available for the SIDF program
- f) seek clarifications or additional information from, or provide clarifications or additional information to, negotiate or deal with, or seek presentations or interviews from, any applicant, without doing or requiring the same from all or any of the other applicants
- g) conduct due diligence investigations in respect of any applicant and subject applications to due diligence, technical, financial and economic appraisals
- h) require an applicant to clarify or substantiate any claims, assumptions or commitment contained in an application or provide any additional information
- i) terminate the further participation of any applicant in the application process for the SIDF program
- j) terminate or reinstate the SIDF program or any process in the SIDF program;
- k) not proceed with the SIDF program in the manner outlined in these guidelines, or at all
- l) allow the withdrawal of or addition of any applicant after the closing date; and
- m) conduct negotiations with any one or more applicants after applications have been lodged

- n) Where, under these guidelines, it is stated that the department may exercise a right or discretion or perform any act or omit to perform any act, then unless stated otherwise the department may do so at its sole and absolute discretion and will not be required to act, or be restrained from acting, in any way or for any reason nor to take into account the interests of any third party (including the applicants)
- o) If the department does exercise any of its rights under these guidelines the department may inform any or all applicants. The department will not, however, be under any obligation to do so.

5.2. Relationship

The department's obligations regarding the application process are limited to these expressly stated in these guidelines.

Subject to section 5.7, no contractual or legal relationship exists between the department and an applicant in connection with the SIDF program, these guidelines or the application process.

An applicant, or its representatives:

- a) has no authority or power, and must not purport to have the authority or power to bind the department, or make representations on behalf of the department
- b) must not hold itself out or engage in any conduct or make any representation which may suggest to any person that the applicant is for any purpose an employee, agent, partner or joint venture with the department
- c) must not represent to any person that the department is a party to the proposed activity (other than as a potential funder, subject to the application process and confidentiality obligations detailed in these guidelines).

5.3. Participation at applicant's cost

Each applicant participates in the SIDF program at its own cost and risk.

To the extent permitted by law, no applicant will have any claim of any kind whatsoever against the department (whether in contract, tort (including negligence), equity, under statute or otherwise) arising from or in-connection-with:

- d) any costs, expenses, losses or liabilities suffered or incurred by the applicant in preparing and submitting its application (including any amendments, requests for further information by the department, attendance at meetings or involvement in discussions) or otherwise in-connection-with the SIDF program
- e) the department at any time exercising or failing to exercise, in its absolute discretion, any rights it has under or in connection with the SIDF program
- f) any of the matters or things relevant to its application or the SIDF program in respect of which the applicant must satisfy itself under these guidelines.

Without limiting the foregoing, if the department cancels or varies the SIDF program at any time or does not select any applicant following its assessment of the applications, or does (or fails to do) any other thing referred to under these guidelines, no applicant

will have any claim against the department arising from or in connection with any costs, expenses, losses or liabilities incurred by the applicant in preparing and submitting its application or otherwise in connection with or in relation to (whether directly or indirectly) the SIDF program.

5.4. Applicants to make own enquiries

These guidelines have been prepared to give potential applicants background information in relation to the SIDF program. These guidelines do not, and do not purport to contain all of the information that applicants may require in reaching decisions in relation to whether or not to submit an application. Applicants must form their own views as to what information is relevant to such decisions and obtain their own independent legal, financial, tax and other advice in relation to information in these guidelines or otherwise made available to them during the application process.

The department accepts no responsibility whether arising from negligence or otherwise (except a liability that cannot lawfully be excluded) for any reliance placed upon the information supplied by it in connection with the SIDF program or interpretations placed on the information by applicants.

5.5. Intellectual Property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant.

The applicant grants to the department (and will ensure that relevant third parties grant) a non-exclusive, irrevocable licence to use and reproduce the intellectual property for the purpose of administering the SIDF program.

5.6. Privacy

In this section, **Personal Information** has the meaning given to that term in the *Information Privacy Act 2009* (Qld).

Personal information provided by applicants may, in the course and for the purposes of assessment of the application, be disclosed to the department's associates or project stakeholders.

If any applicant collects or has access to any personal information in connection with its application or the SIDF program, the applicant must comply, in relation to that personal information:

- a) (as if it were the department) with the Information Privacy Principles in the *Information Privacy Act 2009* (Qld); and
- b) with all reasonable directions of the department.

5.7. Acceptance

Upon submission of an application, each applicant:

- a) warrants to the department that the information contained in its application is accurate and complete as at the date on which it is submitted and not by omission misleading, and may be relied on by the department in determining whether or not to provide financial assistance to the applicant under the SIDF program
- b) undertakes to promptly advise the department if it becomes aware of any change in circumstances which causes the information contained in its application to become inaccurate or incomplete in a material respect
- c) acknowledges that the department will rely on the above warranty and undertaking when evaluating the application
- d) acknowledges that the department may elect to remove an applicant or elect not to further consider an application at any stage as a result of material changes to the information presented in its application
- e) acknowledges that the department may suffer loss or damage if the applicant breaches the above warranty and undertaking
- f) is taken to have accepted the terms in these guidelines, including the terms and conditions, and warrants for the benefit of the department it will not breach these guidelines or seek to bring any claim, of any kind whatsoever, against the department which is precluded by these guidelines.