

RULES GOVERNING MEMBER CLUBS

Last amended: 4 September 2023



PART A

MALTA FA CLUBS LICENSING REGULATIONS FOR PARTICIPATION IN
UEFA CLUB COMPETITIONS APPLICABLE TO PREMIER DIVISION MEMBER CLUBS
AS AMENDED: 08.03.16; 30.05.2017; 13.11.2018; 07.12.2021; 07.12.2022; 04.09.2023

PART B

MALTA FA LICENSING AND FINANCIAL FAIR PLAY REGULATIONS
APPLICABLE TO ALL MEMBER CLUBS PARTICIPATING IN THE NATIONAL LEAGUE OF THE ASSOCIATION
AS AMENDED: 08.03.2016; 30.05.2017; 18.05.2021; 31.05.2022

PART C

MALTA FA CLUB LICENSING REGULATIONS FOR PARTICIPATION IN
UEFA WOMENS CHAMPIONS LEAGUE APPLICABLE TO ALL MEMBER CLUBS PARTICIPATING IN THE
NATIONAL LEAGUE OF THE ASSOCIATION
INTRODUCED ON: 07.12.2022

PART AMALTA FA CLUBS LICENSING REGULATIONS FOR PARTICIPATION IN
UEFA CLUB COMPETITIONS APPLICABLE TO PREMIER DIVISION MEMBER CLUBS**CONTENTS**

Preamble

Article	Page
PART I. GENERAL PROVISIONS	9
1. Scope of Application	9
2. The Objectives	9
3. Responsibilities of the UEFA Club Financial and Control Body (not applicable)	10
4. Definition of terms	10
PART II. CLUB LICENSING FOR PARTICIPATION IN UEFA CLUB COMPETITIONS	17
Chapter 1: The Association	17
5. Responsibilities of the Association	17
6. The Licensing Administration	17
7. The Decision-Making bodies	18
8. Catalogue of Sanctions	22
9. Association's certification	23
10. The Licensing Procedural Steps (Core Process)	23
11. Assessment procedures	25
12. Equal Treatment and Confidentiality	25
13. Exceptions policy	25
Chapters 2: Licence Applicant and UEFA Licence	26
14. Definition of Licence Applicant and the three-year rule	26
15. General responsibilities of the Licence Applicant	26
16. UEFA Licence	27
17. Special permission	27
Chapter 3: Club Licensing Criteria	29
18. General	29
SPORTING CRITERIA	30
19. Youth development programme	30
20. Youth Teams	30
21. Women's football activities	31
22. Medical Care of Players	31
23. Registration of Players	31
24. Written contract with professional players	31
25. Loan of professional players	32
26. Refereeing matters and the Laws of the Game	32
FOOTBALL SOCIAL RESPONSIBILITY CRITERIA	33
27. Football social responsibility strategy	33
28. Equality and inclusion	33
29. Anti-racism	33
30. Child and youth protection and welfare	33
31. Football for all abilities	33
32. Environmental protection	34

INFRASTRUCTURE CRITERIA	35
33. Stadium for UEFA club competitions	35
34. Training Facilities – Availability	35
35. Minimum Infrastructure	35
PERSONNEL AND ADMINISTRATIVE CRITERIA	36
36. General Manager	36
37. Treasurer (Finance Officer)	36
38. Media Officer	36
39. Medical Doctor	36
40. Physiotherapist	37
41. Youth team medic	37
42. Match organization officer	37
43. Safety & Security Officer	37
44. Football social responsibility officer	38
45. Supporter Liaison Officer	38
46. Disability Access Officer	38
47. Head Coach of first squad	38
48. Assistant coach of first squad	39
49. Goalkeeper coach of first squad	39
50. Head of Youth Development Programme	39
51. Youth Coaches	39
52. Goalkeeper coach for youth teams	39
53. Common provisions applicable to UEFA coaches qualifications	40
54. Written contracts	40
55. Service providers	41
56. Occupation of functions	41
57. Organizational structures	41
58. Duty of replacement during the season	41
LEGAL CRITERIA	42
59. Declaration in respect of participation in UEFA club competitions	42
60. Minimum legal information	42
61. Written contract with a football company	43
62. Legal group structure	44
63. Ultimate controlling party, ultimate beneficiary and party with significant influence	45
64. Written representation prior to the licensing decision	46
FINANCIAL CRITERIA	47
65. Reporting entity/entities and reporting perimeter	47
66. Annual Financial Statements	48
67. Publication of Financial Information	49
68. Interim financial statements (not applicable)	49
69. Net equity rule	49
70. No overdue payables to football clubs	50
71. No overdue payables in respect of employees	51
72. No overdue payables to social/tax authorities	52
73. No overdue payables in respect of UEFA and the Association	53
74. Future financial information	53
PART III. UEFA CLUB MONITORING	55
Chapter 1: Rights, Duties and Responsibilities of Parties Involved	55
75. Monitoring process	55
76. Responsibilities of the Association	55
77. Responsibilities of the applicant	56
78. Club information	56

Chapter 2: Club Monitoring Requirements	58
79. Scope of application and exemption	58
SOLVENCY REQUIREMENTS	59
80. No overdue payables to football clubs – enhanced	59
81. No overdue payables in respect of employees – enhanced	60
82. No overdue payables to social/tax authorities – enhanced	61
83. No overdue payables in respect of UEFA – enhanced	61
STABILITY REQUIREMENTS	63
84. Relevant income and expense	63
85. Reporting period and monitoring period	63
86. Calculation of football earnings and aggregate football earnings	63
87. Acceptable deviation	64
88. Contributions	64
89. Relevant Investments	65
90. Football earnings rule	65
91. Football earnings information	66
COST CONTROL REQUIREMENTS	67
92. Calculation of squad cost ratio	67
93. Squad cost rule	67
94. Squad cost information	67
COMMON PROVISIONS FOR ALL CLUB MONITORING REQUIREMENTS	69
95. Duty to report subsequent events	69
96. Non-compliance with club monitoring requirements	69
IV. FINAL PROVISIONS	70
97. Authoritative text and language of correspondence	70
98. Annexes	70
99. Compliance audits	70
100. Disciplinary procedures	70
101. Implementing provisions	71
102. Adoption, abrogation, and entry into force	71
103. Exceptional and transitional provisions in respect of the club licensing requirements	71
104. Exceptional and transitional provisions in respect of the club monitoring requirements	71
ANNEX A – EXCEPTIONS POLICY	73
A.1 Principles	73
A.2 Process	73
ANNEX B – NOT APPLICABLE	75
ANNEX C – NOT APPLICABLE	75
ANNEX D – EXTRAORDINARY APPLICATION OF THE CLUB LICENSING SYSTEM	76
D.1 Principles	76
ANNEX E – DETERMINATION OF THE AUDITOR AND AUDITOR’S ASSESSMENT PROCEDURES	77
E.1 Principles	77
E.2 Assessment procedures	77
ANNEX F – DISCLOSURE REQUIREMENTS FOR THE FINANCIAL STATEMENTS	79
F.1 Principles	79
F.2 Balance sheet	79
F.3 Profit and loss account	80

F.4	Cash flow statement	81
F.5	Notes to the financial statements	82
F.6	Player identification table	85
F.7	Financial review by management	86
ANNEX G – ACCOUNTING REQUIREMENTS FOR THE PREPARATION OF FINANCIAL STATEMENTS		87
G.1	Principles	87
G.2	Consolidation/combination requirements	88
G.3	Accounting requirements for the permanent transfer of a player's registration	88
G.4	Accounting requirements for the temporary transfer of a player's registration	90
G.5	Accounting requirements for specific expense items	92
G.6	Accounting requirements for specific revenue items	92
ANNEX H – NOTION OF OVERDUE PAYABLES		94
H.1	Principles	94
ANNEX I – LICENSOR'S ASSESSMENTS PROCEDURES		95
I.1	Principles	95
I.2	Assessment of the auditor's report on the financial statements	95
I.3	Assessment of licensing documentation for the net equity rule	96
I.4	Assessment of licensing documentation for no overdue payables	96
I.5	Assessment of the written representation prior to the licensing decision	97
I.6	Assessment of future financial information	98
I.7	Assessment of monitoring documentation for the solvency requirements	98
I.8	Assessment of monitoring documentation for the stability requirements	99
I.9	Assessment of monitoring documentation for the cost control requirements	99
ANNEX J – ELEMENTS RELATING TO THE CALCULATION OF FOOTBALL EARNINGS		100
J.1	Summary of the calculation of football earnings	100
J.2	Relevant income	101
J.3	Relevant expenses	103
J.4	Items not included in the calculation of football earnings	105
J.5	Relevant investments for the long-term benefit of football	106
J.6	Conditions for the increase of the acceptable deviation defined in Article 87	109
J.7	Definition of fair value	110
J.8	Fair value assessment	110
J.9	Fair value assessment of player exchange transactions	111
ANNEX K – ELEMENTS RELATING TO THE CALCULATION OF THE SQUAD COST RATIO		112
K.1	Squad cost ratio numerator	112
K.2	Squad cost ratio denominator	113
ANNEX L – IMPLICATIONS OF BREACHES OF THE SQUAD COST RULE		115
L.1	Principles	115
L.2	Definition of significant breach	115
L.3	Calculation of the financial disciplinary measure	115
L.4	Financial disciplinary measure grid	116
ANNEX M – OTHER FACTORS TO BE CONSIDERED IN RESPECT OF THE CLUB MONITORING REQUIREMENTS		117
M.1	Other factors to be considered in respect of the club monitoring requirements	117
ANNEX N – LEGAL CRITERIA FOR MEMBER CLUBS		119
N.1	Criteria Regarding Member Clubs incorporated as Commercial Companies	119
N.2	Annual General Meeting of a Member Club Report Form	119
N.3	Extraordinary General Meeting of a Member Club Report Form	120
N.4	Member Club's Management Committee	121
N.5	Duties of a Member Club's Management Committee	124
N.6	Financial loans and other Financial Obligations of Member Clubs (6(iii) to 6(vii) applicable	

as from 1 June 2023)	125
N.7 Member Club's Premises	125
N.8 Member Club's Sponsors	126
N.9 Members Status Committee	126
ANNEX N (i) – CRITERIA REGARDING MEMBER CLUBS INCORPORATED AS COMMERCIAL COMPANIES	127
ANNEX N (ii) A – ANNUAL GENERAL MEETING OF A MEMBER CLUB	129
ANNEX N (ii) B – EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB	132
ANNEX O – CORE PROCESS – STANDARD REQUIREMENTS	135

PART A

MALTA FA CLUBS LICENSING REGULATIONS FOR PARTICIPATION IN
UEFA CLUB COMPETITIONS APPLICABLE TO PREMIER DIVISION MEMBER CLUBS
AS AMENDED: 08.03.16; 30.05.2017; 13.11.2018; 07.12.2021; 07.12.2022; 04.09.2023

I. GENERAL PROVISIONS

Article **1** Scope of Application

¹ These regulations apply whenever expressly referred to by specific regulations governing men's club competitions to be played under the auspices of UEFA (hereinafter: UEFA club competitions).

² These regulations govern the rights, duties and responsibilities of all parties involved in the UEFA club licensing system (part II) and define in particular:

- a) the minimum requirements to be fulfilled by the Association in order to act as the licensor for its licence applicants, as well as the minimum procedures to be followed by the Association in its assessment of the club licensing criteria;
- b) the licence applicant and the licence required to enter the UEFA club competitions (UEFA Licence);
- c) the minimum sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a licence applicant in order to be granted the UEFA Licence by the Association as part of the admission procedure to enter the UEFA club competitions.

³ These regulations further govern the rights, duties and responsibilities of all parties involved in the UEFA club monitoring process to promote UEFA's financial sustainability objectives, and define in particular:

- a) the role and tasks of the UEFA Club Financial Control Body, the minimum procedures to be followed by the licensors in their assessments of the club monitoring requirements, and the responsibilities of the licensees during the UEFA club competitions;
- b) the club monitoring requirements to be fulfilled by licensees that are admitted to the UEFA club competitions.

Article **2** Objectives

¹ These regulations aim:

- a) to further promote and continuously improve the standard of all aspects of football in Malta and to give continued priority to the training and welfare of young players in every Member club;
- b) to promote participation in football and contribute to the development of women's football;
- c) to ensure that Member clubs have an adequate level of management and organisation;
- d) to adapt clubs' sporting infrastructure to provide players, spectators and media representatives with suitable, well-equipped and safe facilities;
- e) to protect the integrity and smooth running of UEFA club competitions;
- f) to safeguard each club's identity, history and legacy;
- g) to encourage cooperation between licensors and clubs and enable the development of benchmarking for Member clubs in financial, sporting, legal, football social responsibility, personnel, administrative and infrastructure-related criteria in Malta;

- h) to embrace social responsibility in football;
 - i) to promote a healthy relationship between clubs and supporters and increase accessibility in football.
- ² Furthermore, these regulations aim to promote more discipline and rationality in club football finances and in particular:
- a) to improve the economic and financial sustainability of the clubs, increasing their transparency and credibility;
 - b) to place the necessary importance on the protection of creditors;
 - c) to promote better cost control;
 - d) to encourage clubs to operate on the basis of their own revenues;
 - e) to encourage responsible spending for the long-term benefit of football;
 - f) to protect the long-term viability and sustainability of Maltese club football.

Article **3** **Responsibilities of the UEFA Club Financial Control Body**

Not applicable

Article **4** **Definition of terms**

¹ For the purpose of the regulations, the following definitions apply:

Administration procedures	A voluntary or mandatory process that may be used as an alternative to the liquidation of an entity, often known as going into administration. The day-to-day management of the activities of an entity in administration may be operated by the administrator on behalf of the creditors.
Agent/Intermediary	A natural or legal person who, for a fee, or free of charge, represents players and/or clubs in negotiations with a view to concluding an employment contract or represents clubs in negotiations with a view to concluding a transfer agreement.
Agreed-upon procedures	Procedures that have been agreed to by the auditor and the engaging party and, if relevant, other parties.
Annual accounting reference date	The date on which the reporting period for the annual financial statements ends.
Associate	An entity, including an unincorporated entity such as a partnership, which is neither a subsidiary nor an interest in a joint venture and over which the investor has significant influence.
Auditor	Court of Arbitration for Sport based in Lausanne (Switzerland). An independent audit firm acting in compliance with the International Code

	of Ethics for Professional Accountants (including International Independence Standards).
CFCB	UEFA Club Financial Control Body
Club licensing criteria	Requirements, divided into six categories (sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial., to be fulfilled by a licence applicant for it to be granted the UEFA Licence.
Club monitoring requirements	Requirements to be fulfilled by a licensee that has been admitted to the UEFA Champions League, the UEFA Europa League or the UEFA Europa Conference League.
Control	<p>the executive body as well as the legislative body of the Malta FA, other than statute legislative powers. The power to conduct the activities of an entity and to direct its financial, operating or sporting policies which affect returns, by means of share ownership, voting power, constitutional documents (statutes), agreement, or otherwise.</p> <p>Examples of control include a party:</p> <ol style="list-style-type: none"> a. holding a majority of the shareholders' or members' voting rights; b. b. having the right to appoint or remove a majority of the members charged with the governance of an entity (e.g. any administrative, management or supervisory bodies of an entity); c. being a minority shareholder or a member of the entity and alone, pursuant to an agreement entered into with other shareholders or members of the entity or by any other means, being able to exercise control (including as defined under a. or b.).
Cost of a player's registration	<p>Amounts paid or payable directly attributable to a player's registration, comprising:</p> <ol style="list-style-type: none"> a. fixed transfer compensation; b. realised conditional transfer compensation for amounts which have become payable during the period; c. any other directly attributable amounts paid and/or payable to another party such as another football club, agent/intermediary, or national football association/league.
Depreciation	The systematic allocation of the depreciable amount of a tangible asset over its useful life, i.e. the period over which an asset is expected to be available for use by an entity.
Directly attributable	<p>Directly attributable means, in relation to a particular activity, that:</p> <ol style="list-style-type: none"> a. the expense would have been avoided if that particular activity had not been undertaken; and b. the expense is separately identifiable without apportionment.
Dividends	Distributions paid to holders of equity instruments.

Employee benefit expenses	All forms of consideration given by an entity in exchange for services rendered by employees or for the termination of employment, including in respect of directors, management and those charged with governance.
Event or condition of major economic importance	An event or condition that is considered material to the financial statements of the reporting entity/entities and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the reporting entity/entities if it occurred during the preceding reporting period or interim period.
Government	Any form of government, including government agencies, government departments, government entities and similar bodies, whether local or national.
Group	A parent and all its subsidiaries. A parent is an entity that has one or more subsidiaries. A subsidiary is an entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent).
Impairment of tangible assets	An impairment loss, being the amount by which the carrying amount of a tangible asset exceeds its recoverable amount, i.e. the higher of an asset's fair value less costs to sell and value in use.
International Financial Reporting Standards (IFRS)	Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise: <ul style="list-style-type: none"> a. International Financial Reporting Standards' b. International Accounting Standards; and c. Interpretations originated by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).
ISRS 4400	International Standard on Related Services 4400 (Revised., Agreed-Upon Procedures Engagements).
Joint control	The contractually agreed sharing of control over an economic activity, which exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).
Joint venture	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.
Key management personnel	Persons having authority over and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including but not limited to any director (executive or otherwise) of the entity.
UEFA Licence	Certificate granted by the Association confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering UEFA club competitions.
Licence season	UEFA season for which a licence applicant has applied for/been granted a licence. It starts the day following the deadline for submission of the list of licensing decisions by the licensor to UEFA and lasts until the same deadline the following year.
Licensee	Licence applicant that has been granted a licence by the Association.

Licensor/Association	The Malta Football Association, a UEFA Member Association, which is the body recognised by UEFA in Malta that operates the club licensing system, grants licences and undertakes certain tasks in respect of the club monitoring process in Malta.
List of licensing decisions	List submitted by the Association to UEFA containing, among other things, information about the licence applicants that have undergone the licensing process and been granted or refused the UEFA Licence by the national decision-making bodies in the format established and communicated by the UEFA.
Material/Materiality	Omissions or misstatements of items or information are material if they could individually or collectively influence the decisions of users taken on the basis of the information submitted by the club. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.
Minimum criteria	Criteria to be fulfilled by a licence applicant in order to be granted the licence.
Monitoring documentation	The documentation to be submitted by a licensee as defined in respect of each of the club monitoring requirements.
National accounting practice	The accounting and reporting practices and disclosures required of entities in Malta.
Net debt	The aggregate of the following balances: <ul style="list-style-type: none"> • bank overdrafts, bank and other loans, accounts payable to group entities and other related parties less cash and cash equivalents; • net player transfers balance, i.e. the net of accounts receivable from player transfers and accounts payable from player transfers; and • accounts payable to social/tax authorities (non-current).
Net result	The total of all items of income less expenses in a period, in profit or loss
Parties involved	Any person or entity involved in the UEFA club licensing system or club monitoring process, including the UEFA administration, the CFCB the Association, the licence applicant/licensee and any individual involved on their behalf.
Party	A natural or legal person or a legal entity or a government.
Player registration(s)	Player registration(s) has the meaning set out in the <i>FIFA Regulations on the Status and Transfer of Players</i> .
Profit/loss on disposal of tangible assets	The profit or loss calculated as the difference between the net disposal proceeds, if any, and the carrying value (as per the balance sheet) of the tangible asset at the date of disposal.
Protection from creditors	Procedures pursuant to laws or regulations whose objectives are to protect an entity from creditors, rescue insolvent entities and allow them to carry their business as a going concern. This process encompasses (voluntary) liquidation or administration procedures and other

insolvency proceedings (that might result in a compromise with creditors, bankruptcy).

Related party

A related party is a person or entity or government that is related to the entity that is preparing its financial statements (the reporting entity). In considering each possible related party relationship, attention is directed to the substance of the relationship and not the merely legal form.

- a. A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control of the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to a reporting entity if any of the following conditions applies:
 - i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. the entity and the reporting entity are controlled, jointly controlled, or significantly influenced by the same party.
 - iii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iv. a party has significant influence over the other entity.
 - v. both entities are joint ventures of the same third party.
 - vi. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - vii. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - viii. the entity is controlled or jointly controlled by a person identified in a.
 - ix. a person identified in a.(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - x. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Reporting entity/entities

A registered member or football company or group of entities or some other combination of entities which is included in the reporting

	perimeter, and which must provide the Association with information for club licensing and club monitoring purposes.
Reporting period	A financial reporting period ending on the reporting's entity annual accounting reference date.
Significant change	An event that is considered material to the documentation previously submitted to the Association and that would require a different presentation if it occurred prior to submission of the documentation.
Significant influence	<p>The power to participate in the financial, operating or sporting policies of an entity, but not in control or joint control of that entity, by means of share ownership, voting power, constitutional documents (statutes), agreement, or otherwise.</p> <p>Examples of significant influence include a party:</p> <ol style="list-style-type: none"> a. holding, directly or indirectly, between 20% and 50% of the shareholders' or members' voting rights; b. having the ability to influence the appointment or removal of a majority of the members charged with the governance of an entity (e.g. any administrative, management or supervisory bodies of an entity); c. being a minority shareholder or a member of the entity and alone, pursuant to an agreement entered into with other shareholders or members of the entity or by any other means, being able to exercise any significant influence (including as defined under a. and b.); d. providing in one reporting period either alone or in aggregate with parties under the same ultimate controlling party or government (excluding UEFA, a UEFA member association and an affiliated league. an amount equivalent to at least 30% of the entity's total revenue for the same period.
Stadium	The venue for a competition match including, but not limited to, all surrounding properties and facilities (for example offices, hospitality areas, press centre and accreditation centre).
Supplementary information	<p>Financial information to be submitted to the Association in addition to the financial statements if the minimum requirements for disclosure and accounting are not met.</p> <p>The supplementary information must be prepared on a basis of accounting, and accounting policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the annual financial statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements</p>
Tangible assets	Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes on a continuing basis in the entity's activities.
Training facilities	The venue(s) at which a club's registered players undertake football training or youth development activities on a regular basis

**UEFA Club Licensing
Quality Standard**

Document that defines the minimum requirements with which licensors must comply to operate the club licensing system.

**Ultimate controlling
party**

A natural or legal person who/which has, directly or indirectly, ultimate control of an entity.

² In these regulations, the use of the masculine form refers equally to the feminine.

II. CLUB LICENSING FOR PARTICIPATION IN THE UEFA CLUB COMPETITIONS

Chapter 1: The Association

Article **5** Responsibilities of the Association

- ¹ The Association is a UEFA member association and governs the club licensing system.
- ² Not applicable.
- ³ Not applicable.
- ⁴ In particular, the Association acts through:
 - a) an appropriate licensing administration as defined in Article 6;
 - b) the two decision-making bodies as defined in Article 7;
 - c) the application of the catalogue of sanctions as defined in Article 8;
 - d) the core process as defined in Article 10;
 - e) the assessment of the documentation submitted by the licence applicants and of their appropriateness, and the assessment procedures in accordance with Article 11;
 - f) equal treatment of all licence applicants guaranteeing them full confidentiality with regard to all information provided during the licensing process as defined in Article 12;
 - g) the determination to its comfortable satisfaction whether each criterion has been met and what further information, if any, is needed for the UEFA Licence to be granted.

Article **6** The Licensing Administration

- ¹ The licensor must appoint a Licensing Manager who is responsible for the licensing administration.
- ² The tasks of the licensing administration include:
 - a) preparing, implementing and further developing the MFA club licensing system;
 - b) providing administrative support to the decision-making bodies;
 - c) assisting, advising and monitoring the licensees during the season;
 - d) informing UEFA of any event occurring after the licensing decision that constitutes a significant change to the information previously submitted to the Association, including a change of legal form or legal group structure (including change of ownership or identity);
 - e) serving as the contact point for and sharing expertise with the licensing departments of other UEFA member associations and with UEFA itself.
- ³ At least one staff member of the licensing administration or an external financial expert must have a financial background and a diploma in accountancy/auditing recognised by the Laws of Malta, or must have several years' experience in the above matters (a "recognition of competence").

4 The Licensing Manager

- i) The Executive Board shall appoint a Licensing Manager, responsible for the administrative procedure relating to the licensing of Member Clubs participating in the Premier Division of the National League of the Association in accordance with the licensing core process established in these regulations. He must not be a member of the other bodies of the Association dealing with Member Clubs' licensing matters (the Member Clubs' Licensing Board and the Appeals Board. The Executive Board may also appoint a Deputy Licensing Manager and any supporting staff as necessary.
- ii) In the checking of the licence applications and the accompanying documents, the Licensing Manager may seek the assistance of the members of the Panel of Experts established under these regulations.
- iii) The Licensing Manager must ensure that the necessary procedures relating to the licensing of clubs as provided in these regulations are carried out in the most efficient manner within the time limits established in these regulations. Furthermore, the Licensing Manager and his staff are subject to the confidentiality rules as mentioned in these regulations and must strictly follow these rules.
- iv) The Licensing Manager must inform UEFA of any event occurring after the licensing decision that constitutes a significant change to the information previously submitted to the Association. The Licensing Manager serves as the contact point for and shares expertise with the licensing departments of other UEFA member associations.

5 The Panel of Experts

- a) The General Assembly shall appoint a Panel of Experts whom the Licensing Manager, the Member Clubs Board and the Appeals Board may be able to consult in case of need. This Panel shall be made up of a Legal Expert holding a warrant issued by the Ministry of Justice, an Infrastructure and Training facilities Expert, a Certified Public Accountant and registered Auditor, an Expert in Youth Development, an Expert in Coaching Development, an Expert in Order and Security and an Expert in Administration. The Panel of Experts will be appointed for a period of two (2) calendar years.

Article 7 The Decision-making bodies

¹ The UEFA Licence is granted to a Member Club by the Member Clubs' Licensing Board (hereinafter 'the Board') established in accordance with the Association's Statute, as the decision-making body of First Instance, or by the Appeals Board of the Association, as the body of Second Instance. Both bodies must be independent of each other.

- i) A Member Club shall be granted the UEFA Licence if at the time that the application for the granting of the UEFA Licence is considered by the Board, such Member Club is deemed by the Board to have complied with the obligatory conditions and criteria established in these regulations.
- ii) In case that a club does not comply with the obligatory conditions and criteria established in these regulations for the granting of the UEFA Licence, its application for the granting of the UEFA Licence will be refused by the Board.
- iii) A Member Club which is refused the granting of the UEFA Licence by the Board has the right to appeal to the Appeals Board of the Association established in the Associations' Statute. The decision of the Appeals Board, which is the second and final instance body in the licensing process, is final and binding.

² **The Powers, Composition and Duties of the Member Clubs' Licensing Board**

- i) The Member Clubs' Licensing Board, hereinafter referred to also as "the Board", will be the body of first instance in the licensing procedure and is competent to deal with all those matters with which it is entrusted in these regulations, including the power to grant or refuse to grant the UEFA Licence to applicant Member Clubs as well as the power to ensure that during the season licensees are complying with the conditions and criteria of their UEFA Licence in accordance with these regulations. The Board also decides on whether the UEFA Licence should be withdrawn. The Board must be independent of the Appeals Board.
- ii) a) The Board shall be elected by the General Assembly for a period of two (2) calendar years starting on the first day of January. These shall be eligible for re-election.
b) Members of the Board may not be removed during their term of office unless for a serious and grave reason to the satisfaction of the Executive Board. However, a member requiring a special qualification shall be removed in case that such a member ceases to hold the required qualification.
c) The Executive Board shall be entitled to fill any permanent vacancy which may occur during the term of office of the Board.
- iii) a) The Board shall be composed of a chairman, two deputy chairmen and 5 other members, who must:
 - i) act impartially in the discharge of their duties;
 - ii) abstain if there is any doubt as to their independence vis-à-vis the licence applicant or if they have a conflict of interest. In this connection, the independence of a member may not be guaranteed if he/she or any member of his family (spouse, children, parent or siblings) has any association whatsoever with any Member Club. In particular, a member of the Board may not be a member, a shareholder, a business partner, a sponsor or a consultant of any Member Club;
 - iii) not act simultaneously as Licensing Manager;
 - iv) not belong simultaneously to a judicial body of the Association;
 - v) not belong simultaneously to the Executive Board of the Malta Football Association;
 - vi) not belong simultaneously to the personnel of an Affiliated Club;
 - vii) include at least one qualified financial expert, holding a warrant of Certified Public Accountant issued by the Accountancy Board under the auspices of the Ministry of Finance and at least one lawyer.
- b) The Members of the Board must follow strictly the confidentiality rules as mentioned in these regulations.
- c) The Executive Board shall appoint a Secretary to assist the Board in its duties. The Secretary shall be a staff member of the Association.
- d) The President of the Association shall have the right to substitute temporarily any member of the Board who for any reason whatsoever is temporarily unable to discharge his duties. In the case of a substitution, the President shall adhere to the qualification requirements of the substituted member as established in these regulations. In case that the President fails to make a substitution when so required, the Board shall still be able to perform its functions provided it has the required quorum.
- iv) The quorum of the Board consists of the Chairman (or one of the two Deputy Chairman) and two other members.
- v) The Chairman of the Board (or a Deputy Chairman, if he is acting as Chairman of the Board). has both an original and a casting vote. The Secretary shall not vote.

3 The Powers, Composition and Functions of the Appeals Board

- i) There shall be an Appeals Board, hereinafter referred to also as ‘the Board’, that will be the body of second instance in the licensing procedure and which shall be competent to decide on all appeals submitted in writing and shall make a final and binding decision on whether the UEFA Licence should be granted or refused. The Board also decides on whether the UEFA Licence should be withdrawn. The Board must be independent of the Member Clubs Licensing Board.
- ii) Appeals from a decision of the Licensing Board may only be lodged either by a licence applicant who received a refusal to its application from the Licensing Board, or a licensee whose UEFA Licence has been withdrawn by the Licensing Board according to these Regulations, or by the Licensing Manager.
- iii) All the members of the Appeals Board and the substitute members shall be neutral. These shall be elected by the General Assembly for a period of two (2) years. They shall be eligible for re-election.
- iv)
 - a) The Board shall consist of a Chairman and two (2) Members.
 - b) There shall be also a Panel of Substitute Members consisting of a number of members as determined by the Executive Board.
 - c) The composition of the Appeals Board or the Panel of Substitute Members must include at least one lawyer and at least one Certified Public Accountant and registered Auditor.
 - d) In the case of the hearing of an appeal from a decision of the Member Clubs’ Licensing Board as mentioned in sub-clause (iv) (d) above, if the composition of the Appeals Board does not include a lawyer and/or a qualified financial expert, the Chairman of the Board shall designate, from the Panel of Substitute Members, at least one lawyer and at least one qualified financial expert so that the Board will include at least one lawyer and at least one qualified financial expert.
 - e) In The Executive Board shall appoint a person to act as Secretary of the Board. The Secretary of the Board shall be responsible for administrative matters.
- v) A member of the Appeals Board, appointed in accordance with the relevant articles of the Statute of the Association, shall:
 - a) act impartially in the discharge of their duties;
 - b) abstain if there is any doubt as to his independence vis-à-vis the licence applicant, or if such a member has a conflict of interest. In this connection, the independence of a member may not be guaranteed if he or any member of his direct family is a member, shareholder, business partner, sponsor or consultant of the licence applicant;
 - c) not act simultaneously as Licensing Manager or member of the licensing administration;
 - d) not belong simultaneously to any other Board of the Association;
 - e) not belong simultaneously to any other Board of the Association; not belong simultaneously either to the administrative staff, to the administration, Executive Board, or any other Board or Committee of the Association;
 - f) not belong simultaneously to the personnel of an Affiliated Club;
- vi)
 - a) Decisions of the Appeals Board shall be taken in accordance with the simple majority of votes.
 - b) The Chairman of the Appeals Board shall have both an original and a casting vote in case of a tie.
- vii) Each member of the Appeals Board and the Secretary, shall bind themselves that they shall not in any manner whatsoever, divulge to anybody whomsoever, any information and/or the contents of any document that may come to their knowledge or in their possession because of their office. Any member, including the secretary, who contravenes this condition, shall be guilty

of a breach of trust against the Association and against the Member Club and/or individual concerned. The member guilty of such a breach of trust shall be sanctioned by the Association's Executive Board with dismissal from any office within the Association as well as with a prohibition from holding any office within the Association for a period of three (3) years. Furthermore, both the Association and/or the aggrieved Member Club and/or individual concerned shall have claim against him for any damage suffered through such a breach of trust.

- viii) An appeal shall be lodged by means of a petition. A petition of appeal must, under pain of nullity, be in writing and must include the reasons for the appeal. Furthermore, under pain of nullity, it must be:
- a) filed with the Secretariat of the Association in duplicate copies, both of which must be signed by the party making the appeal. The petition of appeal must be signed by the acknowledged President or Secretary or Treasurer or any of their respective assistants; and
 - b) be accompanied by a deposit of one hundred and twenty euro (€120); and
 - c) be filed within six (6) days from the date of notification of the decision against which an appeal is to be lodged. No notice of the intention to appeal, as defined in Article 66 of the Statute of the Association, shall be required.
- ix) The nullity of an appeal for any reason mentioned in this clause shall be decided by the Chairman of the Appeals Board alone without any hearing and the decision in writing shall be given "in camera". In such a case, the Chairman shall decide also whether the deposit, if a deposit had been made, shall be forfeited or refunded in whole or in part.
- x)
 - a) The deposit of the appeal shall be automatically forfeited in favour of the Association if the appeal is not upheld.
 - b) If the appeal is only partially upheld, the Appeals Board shall, at its discretion, decide as to what amount, if any, shall be forfeited in favour of the Association.
 - c) If in the opinion of the Appeal Board a frivolous or an irresponsible appeal was lodged, besides the automatic forfeiture of the deposit in favour of the Association, the Appeals Board may impose on the appellant a fine not exceeding one hundred and twenty euro (€120).
- xi) The Appeals Board is empowered to regulate its own procedure, provided that the following rules are observed:
- a) The appellant shall be given at least three (3) days' notice of the date, place and time of the hearing, provided that an appellant and an appealed party may renounce to this time limit.
 - b) Each party to an appeal shall have the right to object only once against a member of the Appeals Board. Such objection shall be for a cause. The fact that a member of the Appeals Board had been the Chairman or a member of the Appeals Board when a decision on an appeal based on the same or similar facts and/or on the same rules on which the present appeal is based was taken, shall not qualify as a valid cause for upholding an objection against a member of the Appeals Board.
 - c) The decision whether to uphold or reject such an objection is decided upon by the Appeals Board.
 - d) In the case that an objection against a member of the Appeals Board is accepted, even where the member objected to is the Chairman, the Chairman of the Appeals Board shall substitute the member objected to by another member from the Panel of Substitute Members.
 - e) As a rule, no oral evidence is allowed during a hearing, but the Appeals Board may ask for evidence which has already been tendered to be heard orally. In exceptional circumstances, the Appeals Board may allow new evidence to be produced by the parties provided that the party requesting it proves to the satisfaction of the Appeals Board either that he could not produce such evidence before the body of first instance or he could not reasonably have known of such evidence before the appealed decision had been taken by the body of first instance. Furthermore, the Appeals Board may ask for the production of additional evidence.

- f) The Appeals Board may consult the members of the Panel of Experts nominated by the General Assembly.
- xii) a) If an appeal is not upheld, the Appeals Board shall also decide on the expenses of the appeal to be paid by the appellant. If an appeal is upheld, the Appeals Board shall decide whether the deposit of the appeal is to be refunded in full or in part to the appellant as well as on whether the appellant should pay any expenses.
- b) All decisions of the Appeals Board, including those relating to the forfeiture of the deposit in full or in part and those relating to costs shall be final and binding on all parties.
- c) All the decisions of the Appeals Board shall be in writing.
- d) The Chairman of the Appeals Board shall deposit any decision of the Appeals Board with the Secretariat of the Association and shall cause a copy of the decision to be notified to all parties as soon as practicable after the decision.

Article **8** **Catalogue of Sanctions**

¹ In the event that the Licensing Manager establishes that an applicant who had been granted a licence has during the season failed to abide by the conditions of such licence, the Licensing Manager shall immediately bring this matter to the attention of the Member Clubs Licensing Board of the Association.

² In the event that the Licensing Manager brings to the attention of the Member Clubs Licensing Board such a matter as mentioned in sub-clause (i) above, the Member Clubs Licensing Board shall deal with the case after the appropriate charge is served on the transgressor.

³ If the Member Clubs Licensing Board finds the Member Club guilty, it shall deal with the offending Member Club in the following manner:

- i) If the Member Club is found to have not abided by the criteria listed in sub-clause (iv) below, one (1) of the following sanctions shall be applied at the discretion of the Member Clubs Licensing Board:
 - a) a caution;
 - b) a fine;
 - c) the obligation to submit evidence or fulfil certain conditions by a deadline determined by the Member Clubs Licensing Board.
- ii) If the Member Club is found to have not abided by any other criteria found in these regulations, then the Member Clubs Licensing Board shall apply, at its discretion, any of the sanctions listed in the Catalogue of Sanctions found in the Associations' Disciplinary Code (Section IX), including the withdrawal of the licence.

⁴ The Member Clubs Licensing Board may also impose a time limit on the offending Member Club within which it will have to comply with those provisions of these regulations which it has been found guilty of having transgressed. Failure to abide with such an order within the established time limit shall entitle the Member Clubs Licensing Board to again charge the club for non-compliance. In this case, the Member Clubs Licensing Board may give the advice to the Control and Disciplinary Board of the Association to deduct a maximum of ten (10) points from the current National League Classification Table, even if the offence was committed during the previous season.

⁵ In the event that the Member Clubs Licensing Board establishes that an applicant has breached any other rules or regulations of the Association, it shall immediately bring this matter to the attention of

the General Secretary of the Association, who shall then refer the matter to that body of the Association which is competent to decide on such matter.

Article **9 Association's Certification**

¹ The Association shall follow the UEFA Club Licensing Quality Standard

Article **10 The Licensing Procedural Steps (Core process)**

¹ The licensor defines the core process for the verification of the club licensing criteria and thus manages the issuing of licences.

² The core process starts at a time defined by the licensor under these regulations and ends on submission of the list of licensing decisions to UEFA by the deadline communicated by the latter.

- ³ i) The core process consists of the following minimum key steps:
- a) The preparation and sending of the application form/s by the Association by not later than the 15th December. A copy of these regulations are sent by the Association to each Premier Division Member Club;
 - b) The receipt of the application form/forms by the Association by not later than the 31st January, provided that if the 31st January falls on a Saturday or Sunday the latest day for the receipt of the form/s by the Association will be the following Monday;
 - c) The checking by the Licensing Manager of the applications and documents received within the time limit;
 - d) The sorting by the Licensing Manager of the documents and the allocation by the Licensing Manager of the documents to the different members of the Panel of Experts for their opinion;
 - e) The checking by the members of the Panel of Experts of the documents and reporting back to the Licensing Manager;
 - f) The filing of documents proving that any overdue payables have been settled by 30th March or the previous working day if the 30th March is a Public Holiday or falls on a Saturday or Sunday;
 - g) The filing of any pending non-financial documents by not later than 16th April or the next working day if the 16th April falls on a Public Holiday or on a Saturday or Sunday.
 - h) By no later than 16th April of the year in which the application is made, the applicant must make written representations to the Member Clubs' Licensing Board stating whether or not any events or conditions of major economic importance have occurred that may have an adverse impact on the applicant's financial position since the balance sheet date of the preceding reviewed interim financial statements;
 - i) The preparation by the Licensing Manager of his report to the Member Clubs' Licensing Board by not later than the 18th April or the next day, if the 18th April falls on a Public Holiday or the following Monday, if the 18th April falls on a Saturday or a Sunday;

- j) The examination of the applications and the written reports of the Licensing Manager by the Member Clubs' Licensing Board;
- k) The decision in writing by the Member Clubs' Licensing Board on whether to accept or refuse to grant the UEFA Licence by not later than the 20th April or the next day if the 20th April falls on a Public Holiday or the following Monday if the 20th April falls on a Saturday or Sunday.
- l) The filing of the written petition of appeal with the Association within six (6) working days from the receipt of the written decision of the Member Clubs' Licensing Board by an admissible appellant which disagrees with the decision of the Member Clubs' Licensing Board;
- m) The sending by the Licensing Manager of the Member Clubs' Licensing Board's decision and documents to the Appeals Board of the Association (Second and Final Instance Body);
- n) The examination of the appeal by the Appeals Board of the Association;
- o) The decision in writing of the Appeals Board by not later than the 20th May or the next working day if the 20th May falls on a Public Holiday or the following Monday, if the 20th May falls on a Saturday or Sunday;
- p) The licence applicant must publish on its website or Facebook page and on the website of the Association by 21st May or the next working day if the 21st May falls on a Public Holiday, Saturday or Sunday and in the form communicated by the licensor the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries and its latest audited annual financial statements assessed by the Association.
- q) The putting on record by the Association of the issue or refusal of the UEFA Licence;
- r) The notification by the Association to UEFA of its list of licensing decisions by no later than the date that would have been notified by UEFA for the current licensing process (in principle, 31 May).
- ii)
 - a) Whenever entitled to appear in front of the Member Clubs Licensing Board or the Appeals Board, the applicant shall have the right to be legally represented and to produce all evidence which it believes is necessary to prove a claim or clarify any position. However, the burden of proof over any claim made by the applicant in the license application, and/or during any hearing shall vest exclusively with the applicant.
 - b) Pleading by the Applicant, in front of the Member Clubs Licensing Board and/or the Appeals Board of the Association, may be both in the oral and in the written form, according to the instructions set out by the competent board and according to the Statute of the Association;
 - c) The Applicant shall have the right to attend the hearing of the Member Clubs Licensing Board discussing its Application;
 - d) There shall be no charge levied against the Applicant for its licensing application and the whole procedure in front of the Member Clubs Licensing Board. The costs for an appeal is the cost set out in these Regulations.

⁴ The deadlines for the above key process steps must be communicated to the clubs concerned before the start of the core process by the Association.

Article **11** **Assessment procedures**

¹ The licensor defines the assessment procedures, except those used to verify compliance with the defined criteria for which specific assessment processes must be followed as set out in Annex I.

Article **12** **Equal treatment and confidentiality**

¹ The licensor ensures equal treatment of all licence applicants during the core process.

² The licensor guarantees the licence applicants full confidentiality with regard to all information submitted during the licensing process. Anyone involved in the licensing process or appointed by the licensor must sign a confidentiality agreement before assuming their tasks.

Article **13** **Exceptions policy**

¹ UEFA may grant an exception to the provisions set out in Part II within the limits set out in Annex A.

Chapter 2: Licence Applicant and UEFA Licence

Article **14** Definition of Licence Applicant and three-year rule

¹ A licence applicant may only be a Member Club, i.e. a legal entity fully and solely responsible for a football team participating in national and international competitions, which either:

- a) is a registered member of the Association as defined in Part II of the Statute of the Association; or
- b) has a contractual relationship with a registered member (hereinafter: football company).

² By the start of the licence season the Association membership and /or the contractual relationship (if any) must have lasted for at least three consecutive seasons. Furthermore, the licence applicant must have participated in the official competitions for at least three consecutive seasons (hereinafter: three-year rule).

³ Any change to the legal form, legal group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name, or colours) of a licence applicant/licensee must be notified to the Association and UEFA before the start of the licensing process.

⁴ Any change to the legal form, legal group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name or colours) of a licence applicant/licensee that took place within the three seasons preceding the start of the licence season to the detriment of the integrity of a competition; or to facilitate the licence applicant's qualification for a competition on sporting merit; or to facilitate the licence applicant receipt of a licence is deemed as an interruption of membership or contractual relationship (if any) within the meaning of this provision.

⁵ Exceptions to the three-year rule may be granted by the CFCB in accordance with Annex A

Article **15** General Responsibilities of the Licence Applicant

¹ The licence applicant must provide the Association with:

- a) all necessary information and relevant documents to fully demonstrate that the licensing obligations are fulfilled; and
- b) any other document relevant for decision-making by the Association.

² This includes all information on the reporting entity/entities in respect of which sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial information is required to be provided.

³ Any event occurring after the submission of the licensing documentation to the Association representing a significant change to the information previously submitted must be promptly notified to the Association in writing (including a change of the licence applicant's legal form, legal group structure including ownership or identity).

Article 16 UEFA Licence

- ¹ Member Clubs which qualify for the UEFA club competitions on sporting merit must obtain the UEFA Licence issued by the Association according to these regulations, except where Article 17 applies.
- ² A licence expires without prior notice at the end of the season for which it was issued.
- ³ A licence cannot be transferred.
- ⁴ The Member Clubs Licensing Board shall have the power to withdraw the licence if:
 - a) any of the conditions for the issuing of a licence is no longer satisfied;
 - b) the licensee violates any of its obligations under these regulations.
- ⁵ As soon as a licence withdrawal is envisaged, the Association shall inform the UEFA Administration accordingly.

Article 17 Special permission to enter the UEFA club competitions

- ¹ If a club qualifies for a UEFA club competition on sporting merit but has not undergone any licensing process at all or has undergone a licensing process which is lesser/not equivalent to the one applicable for top-division clubs to enter the UEFA club competitions, because it belongs to a division other than the top division, the Association may – on behalf of such a club – request an extraordinary application of the club licensing system in accordance with the UEFA Licensing Regulations.
- ² Based on such an extraordinary application, UEFA may grant special permission to the club to enter the corresponding UEFA club competition subject to the relevant UEFA club competition regulations. Such an extraordinary application applies only to the specific club and for the season in question.
- ³ A Member Club that wishes to request such special permission may apply to the Licensing Manager of the Association by means of a letter requesting to be admitted to take part in such UEFA competition on an exceptional basis. In such a case, the request must be made by not later than the 10th day of April prior to the licence season in order that the Association may inform UEFA of such a request by not later than the 15th day of April. This condition fulfilled, the Association, on behalf of its interested Member Club, requests such special permission to UEFA.

The UEFA Administration defines the minimum criteria for the extraordinary application of the UEFA club licensing system and the necessary deadlines and forwards these to the Association.

The Association is responsible for submitting the criteria to the Member Club concerned for the assessment for the extraordinary procedure at national level. The Association must also take immediate action with the Member Club concerned to prepare for the extraordinary procedure.

- ⁴ The Member Club concerned must provide the necessary documentary proof to the Member Clubs Licensing Board that will assess the Member Club against the fixed minimum standards and forward the following documentation in English to the UEFA Administration by the deadline communicated by the latter:

- a) a written request to apply for special permission to enter the corresponding UEFA club competition;
- b) a recommendation by the Member Clubs Licensing Board based on its assessment (including the dates and names of persons having assessed the Member Club);
- c) all documentary evidence provided by the Member Club and the Member Clubs Licensing Board as requested by the UEFA administration;
- d) any other documents requested by the UEFA Administration during the extraordinary procedure.

⁵ The UEFA Administration bases its decision on the documentation received and grants special permission to enter the UEFA club competitions if all the set criteria are fulfilled and if the Member Club ultimately qualifies on sporting merit. Such a decision applies only to the specific Member Club and for the licence season in question. The decision will be communicated to the Association, which has to forward it to the Member Club concerned.

⁶ If such a Member Club is eliminated on sporting merit during this extraordinary procedure, the Association has to notify the UEFA Administration immediately, and this procedure is immediately terminated, without further decision. Such a terminated procedure cannot be restarted at a later stage.

⁷ Appeals can be lodged against decisions made by the UEFA Administration in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the UEFA Statutes.

Chapter 3: Licence Applicant and UEFA Licence Club Licensing Criteria

Article **18** General

¹ With the exception of those defined in sub-article 18.02 below, the criteria defined in this chapter must be fulfilled by licence applicants in order for them to be granted the UEFA Licence to enter UEFA competitions.

² Non-fulfilment of the criteria defined in Article 21, Article 25 to Article 32, Article 35, Article 42, Article 44 to Article 46, Article 52 and Article 54 to Article 58 and Paragraph 22.02 and Paragraph 24.02 does not lead to the refusal of the UEFA Licence, but to a sanction defined by the Association according to (see Article 8).

³ Where any additional minimum criteria are established in the club licensing regulations applicable to the respective license to participate in the National League of the Association, such additional minimum criteria apply mutatis mutandis to entry in UEFA club competitions.

SPORTING CRITERIA

Article 19 Youth development programme

- ¹ The licence applicant must have a written youth development programme approved by the Association.
- ² The Association must verify the implementation of the approved youth development programme and evaluate its quality.
- ³ This programme must include at least the following:
 - a) Objectives and youth development philosophy;
 - b) Organisation of youth sector (organisational chart, bodies involved, relation to licence applicant, youth teams, etc.);
 - c) Personnel (technical, medical, administrative, etc.) and required minimum qualifications;
 - d) Infrastructure available for youth sector (training and match facilities, availability, other);
 - e) Financial resources (budget, contribution from licence applicant, players or local community, etc.);
 - f) Football education programme for the different age groups (playing skills, technical, tactical and physical);
 - g) Education programmes (Laws of the Game, anti-doping, integrity, anti-racism);
 - h) Medical support for youth players (including maintaining medical records);
 - i) Review and feedback process to evaluate the results and the achievements of the set objectives; and
 - j) Validity of the programme (at least 3 years but maximum 7 years).
- ⁴ The licence applicant must further ensure that:
 - a) every youth player involved in its youth development programme has the possibility to follow mandatory school education according to Maltese law; and
 - b) no youth player involved in its youth development programme is prevented from continuing his non-football education (complementary school education or profession).

Article 20 Youth teams

- ¹ The licence applicant must at least have the following youth teams within its legal entity, another legal entity included in the reporting perimeter or a club affiliated to its legal entity:
 - a) at least four youth teams within the age range of 10 to 21; (for Season 2023/24 only: at least 3 youth teams within the age range of 10 to 21);
 - b) at least one team below the age of 10 or organised football activities for under 10's.

² Each youth team (except of the Under-10s) must participate in recognised official competitions or programmes organized by the Association and/or the Youth FA and/or the Inħobb il-Futbol Foundation.

Article **21 Women’s football activities (applicable as of 1 June 2023)**

¹ The licence applicant must support women’s football by implementing measures and activities aimed to further develop, professionalise and popularise women’s football such as:

- a) entering a first and/or youth team in official competitions;
 - b) providing support to an affiliated women’s football club; or
 - c) organising other women’s football initiatives as defined by the licensor.
-

Article **22 Medical Care of Players**

¹ The licence applicant must establish and apply a policy to ensure that all players eligible to play for its first squad undergo a yearly medical examination, in accordance with the relevant provisions of the *UEFA Medical Regulations*.

² The licence applicant must establish and apply a policy to ensure that all youth players above the age of 12 undergo a yearly medical examination in accordance with the relevant provisions defined by the Association in line with Maltese law.

Article **23 Registration of Players**

¹ The licence applicant is responsible for ensuring that all players above the age of 10 must be registered with the Association in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article **24 Written contract with professional players**

¹ Each of the licence applicant’s professional players must have a written contract with the licence applicant in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

² The licence applicant must ensure that its professional players’ contracts are in line with the relevant provisions of the *Agreement regarding the minimum requirements for standard players contracts in the professional football sector in the European Union and the rest of the UEFA territory*.

Article **25** **Loan of professional players**

¹ The licence applicant must respect the provisions of the *FIFA Regulations on the Status and Transfer of Players with regard to loans of professional players*.

Article **26** **Refereeing matters and the Laws of the Game**

¹ The licence applicant must ensure that all members of its first squad (players, coaches and other technical staff. attend a session or an event on refereeing organised by or in collaboration with the Association during the 12 months prior to the licence season.

FOOTBALL SOCIAL RESPONSIBILITY CRITERIA

Article **27** Football social responsibility strategy

¹ The licence applicant must establish and implement a football social responsibility strategy in line with the *UEFA Football Sustainability Strategy 2030* and relevant UEFA guidelines, for at least the areas of equality and inclusion, anti-racism, child and youth protection and welfare, football for all abilities, and environmental protection.

Article **28** Equality and inclusion

¹ The licence applicant must establish and implement a policy to ensure equal rights and opportunities for all people following and contributing to football activities organised by the licence applicant.

Article **29** Anti-racism

¹ The licence applicant must establish and implement a policy to tackle racism and to guarantee that all the licence applicant's policies, programmes and practices are exercised without discrimination of any kind.

Article **30** Child protection and welfare

¹ The licence applicant must establish and implement a policy to protect, safeguard and ensure the welfare of youth players and ensure they are in a safe environment when participating in activities organised by the licence applicant.

Article **31** Football for all abilities

¹ The licence applicant must establish and implement a policy to make following and contributing to football activities organised by the licence applicant accessible and enjoyable for everyone, irrespective of disability or disabling factors.

Article **32** **Environmental protection**

¹ The licence applicant must establish and implement a policy to improve its environmental footprint and sustainability in relation to the organisation of events, infrastructure construction and management.

INFRASTRUCTURE CRITERIA

Article **33** Stadium for UEFA club competitions

- ¹ The licence applicant must have a stadium available for UEFA club competitions which must be within the territory of Malta and approved by the Association in accordance with the *UEFA Stadium Infrastructure Regulations*.
 - ² If the licence applicant is not the owner of a stadium, it must provide a written contract with the owner(s) of the stadium(s) it will use.
 - ³ It must be guaranteed that the stadium(s) can be used for the licence applicant's UEFA home matches during the licence season.
 - ⁴ The stadium(s) must fulfil the minimum requirements defined in the *UEFA Stadium Infrastructure Regulations* and be classified at least as a UEFA category 2 stadium.
-

Article **34** Training Facilities - Availability

- ¹ The licence applicant must have training facilities available throughout the year.
 - ² If the licence applicant is not the owner of the training facilities, it must provide a written contract with the owner(s) of the training facilities.
 - ³ It must be guaranteed that the training facilities can be used by all teams of the licence applicant during the licence season, taking into account its youth development programme.
-

Article **35** Training facilities – Minimum Infrastructure

- ¹ Without prejudice to Article 18.03, as a minimum, the infrastructure of the training facilities must include:
 - a) relevant outdoor facilities;
 - b) football pitch/es having as a minimum size 50m x 30m.
 - c) 2 dressing rooms each measuring as a minimum 3m x3m and having benches, showers and toilet;
 - d) a medical room and its minimum equipment (i.e. defibrillator and first aid kit);
 - e) floodlighting.

PERSONNEL AND ADMINISTRATIVE CRITERIA

Article **36** General Manager

¹ The licence applicant must have appointed a General Manager who is responsible for running its operative matters.

Article **37** Treasurer (Finance Officer)

¹ The licence applicant must have appointed a qualified treasurer (or finance officer), elected at the Member Club's General Meeting or appointed by the Member Club's Management Committee as may be provided in such Member Club's Statute, who is responsible for its financial matters.

² The treasurer/finance officer must as a minimum have one of the following qualifications:

- a) diploma of certified public accountant;
 - b) diploma of qualified auditor;
 - c) finance officer diploma issued by the Association, or an organisation recognized by the Association, or issued to the person after having served for a period of 3 years in the position of treasurer.
-

Article **38** Media Officer

¹ The licence applicant must have appointed a qualified media officer, who is responsible for media matters.

² The media officer is responsible for media matters and must hold as a minimum one of these qualifications:

- a) diploma in journalism;
 - b) Media Officer diploma issued by the licensor or an organisation recognised by the licensor;
 - c) a recognition of competence issued by the Association, based on practical experience of at least three years in such matters.
-

Article **39** Medical Doctor

¹ The licence applicant must have appointed at least one qualified medical doctor who is responsible for medical support during matches and training as well as for doping prevention.

² The medical doctor's qualification must be recognised by the Maltese Health Authorities.

- ³ The medical doctor must be duly registered with the Association.
-

Article **40** **Physiotherapist**

- ¹ The licence applicant must have appointed at least one qualified physiotherapist who is responsible for medical treatment and massages for the first squad during matches and training.
 - ² The physiotherapist's qualification must be recognised by the Maltese Health Authorities.
 - ³ The physiotherapist must be duly registered with the Association.
-

Article **41** **Youth Teams' Medic**

- ¹ The licence applicant must have appointed at least one doctor or physiotherapist recognised as such by the Maltese Health Authorities who is responsible for the medical care of the youth teams.
-

Article **42** **Match Organisation Officer**

- ¹ The licence applicant must have appointed a match organisation officer who is responsible for the overall organisation of the first squad home matches.
-

Article **43** **Safety and Security Officer**

- ¹ The licence applicant must have appointed a qualified safety and security officer with the following responsibilities:
 - a) Developing, implementing and reviewing safety and security policy and procedures, including risk management and planning;
 - b) Being the main point of contact between the public authorities and the licence applicant on all safety and security matters; and
 - c) Managing match-related safety and security operations.
- ² The safety and security officer must be qualified in accordance with the relevant national legal framework and should be trained and experienced in matters of crowd control and safety and security at football venues.

Article **44** **Football Social Responsibility Officer**

¹ The licence applicant must have appointed a football social responsibility officer who is responsible for the implementation of football social responsibility policies and measures in accordance with the *UEFA Football Sustainability Strategy 2030* and relevant UEFA guidelines.

Article **45** **Supporter Liaison Officer**

¹ The licence applicant must have appointed a supporter liaison officer, engaged at least on a voluntary basis, whose rights and duties must be defined in writing and who must be available for the Member Club's home matches. The role of the liaison officer is to act as the key contact point for supporters.

² The supporter liaison officer will regularly meet and collaborate with the relevant club personnel on all related matters.

Article **46** **Disability Access Officer**

¹ The licence applicant must have appointed a disability access officer to support the provision of inclusive, accessible facilities and services.

² The disability access officer will regularly meet and collaborate with the relevant club personnel on all related matters.

Article **47** **Head Coach of First Squad**

¹ The licence applicant must have appointed a qualified head coach, who is duly registered and recognized by the Association, and who is responsible for the following matters of the first squad:

- a) Players' selection;
- b) Tactics and training;
- c) Management of the players and technical staff in the dressing room and the technical area before, during and after matches; and
- d) Duties regarding media matters (press conferences, interviews, etc.).

² The head coach must hold, as a minimum, the UEFA Pro coaching licence or a valid non-UEFA coaching qualification which is equivalent to the UEFA Pro coaching licence and recognised by UEFA as such.

Article 48 Assistant Coach of First Squad

¹ The licence applicant must have appointed a qualified coach, who is duly registered and recognized by the Association, who assists the head coach in all football matters of the first squad.

² The assistant coach must hold, as a minimum, the UEFA A coaching licence or a valid non-UEFA coaching qualification which is equivalent to the UEFA A coaching licence and recognised by UEFA as such.

Article 49 Goalkeeper coach of the first squad (applicable as of 1 June 2023)

¹ The licence applicant must have appointed a qualified goalkeeper coach, duly registered and recognized by the Association, who assists the head coach in goalkeeping matters of the first squad.

² The goalkeeper coach must hold, as a minimum, the UEFA Goalkeeper B coaching licence or a valid non-UEFA coaching qualification which is equivalent to the UEFA Goalkeeper B Diploma and recognised by UEFA as such.

Article 50 Head of Youth Development Programme

¹ The licence applicant must have appointed a qualified head of its youth development programme, who is responsible for running the daily business and the technical aspects of the youth sector.

² The head of the youth development programme must hold, as a minimum, the UEFA Elite Youth A coaching licence or a valid non-UEFA coaching qualification which is equivalent to the UEFA Elite Youth A coaching licence and recognised by UEFA as such.

Article 51 Youth Coaches

¹ The licence applicant must have appointed for each mandatory youth team at least one qualified coach to be responsible for all football matters related to that team.

² At least three youth team coaches must each hold, as a minimum, the UEFA A or UEFA Elite Youth A coaching licence or a valid non-UEFA coaching diploma which is equivalent to the UEFA A or UEFA Elite Youth A coaching licence and recognised by UEFA as such.

Provided that for Season 2023/24 only, the requirement shall be of two youth team coaches who must each hold, as a minimum, the UEFA A or UEFA Elite Youth A coaching licence or a valid non-UEFA coaching diploma which is equivalent to the UEFA A or UEFA Elite Youth A coaching licence and recognized by UEFA as such.

³ The other coaches must hold the minimum qualification required by the Regulations for the Licensing of Football Nurseries.

Article **52** **Goalkeeper Coach of Youth Teams (applicable as of 1 June 2023)**

¹ The licence applicant must have appointed at least one qualified goalkeeper coach, duly registered and recognized by the Association, who assists the youth coaches in goalkeeping matters of the youth sector.

² The goalkeeper coach must hold, as a minimum, the UEFA Goalkeeper B coaching licence or a valid non-UEFA coaching diploma which is equivalent to the UEFA Goalkeeper B coaching licence and recognised by UEFA as such.

Article **53** **Common provisions applicable to UEFA coaching qualifications**

¹ A holder of the required UEFA coaching licence within the meaning of Article 47 to Article 52 is considered a coach who, in accordance with the implementation provisions of the UEFA Coaching Convention, has:

- a) been issued a UEFA coaching licence by the Association; or
- b) Tactics and training; at least started the required UEFA coaching diploma course. Registration for the required diploma course is not sufficient to meet this criterion.

² If the *UEFA Coaching Convention* membership status of the Association is upgraded (e.g. from Goalkeeper UEFA B to A), the following apply:

- a) With regard to paragraph 1a. above, the new highest available UEFA coaching licence will become mandatory for the licence applicant as soon as the licensor has run its second course at this higher level. After this transitional period, only a holder of the newly required UEFA coaching diploma will be deemed in compliance with the criterion;
- b) With regard to paragraph 1b. above, only participation in an education course for the newly available highest UEFA coaching diploma will be deemed in compliance with the criterion.

³ All qualified coaches must be duly registered with the Association.

Article **54** **Written contracts**

¹ All administrative, technical, medical and security staff or service providers performing any of the functions referred to in Article 36 to Article 52 must have written contracts with the licence applicant in accordance with the national legal framework.

² The licence applicant must ensure that each coach's contract is in line with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article 55 Service providers

¹ If a given function is entrusted to a service provider in accordance with the national legal framework, the licence applicant must sign a written contract with the service provider. It must contain the following information as a minimum:

- a) Defined tasks and responsibilities;
 - b) Information on the person(s) responsible for the function, including their relevant qualifications.
-

Article 56 Occupation of functions

¹ Without prejudice to Article 18.03, the mandatory functions defined in Article 36 to Article 52 represent the minimum organisational structure required of the licence applicant.

² One person could occupy more than one function, provided the person has sufficient time, adequate competencies and the necessary qualifications for each function, and no conflict of interest.

Article 57 Organisational structure

¹ The licence applicant must provide the licensor with an organisational chart clearly identifying the relevant personnel and their hierarchical and functional responsibilities in its organisational structure.

² As a minimum, the organisational chart should provide information on the key personnel defined in Article 36 to Article 46 and Article 50.

Article 58 Duty of Replacement during the Season

¹ If a function defined in Articles 36 to 52 becomes vacant during the licence season, the licensee must ensure that the function is to be taken over by someone who holds the required qualification within a period of a maximum of 60 days.

² In the event that a function becomes vacant due to illness or accident, the Member Club Licensing Board may grant an extension to the 60-day period only if reasonably satisfied that the person concerned is still medically unfit to resume his duties.

³ The licensee must promptly notify the Association of any such replacement.

LEGAL CRITERIA

Article 59 Declaration in respect of participation in UEFA club competitions

- ¹ The licence applicant must submit a legally valid declaration confirming the following:
- a) it recognises as legally binding the statutes, rules and regulations, directives and decisions of FIFA, UEFA, the Association, as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of the UEFA Statutes.
 - b) at national level it will play in competitions that are recognized and endorsed by the Association.
 - c) at international level it will participate in competitions recognized by UEFA. To avoid any doubt, this provision does not relate to friendly matches.
 - d) it will promptly inform the Association about any significant change, event or condition of major economic importance.
 - e) it will abide by and observe the *Club Licensing Regulations for Participation in UEFA Club Competitions applicable to Premier Division Member Clubs* issued by the Malta Football Association.
 - f) it will abide by and observe the *UEFA Club Licensing and Sustainability Regulations*.
 - g) Its reporting perimeter is defined in accordance with Article 65;
 - h) all revenues and costs related to each of the football activities listed in Paragraph 65.03 have been included in the reporting perimeter.
 - i) it will be accountable for any consequences of an entity included in the reporting perimeter not abiding by and observing items e. and f. above;
 - j) all relevant information related to any change of its legal form, legal group structure (including ownership, or identity from the three seasons preceding the start of the licence season have been reported to the Association and UEFA.
 - k) all submitted documents are complete and correct.
 - l) it authorizes the competent MFA Club Licensing Department and club licensing bodies, the UEFA administration, and the UEFA Organs for the Administration of Justice to examine any relevant document and seek information from any relevant public authority or private body in accordance with Maltese law.
 - m) it acknowledges that UEFA reserves the right to execute compliance audits in accordance with Article 99.
- ² This declaration must be executed by an authorized signatory of the licence applicant no more than three months prior to the deadline for its submission to the Association.

Article 60 Minimum Legal Information – Constitution of Member Clubs

- i) A Member Club must be constituted either as a *sui generis* civil society under Maltese civil law or as a commercial company constituted under the Maltese Companies Act 1995 (Chapter 386 of the Laws of Malta).

- ii) In the case of a Member Club, which is a *sui generis* civil society, the Member Club must send to the Association a copy of its current, valid statute. Any new statute and any amendments that may be made to its statute must be communicated to the Association. Both the statute and any amendments thereto must comply, as a minimum, with the Legal Criteria for Member Clubs contained in Annex N attached to these regulations, which form an integral part of these regulations, with the Statute, the other rules, regulations and bye-laws of the Association as well as with the Statutes, rules, regulations and bye-laws of FIFA and UEFA.
- ¹ The licence applicant must submit a legally valid declaration confirming the following:
- a) Complete legal name;
 - b) Legal form;
 - c) Copy of current, valid statutes (e.g. Statute; Memorandum and articles of association, etc.);
 - d) Extract from a public register (e.g. certification of registration in the sports register);
 - e) List of authorised signatories;
 - f) Type of signature required (e.g. individual, collective)
- ² The licence applicant must also provide the following contact information:
- a) Address of its official headquarters;
 - b) Official contact details (such as phone number and email addresses);
 - c) Address of its official public website or Facebook page;
 - d) Name and direct contact details of its main official contact person for club licensing matters.
- ³ In the case of a Member Club that is a commercial company, the Member Club must send to the Association a copy of the Memorandum and Articles of Association (current and valid statutes, company act) and any amendments thereto. These must comply, as a minimum, with the Legal Criteria for Member Clubs contained in Annex N attached to these regulations, with the Criteria regarding Member Clubs Incorporated as Commercial Companies contained in Annex N(i) attached to these regulations, which form an integral part of these regulations, with the Statute, the other rules, regulations and bye-laws of the Association as well as with the Statutes, rules, regulations and bye-laws of FIFA and UEFA.
- ⁴ The Association shall not recognise any statute or any memorandum and articles of association or particular clauses in such statute or memorandum and articles of association or any amendment thereto if these do not comply or are contrary to the Legal Criteria for Member Clubs contained in Annex N attached to these regulations and/or the Criteria Regarding Member Clubs Incorporated as Commercial Companies contained in Annex N(i) attached to these regulations or are contrary to the Statute, rules, regulations or bye-laws of the Association or the Statutes, rules, regulations and bye-laws of FIFA or UEFA or which are contrary to any directive of the Association.

Article **61** **Written contract with a football company**

- ¹ If the licence applicant is a football company as defined in Paragraph 14.01b, it must provide a written contract of assignment with a registered member.
- ² The contract must stipulate the following, as a minimum:

- a) The football company must comply with the applicable statutes, regulations, directives and decisions of FIFA, UEFA, the UEFA member association and its affiliated league.
 - b) The football company must not further assign its right to participate in a competition at national or international level.
 - c) The football company's right to participate in such a competition ceases to apply if the assigning club's membership of the association ceases.
 - d) If the football company is put into bankruptcy or enters liquidation, this is deemed to be an interruption of membership or contractual relationship within the meaning of Article 14. For the sake of clarity, a licence already granted to the football company cannot be transferred from the football company to the registered member.
 - e) The Association reserves the right to approve the name under which the football company participates in national competitions.
 - f) The football company must, at the request of the competent national arbitration tribunal or the Court of Arbitration for Sport (CAS), provide views, information, and documents on matters regarding the football company's participation in national or international competitions.
- ³ The contract of assignment and any amendment to it must be approved by the Association.

Article **62** Legal group structure

- ¹ The licence applicant must provide the Association with a document that presents its legal group structure at the annual accounting reference date prior to the deadline for the submission of its licence application to the Association.
- ² This document must clearly identify and include information on:
- a) the licence applicant and, if different, the registered member;
 - b) any subsidiary of the licence applicant and, if different, the registered member;
 - c) any associate entity of the licence applicant and, if different, the registered member;
 - d) any party that has 10% or greater direct or indirect ownership of the licence applicant, or 10% or greater voting rights;
 - e) any direct or indirect controlling entity of the licence applicant;
 - f) any other football club, in respect of which any of the parties identified in a. to(e. or any of their key management personnel have any ownership interest, voting rights or membership, or any involvement or influence whatsoever in its management, administration or sporting performance; and
 - g) the key management personnel of the licence applicant and, if different, the registered member.
- ³ The reporting perimeter as defined in Article 65 must also be clearly identified in the document.
- ⁴ The following information must be provided in relation to each of the parties included in the legal group structure:
- a) Name and, if applicable, legal form;
 - b) Main activity; and

- c) Percentage of ownership interest and, if different, percentage of voting rights. For any subsidiary of the licence applicant and, if different, the registered member, the following information must also be provided:
 - d) Share capital;
 - e) Total assets;
 - f) Total revenues;
 - g) Total equity.
- ⁵ The licensor must be informed of any changes there may have been to the legal group structure during the period between the annual accounting reference date and the submission of this information to the licensor.
- ⁶ If deemed relevant the licensor may request the licence applicant/licensee to provide other information in addition to that listed above.
- ⁷ The licence applicant must confirm that the information about the legal group structure is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **63** **Ultimate controlling party, ultimate beneficiary and party with significant influence**

- ¹ The licence applicant must provide the licensor with a document which contains information on:
- a) the ultimate controlling party of the licence applicant;
 - b) the ultimate beneficiary of the licence applicant, i.e. a natural person on whose behalf an entity or arrangement is owned or controlled or a transaction is conducted; and
 - c) any party with significant influence over the licence applicant.
- ² This document must clearly identify and include information on:
- a) Name and, if applicable, legal form;
 - b) Main activity;
 - c) Percentage of ownership interest and, if different, percentage of voting rights in respect of the licence applicant;
 - d) If applicable, key management personnel; and
 - e) Any other football club in respect of which the party, or any of its key management personnel, has any ownership interest, voting rights or membership or any other involvement or influence whatsoever.
- ³ The licence applicant must confirm whether any change has occurred in relation to the information indicated in the paragraphs (i) and (ii) above during the period covered by the annual financial statements up to the submission of the information to the licensor.
- ⁴ If a change has occurred as indicated in paragraph (iii) above, it must be described in detail by the licence applicant in the information to the licensor. As a minimum the following information must be provided:

- a) The date on which the change occurred;
 - b) A description of the purpose of and reasons for the change;
 - c) Implications for the licence applicant's financial, operating and sporting policies; and
 - d) A description of any impact on the licence applicant's equity or debt situation.
- ⁵ If deemed relevant the licensor may request the licence applicant to provide additional information other than that listed above.
- ⁶ The licence applicant must confirm that the declaration on the ultimate controlling party, ultimate beneficiary and party with significant influence is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of both the licence applicant and the licence applicant's ultimate controlling party.

Article **64** **Written representation prior to the licensing decision**

- ¹ The licence applicant must submit written representation to the licensor within the seven days prior to the start of the First Instance Body's decision-making process, as defined by the licensor in accordance with Article 10.
- ² The licence applicant must confirm:
- a) that all documents submitted to the licensor are complete, accurate and in compliance with these regulations;
 - b) whether or not any significant change or similar event has occurred in relation to its licensing application or any of the club licensing criteria;
 - c) whether or not any event or condition of major economic importance has occurred that may have an adverse impact on the licence applicant's financial position since the balance sheet date of the preceding audited annual financial statements and reviewed interim financial statements (if so, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made;
 - d) whether or not the licence applicant and, if different, the registered member or any parent company of the licence applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season.
- ³ Approval by the licence applicant's management must be evidenced by way of a signature on behalf of the executive body of the licence applicant.

FINANCIAL CRITERIA

Article 65 Reporting entity/entities and reporting perimeter

¹ The licence applicant determines and provides the licensor with the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (e.g. single entity, consolidated or combined financial statements) has to be provided in accordance with Annex G.2 and assessed in accordance with Annex I.

² The reporting perimeter must include:

- a) the licence applicant and, if different, the registered member;
- b) any subsidiary of the licence applicant and, if different, the registered member;
- c) any entity, irrespective of whether it is included in the legal group structure, which generates revenues and/or performs services and/or incurs costs in respect of football activities as defined in paragraph iii) a. and b. below.
- d) any other entity included in the legal group structure which generates revenues and/or performs services and/or incurs costs in respect of the football activities defined in paragraph iii) c. to k. below;

³ This declaration must be executed by an authorized signatory of the licence applicant no more than three months prior to the deadline for its submission to the Association.

- a) employing/engaging personnel (as defined in Article 71) including payment of all forms of consideration to employees arising from contractual or legal obligations;
- b) acquiring/selling players' registrations (including loans);
- c) ticketing;
- d) sponsorship and advertising;
- e) broadcasting;
- f) merchandising and hospitality;
- g) club operations (e.g. administration, match day activities, travel, scouting, etc.);
- h) use and management of stadium and training facilities;
- i) women's football;
- j) youth development;
- k) financing, including equity that results in obligations on the licence applicant, or debt directly or indirectly secured or pledged against the licence applicant's assets or revenues.

⁴ An entity may be excluded from the reporting perimeter only if the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter

- a) its activities are entirely unrelated to the football activities defined in paragraph (65.3) above or the locations, assets or brand of the football club; or
- b) it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph (65.3) a. and b. above; or

- ⁵ The licence applicant must submit a declaration by an authorised signatory which confirms:
- a) that all revenues and costs related to each of the football activities indicated in paragraph (65.3) have been included in the reporting perimeter, providing a detailed explanation if this not be the case; and
 - b) whether any entity included in the legal group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to paragraph (65.4).

Article **66** Annual Financial Statements

¹ The licence applicant must prepare and submit, by the date communicated by the licensor, annual financial statements for the reporting period ending in the year preceding the deadline for submission of the application to the licensor and preceding the deadline for submission of the list of licensing decisions to UEFA.

² Annual financial statements, including comparative amounts for the prior period, must be prepared in accordance with International Financial Reporting Standards or national accounting standards (as applicable. and must include:

- a) a balance sheet as at the end of the reporting period;
- b) a profit and loss account/income statement for the reporting period;
- c) a cash flow statement for the reporting period;
- d) a statement of changes in equity over the reporting period;
- e) notes, comprising a summary of significant accounting policies and other explanatory notes; and
- f) a financial review by management.

³ The annual financial statements must be audited by an independent auditor as defined in Annex E.

⁴ If the annual financial statements do not meet the minimum disclosure requirements set out in Annex F, then the licence applicant must also submit to the licensor:

- a) supplementary information to meet the minimum disclosure requirements set out in Annex F; and
- b) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor to confirm the completeness and accuracy of the supplementary information.

⁵ If the annual financial statements do not comply with the accounting requirements set out in Annex G, then the licence applicant must also submit to the licensor:

- a) restated financial statements that meet the accounting requirements set out in Annex G, covering the same reporting period and including comparative amounts for the previous comparative reporting period;
- b) a declaration by the licence applicant's management that the restated financial statements are complete, accurate, and in compliance with the regulations; and

- c) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor in respect of the completeness and accuracy of the restated financial statements.

Article **67** **Publication of financial information**

¹ The licence applicant must publish on its website/Facebook page and on the website of the Association by 15 May and in the form communicated by the Association:

- a) the last audited annual financial information assessed by the licensor; and
- b) the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries.

Article **68** **Interim financial statements (not applicable)**

Article **69** **Net equity rule (applicable as of 1 June 2023)**

¹ The licence applicant must report in its annual financial statements a net equity position which:

- a) is positive; or
- b) has improved by 10% or more since the previous 31 December.

² Net equity means the residual interest in the assets of the entity after deducting all its liabilities as set out in its annual financial statements or interim financial statements as applicable. If a licence applicant's assets exceed its liabilities, then the licence applicant has a net asset position, i.e. positive equity. If a licence applicant's liabilities exceed its assets, then the licence applicant has a net liability position, i.e. negative equity.

³ If a licence applicant does not comply with paragraph 1 above as at 31 December, the licence applicant can submit a new audited balance sheet by 31 March at the latest in order to demonstrate that one of the conditions in Paragraph 69.01a. or b. has since been fulfilled.

⁴ For the purpose of compliance with this criterion, equity can include subordinated loans that are, for at least the following 12 months, subordinated to all other liabilities and non-interest-bearing.

⁵ The licensor's assessment must be in accordance with Annex I.

Article 70 No overdue payables towards other football clubs

¹ The licence applicant must prove that as at 31 March preceding the licence season, it has no overdue payables (as defined in Annex H) to other football clubs as a result of obligations arising from transfers due to be paid by the 28 February preceding the licence season.

² Payables are those amounts due to football clubs as a result of:

- a) transfers of professional players (as defined in the *FIFA Regulations on the Status and Transfer of Players*), including any amount payable upon fulfilment of certain conditions;
- b) players registered for the first time as professionals, including any amount payable upon fulfilment of certain conditions;
- c) training compensation and solidarity contributions as defined in the *FIFA Regulations on the Status and Transfer of Players*; and
- d) any joint and several liability decided by a competent authority for the termination of a contract by a player.

³ The licence applicant must prepare and submit to the Association a transfers table unless the transfer information has already been disclosed to the Association under existing national transfer requirements and the Association is able to extract and assess all the required information as described in Para (iv) and (v) below. A transfer table must be prepared even if there have been no transfers/loans during the relevant period.

⁴ The licence applicant must disclose:

- a) all new player registrations (including loans) as a result of transfer agreements concluded in the 12-month period up to 28 February, irrespective of whether there is an amount outstanding as at 28 February;
- b) all transfers for which a payable is outstanding as at 28 February (whether they relate to the release or registrations of players and irrespective of when the transfers were undertaken; and
- c) all transfers subject to any amounts disputed as at 28 February (as defined in Annex H).

⁵ The transfers table must contain the following information as a minimum (in respect of each player transfer, including loans):

- a) Player's name and date of birth;
- b) Date of the transfer agreement;
- c) Name of the football club that is the creditor;
- d) Transfer (or loan. fee paid or payable (including training compensation and solidarity contribution. even if payment has not been requested by the creditor;
- e) Other direct costs of the player's registration paid or payable;
- f) Any other compensation paid or payable in the scope of a transfer agreement;
- g) Amounts settled (as defined in Annex H before 28 February and payment date(s);
- h) Balance payable as at 28 February, including the due date(s) for each unpaid element;
- i) Amounts overdue as at 28 February, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement

dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February), together with explanatory comment;

- j) Amounts deferred as at 28 February (as defined in Annex H, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;
- k) Amounts disputed as at 28 February (as defined in Annex H., including the case references and a brief description of the positions of all involved parties; and
- l) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as at 28 February.

⁶ The licence applicant must reconcile its liabilities as per the transfer table to its underlying accounting records.

⁷ The licence applicant must confirm that the transfers table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **71** **No overdue payables in respect of employees**

¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex H in respect of its employees as a result of contractual or legal obligations due to be paid by the 28 February preceding the licence season.

² Payables are all forms of consideration due in respect of employees as a result of contractual or legal obligations, including wages, salaries, image rights payments, bonuses and other benefits as specified in Annex K.1.2(c).

³ The term "employees" includes the following persons:

- a) All professional players according to the applicable *FIFA Regulations on the Status and Transfer of Players*;
- b) All administrative, technical, medical and security staff specified in Articles 36 to 52; and
- c) Service providers performing any of the functions referred to in Articles 36 to 52.

⁴ If any of the "employees" is employed by, contracted to, a consultant of or otherwise provides services to an entity within the legal group structure or the reporting perimeter other than the licence applicant, these payables must be also included in the scope of paragraph (1) above.

⁵ Amounts payable to persons who, for various reasons, are no longer employed or engaged by the licence applicant or an entity within the legal group structure of the licence applicant fall within the scope of this criterion and must be settled within the period stipulated in the contract or defined by law, regardless of how such payables are accounted for in the financial statements.

⁶ The licence applicant must prepare and submit to the licensor an employees' table showing the following total balances in respect of the employees as at the 28 February preceding the licence season:

- a) Total balance payable;
- b) Total amount overdue as well as any remaining overdue amount as at 31 March (rolled forward from 28 February);

- c) Total amount deferred (as defined in Annex H; and
- d) Total amount disputed (as defined in Annex H).

⁷ The following information must be given, as a minimum, in respect of each overdue, deferred or disputed amount as at 28 February, together with an explanatory comment:

- a) Name and position/function of the employee (irrespective of whether the person was employed or engaged during the year up to 28 February);
- b) Start date and end date (if applicable);
- c) Amounts overdue, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February);
- d) Amounts deferred, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded; and
- e) Amounts disputed, including the case references and a brief description of the positions of all involved parties.

⁸ The licence applicant must reconcile its liabilities as per the employees table to its underlying accounting records.

⁹ The licence applicant must confirm that the employees table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **72** **No overdue payables towards social/tax authorities**

¹ The licence applicant must prove that as at 31 March preceding the licence season it has no overdue payables (as defined in Annex H) to social/tax authorities as a result of contractual or legal obligations in respect of its employed individuals due to be paid by 28 February preceding the licence season.

² Payables are those amounts due to social/tax authorities as a result of contractual or legal obligations in respect of all employed individuals. Payables include, but are not limited to, personal income tax, pension fund payments, social security and similar payments.

³ The licence applicant must submit to the licensor a social/tax table as at 28 February preceding the licence season showing:

- a) total balance payable to the social/tax authorities;
- b) total amount overdue as well as any remaining overdue amount as at 31 March (rolled forward from 28 February);
- c) total amount deferred (as defined in Annex H);
- d) total amount disputed (as defined in Annex H); and
- e) total amount subject to a pending decision by the competent authority (as defined in Annex H).

⁴ The following information must be given, as a minimum, in respect of each overdue, deferred, disputed or pending amount as at 28 February, together with explanatory comment:

- a) Name of the creditor;
 - b) Amounts overdue, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February);
 - c) Amounts deferred, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;
 - d) Amounts subject to a pending decision by the competent authority and a brief description of the licence applicant's request; and
 - e) Amounts disputed, including the case references and a brief description of the positions of all involved parties.
- ⁵ The licence applicant must reconcile its liabilities as per the social/tax table to its underlying accounting records.
- ⁶ The licence applicant must confirm that the social/tax table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **73** **No overdue payables in respect of UEFA and the licensor**

- ¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex H) in respect of UEFA, additional entities designated by UEFA or the licensor as a result of obligations due to be paid by the 28 February preceding the licence season.
- ² Payables in respect of UEFA include, but are not limited to, financial contributions imposed by the CFCB.
- ³ By the deadline and in the form communicated by the licensor, the licence applicant must prepare and submit a declaration confirming total payables to UEFA, additional entities designated by UEFA and the licensor and the absence or existence of overdue payables.

Article **74** **Future financial information**

- ¹ The licence applicant must prepare and submit future financial information in order to demonstrate to the Association its ability to continue as a going concern until the end of the licence season if the auditor's report in respect of the annual financial statements submitted in accordance with Article 66 includes, regarding the going concern, an emphasis of matter, a key audit matter or a qualified opinion/conclusion.
- ² Future financial information must cover the period commencing immediately after the annual accounting reference date of the annual financial statements, and it must cover at least the entire licence season.
- ³ Future financial information consists of:

- a) a budgeted balance sheet, with comparative figures for the immediately preceding reporting period;
 - b) a budgeted profit and loss account/income statement, with comparative figures for the immediately preceding reporting period;
 - c) a budgeted cash flow statement, with comparative figures for the immediately preceding reporting period;
 - d) explanatory notes, including a brief description of each of the significant assumptions (with reference to the relevant aspects of historic financial and other information. that have been used to prepare the future financial information, as well as of the key risks that may affect the future financial results.
- ⁴ Future financial information must be prepared, as a minimum, on a quarterly basis.
- ⁵ Future financial information must be prepared on a consistent basis with the audited annual financial statements and follow the same accounting policies as those applied for the preparation of the annual financial statements, except for accounting policy changes made after the date of the most recent annual financial statements that are to be reflected in the next annual financial statements – in which case details must be disclosed.
- ⁶ Future financial information must meet the minimum disclosure requirements as set out in Annex F and the accounting principles as set in Annex G Additional line items or notes must be included if they provide clarification or if their omission would make the future financial information incomplete and/ or inaccurate.
- ⁷ Future financial information with the assumptions upon which they are based must be approved by licence applicant's management. This must be evidenced by way of a declaration by the licence applicant's management that the future financial information submitted is complete, accurate and in compliance with the regulations.

III. UEFA CLUB MONITORING

Chapter 1: Rights, duties and responsibilities of parties involved

Article **75** Monitoring process

¹ The monitoring process starts on submission by the licensor of the list of licensing decisions to UEFA and ends at the end of the licence season.

² It consists of the following minimum key steps:

- a) Issuing of the requirements for monitoring documentation to the licensor and licensee;
- b) Return of the required completed monitoring documentation by the licensee to the licensor;
- c) Assessment and confirmation of the completeness of each licensee's monitoring documentation by the licensor;
- d) Submission of the validated monitoring documentation by the licensor to UEFA;
- e) Assessment of the monitoring documentation by the UEFA administration and the CFCB;
- f) If appropriate, request for additional information by the UEFA administration or the CFCB;
- g) Decision by the CFCB as specified in the relevant provisions of these regulations and the *Procedural rules governing the UEFA Club Financial Control Body*.

³ The deadlines for the submission of the validated monitoring documentation to UEFA are communicated to the licensors in a timely manner by UEFA.

Article **76** Responsibilities of the licensor

¹ The licensor must:

- a) communicate the deadlines of the monitoring process to the affiliated licensee;
- b) cooperate with the UEFA administration and the CFCB in respect of its requests and enquiries;
- c) as a minimum, assess the licensee's monitoring documentation in accordance with Annex I;
- d) assess and confirm to the UEFA administration and the CFCB that the selected reporting perimeter is the same as used for the fulfilment of the club licensing criteria and is appropriate for club monitoring purposes;
- e) inform the UEFA administration and the CFCB of any relevant information submitted by the licensee in respect of club monitoring requirements and any event occurring after the licensing decision that constitutes a significant change.

² In carrying out these responsibilities, the licensor ensures equal treatment and guarantees full confidentiality of all information provided.

Article 77 Responsibilities of the licensee

- ¹ The licensee must:
- a) cooperate fully and guarantee that all personnel cooperate fully with the licensor, UEFA and the CFCB in respect of their requests and enquiries including by responding accurately and completely to all requests for documents, information and other data;
 - b) use the same reporting perimeter for the monitoring documentation as used for the fulfilment of the club licensing criteria;
 - c) provide the licensor, the UEFA administration and the CFCB with the monitoring documentation and all other necessary information and relevant documents to fully demonstrate that the club monitoring requirements are fulfilled, as well as any other document and/or information requested and deemed to be relevant for club monitoring decision-making, by the deadline set by the licensor and/or UEFA;
 - d) grant or procure access to the documentation, information, premises and personnel of the licensee and/or any other entity in the licensee's legal group structure required by any of the CFCB, the UEFA administration and/or a nominated body/agency acting on behalf of UEFA;
 - e) confirm that all the submitted documentation and information are complete, accurate and in compliance with the regulations;
 - f) promptly notify the licensor in writing about any subsequent events that constitute a significant change, including a change of legal form, legal group structure (including change of ownership or identity).
- ² In carrying out these responsibilities, the licensor ensures equal treatment and guarantees full confidentiality of all information provided.

Article 78 Club information

- ¹ The licensee must submit club information to the UEFA administration and the CFCB comprising its legal group structure (as defined in the Paragraph 62.2) and information on its ultimate controlling party, its ultimate beneficiary and any party with significant influence over the licensee (as defined in the Paragraph 63.1).
- ² As part of the club information, the licensee must clearly identify any other football clubs over which any of the parties identified in its legal groups structure, its ultimate controlling party, its ultimate beneficiary and any party with significant influence, or any of their key management personnel, have control or significant influence.
- ³ By the deadline and in the form communicated by UEFA, the licensee must prepare and submit the information indicated in paragraphs 1 and 2 as at the annual accounting reference date of the reporting period ending in the calendar year that the UEFA club competitions commence. If not previously submitted to the UEFA administration and the CFCB, the licensee must provide club information on the immediately preceding two reporting periods. The licensor must confirm the completeness and accuracy of the licensee's submission.
- ⁴ The UEFA administration and the CFCB must be promptly informed of any changes to the information indicated in paragraphs 1 and 2 occurring at any time during the licence season.

⁵ The licensee must confirm that its club information is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licensee.

Chapter 2: Club monitoring requirements

Article 79 Scope of application and exemption

- ¹ All licensees that have been admitted to the UEFA Champions League, the UEFA Europa League or the UEFA Europa Conference League (the relevant competitions) must comply with the club monitoring requirements as set out below.
- ² Club monitoring requirements comprise the following:
 - a) Solvency requirements;
 - b) Stability requirements;
 - c) Cost control requirements.
- ³ The solvency requirements must be fulfilled by all clubs admitted to the relevant competitions.
- ⁴ The stability requirements must be fulfilled by all clubs admitted to the relevant competitions except those clubs that have employee benefit expenses in respect of all employees below EUR 5 million in each of the reporting periods ending in the two calendar years before commencement of the UEFA club competitions.
- ⁵ The cost control requirements must be fulfilled by all clubs that qualify for the group stages of the relevant competitions except those clubs that have employee benefit expenses in respect of all employees below EUR 30 million in the reporting period ending in the calendar year in which the UEFA club competitions commence and the reporting period immediately prior to that.
- ⁶ Decisions related to an exemption to the requirements defined in this chapter are taken by the CFCB and are final.
- ⁷ If a licensee's annual financial statements are denominated in a currency other than euros, then to determine whether it should be exempt or not from the stability requirements and cost control requirements, the relevant figures must be converted into euros at the average exchange rate of the reporting period, as published by the European Central Bank or other appropriate source.
- ⁸ If a licensee's annual financial statements are for a reporting period which is greater or less than 12 months, then the threshold amount for exemption is adjusted up or down according to the length of the reporting period. The licensee's employee benefit expenses are then compared to the adjusted threshold amount.

SOLVENCY REQUIREMENTS

Article 80 No overdue payables to football clubs - enhanced

¹ As at 15 July, 15 October and 15 January in the licence season, the licensee must have no overdue payables (as defined in Paragraph 70.2 and Annex H) to other football clubs as a result of obligations arising from transfers due to be paid by 30 June, 30 September and 31 December respectively.

² The licensee must prepare and submit the transfers information by the deadline and in the form communicated by UEFA, even if there have been no transfers during the relevant period. Every licensee must declare its no overdue payables status as at 15 July and as at 15 October. If a licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October or if otherwise requested by the CFCB, then the licensee must also declare its no overdue payables status as at 15 January. The licensor must confirm the completeness and accuracy of the licensee's submission according to the licensor's assessment procedures defined in Annex I.

³ The licensee must disclose:

- a) all new player registrations (including loans) as a result of transfer agreements concluded in the 12-month period up to 30 June/30 September/31 December, irrespective of whether there is an amount outstanding as at 30 June/30 September/31 December;
- b) all transfers (whether they relate to the release or registrations of players and irrespective of when the transfers were undertaken. for which an amount is outstanding as at 30 June/30 September/31 December; and
- c) all transfers subject to any amounts disputed as at 30 June/30 September/31 December.

⁴ The transfers information must contain the following as a minimum (in respect of each player transfer):

- a) Player's name and date of birth;
- b) Date of the transfer agreement;
- c) Name of the football club that is the creditor;
- d) Transfer (or loan. fee paid or payable (including training compensation and solidarity contributions) even if payment has not been requested by the creditor;
- e) Other direct costs of the player's registration paid or payable;
- f) Any other compensation paid or payable in the scope of a player transfer agreement;
- g) Amounts settled (as defined in Annex H) before 30 June/30 September/31 December and payment date(s);
- h) Balance payable as at 30 June/30 September/31 December, including the due date(s) for each unpaid element;
- i) Amounts overdue as at 30 June/30 September/31 December, including the due date(s) for each unpaid element, any amounts settled between 30 June/30 September/31 December and 15 July/15 October/15 January respectively and the corresponding settlement dates;
- j) Amounts deferred (as defined in Annex H) as at 30 June/30 September/31 December, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;

- k) Amounts disputed (as defined in Annex H) as at 30 June/30 September/31 December, including the case references and a brief description of the positions of all involved parties; and
 - l) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as at 30 June/30 September/31 December.
- ⁵ The licensee must reconcile its liabilities as per the transfers information to its underlying accounting records.
- ⁶ In addition to the transfers information, the licensee must declare overdue receivables from other football clubs in respect of obligations arising from transfers due to be paid by 30 June, 30 September and, if requested, by 31 December with the breakdown in respect of each transfer.
- ⁷ The licensee must confirm that the transfers information is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licensee.

Article **81** **No overdue payables in respect of employees - enhanced**

- ¹ As at 15 July, 15 October and 15 January in the licence season, the licensee must have no overdue payables (as defined in Paragraph 71.2 and Annex H) in respect of its employees as defined in Paragraph 71.3 to Paragraph 71.5 as a result of contractual or legal obligations due to be paid by 30 June, 30 September and 31 December respectively.
- ² The licensee must prepare and submit a declaration confirming total payables in respect of employees and the absence or existence of overdue payables by the deadline and in the form communicated by UEFA. Every licensee must declare its no overdue payables status as at 15 July and as at 15 October. If a licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October or if otherwise requested by the CFCB, then the licensee must also declare its no overdue payables status as at 15 January. The licensor must confirm the completeness and accuracy of the licensee's submission according to the licensor's assessment procedures defined in Annex I.
- ³ The licensee must disclose all employees for which an amount is overdue, deferred or disputed (as defined in Annex H).
- ⁴ The following information must be given, as a minimum, together with an explanatory comment:
- a) Name and position/function of the employee;
 - b) Start date and end date (if applicable);
 - c) Amounts overdue as at 30 June/30 September/31 December, including the due date(s) for each unpaid element, any amounts settled between 30 June/30 September/31 December and 15 July/15 October/15 January respectively and the corresponding settlement dates;
 - d) Amounts deferred as at 30 June/30 September/31 December, including the original and new due date(s) for each deferred element, and the date when the written agreement between the parties was concluded; and
 - e) Amounts disputed as at 30 June/30 September/31 December, including the case references and a brief description of the positions of all involved parties.
- ⁵ The licensee must reconcile its liabilities as per the employees information to its underlying accounting records.

⁶ The licensee must confirm that the employees information is complete, accurate and in accordance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licensee.

Article **82** **No overdue payables to social/tax authorities - enhanced**

¹ As at 15 July, 15 October and 15 January in the licence season, the licensee must have no overdue payables (as defined in Paragraph 72.2 and Annex H) to social/tax authorities as a result of contractual or legal obligations in respect of all employed individuals due to be paid by 30 June, 30 September and 31 December respectively.

² The licensee must prepare and submit a declaration confirming total payables to social/tax authorities and the absence or existence of overdue payables by the deadline and in the form communicated by UEFA. Every licensee must declare its no overdue payables status as at 15 July and as at 15 October. If a licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October or if otherwise requested by the CFCB, then the licensee must also declare its no overdue payables status as at 15 January. The licensor must confirm the completeness and accuracy of the licensee's submission according to the licensor's assessment procedures defined in Annex I.

³ The following information must be given, as a minimum, together with an explanatory comment:

- a) Name of the creditor;
- b) Amounts overdue as at 30 June/30 September/31 December, including the due date(s) for each unpaid element, any amounts settled between 30 June/30 September/31 December and 15 July/15 October/15 January respectively and the corresponding settlement dates;
- c) Amounts deferred (as defined in Annex H) as at 30 June/30 September/31 December, including the original and new due date(s) for each deferred element, and the date when the written agreement between the parties was concluded;
- d) Amounts subject to a pending decision by the competent authority (as defined in Annex H) as at 30 June/30 September/31 December and a brief description of the licensee's request; and
- e) Amounts disputed (as defined in Annex H) as at 30 June/30 September/31 December, including the case references and a brief description of the positions of all involved parties.

⁴ The licensee must reconcile its liabilities as per the social/tax information to its underlying accounting records.

⁵ The licensee must confirm that the social/tax information is complete, accurate and in accordance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licensee.

Article **83** **No overdue payables in respect of UEFA - enhanced**

¹ As at 15 July, 15 October and 15 January in the licence season, the licensee must have no overdue payables (as defined in Annex H) in respect of UEFA and additional entities designated by UEFA as a result of obligations due to be paid by 30 June, 30 September and 31 December respectively.

² Payables in respect of UEFA include, but are not limited to, financial disciplinary measures imposed by the CFCB.

³ The licensee must prepare and submit a declaration confirming total payables to UEFA and additional entities designated by UEFA and the absence or existence of overdue payables by the deadline and in the form communicated by UEFA. Every licensee must declare its no overdue payables status as at 15 July and as at 15 October. If a licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October or if otherwise requested by the CFCB, then the licensee must also declare its no overdue payables status as at 15 January.

STABILITY REQUIREMENTS

Article **84** **Relevant income and expense**

- ¹ Relevant income and relevant expenses are defined in Annex J.
 - ² Relevant income and expenses must be calculated and reconciled by the licensee to the audited annual financial statements and/or underlying accounting records and to the projected information if applicable.
 - ³ Relevant income and expenses must be adjusted to reflect the fair value of any such transactions as described in Annex J or, for player transfers between clubs that are related parties, the value as set out in Annex G.
 - ⁴ If a licensee's annual financial statements are denominated in a currency other than euros, then its relevant income and expenses must be converted into euros at the average exchange rate of the reporting period, as published by the European Central Bank or other appropriate source.
-

Article **85** **Reporting period and monitoring period**

- ¹ A reporting period covers one financial year on which a licensee is assessed for the purpose of the football earnings rule.
 - ² A monitoring period covers three consecutive reporting periods on which a licensee is assessed for the purpose of the football earnings rule.
 - ³ A monitoring period comprises:
 - a) the reporting period T, which is the reporting period ending in the calendar year that the UEFA club competitions commence;
 - b) the reporting period T-1, which is the reporting period immediately preceding reporting period T; and
 - c) the reporting period T-2, which is the reporting period immediately preceding reporting period T-1.
-

Article **86** **Calculation of football earnings and aggregate football earnings**

- ¹ Football earnings are the difference between relevant income and relevant expenses calculated in respect of a single reporting period.
- ² A licensee may have a football earnings surplus or a deficit. A football earnings surplus is generated when relevant income is greater than relevant expenses. A football earnings deficit is generated when relevant expenses are greater than relevant incomes.

³ Aggregate football earnings are the sum of the licensee's football earnings for each of the three consecutive reporting periods up to and including the reporting period ending in the calendar year in which the UEFA club competitions commence (i.e. reporting periods T, T-1 and T-2), plus an upwards adjustment for relevant investments in accordance with Article 89, if applicable.

⁴ If a licensee's aggregate football earnings are positive (zero or above), then the licensee has an aggregate football earnings surplus. If a licensee's aggregate football earnings are negative (below zero), then the licensee has an aggregate football earnings deficit.

Article **87** Acceptable deviation

¹ The acceptable deviation is the maximum possible aggregate football earnings deficit for a licensee to be deemed in compliance with the football earnings rule.

² The acceptable deviation is EUR 5 million. However, the deficit can exceed this level, up to a maximum of EUR 60 million, if such excess is entirely covered by either contributions in reporting period T or equity at the end of reporting period T.

³ The acceptable deviation can be further increased by up to EUR 10 million for each reporting period in the monitoring period in which:

- a) the licensee has not been subject to a disciplinary measure in respect of the club monitoring requirements;
- b) the licensee is not subject to a settlement agreement with the CFCB; and
- c) the licensee complies with the following financial conditions as set out in Annex J:
 - i) Positive equity;
 - ii) Quick ratio
 - iii) Sustainable debt;
 - iv) Going concern.

⁴ If a monitoring period comprises a reporting period which is greater or less than 12 months, the acceptable deviation is adjusted up or down according to the number of months in the monitoring period.

Article **88** Contributions

¹ Contributions comprise:

- a) Contributions from an equity participant, being amounts received in respect of equity instruments, net of any repayment to equity participants, which are amounts paid and/or payable to an equity participant other than distributions (i.e. dividends);
- b) Monies received from any party (not limited to related parties) as a donation (e.g. an unconditional gift) or a waiver of liability, which increases the entity's equity without any obligation for repayment or to do anything in consideration for receiving the donation or waiver; and

- c) Income transactions from any party (not limited to related parties) in excess of fair value, the excess being equivalent to the difference between the amount recorded in net result for the reporting period and the fair value.
- ² For the avoidance of doubt, the following types of transaction are not contributions:
- a) Positive movement in net assets/liabilities arising from a revaluation of assets;
 - b) Creation, or increase in the balance, of other reserves where there is no contribution from equity participants;
 - c) A transaction as a result of which the reporting entity has a liability or a contingent liability, in that the reporting entity has an obligation to act in a certain way; and
 - d) Amounts received or receivable from owners in respect of instruments classified as liabilities.
- ³ The burden is on the licensee to demonstrate the substance of the contribution, which must have been completed in all respects and without any condition attached. The cash or cash equivalents must have been received by the reporting entity net of repayment in respect of monies received. An intention or commitment from owners to make a contribution is not sufficient for such a contribution to be taken into consideration.
-

Article **89** Relevant Investments

- ¹ The following costs are considered relevant investments for the long-term benefit of football as defined in Annex J:
- a) Expenditure directly attributable to youth development activities;
 - b) Expenditure directly attributable to community development activities;
 - c) Expenditure directly attributable to women's football activities;
 - d) Expenditure directly attributable to non-football operations related to the club net of the corresponding income;
 - e) Finance costs directly attributable to the construction and/or substantial modification of tangible assets;
 - f) Costs of leasehold improvements.
- ² Aggregate football earnings may be adjusted upwards if relevant expenses include relevant investments and only if the aggregate amount of any such adjustment is covered either by contributions in the reporting period T or equity at the end of reporting period T that have not already been used to cover the acceptable deviation.
-

Article **90** Football earnings rule

- ¹ A licensee is in compliance with the football earnings rule if for the monitoring period it has:
- a) an aggregate football earnings surplus; or
 - b) an aggregate football earnings deficit that is within the acceptable deviation.

² A licensee is not in compliance with the football earnings rule if the licensee has an aggregate football earnings deficit that exceeds the acceptable deviation.

Article **91** **Football earnings information**

¹ By the deadline and in the form communicated by UEFA, the licensee must prepare and submit:

- a) the football earnings information for the reporting period T-2, if not already submitted;
- b) the football earnings information for the reporting period T-1; if not already submitted;
- c) the football earnings information for the reporting period T.

² The football earnings information must:

- a) relate to the same reporting perimeter as used for the fulfilment of the club licensing criteria as defined in Article 65;
- b) be approved by management, as evidenced by way of a brief statement confirming the completeness and accuracy of the information, and signature on behalf of the executive body of the licensee.

³ The Football earnings, aggregate football earnings, equity and contributions must be calculated and reconciled by the licensee to the annual financial statements and/or underlying accounting records which must also be submitted to UEFA.

COST CONTROL REQUIREMENTS

Article 92 Calculation of squad cost ratio

- ¹ A licensee's squad cost ratio is calculated as the sum of:
- i) employee benefit expenses in respect of relevant persons;
 - ii) amortisation/impairment of relevant persons' costs; and
 - iii) costs of agents/intermediaries/connected parties (if not included in i or ii above.; divided by the sum of:
 - iv) adjusted operating revenue; and
 - v) net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses.
- ² The squad cost ratio numerator is the sum of i), ii) and iii) above. The squad cost ratio denominator is the sum of iv) and v).
- ³ The elements of the squad cost ratio are defined in Annex K.
- ⁴ The relevant periods for the calculation of the squad cost ratio are:
- a) the 12-month period to 31 December during the licence season for elements i) to iv) above; and
 - b) the 36 months to 31 December during the licence season, prorated to 12 months, for element v) above.
- ⁵ Exceptionally, a licensee may request an alternative period for the elements in paragraph 1 above if it has an annual accounting reference date of:
- a) 31 May, in which case it may prepare interim financial statements for a six-month period ending 30 November and use such interim financial statements for the cost control requirements, or
 - b) 30 November, in which case it may use the annual financial statements for the reporting period ending 30 November for the cost control requirements.
- In both such exceptional cases, all references to 31 December in the cost control requirements should be understood as 30 November.

Article 93 Squad cost rule

- ¹ A licensee's squad cost ratio for the licence season must be no greater than the defined limit of 70%.

Article 94 Squad cost information

- ¹ The licensee must prepare and submit squad cost information by the deadline and in the form communicated by UEFA.

- ² The squad cost information must:
- a) relate to the same reporting perimeter as used for the fulfilment of the club licensing criteria as defined in Article 65;
 - b) be approved by management, as evidenced by way of a brief statement confirming the completeness and accuracy of the information, signed by the executive body of the licensee.
- ³ The elements of the squad cost ratio must be calculated and reconciled by the licensee to the annual financial statements, interim financial statements, underlying accounting records and player identification table, including the minimum information in respect of each relevant player as set out in Annex F.6.

COMMON PROVISIONS FOR ALL CLUB MONITORING REQUIREMENTS

Article **95** **Duty to report subsequent events**

- ¹ The licensee must promptly notify the licensor and UEFA in writing about any significant change(s) including, but not limited to, a subsequent event of major economic importance until at least the end of the licence season.
 - ² The information prepared and submitted by the licensee's management must include:
 - a) a description of the significant change, where applicable describing the nature of the event or condition of major economic importance; and
 - b) an estimate of the financial effect of the significant change, or a statement (with supporting reasons) that such an estimate cannot be made.
-

Article **96** **Non-compliance with club monitoring requirements**

- ¹ If one or more of the club monitoring requirements is not fulfilled, then the CFCB makes a decision, taking into consideration other factors as defined in Annex M. It takes the appropriate measure(s) in accordance with the relevant provisions of these regulations and the procedure defined in the *Procedural rules governing the UEFA Club Financial Control Body*.
- ² In the case of failure to fulfil the solvency requirements, if at any of the payment deadlines (15 July, 15 October or 15 January in the licence season) the licensee has overdue payables as described in Article 80 to Article 83 that have been overdue for more than 90 days, the CFCB will consider this as an aggravating factor, and, depending on the specific circumstances of the case, it may lead to a potential exclusion from future competitions, as provided for in the *Procedural Rules governing the UEFA Club Financial Control Body*.
- ³ In the case of failure to fulfil the stability requirements, the CFCB has the possibility to conclude a settlement agreement with the licensee.
- ⁴ In the case of failure to fulfil the cost control requirements, the licensee will be subject to a financial disciplinary measure and may be subject to additional disciplinary measures based on the principles defined in Annex L.

III. FINAL PROVISIONS

Article **97** Language of correspondence

¹ All correspondence between UEFA and the licensor and/or the licensee must be in English and UEFA may ask the licensor and/or licensee for a certified translation of documents at their expense.

Article **98** Annexes

¹ All annexes to the present regulations form an integral part thereof.

Article **99** Compliance audits

¹ UEFA and/or its nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of the Association and, of the licence applicant/licensee.

² Compliance audits aim to ensure that the Association, as well as the licence applicant/licensee, have fulfilled their obligations as defined in these regulations and that the licence was correctly awarded at the time of the final decision of the Association.

³ For the purpose of compliance audits, in the event of any discrepancy in the interpretation of the national club licensing regulations between a UEFA official language version and these regulations, the UEFA official language version prevails.

Article **100** Disciplinary procedures

¹ The CFCB at all times bears in mind the overall objectives of these regulations, in particular to defeat any attempt to circumvent these objectives.

² Any breach of these regulations may be dealt with by UEFA in accordance with these regulations and the *Procedural rules governing the UEFA Club Financial Control Body*.

³ For the purpose of compliance audits, in the event of any discrepancy in the interpretation of the national club licensing regulations between a UEFA official language version and these regulations, the UEFA official language version prevails.

Article 101 Implementing provisions

Not applicable

Article 102 Adoption, abrogation and entry into force

Not applicable

Amended:
04.09.23 **Article 103 Exceptional and transitional provisions in respect of the club licensing requirements**

¹ Article 21 (Women's football activities), Article 49 (Goalkeeper coach of the first squad, and Article 52 (Goalkeeper coach of youth teams) are not applicable for the licence season 2023/24.

² By exception to Paragraph 20.1a (Youth teams), for the licence season 2023/24 the licence applicant must have at least three youth teams within the age range of 10 to 21.

³ By exception to Paragraph 51.2 (Youth coaches), for the licence season 2023/24 at least two of the licence applicant's youth team coaches must each hold one of the defined minimum coaching qualifications.

⁴ By exception to Article 69, for the licence season 2024/25 failure to fulfil the net equity rule will not lead to refusal of a licence but to a sanction defined by the licensor according to the catalogue of sanctions.

Amended:
04.09.23 **Article 104 Exceptional and transitional provisions in respect of the club monitoring requirements**

¹ The following transitional provisions apply in respect of the stability requirements (Article 84 to Article 91):

a) For the licence season 2023/24:

- Article 85 to Article 87 and Article 90 do not apply; and
- by exception to Article 91, the licensee is required to submit football earnings information only in respect of the reporting period ending in 2023.

b) For the licence season 2024/25:

- by exception to Article 86, the licensee's aggregate football earnings are the sum of the licensee's football earnings for each of the two reporting periods ending in 2023 and 2024; and
- by exception to Article 91, the licensee is required to submit football earnings information in respect of the reporting periods ending in 2023 and 2024.

² The following transitional provisions apply in respect of the cost control requirements (Article 92 to Article 94):

- a) For the licence season 2023/24:
 - by exception to Article 93, the defined limit is 90%; and
 - by exception to paragraph 92(4), for the squad cost ratio, profit or loss on disposal of player registrations and other transfer income/expenses are calculated from the licensee's annual financial statements and/or interim financial statements for either the 12 months, the 24 months or the 36 months to the 31 December during the licence season, at the discretion of the licensee, then prorated to 12 months.
- b) For the licence season 2024/25:
 - by exception to Article 93, the defined limit is 80%; and
 - by exception to Paragraph 92.4, for the squad cost ratio, profit or loss on disposal of player registrations and other transfer income/expenses are calculated from the licensee's annual financial statements and/or interim financial statements for either the 24 months or the 36 months to the 31 December during the licence season, at the discretion of the licensee, then prorated to 12 months.

ANNEX A – EXCEPTIONS POLICY

A 1 Principles

¹ The UEFA administration or the CFCB may, in accordance with Article 13, grant exceptions on the following matters:

- a) Non-applicability of a minimum requirement concerning the decision-making bodies or process defined in Article 7 due to national law or for any other reason;
- b) Non-applicability of a minimum requirement concerning the core process defined in Article 10 due to national law or for any other reason;
- c) Non-applicability of a minimum assessment procedure defined in Article 11 due to national law or for any other reason;
- d) Non-applicability of the three-year rule defined in Article 14;
- e) Non-applicability of a certain criterion defined in part II, Chapter 3 and the relevant annexes due to national law or for any other reason;
- f) Extension of the introduction period for the implementation of a criterion or a category of criterion defined in part II, Chapter 3.

² Exceptions related to paragraphs a, b, c, e and f are granted to a UEFA member association and apply to all clubs that are registered with the UEFA member association and apply for a licence to enter UEFA club competitions.

³ Exceptions related to item d are granted to the individual club that applies for a licence.

A 2 Process

¹ The UEFA administration or the CFCB acts as the decision-making body on exception requests. UEFA decides on all exceptions related to Annex A.1.1a, b, c, e, and f, and the CFCB decides on exception requests related to Annex A.1.1d.

² An exception request must be in writing, clear and well founded.

³ Exception requests related to Annex A.1.1a, b, c, e and f must be submitted by the licensor by the deadline and in the form communicated by UEFA.

⁴ Exception requests related to Annex A.1.1d must be submitted by the licensor on behalf of the licence applicant by the deadline and in the form communicated by UEFA. It is the responsibility of the licence applicant/licensee to ensure that the request is complete and accurate.

⁵ The UEFA administration and the CFCB use the necessary discretion to grant exceptions within the limits of these regulations.

⁶ The status and situation of football and of the licence applicant within the territory of the UEFA member association will be taken into account when considering an exception. This encompasses, for example:

- a) size of the territory, population, geography, economic background;
- b) size of the UEFA member association (number of clubs, number of registered players and teams, size and quality of the administration of the association, etc.);
- c) level of football (professional, semi-professional or amateur clubs);
- d) status of football as a sport within the territory and its market potential (average attendance, TV market, sponsorship, revenue potential, etc.);
- e) UEFA coefficient (association and its clubs) and FIFA ranking;
- f) stadium ownership situation (club, city/community, etc.) within the association;
- g) support (financial and other) from the national, regional and local authorities, including the national sports ministry;
- h) protection of creditors;
- i) club's legal group structure and reporting perimeter;
- j) club's identity.

⁷ A decision related to Annex A.1.1a, b, c, e and f will be communicated to the licensor in writing, stating the reasoning. The licensor must then communicate it to all licence applicants concerned.

⁸ A decision related to Annex A.1.1d will be communicated to the licensor and the requesting club in writing, stating the reasoning.

⁹ Appeals can be lodged against final decisions made by the UEFA administration or the CFCB in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the *UEFA Statutes*.

ANNEX B – NOT APPLICABLE

ANNEX C – NOT APPLICABLE

ANNEX D – EXTRAORDINARY APPLICATION OF THE CLUB LICENSING SYSTEM

D 1 Principles

¹ UEFA defines the necessary deadlines and the minimum criteria for the extraordinary application of the club licensing system as specified in Paragraph 17.1 and communicates them to the licensors at the latest by the 31 August of the year preceding the licence season.

² Licensors must notify UEFA of any extraordinary application requests in writing, stating the name of the club concerned, by the deadline communicated by UEFA.

³ The licensor is responsible for submitting the criteria to the club concerned for its assessment of the extraordinary application request. They must also take immediate action with the club concerned to prepare for the extraordinary application procedure.

⁴ The club concerned must provide the necessary documentary proof to the licensor that will assess the club against the fixed minimum standards and forward the following documentation in one of UEFA's official languages to UEFA by the deadline communicated by the latter:

- a) Written request for special permission to enter the corresponding UEFA club competition;
- b) Recommendation by the licensor based on its assessment (including the dates and names of the persons having assessed the club);
- c) All documentary evidence provided by the club and the licensor as requested by UEFA;
- d) Any other documents requested by UEFA during the extraordinary application procedure.

⁵ UEFA bases its decision on the documentation received and grants special permission to enter UEFA club competitions if all the criteria are fulfilled and if the club ultimately qualifies on sporting merit. The decision will be communicated to the licensor, which must forward it to the club concerned.

⁶ If such a club is eliminated on sporting merit during the extraordinary application procedure, the licensor concerned has to notify UEFA immediately and the procedure is immediately terminated, without further decision. Such a terminated procedure cannot be restarted at a later stage.

⁷ Appeals can be lodged against final decisions made by UEFA in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions of the *UEFA Statutes*.

ANNEX E – DETERMINATION OF THE AUDITOR AND AUDITOR’S ASSESSMENT PROCEDURES

E 1 Principles

¹ The auditor must be independent and in compliance with the International Federation of Accountants (IFAC. Code of Ethics for Professional Accountants (see Article 66, Article 68 and Annex G.

² The auditor must be a member of one of the relevant IFAC member bodies. If there is no member of the IFAC within a licence applicant’s territory, the licence applicant is required to use an independent auditor who is permitted by national law to carry out audit work.

Amended:
04.09.23

E 2 Assessment procedures

¹ The auditor must audit the annual financial statements. The auditor’s report must:

- a) include a statement confirming that the audit was conducted in accordance with the International Standards on Auditing or relevant Maltese auditing standards or practices where these comply with, as a minimum, the requirements of the International Standards on Auditing; and
- b) be submitted to the Association together with the annual financial statements to form a basis for its licensing decision.

In addition, the auditor must provide another statement about whether or not the annual financial statements comply with the accounting requirements set out in Annex G. If not, the statement must include a brief description of the requirements not met. In such a case, the CFCB will review the transactions in detail in line with the Procedural rules governing the UEFA Club Financial Control Body.

² The auditor must, as a minimum, review the interim financial statements. The auditor’s report must:

- a) include a statement confirming that the review was conducted in accordance with either the International Standard on Review Engagements (ISRE. 2410) ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’, or relevant national standards or practices for such reviews where these comply with, as a minimum, the requirements of ISRE 2410; and
- b) be submitted to the licensor together with the interim financial statements to form a basis for the licensing decision.

In addition, the auditor must provide another statement about whether or not the interim financial statements comply with the accounting requirements set out in Annex G. If not, the statement must include a brief description of the requirements not met. In such a case, the CFCB will review the transactions in detail in line with the Procedural rules governing the UEFA Club Financial Control Body.

³ The auditor must assess supplementary information, and/or restated financial statements if any. The auditor’s report of factual findings must:

- a) describe the procedures prescribed by the Association and the findings in respect to each;

- b) include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400 or relevant national standards or practices where these comply with, as a minimum, the requirements of ISRS 4400; and
 - c) be submitted to the Association together with the supplementary information to form a basis for its licensing decision.
- ⁴ Financial information other than that defined in Annex E.2.1. to Annex E.2.3. above may be assessed by an auditor. In this case, the auditor's report of factual findings must:
- a) include a statement confirming that the assessment was conducted either:
 - i. by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400 or relevant Maltese standards or practices where these comply with, as a minimum, the requirements of ISRS 4400 or
 - ii. for the assessment of future financial information (if applicable), according to the International Standards for Assurance Engagements (ISAE) 3400 or relevant Maltese standards or practices where these comply with, as a minimum, the requirements of ISAE 3400; and
 - b) be submitted to the Association together with the relevant documentation to form a basis for its licensing decision.

ANNEX F – DISCLOSURE REQUIREMENTS FOR THE FINANCIAL STATEMENTS

F 1 Principles

¹ Notwithstanding the requirements of Maltese legislation, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, the financial criteria of these regulations require licence applicants to present a specific minimum level of financial information to the Association as set out in Article 66 Article 68 and Article 74.

² Each component of the financial statements must be identified clearly. The following information must be displayed prominently, and repeated where necessary within the financial statements, for a proper understanding of the information presented:

- a) The name (and legal form), domicile and business address of the reporting entity/entities and any change in that information since the previous statutory closing date;
- b) Whether the financial information covers the individual licence applicant or a group of entities or some other combination of entities, and a description of the structure and composition of any such group or combination;
- c) The annual accounting reference date and the period covered by the financial information (for both current and comparative information); and
- d) The presentation currency.

F 2 Balance sheet

¹ The minimum disclosure requirements for balance sheet items are stated below.

Assets

- i. cash and cash equivalents
- ii. accounts receivable from player transfers (current and non-current)
- iii. accounts receivable from group entities and other related parties (current and non-current)
- iv. other current accounts receivable
- v. tax assets (current and non-current)
- vi. inventories
- vii. other assets (current and non-current)
- viii. tangible fixed assets
- ix. intangible assets – players
- x. intangible assets – other
- xi. investments

Liabilities

- xii. bank overdrafts
- xiii. bank and other loans (current and non-current)
- xiv. accounts payable to group entities and other related parties (current and non-current)
- xv. accounts payable relating to player transfers (current and non-current)
- xvi. accounts payable to employees (current and non-current)
- xvii. accounts payable to social/tax authorities (current and non-current)
- xviii. accrual and deferred income (current and current)

- xix. other tax liabilities (current and non-current)
- xx. other current accounts payable
- xxi. provisions (short-term and long-term)
- xxii. other liabilities (current and non-current)

Net assets/liabilities

- xxiii. net assets/liabilities

Equity

- xxiv. share/fund capital
- xxv. revaluation reserve
- xxvi. other reserves
- xxvii. retained earnings

² Management may consider that line items (i) to (xxvi) are best presented on the face of the balance sheet or in the notes.

F 3 Profit and loss account

¹ The minimum disclosure requirements for the profit and loss accounts are stated below.

Revenue

- i. gate receipts
- ii. sponsorship and advertising
- iii. broadcasting rights
- iv. commercial activities
- v. UEFA Solidarity and prize money
- vi. grants/subsidies from national football body or government
- vii. other operating income
- viii. total revenue (sum of items i to vii)

Expenditure

- ix. cost of sales/materials
- x. employee benefits expenses (players and other employees)
- xi. depreciation and impairment of tangible fixed assets
- xii. amortization and impairment of other intangible assets (excluding player registrations)
- xiii. other operating expenses
- xiv. total operating expenses (sum of items ix to xiii)

Player registrations

- xv. amortization of player registrations and impairment of player registrations
- xvi. profit/loss on disposal of player registrations
- xvii. other transfer income/expenses
- xviii. total net result of accounting from player registrations (sum of items xv and xvii)

Non-operating items

- xix. profit/loss on disposal of tangible or intangible assets
- xx. finance income and expense;

- xxi. other non-operating income/expense
- xxii. tax income/expense;
- xxiii. net result (sum of items viii, xviii and xix to xxii)

² Management may consider that line items (i) to (xxv) are best presented on the face of the profit and loss account or in the notes.

F 4 Cash flow statement

¹ The cash flow statement must report cash flows for the financial period (and comparatives for the previous financial period), classified separately as stated below.

Cash flow from operating activities

Operating activities are the principal revenue-producing activities of the reporting entity and other activities that are not investing or financing activities. Therefore, they generally result from the transactions and other events that enter into the determination of net result. The minimum disclosure requirements are stated below:

- i. Net cash inflow/outflow from operating activities

Cash flows from investing activities

Investing activities are the acquisition and disposal of long-term assets (including player registrations) and other investments not included in cash equivalents. The reporting entity must report separately report each major class of gross cash receipts and gross cash payments arising from investing activities. The minimum disclosure requirements are stated below:

- i. Cash inflow/outflow from acquisition/disposal of player registrations
- ii. Cash inflow/outflows from acquisition/disposal of tangible or intangible assets
- iii. Other cash inflow/outflows from investing activities

Cash flows from financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity share capital and borrowings of the entity. The entity must report separately report major class of gross cash receipts and gross cash payments arising from financing activities. The minimum disclosure requirements are stated below:

- i. Cash inflow/outflows from borrowing – shareholders and related party
- ii. Cash inflow/outflows from borrowing – financial institutions
- iii. Cash inflow from increase of capital/equity
- iv. Cash outflows from dividends paid to owners/shareholders
- v. Other cash inflow/outflows from financing activities

Other cash flows

Cash flows from interest and dividends received and paid must each be disclosed separately. Each must be disclosed in a consistent manner from period to period as either operating, investing, or financing activities.

Cash flows arising from taxes on income must be disclosed separately and classified as cash flows from operating activities unless they can be appropriately and specifically identified as financing and investing activities.

² The components of cash and cash equivalents must be disclosed and a reconciliation of the amounts in the cash flow statement presented, with the equivalent items reported in the balance sheet.

F 5 Notes to the financial statements

¹ Notes to the annual financial statements must be presented in a systematic manner. Each item on the face of the balance sheet, profit and loss account and cash flow statement must be cross-referenced to any related information in the notes. The minimum requirements for disclosure in notes are as follows:

a) **Accounting policies**

The basis of preparation of the financial statements and a summary of the significant accounting policies used.

b) **Tangible fixed assets**

Each class of tangible fixed asset must be disclosed separately e.g. property, stadium and equipment right-of-use assets.

The following information must be disclosed for each class of tangible fixed asset:

- i. the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- ii. a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, increases or decreases during the period resulting from revaluations, any impairment losses recognised in the profit and loss account during the period, any impairment losses reversed in the profit and loss account during the period (if any) and depreciation.

The depreciation methods and useful lives (or depreciation rates) used must be disclosed in the accounting policy notes.

c) **Intangible assets**

Each class of intangible asset must be disclosed separately e.g. player registrations, goodwill, and other intangible assets.

The following information must be disclosed for each class of intangible asset:

- i. the gross carrying amount and the accumulated amortisation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- ii. a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, any decreases during the period resulting from impairment losses recognised in the profit and loss account during the period (if any) and amortisation.

See Annex G for further information on accounting requirements for player registrations.

d) Pledged assets and assets under reservation of title

The reporting entity must disclose:

- i. The existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities or contingent liabilities;
- ii. The existence and carrying amounts of intangible assets whose title is restricted and the carrying amount of intangible assets (such as player registrations) pledged as security for liabilities or contingent liabilities; and
- iii. The existence and carrying amount of financial assets and/or amount of future income (such as receivables and future income in respect of disposal of a player's registration, competition distribution/prize money, season ticket and other gate receipts, broadcasting rights and sponsorship arrangements) pledged as security for liabilities or contingent liabilities.

e) Investments

Investments must include investments in subsidiaries, jointly controlled entities and associates. In respect of investments in subsidiaries, jointly controlled entities and associates, the following information must be disclosed as a minimum for each investment:

- i. Name;
- ii. Country of incorporation or residence;
- iii. Type of business/operations of the entity;
- iv. Proportion of ownership interest;
- v. If different, proportion of voting power held; and
- vi. Description of the method used to account for the investments.

f) Bank overdrafts and loans

For each class of financial liability, the following must be disclosed:

- i. information about the extent and nature of the financial instruments, including amounts and duration and any significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- ii. the accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied.

g) Provisions

Provisions must be disclosed in separate classes. In determining which provisions may be aggregated to form a class, it is necessary to consider whether the nature of the items is sufficiently similar to be combined in a statement of a single amount.

For each class of provision, the carrying amount at the beginning and end of the period, the amount utilised, and any amount released, or credited, in the period must be disclosed.

h) Issued capital and reserves

Share capital, revaluation reserves, other reserves and retained earnings must be disclosed separately.

- i. Share/fund capital
In relation to share capital issued during the reporting period, the following must be disclosed:
 - Number and type of shares issued;

- Share premium (if applicable. Arising on the shares issued);
 - Total amount raised as a result of the issuing of shares;
 - Reason for the issuing of new shares.
- ii. Revaluation reserves
Where items of property, stadium, equipment and/or intangible assets are stated at revalued amounts, the revaluation surplus, indicating the change for the reporting period and any restrictions on the distribution of the balance to shareholders, must be disclosed.
- iii. Other reserves
Any other form of reserves that is not contained in revaluation reserves, including any changes for the reporting period and any restrictions on the distribution of the balance to shareholders, must be disclosed.
- iv. Revaluation reserves
Where items of property, stadium, equipment and/or intangible assets are stated at revalued amounts, the revaluation surplus, indicating the change for the reporting period and any restrictions on the distribution of the balance to shareholders, must be disclosed.

i) **Controlling party**

When the reporting entity is controlled by another party, the related party relationship and the name of that party must be disclosed and, if different, that of the ultimate controlling party. This information must be disclosed irrespective of whether any transactions have taken place between the reporting party or parties.

j) **Related party transactions**

A related-party transaction means a transfer of resources, services, or obligations between related parties, regardless of whether a price has been charged. A related-party transaction may or may not have taken place at fair value.

If there has been one or more related-party transactions during the reporting period, the reporting entity must disclose the nature of the related party relationship, as well as information about the transaction(s) and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements. Covered by the financial statements, Items of a similar nature may be disclosed in aggregate except when separate disclosure is necessary to understand the effects of related party transactions on the financial statements of the reporting entity.

As a minimum, disclosures for each related party must include:

- i. the amount and the nature of the transaction(s);
- ii. the amount of outstanding balances, including commitments, and:
 - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - details of any guarantees given or received;
- iii. provisions for doubtful debts related to the amount of outstanding balances; and
- iv. the expense recognised during the period in respect of bad or doubtful debts due from related parties.

The disclosures required must be made separately for each of the following categories:

- the parent;
- entities with joint control or significant influence over the reporting entity;
- subsidiaries;
- associates;

- joint ventures in which the reporting entity is a venturer;
- the entity or its parent's key management personnel; and
- other related parties.

Confirmation that related-party transactions were made on terms equivalent to those that prevail in arm's length transactions must be made if such terms can be substantiated.

k) **Contingent liabilities**

Unless the possibility of any outflow in settlement is remote, for each class of contingent liabilities must disclose a brief description of the nature of the contingent liability at the annual accounting reference date and, where practicable:

- i. an estimate of its financial effect;
- ii. an indication of the uncertainties relating to the amount or timing of any outflow; and
- iii. the possibility of any reimbursement.

l) **Events after the balance sheet date**

Material non-adjusting events after the balance sheet date must be disclosed including the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made. Examples of such events are:

- i. fixed-term borrowing approaching maturity without realistic prospects of renewal or repayment;
- ii. substantial operating losses;
- iii. discovery of material fraud or errors that show the financial statements are incorrect;
- iv. management determining that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so;
- v. player transactions where the amounts paid or received are significant;
- vi. transactions relating to property e.g., in relation to the club's stadium.

m) **Other disclosures**

- i. Agents/intermediaries fees

The total amount paid in the reporting period in respect of or for the benefit of agents/intermediaries must be disclosed.

- ii. Tax expense

The components of tax expense must be disclosed separately. That is, the aggregate amount included in the determination of net profit or loss for the reporting period in respect of current and/or deferred tax.

- iii. Miscellaneous

Any additional information or disclosure that is not presented on the face of the balance sheet, profit and loss account or cash flow statement, but is relevant to an understanding of any of those statements and/or is required to meet the minimum financial information requirements, must be disclosed.

F **6 Player Identification Table**

¹ All licence applicants must prepare and submit to the licensor a player identification table.

² The player identification table must be provided to the auditor, who must reconcile the aggregate figures in the player identification table to the relevant figures in the balance sheet and profit and loss account in the annual financial statements. However, the player identification table does not need to be disclosed within the annual financial statements.

³ The minimum information to be included in the player identification table in respect of each relevant player is as follows:

- a) Name and date of birth;
- b) Start date of original player contract and end date of current contract;
- c) Costs of acquiring the player's registration
- d) Accumulated amortisation brought forward and as at the end of the period;
- e) Impairment of the player's registration in the period;
- f) Start date of original player contract and end date of current contract;
- g) Disposal of the player's registration (cost and accumulated amortisation);
- h) Net book value (carrying amount);
- i) Profit/(loss) from disposal of player's registration; and
- j) Sell-on rights (or similar), i.e. description and (if possible, quantification of any sell-on rights to a football club that formerly held the player's registration, excluding training compensation and/or solidarity contributions.

⁴ Relevant players, about whom details are required in the player's identification table, are:

- a) all players whose registration is held by the licence applicant at any time during the period and in respect of whom some direct acquisition cost has been incurred (at some point in time in the reporting period or prior periods); and
- b) all players in respect of whom some income/profit (or loss) has been recognised (at some point in time in the reporting period.

⁵ For licence applicants who have restated player accounting figures to meet the accounting requirements of these regulations, these aggregate figures from the player identification table must agree with/be reconciled to the restated figures in the supplementary information.

F **7** Financial review by management

¹ The annual financial statements must include a financial review or commentary by management (sometimes referred to as a directors' report) that describes and explains the main features of the reporting entity's financial performance and financial position and the principal risks and uncertainties it faces.

² The annual financial statements must also include the names of persons who were members of the executive body, or board of directors, and of the supervisory bodies of the reporting entity at any time during the year.

ANNEX G – ACCOUNTING REQUIREMENTS FOR THE PREPARATION OF FINANCIAL STATEMENTS**G 1 Principle**

¹ Financial statements as defined in Article 66 and Article 68 must be based on the accounting standards required by local legislation for incorporated companies – either the applicable financial reporting framework of the relevant country, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities – regardless of the legal structure of the licence applicant.

² Financial statements must be prepared on the assumption that the licence applicant is a going concern, meaning it will continue in operation for the foreseeable future. It is assumed that the licence applicant has no the intention or the need to go into liquidation, cease trading or seek protection from creditors pursuant to laws or regulations.

³ The financial reporting framework, suitable as a basis for the preparation of financial statements, must contain certain underlying principles including:

- a) fair presentation;
- b) consistency of presentation;
- c) accrual basis for accounting
- d) separate presentation of each material class of items;
- e) no offsetting of assets and liabilities or income and expenses;

⁴ Notwithstanding that each licence applicant has to prepare audited financial statements under its own national accounting practice for incorporated companies, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, these Regulations include specific accounting requirements to be complied with as set out in Annex G.2, to Annex G.6.

⁵ If the annual financial statements are not in compliance with the accounting requirements set out in Annex G, then the licence applicant must also submit to the licensor:

- a) restated financial statements to meet the accounting requirements set out in Annex G, covering the same period and including comparative amounts for the previous comparative period;
- b) a declaration by the licence applicant's management that the restated financial statements are complete, accurate and in compliance with the regulations; and
- c) an assessment report provided by the same auditor that signs the annual financial statements and/or interim financial statements by way of agreed-upon procedures prescribed by the licensor in respect of the completeness and accuracy of the restated financial statements.

⁶ Restated financial statements must include:

- a) a restated balance sheet as at the end of the period;
- b) a restated profit and loss account/income statement for the period;
- c) a restated statement of changes in equity for the period; and
- d) notes, comprising a summary of significant accounting policies, other explanatory notes, and a note (or notes) reconciling the balance sheet and profit and loss account/income statement between the restated financial statements and the relevant annual financial statements or interim financial statements.

G 2 Consolidation/combination requirements

¹ The financial information of all entities included in the reporting perimeter (as defined in Article 65) must be either consolidated or combined as if they were a single company.

² Consolidated financial statements are the financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single company.

³ Combined financial statements are those that include information about two or more commonly controlled entities without information about the controlling entity.

Amended:
04.09.23

G 3 Accounting requirements for the permanent transfer of a player's registration

¹ The acquisition of a player's registration must be recognised in the financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional, which means that there must be a legally binding agreement between the two clubs and between the acquiring club and the player.

² The disposal of a player's registration must be recognised in the licence applicant's financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional and the risks and rewards have been transferred to the new club.

³ Licence applicants that capitalise the costs of a player's registration as an intangible asset must apply certain minimum accounting requirements as described in Annex G.3.4, Annex G.3.5 and Annex G.3.6 of this part Annex G.3. A licence applicant can expense the costs of a player's registration rather than capitalise them as an intangible asset if this is permitted under national accounting practice.

⁴ The minimum accounting requirements for licence applicants that capitalise the costs of acquiring a player's registration as an intangible asset are as follows:

- a) Only directly attributed costs of acquiring a player's registration can be capitalised as an intangible asset. For accounting purposes, the carrying value of an individual player must not be revalued upwards, even though a licence applicant's management may believe market value is higher than carrying value. In addition, whilst it is acknowledged that a licence applicant may be able to generate some value from the use and/or transfer of locally trained players, for accounting purposes costs relating to an applicant's own youth sector must not be included in the balance sheet – as only the cost of player's registration are to be capitalised. All forms of consideration to and/or benefit of players (such as sign-on fees) must be treated as employee benefits expenses and not costs of acquiring a player's registration. Finance costs arising in respect of borrowings are treated as finance costs and are not costs of acquiring a player's registration even if the borrowings were obtained to help finance the acquisition of player registrations.
- b) Amortisation of costs of a player's registration must begin when the player's registration is acquired. Amortisation ceases when the asset is fully amortised or derecognised (i.e. the registration is considered as being permanently transferred to another club., whichever comes first.

- c) For each individual player's registration, the depreciable amount must be allocated on a systematic basis over the duration of the player's original contract, up to a maximum of 5 years. This is achieved by the systematic allocation of the cost of the asset as an expense over the period from the date the player's registration is acquired and over the period of the player's contract, up to a maximum of 5 years. If the period of a player's contract with the club is extended, then the intangible asset carrying value of the player's registration plus any additional directly attributable contract negotiation costs (e.g. agent/intermediary fees) can either be amortised over the remaining period of the original contract or be amortised over the extended period of the player's contract, up to a maximum of 5 years from the date of the contract extension.
- d) All capitalised player values must be reviewed each year by management for impairment. If the recoverable amount for an individual player is lower than the carrying amount on the balance sheet, the carrying amount must be adjusted to the recoverable amount and the adjustment charged to the profit and loss account as an impairment cost. It is recommended that each licensor requires each of its licence applicants to apply consistent accounting policies in respect of player registration costs.

The net book value of a player's registration should be reviewed for impairment in the reporting period in the following circumstances:

- i) When it becomes clear by the annual accounting reference date that a player will not be able to play again with the club, for example if he suffers a career-threatening injury or he is permanently unable to play professional football. In this case, the net book value of the player's registration on the balance sheet must be fully impaired in that reporting period. The following events do not represent a cause for recognising impairment loss:
- A player suffers an injury in a reporting period and is temporarily unable to play professional football with the club, or
 - A player suffers a decline in fitness or ability and is not selected for participation in first team matches.

In this regard, future wages of players suffering from a career-threatening injury or permanently unable to play professional football must continue to be recognised as employee benefits expenses throughout the duration of the player's contract.

- ii) If the management of the club is committed to permanently transfer a player's registration and the transfer occurs just after the annual accounting reference date. In this case, then the net book value of the player's registration on the balance sheet should be reviewed for impairment if the disposal proceeds for the permanent transfer of the player's registration to the new club is lower than his net book value. The accounting principle must be disclosed in the financial statements and must be applied consistently from one accounting period to another.
- iii) If the management of the club has temporarily transferred a player's registration for an amount lower than the amortisation cost.

⁵ If two or more players are transferred in opposite directions between clubs, the licence applicant must assess whether these transfers are to be considered as player exchange transactions under the terms of these regulations. If so, the international accounting requirements for the exchange of assets (i.e., currently International Accounting Standard 38, paragraphs 45-47) are to be applied when calculating the profit from the disposal of the outgoing player(s) and the registration costs for the incoming player(s).

In principle, when calculating the profit from the disposal of the outgoing player's registration, the proceeds cannot exceed the net book value of the cost of the player's registration in the licence applicant's financial statements, adjusted to take account of any net cash paid in the context of the exchange transaction and the registration costs for the incoming player must be capitalised at the

maximum at the carrying amount of the outgoing player, adjusted to take account of any net cash paid by the club in the context of the exchange transaction.

A player exchange transaction is when two or more players are transferred in opposite directions between clubs, and which typically includes one or more of the following conditions in respect of the players transferred in and out (not exhaustive list). Transfers, incoming and outgoing:

- are included in the same transfer contract;
- are included in different transfer contracts that are linked to each other;
- are concluded in the same registration period;
- do not involve any or only limited monetary disbursements;
- do involve the same or similar payment obligations or payment deadlines for both the players transferred in and the players transferred out that are likely to offset each other.

⁶ Profit/loss on disposal of a player's registration must be calculated net of any amounts paid and/or payable that are directly attributable to the disposal of the player's registration, comprising:

- a) a restated balance sheet as at the end of the period realised conditional transfer compensation for amounts which have become payable on the disposal of the player's registration (e.g. sell-on fee payable to another club.;
- b) any other directly attributable amounts paid and/or payable to another party such as another football club, agent/intermediary, or national football association/league.

⁷ The licence applicant must apply the following adjustments in respect of the permanent transfer of a player's registration between clubs that are related parties:

- a) The club that has transferred in the player's registration must calculate the cost of acquiring the player's registration – for the calculation of an amortisation charge for the reporting period (for clubs using the capitalisation and amortisation method of accounting for player registrations) or for the costs of the player's registration (for clubs using the income and expense method of accounting for player registrations) – using the greater of the following amounts:
 - i) The actual transaction cost of acquiring the player's registration;
 - ii) The historical costs of the player's registration in the financial statements of the club that has transferred out the player.

If the calculated amortisation charge is greater than the recorded amortisation charge or the calculated costs of the player's registration are greater than the recorded costs of the player's registration, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.

- b) The club that has transferred out the player's registration must calculate the disposal proceeds of the player's registration – for the calculation of the profit on disposal of the player's registration (for clubs using the capitalisation and amortisation method of accounting for player registrations) or for the income from the player's registration (for clubs using the income and expense method of accounting for player registrations) – using the lower of the following amounts:
 - i) The actual transaction proceeds on disposal;
 - ii) The net book value in respect of the costs of the player's registration in its financial statements.

If the calculated profit on disposal is lower than the recorded profit on disposal or the calculated income from the player's registration is lower than the recorded income from the player's

registration, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.

⁸ The above accounting requirements apply by analogy to any other personnel, e.g. head coach, and release income/costs or similar paid to another club.

G **4 Accounting requirements for the temporary transfer of a player's registration**

¹ The minimum accounting requirements for licence applicants that have transactions in respect of the temporary transfer of a player's registration (loan) are as follows:

² Loan fees received/paid must be reported as player transfer income/expense.

³ Loan of a player from the lender club to the new club with no obligation/option to buy:

- a) The loan fees received/receivable by the lender club, if any, must be recognised as income over the period of the loan arrangement. The lender club will continue to recognise the original costs of acquiring the player's registration as an intangible asset on its balance sheet and to systematically allocate the cost of the asset as an amortisation expense over the period of the player's contract.
- b) The loan fees paid/payable by the new club, if any, must be recognised as an expense over the period of the loan arrangement. If the player's salary is taken over by the new club, it must be recognised as an employee benefits expense over the player's loan term.

⁴ Loan of a player from the lender club to the new club with an unconditional obligation to buy:

- a) The loan must be reflected by the lender club as a permanent transfer and the player's registration rights must be derecognised from its intangible assets. The proceeds from the loan and from the future permanent transfer must be recognised from the inception of the loan agreement.
- b) The directly attributed costs of the loan and the future permanent transfer for the new club must be recognised by the new club in accordance with the accounting requirements for permanent acquisition of a player's registration.

⁵ Loan of a player from the lender club to the new club with an option to buy:

- a) The transaction must be recorded as a loan by the lender club until the option is exercised by the new club. When the option is exercised, any remaining proceeds of the loan and proceeds of the future permanent transfer must be recognised in accordance with the accounting requirements for the permanent disposal of player's registration.
- b) When the option is exercised by the new club, any remaining costs of the loan and the costs of the future permanent transfer must be recognised by the new club in accordance with the accounting requirements for the permanent acquisition of a player's registration.

⁶ Loan of a player from the lender club to the new club with a conditional obligation to buy:

- a) If a condition is considered to be virtually certain, then the player's registration must be recognised by both clubs as a permanent transfer from the inception of the loan agreement.

- b) If the fulfilment of a condition cannot be assessed with sufficient certainty to trigger the permanent transfer from the inception of the loan, then the player's registration must be recognised first as a loan and then as a permanent transfer once the condition is met.

⁷ The licence applicant must apply the following adjustments in respect of the temporary transfer of a player's registration between clubs that are related parties:

- a) The club that has temporarily transferred in the player's registration must calculate an expense amount in respect of the player for the reporting period using the greater of the following amounts:
- i) The actual transaction cost in the reporting period;
 - ii) The aggregate amount of the amortisation charge in respect of the player's registration and the employee benefit expenses in respect of the player for the period of the loan as recorded in the financial statements of the club that has temporarily transferred out the player.

If the calculated expense is greater than the recorded expense, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.

- b) The club that has temporarily transferred out the player's registration must calculate an income amount in respect of the player for the reporting period using the lower of the following amounts:
- i) The actual transaction income in the reporting period;
 - ii) The aggregate amount of the amortisation charge in respect of the player's registration and the employee benefit expenses in respect of the player for the period of the loan as recorded in the financial statements of the club that has temporarily transferred out the player.

If the calculated income amount is lower than the recorded income, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.

G **5 Accounting requirements for specific expense items**

¹ Incentive/bonus expenses for employees:

- a) All forms of consideration given by an entity in exchange for service rendered by an employee, including any bonuses and incentives such as performance-related consideration, contract signing fees, and loyalty incentives, must be reported as employee benefits expenses.
- b) Bonus and/or incentive payments that are payable in full by the club to a person with no further condition or service obligation (i.e. the club has no choice but to make the payments) must be recognised as employee benefits expenses when triggered.
- c) Bonus and/or incentive payments that are dependent on a certain future condition being satisfied by the player and/or the club, such as a player's participation in matches and/or the club's competition performance, must be recognised as employee benefits expenses at the point in time when the condition has been satisfied or its fulfilment becomes highly probable.
- d) Incentive and/or bonus to players when entering and/or extending an employment agreement with any condition or service obligation must be recognised on a systematic basis over the relevant period.

² Termination benefits to employees:

A club must recognise in full the expense of termination benefits to an employee when the club can no longer withdraw the offer of those benefits.

G 6 Accounting requirements for specific revenue items

¹ Season tickets and similar revenues

Revenue in respect of season ticket sales or similar match-related sales must be recognised on a proportionate basis at the point in time when the relevant matches take place during the season.

² Broadcasting and/or prize money revenues

a) Revenue in respect of broadcasting rights and/or other consideration for participation in a competition which are fixed considerations must be recognised on a proportionate basis at the point in time when the relevant matches take place during the season.

b) Revenue in respect of broadcasting rights and/or consideration for participation in a competition which are variable considerations dependent on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.

³ Sponsorship and commercial revenues

a) Revenue in respect of sponsorship rights which are fixed considerations must be recognised on a proportionate basis over the period covered by the sponsorship rights contract.

b) Revenue in respect of sponsorship rights which are variable considerations dependent on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.

c) Any non-cash consideration as part of a sponsorship contract must be measured at fair value.

⁴ Donations and grants

a) A donation is an unconditional gift of consideration that must be recognised as other operating income when received.

b) Grants/subsidies must not be recognised in the accounts of the club until there is reasonable assurance that the club will comply with the conditions to receive the grant/subsidy and the grant/subsidy will be received. Then, a grant/subsidy must be recognised in profit and loss on a systematic basis over the reporting periods in which the club recognises as expenses the related costs for which the grants/subsidies were intended to compensate. Therefore, grants/subsidies in respect of specific expenses are recognised in profit and loss in the same reporting period(s) as the relevant expenses. Similarly, grants/subsidies related to depreciable assets are recognised in profit and loss over the reporting periods and in the proportions in which depreciation expenses on those assets is recognised. A grant/subsidy that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs must be recognised in profit or loss in the period in which it becomes receivable.

ANNEX H – NOTION OF ‘OVERDUE PAYABLES’

H 1 Principles

¹ Payables are considered as overdue if they are not paid according to the contractual or legal terms.

² Payables are not considered as overdue, within the meaning of these Regulations, if the licence applicant (i.e. debtor club. is able to prove by the applicable deadline i.e. 31 March in respect of Articles 70 to Article 73 and 15 July, 15 October and 15 January, respectively in respect of Article 80 to Article 83, that:

- a) the relevant amount has been settled, i.e. either paid in full or offset against the creditor’s obligations towards the debtor; or
- b) the deadline for payment of the relevant amount has been deferred (referred to as “amounts deferred” in these regulations), i.e. an agreement has been concluded in writing with the creditor to extend the deadline for payment (a creditor not requesting payment of an amount does not constitute an extension of the deadline.; or
- c) the relevant amount is subject to a legal claim or open proceedings (referred to as “amounts disputed” in these regulations), meaning:
 - i) the debtor has brought a legal claim which has been deemed admissible by the competent authority under national law or has opened proceedings with the national or international football authorities or relevant arbitration tribunal contesting liability in relation to the overdue payable, knowing that if the decision-making bodies (licensor or CFCB. consider that such claim has been brought or such proceedings have been opened for the sole purpose of avoiding the applicable deadlines set out in these regulations (i.e. in order to buy time., the amount will still be considered as an overdue payable; or
 - ii) the debtor has contested to the competent authority under national law, the national or international football authorities or the relevant arbitration tribunal, a claim which has been brought or proceedings which have been opened against it by a creditor in respect of overdue payables and is able to demonstrate to the comfortable satisfaction of the relevant decision-making bodies (licensor or CFCB. that it has established reasons for contesting the claim or proceedings which have been opened, knowing that if the decision-making bodies (licensor or CFCB. consider the reasons for contesting the claim or proceedings as manifestly unfounded the amount will still be considered as an overdue payable; or
- d) the settlement of the relevant amount is pending (referred to as “amounts pending” in these regulations), meaning:

the debtor has requested a competent authority, in writing and in accordance with the applicable law, to extend the deadline for payment of payables to social/tax authorities (as defined by Article 72 and Article 82), and the competent authority has confirmed in writing that this request has been deemed admissible and still pending by 31 March (in respect of Article 72) or by 15 July, 15 October and 15 January respectively (in respect of Article 82); or

 - i) it is able to demonstrate to the comfortable satisfaction of the relevant decision-making bodies (licensor or CFCB) that it has taken all reasonable measures to identify and pay the creditor(s) in respect of training compensation and solidarity contributions (as defined in the *FIFA Regulations on the Status and Transfer of Players*).

ANNEX I – LICENSOR’S ASSESSMENT PROCEDURES

1 Principle

¹ The licensor defines the assessment procedures, ensuring equal treatment of all clubs applying for a licence. It assesses the documentation submitted by the clubs, considers whether this is appropriate and determines to its reasonable satisfaction whether each criterion has been met and what further information, if any, is needed for each licence to be granted.

The assessment processes to check compliance with the financial criteria set out in Article 11bis comprise specific assessment steps that must be followed by the licensor as set out below.

2 Assessment of the auditor’s report on the annual financial statements

¹ In respect of the annual financial statements, the licensor must perform the following minimum assessment procedures:

- a) Assess whether the reporting perimeter is appropriate for club licensing purposes.
- b) Assess the information submitted to form a basis for its licensing decision.
- c) Read and consider the annual financial statements and the auditor’s report thereon.
- d) Address the consequences of any modifications to the auditor’s report (compared to the normal form of unqualified report) and/or deficiencies compared to the minimum disclosure and accounting requirements according to Annex I.2.2 below.

² Having assessed the reporting perimeter and read the auditor’s report on the annual financial statements, the licensor must assess these according to the items below:

- a) If the reporting perimeter does not meet the requirements of Article 65, the licence must be refused.
- b) If the auditor’s report has an unqualified opinion, without any modification, this provides a satisfactory basis for granting the licence.
- c) If the auditor’s report has a disclaimer of opinion or an adverse opinion, the licence must be refused, unless a subsequent audit opinion without disclaimer of opinion or adverse opinion is provided (in relation to another set of financial statements for the same financial year that meet the minimum requirements) and the Association is satisfied with the subsequent audit opinion.
- d) If the auditor’s report has, in respect of going concern, either a key audit matter or a qualified ‘except for’ opinion, the licence must be refused, unless either:
 - i) a subsequent audit opinion without going concern key audit matters or qualification is provided, in relation to the same financial year; or
 - ii) additional documentary evidence demonstrating the licence applicant’s ability to continue as a going concern until at least the end of the licence season has been provided to, and assessed by, the Association to its satisfaction. The additional documentary evidence includes, but is not necessarily limited to, the information described in Article 74.
- e) If the auditor’s report has, in respect of a matter other than going concern, a key audit or a qualified ‘except for’ opinion, then the licensor must consider the implications of the modification for club licensing purposes. The licence may be refused unless additional documentary evidence

is provided and assessed to the satisfaction of the licensor. The additional evidence that may be requested by the Association will be dependent on the reason for the modification to the audit report.

- f) If the auditor's report makes a reference to any situation defined in Article 47(ii)d., the licence must be refused.

³ If the licence applicant provides supplementary information and/or restated financial statements, the licensor must additionally assess the auditor's report on the agreed-upon procedures in respect of the supplementary information and/or the restated financial statements. The licence may be refused if the auditor's report is not to the satisfaction of the licensor and/or includes reference to errors and/or exceptions found.

3 Assessment of licensing documentation for the net equity rule

¹ In respect of the net equity rule, the licensor must perform the following minimum assessment procedures:

- a) Determine the net equity position as at the 31 December preceding the deadline for submission of the application to the licensor based on the annual financial statements or interim financial statements;
- b) Assess, if applicable, whether the subordinated loans meet the required conditions;
- c) If the net equity position as at the 31 December preceding the deadline for submission of the application to the licensor is negative, assess whether it has improved by at least 10% compared with the net equity position that enabled the licence applicant to satisfy the net equity rule in the previous year;
- d) If the equity rule is not fulfilled as at the 31 December preceding the deadline for submission of the application to the licensor, assess if the licence applicant has submitted by 31 March at the latest a new audited balance sheet, including any contributions made since 31 December, demonstrating that the net equity position has improved by at least 10% compared with the net equity position that enabled the licence applicant to satisfy the net equity rule in the previous year.

4 Assessment of licensing documentation for no overdue payables

¹ In respect of the "no overdue payables" criteria to football clubs, employees, and social/tax authorities, the licensor may decide:

- a) to assess itself the information submitted by the licence applicant, in which case it must perform the assessment as set out in Annex I.4.2; or
- b) to have independent auditors carry out the assessment procedures in accordance with ISRS 4400, in which case the licensor must assess the information submitted by the licence applicant (in particular the payables tables and corresponding supporting documents) and review the auditor's report. The licensor may carry out any additional assessment it believes necessary, including by extending the sample or requesting additional documentary evidence from the licence applicant.

² Notwithstanding whether the assessment is carried out by the licensor or an independent auditor in respect of the “no overdue payables” criteria to football clubs, employees and social/tax authorities, the following minimum procedures must be performed and described in the licensor’s or auditor’s report:

- a) Obtain the payables tables as of 31 March submitted by the licence applicant in respect of obligations due to be paid by 28 February (i.e. the transfers table, the employee table, the social/tax table and corresponding supporting documents);
- b) Perform the necessary steps (including determination of the sample size. to assess the completeness and accuracy of the reported balances and issue a conclusion with regard to each of the procedures performed;
- c) Check the completeness of any overdue balance reported by the licence applicant as at 28 February;
- d) Check the settlement of any overdue payables between 28 February and 31 March; and
- e) Identify any overdue balance as at 31 March.

³ In respect of the “no overdue payables” criterion in respect of UEFA and the licensor, the licensor must perform, as a minimum, the following assessment procedures:

- a) Review any information received from UEFA with regard to pending overdue amounts owed by the licensor’s affiliated clubs and check the settlement of any overdue balance between 28 February and 31 March; and
- b) Carry out any additional assessment and request any additional documentary evidence from the licence applicant it believes necessary.

5 Assessment of the written representation letter prior to the licensing decision.

¹ In respect of the written representation letter, the Association must read and consider the impact of any significant change that has occurred in relation to the club licensing criteria.

² The Association must also read and consider the information in respect of any event or condition of major economic importance, in combination with the financial statements, future financial information and any additional documentary evidence provided by the licence applicant.

³ The Association must assess the club’s ability to continue as a going concern until at least the end of the licence season. The licence must be refused if, based on the financial information that the Association has assessed, in the Association’s judgement, the licence applicant may not be able to continue as a going concern until at least the end of the licence season.

⁴ If the licence applicant or any parent company of the licence applicant included in the reporting perimeter is/was seeking protection or has received/is still receiving protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season, then the licence must be refused. For the avoidance of doubt the licence must also be refused even if the concerned entity is no longer receiving protection from its creditors at the moment the licensing decision is taken.

6 Assessment of the future financial information

¹ In respect of future financial information, the licensor must assess whether or not the licence applicant exhibits the condition as defined in Article 74. If the licence applicant is required to submit future financial information, the licensor may decide:

- a) to assess the information submitted by the licence applicant, in which case the licensor must perform the assessment according to Annex I.6.2 below; or
- b) to have independent auditors carry out the assessment procedures in accordance with ISRS 4400, in which case the licensor must review the auditor's report to ensure they performed the assessment procedures as described in Annex I.6.2 below.

² The assessment of future financial information must include, as a minimum, the following procedures:

- a) Check whether the future financial information is arithmetically accurate;
- b) Determine, through discussion with the licence applicant's management and review of the future financial information, whether the future financial information has been prepared using the disclosed assumptions and risks;
- c) Check that the opening balances contained within the future financial information are consistent with the balance sheet shown in the immediately preceding audited annual financial statements or reviewed interim financial statements (if such interim statements have been submitted.);
- d) Check that the future financial information has been formally approved by the executive body of the licence applicant by way of a declaration by the licence applicant's management that the documents submitted are complete, accurate and in compliance with these regulations;
- e) If applicable, examine corresponding supporting documents, including agreements with sponsors, banking facilities, share capital increase, bank guarantees and minutes of board meetings.

³ The licensor must assess the liquidity of the licence applicant, i.e. the availability of cash after taking account of financial commitments and its ability to continue as a going concern until at least the end of the licence season. The licence must be refused if, based on the financial information that the licensor has assessed, in the licensor's judgement, the licence applicant may not be able to meet its financial commitments as they fall due and continue as a going concern until at least the end of the licence season.

7 Assessment of monitoring documentation for the solvency requirements

¹ In respect of the monitoring documentation for the "no overdue payables" requirements (towards football clubs, employees and social/tax authorities), the licensor must perform, as a minimum, the following assessment procedures:

- a) Read the licensee's completed payables information and make enquiries to the licensee if there is any information with regard to amounts payable to other clubs, employees and social/tax authorities that may be incomplete and/or inaccurate based on the licensor's existing knowledge of the licensee from club licensing and/or other reasonable sources;
- b) Confirm that all requested supporting documents have been attached to the licensee's submission.

- ² The licensor must confirm to the CFCB and/or the UEFA administration the results of the above assessment procedures.

8 Assessment of monitoring documentation for the stability requirements

¹ In respect of the monitoring documentation for the stability requirements, the licensor must assess whether or not the financial information submitted by the licensee corresponds to the information in respect of the same reporting entity/entities submitted for club licensing purposes.

² In addition, the licensor's assessment must include, as a minimum, the following procedures:

- a) Check that the amounts in the monitoring documentation for the stability requirements and that the key balances identified by UEFA are consistent with the amounts contained in the annual financial statements and underlying accounting records;
- b) Check that the monitoring documentation for the stability requirements has been formally approved by the executive body of the licensee by way of a declaration by the licensee's management that the documents submitted are complete, accurate and in compliance with these regulations.

³ The licensor must confirm to the CFCB and/or UEFA administration the results of the above assessment procedures.

9 Assessment of monitoring documentation for the cost control requirements

¹ In respect of the monitoring documentation for the cost control requirements, the licensor must assess whether or not the financial information submitted by the licensee corresponds to the information in respect of the same reporting entity/entities submitted for club licensing purposes.

² In addition, the licensor's assessment must include, as a minimum, the following procedures:

- a) Check that the amounts in the monitoring documentation for the cost control requirements and those identified by UEFA are consistent with the amounts contained in the annual financial statements and/or interim financial statements, and/or in the supplementary information if applicable, and in the underlying accounting records;
- b) Check that the monitoring documentation for the cost control requirements has been formally approved by the executive body of the licensee by way of a declaration by the licensee's management that the documents submitted are complete, accurate and in compliance with these regulations.

³ The licensor must confirm to the CFCB and/or the UEFA administration the results of the above assessment procedures.

ANNEX J – ELEMENTS RELATING TO THE CALCULATION OF FOOTBALL EARNINGS

Payables are considered as overdue if they are not paid according to the contractual or legal terms.

J 1 Summary of the calculation of the football earnings

¹ Relevant income is equivalent to the sum of the following elements, as described in Annex J.1.2 below:

- a) Revenue – Gate receipts
- b) Revenue – Sponsorship and advertising
- c) Revenue – Broadcasting rights
- d) Revenue – Commercial activities
- e) Revenue – UEFA solidarity and prize money
- f) Revenue – Other operating income
- g) Profit on disposal of player registrations and/or income on disposal of player registrations
- h) Excess proceeds on disposal of tangible assets
- i) Other non-operating income
- j) Finance income
- k) Foreign exchange result

Relevant income must be decreased if any of the elements listed in a) to k) above include any of the items listed in l) to o) below, as described in Annex J.1.2 below:

- l) Non-monetary credits/income
- m) Income transaction(s) above fair value
- n) Income from non-football operations not related to the club
- o) Income in respect of a reduction of liabilities arising from procedures providing protection from creditors

² Relevant expenses are equivalent to the sum of the following elements, as described in Annex J.3 below:

- a) Expenses – Costs of sales/materials
- b) Expenses – Employee benefit expenses – players
- c) Expenses – Employee benefit expenses – other employees
- d) Expenses – Other operating expenses
- e) Amortisation/impairment of player registrations and/or costs of a player's registration
- f) Loss on disposal of player registrations
- g) Amortisation/impairment of release costs for other personnel or release costs for other personnel
- h) Other non-operating expense
- i) Finance costs and dividends

Relevant expenses must be increased if any of the elements listed in a. to i) above include the item below, as described in Annex J.3 below:

- j) Expense transaction(s) below fair value
Relevant expenses may be decreased if any of the elements listed in a. to i) above include either of the items listed in k. and m. below, as described in Annex J.3 below:
- k) Non-monetary debits/charges
- l) Expenditure directly attributable to non-football operations not related to the club
- m) Financial contribution set out in a settlement agreement with the CFCB and/or a financial contribution imposed by the CFCB in respect of the stability and/or cost control requirements

J 2 Relevant income

¹ Definitions for the calculation of relevant income are as follows:

- a) *Revenue – Gate receipts*
Revenue derived from general admission and corporate match attendance, from both season tickets and matchday tickets, in relation to the club's matches. Gate receipts also include membership fees.
- b) *Revenue – Sponsorship and advertising*
Revenue derived from the main sponsor, other sponsors, pitch-perimeter and other board advertising, and other sponsorship and advertising.
- c) *Revenue – Broadcasting rights*
Revenue derived from the sale of broadcasting rights to television, radio, new media and other broadcast media, in relation to national competitions and other matches, excluding UEFA club competitions.
- d) *Revenue – Commercial activities*
Revenue derived from merchandising, food and beverage sales, conferencing, lottery and other commercial activities.
- e) *Revenue – UEFA solidarity and prize money*
Revenue derived from UEFA in respect of participation in a UEFA club competition and/or solidarity distributions.
- f) *Revenue – Other operating income*
All operating income not otherwise described above, including operating income derived from other sources such as grants and/or subsidies from a national football body or government of the territory of the licensee, rent, dividends and income from non-football operations.
- g) *Profit on disposal of player registrations and/or income on disposal of player registrations*
For the calculation of relevant income, whether a club includes either (i) profit on disposal of player registrations or (ii) income on disposal of player registrations will depend on the club's method of accounting for player registrations in its financial statements, in application of the requirements defined below:
 - i) For a club that uses the capitalisation and amortisation method of accounting for player registrations, profit on disposal of a player's registration is calculated by deducting the net book value of the player's registration at the time of the transfer, from the net disposal proceeds received and receivable.
 - ii) A profit on disposal of a player's registration is reported if the net disposal proceeds exceed the net book value of the player's registration at the time of the transfer. Any such profit must be included in relevant income for the calculation of football earnings.
 - iii) For a club that uses the income and expense method of accounting for player registrations, income from disposal of a player's registration is the net disposal proceeds generated from the transfer of the player's registration to another club. The net disposal proceeds should equate to the monetary income from the disposal of the player's registration.

For the calculation of football earnings:

- iv) A club that uses the capitalisation and amortisation method of accounting for player registrations in its annual financial statements must apply the same method to relevant income and relevant expenses;
- v) A club that uses the income and expense method of accounting for player registrations in its annual financial statements can elect to apply either the income and expense or the capitalisation and amortisation method (to be set out in restated financial statements as per

Annex G. The selected method must be applied consistently from one reporting period to the next.

Appropriate adjustments must be made such that any profit or income in respect of a player whose registration the licensee retains is excluded from the calculation of football earnings.

h) *Excess proceeds on disposal of tangible assets*

Profit on the disposal of tangible assets in a reporting period (including, but not limited to, a club's stadium and training facilities) must be excluded from the football earnings with the following two exceptions:

- i) If a tangible asset other than a stadium or training facilities is not being replaced, then the profit on disposal recognised in the profit and loss account can be taken into account as relevant income up to the difference between the proceeds on disposal and the historical cost of the asset which was recognised as a tangible asset in the reporting entity's financial statements.
- ii) If the club demonstrates that it is replacing a disposed tangible asset, then the profit on disposal recognised in the profit and loss account can be taken into account as relevant income up to the difference between the proceeds on disposal and the full cost of the replacement asset which is recognised, or to be recognised, as a tangible asset in the reporting entity's financial statements.

i) *Other non-operating income*

All other non-operating income not otherwise included in another non-operating line in the profit and loss account.

j) *Finance income*

Finance income is in respect of interest revenue arising from the use by others of entity assets yielding interest.

k) *Foreign exchange result*

The net of gains and losses on monetary items, whether realised or unrealised. Foreign exchange gains and losses on non-monetary items, whether realised or unrealised, are non-monetary items and must be excluded from football earnings (see Annex J.2.1 k. and Annex J.3.1k.).

l) *Non-monetary credits/income*

Appropriate adjustments must be made such that non-monetary credits are excluded from relevant income for the calculation of football earnings.

Non-monetary items (e.g. tangible assets and intangible assets such as goodwill and inventories) are items which do not meet the definition of monetary items. Monetary items are defined as units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency. The essential feature of a monetary item is a right to receive (or an obligation to deliver) a fixed or determinable number of units of currency.

Examples of non-monetary credits/income:

- Upwards revaluations of tangible assets, intangible assets (including player registrations) and inventories;
- Write-backs of depreciation/amortisation or impairment of tangible assets and intangible assets (including player registrations); and
- Foreign exchange gains on non-monetary items.

m) *Income transaction(s) above fair value*

For the calculation of football earnings, the licensee must reflect any income transaction, irrespective of whether it is with a related party, at fair value. If the estimated fair value is different to the recorded value, then the relevant income must be adjusted accordingly, bearing in mind, however, that no upward adjustments can be made to relevant income.

Examples of income transactions that may require a licensee to demonstrate the estimated fair value of the transaction:

- Revenue from sponsorship arrangements;
- Revenue from corporate hospitality tickets and/or use of executive boxes;
- Any transaction whereby goods or services are provided by the club.

Examples of income transactions that are not relevant income:

- Monies received as a donation; and
- Waivers of liability.

n) *Income from non-football operations not related to the club*

Income from non-football operations not related to the club (i.e. not related to the football activities, locations or brand of the football club. must be excluded from the calculation of relevant income.

Examples of non-football operations related to a club (which are included in the calculation of relevant income.:

- Operations based at, or in close proximity to, the club's stadium or training facilities, such as a hotel, restaurant, conference centre, business premises (for rental, health centre or other sports team; and
- Operations clearly using the club's name/brand.

o) *Credit in respect of a reduction of liabilities arising from procedures providing protection from creditors*

Any credit in respect of a reduction of liabilities arising from procedures providing protection from creditors must be excluded from the calculation of football earnings.

3 Relevant expenses

¹ Definitions for the calculation of relevant expenses are as follows:

- Expenses – Costs of sales/materials*
Costs of sales for all activities, such as catering, medical care, kits and sports materials, and costs of purchase of merchandise.
- Expenses – Employee benefit expenses – players*
All forms of consideration in exchange for services rendered during the reporting period by registered players. Includes consideration for the termination of employment.
- Expenses – Employee benefit expenses – other employees*
All forms of consideration in exchange for services rendered during the reporting period by all employees other than registered players, including directors, management and those charged with governance. Includes consideration for the termination of employment.
- Expenses – Other operating expenses*
All other operating expenses, such as match expenses, rental costs, lease costs, depreciation charges in respect of right-of-use assets, administration and overhead expenses, and non-football operation expenses. In accordance with the minimum disclosure requirements set out in Annex F.3, the depreciation, amortisation and impairment of tangible and intangible assets are not included in other operating expenses and are to be disclosed separately in the profit and loss account.
- Amortisation/impairment of player registrations and/or costs of player registrations*
For the calculation of relevant expenses, whether a club includes either (i) amortisation/impairment of player registrations or (ii) costs of a player's registration will depend on the club's method of accounting for player registrations in its financial statements and the minimum accounting requirements as described in Annex G.3.

For the calculation of football earnings:

- A club that uses the capitalisation and amortisation method of accounting for player registrations in its annual financial statements must apply the same method to relevant income and relevant expenses;
- A club that uses the income and expense method of accounting for player registrations in its annual financial statements can elect to apply either the income and expense or the capitalisation and amortisation method (to be set out in restated financial statements as per Annex G. The selected method must be applied consistently from one reporting period to the next.

f) *Loss on disposal of player registrations*

For the calculation of relevant expenses, the loss on disposal of player registrations will depend on each club's method of accounting for player registrations in its financial statements and the application of the requirements defined below:

- For a reporting entity that uses the capitalisation and amortisation method of accounting for player registrations in its annual financial statements:
 - i) the loss on the disposal of a player's registration is calculated by deducting the net book value of the player's registration at the time of the transfer, from the net disposal proceeds received and receivable;
 - ii) a loss on the disposal of the player's registration will be reported if the net disposal proceeds are less than the net book value of the player's registration at the time of the transfer. Any such loss must be included within relevant expenses for the calculation of football earnings.
- For a reporting entity that uses the income and expense method of accounting for player registrations, the costs of acquiring a player's registration are recorded in a reporting period.

For the calculation of football earnings:

- A club that uses the capitalisation and amortisation method of accounting for player registrations in its annual financial statements must apply the same method to relevant income and relevant expenses;
- A club that uses the income and expense method of accounting for player registrations in its annual financial statements can elect to apply either the income and expense or the capitalisation and amortisation method (to be set out in restated financial statements as per Annex G. The selected method must be applied consistently from one reporting period to the next.

g) *Amortisation/impairment of release costs for other personnel or release costs for other personnel*

In respect of released costs to another party for a club to acquire the services of a head coach and/or other personnel other than players:

- A club that uses the capitalisation and amortisation method of accounting must recognise the amortisation/impairment of compensation paid and/or payable for personnel other than players in the reporting period;
- A club that uses the income and expense method of accounting must recognise the costs of compensation paid and/or payable for personnel other than players in the reporting period.

h) *Other non-operating expenses*

All other non-operating expenses not otherwise included in another non-operating line in the profit and loss account.

i) *Finance costs and dividends*

Finance costs include interest and other costs incurred by an entity in respect of the borrowing of funds, including interest on bank overdrafts and on bank and other loans, and finance charges in respect of leases.

Regardless of whether the dividends are presented in the profit and loss account or in an alternative statement, if dividends are recognised in the financial statements, then the amount of dividends must be included as relevant expenses.

j) *Expense transaction(s) below fair value*

For the calculation of football earnings, the licensee must determine the fair value of transactions as defined in Annex J.7. If the estimated fair value is different to the recorded value, then the relevant expenses must be adjusted accordingly, bearing in mind, however, that no downward adjustments can be made to relevant expenses.

Examples of expense transactions that may require a licensee to demonstrate the estimated fair value of the transaction:

- Any expense transaction whereby goods and/or services are provided for free to an entity;
- Employee benefit expenses in respect of employees of entities outside of the reporting perimeter if those employees contribute to the football activities of entities in the reporting perimeter;
- Non-interest-bearing loans received by the licensee.

For the purpose of calculating football earnings, if the result of player transactions is different to the requirements set out in Annex J, then the licensee must apply the adjustments as set out in Annex J.

k) *Non-monetary debits/charges*

Appropriate adjustments may be made such that non-monetary debits/charges are excluded from relevant expenses for the calculation of football earnings.

Non-monetary items (e.g. tangible assets and intangible assets such as goodwill and inventories) are items which do not meet the definition of monetary items.

Monetary items are defined as units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency. The essential feature of a monetary item is a right to receive (or an obligation to deliver) a fixed or determinable number of units of currency.

Examples of non-monetary debits/charges:

- Downwards revaluations of inventories;
- Foreign exchange losses on non-monetary items.

l) *Expenditure directly attributable to non-football operations not related to the club*

Expenditure directly attributable to non-football operations not related to the club (i.e. not related to the football activities, locations or brand of the football club. may be excluded from the calculation of relevant expenses.

m) *Costs related to decisions of the CFCB*

For the calculation of football earnings, an appropriate downward adjustment may be made in respect of any costs of a financial contribution set out in a settlement agreement and/or a financial contribution imposed by the CFCB in respect of the football earnings rule and/or squad cost rule paid and/or payable in the licence season.

J 4 Items not included in the calculation of football earnings

¹ The following items are not included in the calculation of football earnings:

- a) *Profit/loss on disposal and depreciation/impairment of tangible assets*

The profit (or loss) on the disposal of a tangible asset is calculated as the sale proceeds (less costs incurred to sell, less the asset's net book value (as per the balance sheet) at the date of sale.

The profit/loss on disposal and depreciation/impairment of tangible assets in a reporting period is excluded from the calculation of football earnings because the aim is to encourage investment in and expenditure on facilities and activities for the long-term benefit of the club.

For the avoidance of doubt, any depreciation charge in respect of right-of-use assets (for operating leases) must be included in the calculation of football earnings.

b) *Profit/loss on disposal and amortisation/impairment of intangible assets other than player registrations and other personnel's release costs*

An intangible asset is an identifiable non-monetary asset without physical substance (e.g. goodwill arising on a business combination). An asset is a resource that is controlled by the entity as a result of past events (for example, purchase or self-creation, and from which future economic benefits are expected (inflows of cash or other assets or reduced future costs).

Profit (or loss) on the disposal of an intangible asset is calculated as the sale proceeds (less costs incurred to sell, less the asset's net book value (as per the balance sheet) at the date of sale.

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life, i.e. the period over which an asset is expected to be available for use by an entity. An impairment loss is the amount by which the carrying amount of an asset exceeds its fair value less costs to sell.

The profit/loss on disposal and amortisation/impairment loss of intangible assets other than in respect of player registrations and for other personnel's release costs is excluded from the calculation of football earnings for a reporting period. However, if the intangible asset generates or generated relevant income, then the related amortisation/impairment must also be recognised as a relevant expense.

For the avoidance of doubt, the loss on disposal and amortisation/impairment of player registrations and for other personnel's release costs must be included in the calculation of football earnings for a reporting period.

c) *Tax income/expense*

Tax expense in respect of income tax includes all domestic and foreign taxes that are based on taxable profit. Taxable profit (tax loss) is the profit (loss) for a reporting period upon which income taxes are payable (recoverable) Tax expense is the amount recognised for a reporting period in respect of the current and future tax consequences of transactions and other events.

Tax expense does not include value added taxes or tax and social security contributions in respect of employees. The tax amount – whether it is a credit or a debit in the profit and loss account – is excluded from the calculation of football earnings.

5 Relevant investments for the long-term benefit of football

¹ A licensee may adjust aggregated football earnings for a monitoring period if relevant expenses include any of the below investments for the long-term benefit of football as defined in Article 89:

a) *Expenditure directly attributable to youth development activities*

A licensee may adjust expenditure directly attributable to youth development activities.

Expenditure directly attributable to youth development activities means expenditure by a licensee that would have been avoided if the licensee did not undertake youth development activities including activities to train, educate and develop players involved in its youth development programme in the territory of the UEFA member association.

Examples of youth development activities:

- i) Organisation of a youth sector;
- ii) Youth teams taking part in official national, regional or local competitions or programmes recognised by the UEFA member association;
- iii) Football education programmes for different age groups (playing skills, technical, tactical and physical.;
- iv) Other education programmes (Laws of the Game, anti-doping, integrity, antiracism.;
- v) Medical support for youth players; and
- vi) Non-football education arrangements.

Examples of expenditure directly attributable to youth development activities:

- vii) Costs of materials and services used to undertake youth development activities, including accommodation costs, medical fees, educational fees, travel and subsistence, kit and clothing and facility hire;
- viii) Employee benefit expenses for employees other than players wholly involved in youth development activities such as the head of the youth development programme and youth coaches, as defined in Article 50 to Article 52, if their employment by the club is for the purpose of youth development activities;
- ix) Employee benefit expenses for employees who are youth players under the age of 18 as at the licensee's annual accounting reference date. Employee benefit expenses for employees who are youth players aged 18 or over as at the licensee's annual accounting reference date cannot be excluded from relevant expenses.

If a licensee cannot identify expenditure on youth development activities as distinct from other expenditure, then such expenditure will not be treated as expenditure directly attributable to youth development activities. The following are not considered expenditure directly attributable to youth development activities for the purpose of this requirement:

- x) Player scouting costs;
- xi) Costs of obtaining a youth player's registration, such as any fees paid to an agent/intermediary or to another club;
- xii) Sales, administrative and other general overhead expenditure, unless this expenditure can be directly attributed to the youth development activities;
- xiii) Employee benefit expenses for employees only partly involved in youth development activities (for example, a coach working part-time on youth development activities).

b) *Expenditure directly attributable to community development activities*

A licensee may adjust expenditure directly attributable to community development activities.

Expenditure directly attributable to community development activities means expenditure that would have been avoided if the licensee did not undertake community development activities.

Examples of community development activities:

- i) Activities for the public benefit to promote participation in sport and advance social development;
- ii) The advancement of education;
- iii) The advancement of health;
- iv) The advancement of social inclusion and equality;
- v) The prevention or relief of poverty;

- vi) The advancement of human rights, conflict resolution or the promotion of religious or racial harmony or equality and diversity;
- vii) The advancement of amateur sport;
- viii) The advancement of environmental sustainability, environmental protection or improvement;
- ix) The relief of those in need by reason of youth, age, ill health, disability, financial hardship or another disadvantage.

Examples of expenditure directly attributable to community development activities:

- x) Costs of materials and services used to undertake the community development activities;
- xi) Employee benefit expenses for employees wholly involved in community development activities;
- xii) Donations to other entities whose purpose is to promote participation in sport and/or advance social development.

If a licensee cannot identify expenditure on community development activities as distinct from other expenditure, then such expenditure will not be treated as expenditure directly attributable to community development activities. The following are not considered expenditure directly attributable to community development activities for the purpose of this requirement:

- xiii) Sales, administrative and other general overhead expenditure unless this expenditure can be directly attributed to the community development activities;
- xiv) Employee benefit expenses for employees only partly involved in community development activities (for example, a player having some form of involvement in community development activities).

c) *Expenditure directly attributable to women's football activities*

A licensee may adjust expenditure directly attributable to women's football activities.

Expenditure directly attributable to women's football activities means expenditure that would have been avoided if the licensee did not undertake football activities for players involved in women's teams in the territory of the UEFA member association.

Examples of women's football activities:

- i) Organisation of a women's football sector to train, educate and develop players;
- ii) Women's teams taking part in official national, regional or local competitions or programmes recognised by the UEFA member association.

Examples of women's football activities:

- iii) Costs of materials and services used to undertake women's football activities, including accommodation costs, medical fees, educational fees, travel and subsistence, kit and clothing and facility hire;
- iv) Employee benefit expenses for employees wholly involved in women's football activities, such as players and technical staff, if their employment by the licensee is for the purpose of women's football activities.

If a licensee cannot separately identify expenditure on women's football activities from other expenditure, then such expenditure will not be treated as expenditure directly attributable to women's football activities. The following are not considered expenditure directly attributable to women's football activities for the purpose of this requirement:

- v) Player scouting costs;

- vi) Costs to obtain the registration of a player, such as any fees paid to an agent/intermediary or to another club;
 - vii) Selling, administrative and other general overhead expenditure unless this expenditure can be directly attributed to women's football activities;
 - viii) Employee benefit expenses for employees only partly involved in women's football activities (for example, a coach working part time on women's football activities).
- d) *Expenditure directly attributable to non-football operations related to the club*
A licensee may adjust relevant expenses against the net of:
- i) expenditure directly attributable to non-football operations related to the club; and
 - ii) the corresponding income.
- e) *Finance costs directly attributable to the construction and substantial modification of tangible assets*
A licensee may adjust any finance costs that are directly attributable to the construction and/or substantial modification of tangible assets for use for the club's football activities, provided the finance costs have been expensed in a reporting period rather than capitalised as part of the cost of the asset, up until when the asset is ready for use.
- The amount that may be adjusted is the actual interest expense (not otherwise capitalised, less any investment income on the temporary investment of the amount borrowed in respect of which the interest relates. The relevant interest is from the date when the entity incurs expenditure for the asset, incurs borrowing costs and/or undertakes activities that are necessary to prepare the asset for its intended use or sale, until the asset is ready for use.
- After completion of the construction and/or substantial modification of an asset, these finance costs can no longer be offset.
- f) *Costs of leasehold improvements*
A licensee may adjust subsequent construction and/or substantial modification costs it has incurred on a tangible asset that has been leased for at least ten years if such costs (i) can be measured reliably, (ii) will result in future economic benefits for the licensee, and (iii) are not otherwise capitalised.
- For the avoidance of doubt, day-to-day servicing and regular maintenance costs in relation to specific items of property, plant or equipment cannot be offset.

6 Conditions for the increase of the acceptable deviation defined in Article 87

¹ A licensee must satisfy the following financial conditions to be entitled to an increase in the level of acceptable deviation for a reporting period

- a) *Condition 1: Positive equity*
At the end of the reporting period, the licensee reports positive equity.
- b) *Condition 2: Quick ratio*
At the end of the reporting period, the licensee reports a quick ratio equal to or above 1.

The quick ratio is calculated as total current assets less inventories divided by total current liabilities.

Total current assets = Sum of current items (i) to (vii) of Annex F.2.1
Inventories = item (vi) of Annex F.2.1
Total current liabilities = Sum of current items (xii) to (xxii) of Annex F.2.1
- c) *Condition 3: Sustainable debt ratio*

At the end of the reporting period:

- the licensee's net debt (less the amount that is directly attributable to the construction and/or substantial modification of a stadium and/or training facilities) is less than three times
- the average (which must be positive) of relevant earnings for the reporting period in question and the one immediately preceding it.

For the purpose of condition 3, relevant earnings are calculated as the sum of:

- i) the total revenue (as calculated for football earnings); and
- ii) total net result from player transfers; less
- iii) total operating expenses (as calculated for football earnings).

d) Condition 4: *Going concern*

The auditor's report in respect of the annual financial statements for the reporting period does not contain, regarding the going concern, an emphasis of matter, a key audit matter or a qualified opinion/conclusion.

7 Definition of fair value

¹ Fair value means the price that would have been received to sell an asset or paid to transfer a liability in an orderly transaction between market participants or between willing parties in an arm's length transaction at the transaction date.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. An arrangement or a transaction is deemed not to be an arm's length transaction if it has been entered into on terms more favourable to either party to the arrangement than would have been otherwise obtained.

8 Fair value assessment

¹ In situations where the declared fair value of a transaction is assessed by the CFCB, an independent third-party assessor will perform a fair value assessment conform to standard market practices and assign a fair value to the transaction. The club may choose an independent third-party assessor which has been approved by UEFA.

² The assessment of commercial transactions must be based on the procedure approved by the CFCB.

³ If the licensee initiates a fair value assessment or the CFCB reviews a fair value declared by the licensee as per these regulations, the licensee can appoint an independent third-party assessor from the shortlist of entities approved by UEFA to perform such fair-value assessment. The third-party assessor must not be subject to any conflict of interest with the licensee or a related party of the licensee (e.g. otherwise contracted with the licensee or licensee's related party in any other business during the relevant period including the current licence season) and will be required to confirm its independence.

⁴ If the fair value performed by a third-party assessor appointed by the licensee is deemed satisfactory assessment by the CFCB, the corresponding assigned fair value is then used for the calculation of football earnings and/or the squad cost ratio.

⁵ The CFCB reserves the right to mandate additional approved third-party assessors to perform an additional fair value assessment of the same transaction under review. In this situation, the fair value

used for the calculation of football earnings and/or the squad cost ratio corresponds to the average of fair values indicated in the two fair value assessment reports.

J **9 Fair value assessment of player exchange transactions**

¹ If the CFCB has doubts about the value of any exchange transaction between the licensee and another party or other parties, it can request the licensee to adjust the proceeds resulting from the disposal of a player's registration (for the calculation of the profit on disposal of the player's registration for clubs using the capitalisation and amortisation method of accounting for player registrations) by considering the proceeds to be the lower of:

- i) the actual transaction proceeds on disposal; and
- ii) the net book value in respect of the costs of the player's registration in the licensee's financial statements.

ANNEX K – ELEMENTS RELATING TO THE CALCULATION OF THE SQUAD COST RATIO**K 1 Squad cost ratio numerator**

¹ Definitions for the calculation of the squad cost ratio numerator are as follows:

² Employee benefit expenses of relevant persons

a) Employee benefit expenses of relevant persons are the aggregate of the employee benefit expenses incurred by the licensee or any entity of the reporting perimeter, as defined in Article 65, in respect of each relevant person.

b) Relevant persons include:

- i) each professional male player registered with the licensee at any time during the relevant period;
- ii) any other professional male player whose registration the licensee has agreed to temporarily transfer to another football club for the relevant period;
- iii) any other professional male player in respect of whom the licensee has incurred employee benefit expenses in the relevant period;
- iv) any person who acted as head coach, as defined in Article 47, in the relevant period; and
- v) any other person who previously acted as head coach and for whose role as head coach the licensee has incurred employee benefit expenses in the relevant period.

c) Employee benefit expenses of relevant persons include:

- i) gross wages/salaries, i.e. gross of any income tax and employee social security charges;
- ii) non-monetary benefits for current employment e.g. benefits-in-kind, access to private medical care, housing, cars and free or subsidised goods and services;
- iii) signing-on and loyalty payments;
- iv) sporting performance bonus costs and other bonus costs;
- v) post-employment benefits, including pension contributions and any lump sum payments on retirement, and any other post-employment benefits, e.g. life insurance and access to medical care;
- vi) other long-term employee benefits, e.g. long-term paid absences, jubilee or other long-service benefits, profit sharing and bonuses, and deferred remuneration;
- vii) termination benefits/payments;
- viii) fees, performance or other contractual bonuses;
- ix) image rights payments directly or indirectly resulting from contractual agreements for the right to exploit the employees' image or reputation for promotional, media or endorsement work in relation to football and/or non-football activities;
- x) any employer social security charges;
- xi) if not otherwise included in items set out above, any other forms of consideration such as cryptocurrencies, crypto-assets, fan tokens and nonfungible tokens; and
- xii) all costs incurred in respect of a relevant person, by a third party relating to appearances, sponsorship, endorsement or merchandising work, unless the licensee can prove to the satisfaction of the CFCB that the arrangement is genuine, is at fair

value, and has been negotiated and entered into independent of any relationship between the sponsor/third party and the licensee.

³ Amortisations/impairment of relevant persons' costs are calculated from the licensee's annual financial statements and/or interim financial statements as defined in Annex G.

⁴ Costs of agents/intermediaries/connected parties

- a) Costs of agents/intermediaries are costs of agents/intermediaries not otherwise included in employee benefit expenses of relevant persons and amortisation/impairment of relevant persons' costs.
- b) Costs of connected parties are all costs paid to a connected party and incurred by the licensee, any entity of the reporting perimeter or a third party in respect of a relevant person.
- c) Connected party means, in relation to a relevant person:
 - i) any close member of such relevant person's family, where close family member means:
 - a spouse, domestic partner or civil partner;
 - any other person with whom the relevant person lives as partner in an enduring family relationship;
 - children or step-children of the relevant person or of any person falling within paragraph (i) of this definition;
 - any children or step-children of a person falling within paragraph (i) of this definition who live with the relevant person and have not attained the age of 18;
 - siblings;
 - parents; and
 - dependents of the relevant person or of any person falling within paragraph (i) of this definition.
 - ii) any agent/intermediary or representative acting on behalf of the relevant person;
 - iii) any legal entity in relation to which a relevant person or any of the categories of person identified within paragraphs (i) and (ii) of this definition is:
 - beneficially entitled to 20% or more of the entire issued share capital of that body corporate; or
 - entitled to exercise or control the exercise of more than 20% of the voting iv. any company, trust, partnership, or other body, organisation or mechanism established or operating directly or indirectly in whole or in part for the benefit of or in respect of the relevant person or any or all of the other categories of person referred to in this definition.

K 2 Squad cost ratio denominator

¹ Definitions for the calculation of the squad cost ratio denominator are as follows:

² Adjusted operating revenue is calculated as the sum of the following items as described in Annex J:

- i) Revenue – Gate receipts;
- ii) Revenue – Sponsorship and advertising;
- iii) Revenue – Broadcasting rights;

- iv) Revenue – Commercial activities (net of costs directly attributable to merchandise sales);
- v) Revenue – UEFA solidarity and prize money;
- vi) Revenue – Other operating income (net of costs directly attributable to non-football operations related to the club;

The above revenues must be decreased if any of the elements listed in i) to vi) above include any of the items below;

- vii) Income transaction(s) above fair value as described in Annex J;
- viii) Income from non-football operations not related to the club as described in Annex J;
- ix) Exceptional income.

³ Net profit or loss on disposal of relevant persons' registrations must be recognised as described in Annex G.

⁴ Other transfer income/expenses are calculated as the sum of the following items:

- i) Costs of relevant persons in the relevant period which are not otherwise accounted for using the capitalisation and amortisation method of accounting in employee benefit expenses or in other costs of agents/intermediaries;
- ii) Loan costs comprising amounts incurred in respect of the temporary transfer-in of a player from another club or transfer-out of a player to another club plus any directly attributable amounts incurred towards another party such as another football club, agent/intermediary, or national football association/league;
- iii) Income accounted for in the relevant period from disposal of relevant persons' registrations which is not otherwise accounted for using the capitalisation and amortisation method of accounting; and
- iv) Loan income comprising amounts recognised in respect of the temporary transfer-out of a player to another club or transfer-in of a player less any directly attributable amounts paid and/or payable for a commitment to another party such as another football club, agent/intermediary, or national football association/league.

ANNEX L – IMPLICATIONS OF BREACHES OF THE SQUAD COST RULE

L 1 Principles

- a) A licensee with a squad cost ratio above the limit defined in Article 93, i.e. in breach of the squad cost rule, will be subject to a financial disciplinary measure decided by the CFCB based on the extent to which the licensee's squad cost ratio is in excess of the defined limit and the number of breaches by the licensee in the current and the previous three licence seasons.
- b) The financial disciplinary measure will be permanently withheld by UEFA from the UEFA solidarity and prize money the licensee earns from its participation in UEFA club competitions in the licence season. If the solidarity and prize money generated from UEFA club competitions is less than the financial disciplinary measure, UEFA shall withhold all such solidarity and prize money and the club shall pay the remainder by a deadline set by the CFCB.
- c) If a licensee is considered to have committed a significant breach of the squad cost rule, the CFCB will apply additional disciplinary measures in addition to the financial disciplinary measure in accordance with the list provided in the *Procedural rules governing the UEFA Club Financial Control Body*.

L 2 Definition of significant breach

- ¹ A licensee is considered to have committed a significant breach of the squad cost rule if:
 - a) its squad cost ratio for the licence season is more than 20% points above the limit defined in Article 93; or
 - b) its squad cost ratio for the licence season is more than 10% points above the limit defined in Article 93 and it has exceeded the limit defined in Article 93 once or more in the previous three licence seasons; or
 - c) its squad cost ratio for the licence season is above the limit defined in Article 93 and its squad cost ratio has exceeded the limit defined in Article 93 two or more times in the previous three licence seasons.

L 3 Calculation of the financial disciplinary measure

- ¹ If a licensee's squad cost ratio is in excess of the defined threshold, then the licensee will be subject to a financial disciplinary measure, to be calculated as a proportion of the squad cost ratio excess.
- ² A licensee's squad cost ratio excess is the amount by which the licensee's squad cost ratio numerator as defined in Article 92 exceeds the squad costs that would otherwise have been required for the licensee's squad cost ratio to equal the limit defined in Article 93.
- ³ The financial disciplinary measure to be imposed by the CFCB will be a percentage of the licensee's squad cost ratio excess, based on the severity of the breach and number of breaches of the squad cost rule committed by the licensee in the last four licence seasons (including the licence season. When

imposing the financial disciplinary measure, the CFCB will take into consideration the table in accordance with Annex L.4 below.

L 4 Financial disciplinary measure grid

¹ The level of financial disciplinary measure as a percentage of the licensee's squad cost ratio excess:

Squad cost ratio % points above defined limit	First time in breach	Second time in breach	Third time in breach	Fourth time in breach
>0 - \geq 10	10% - 25%	25% - 50%	50% - 75%	75% - 100%
>10 - \geq 20	25% - 50%	50% - 75%	75% - 100%	
>20 - \geq 30	50% - 75%	75% - 100%		
>30	75% - 100%			

ANNEX M – OTHER FACTORS TO BE CONSIDERED IN RESPECT OF THE CLUB MONITORING REQUIREMENTS**M 1 Other factors to be considered in respect of the club monitoring requirements**

¹ Other factors within the meaning of Article 96 to be considered by the CFCB (non-exhaustive list):

a) *Quantum and trend of non-compliance*

The larger the quantum of the non-compliance with a monitoring requirement, the less favourably it will be viewed. An improving trend in respect of a monitoring requirement will be viewed more favourably than a worsening trend.

b) *Football earnings surplus*

As part of its assessment of the squad cost ratio, the CFCB may view more favourably a licensee that demonstrates that it has a football earnings surplus in each of the reporting periods T and T+1 (based on audited financial statements).

c) *Impact of conversion of accounts from local reporting currency into euros*

If exchange rates have changed such that there is an adverse impact on the licensee's aggregate football earnings in euros compared to the currency used by the licensee for its annual financial statements, then the quantum of the impact of changes in exchange rates will be taken into account.

If the aggregate football earnings in the local currency are positive, then the licensee should in principle not be sanctioned.

For the avoidance of doubt, this mitigating factor does not address the impact of currency exchange differences (exchange gains and/or losses as recognised in the annual financial statements) resulting from transactions denominated in foreign currencies but solely to the conversion of football earnings from a local reporting currency into euros in the CL/FS IT solution.

d) *Short-term forecast and long-term business plan*

As part of its considerations, the CFCB may request from the licensee its short-term forecast and long-term business plan. The required information consists of a balance sheet, a profit and loss account and a cash flow statement, which must be based on reasonable and prudent assumptions and submitted in the form communicated by UEFA.

A long-term business plan that indicates a licensee's ability to comply with the club monitoring requirements will be viewed favourably by the CFCB.

e) *Debt situation*

Additional information may also be requested from a licensee in respect of its debt situation. This may include aspects such as the source of debt, the ability to service interest and principal payments, compliance with debt covenants and the maturity profile of debt.

As part of its considerations, the CFCB may evaluate among others the following debt ratios to assess a licensee's capital structure and debt-servicing capability:

- i) Degree of leverage – the level of net debt relative to revenues and underlying assets;
- ii) Profitability and coverage – the level of revenues relative to net debt servicing costs;
- iii) Cash flow adequacy – the capacity to cover both interest and principal repayments of net debt.

f) *Force majeure*

The CFCB may take into account extraordinary events or circumstances beyond the control of the club which are considered as a case of force majeure.

g) *Major and unforeseen changes in the economic environment*

The CFCB may take into account the quantifiable financial impact on the club of extraordinary national economic events which are temporary and considered to be beyond the general fluctuation of the economic environment. Such events were beyond the control of the club and the club had no reasonable chance to mitigate the significant negative financial impact. Such quantifiable financial impact on the club must be covered by contributions not already considered in the club monitoring requirements.

h) *Operating in a structurally inefficient market*

The CFCB may consider whether the licensee is operating in a structurally inefficient football market. The inefficiency of a football market (defined as the territory of a UEFA member association. is determined by UEFA on a yearly basis by means of a comparative analysis of the top-division clubs' total gate receipts and broadcasting rights revenues relative to the population of the territory of the UEFA member association concerned. Such structurally inefficient market factor must be covered by contributions not already considered in the club monitoring requirements.

ANNEX N – LEGAL CRITERIA FOR MEMBER CLUBS

N 1 Constitution of Member Clubs

- i) A Member Club may be constituted either as a “sui generis” civil society under Maltese Civil Law or as a commercial company constituted under the Companies Act 1995 (Chapter 386 of the Laws of Malta).
- ii) a) Prior to the transformation of a “sui generis” civil society Member Club into a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), the Club shall send a copy of the proposed Memorandum and Articles of Association for the prior written approval of the Executive Board of the Association.
b) In the event that a Member Club constituted as a “sui generis” civil society under Maltese Civil Law, wishes to be constituted as a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), it will have to comply with the Criteria Concerning Member Clubs Incorporated as Commercial Companies contained in Schedule N(A) of these Regulations. Furthermore, the Executive Board of the Association may give such directives as the Executive Board may deem fit and proper.
- iii) In the case of a Member Club which is a “sui generis” civil society, the Club shall send to the Association a copy of any new Statute and of any amendments which may be made to its Statute. These must comply, as a minimum, with the Statute, Regulations and Bye-Laws of the Association and with the Statutes, Regulations and Bye-Laws of FIFA and UEFA.
- iv) In case that a Member Club is a commercial company, such Club shall send to the Association a copy of any new Memorandum and/or Articles of Association and any amendments to the Memorandum and/or Articles of Association. These must comply, as a minimum, with the Statute, Regulations and Bye-Laws of the Association and with the Statutes, Regulations and Bye-Laws of FIFA and UEFA.
- v) The Association shall not recognise any Statute or any Memorandum and/or Articles of Association or particular clauses in such Statute or Memorandum and/or Articles of Association or any amendments thereto if these are contrary to the Statute, Regulations or Bye-Laws of the Association or the Statutes, Regulations and Bye-Laws of FIFA or UEFA or which are contrary to any directives which the Executive Board of the Association may have given.

N 2 Annual General Meeting

- i) A Member Club, whatever its constitution, shall hold an Annual General Meeting not earlier than the 15th day of May and not later than the 15th day of June in each year.
- ii) The Management Committee or the Board of Directors shall include the following items on the Agenda of the Annual General Meeting:
 - a) Approval of the Minutes of the last Annual General Meeting and the Minutes of any intervening Extraordinary General Meeting.
 - b) i) For Member Clubs with Professional or Semi-Professional Status, the presentation of the unaudited interim accounts and the balance sheet (1st January to 30th April) for the approval of the members or shareholders as the case may be;
 - ii) For Member Clubs with Amateur Status:

1. the presentation of the audited accounts and the balance sheet for the previous financial year (1st January to 31st December) for the approval of the members. These must be on the Member Clubs' Annual Return Form contained in Schedule N(IA) of these Regulations. However, in the case of a Member Club, which in the following season intends to apply for a Professional or Semi-Professional Status Licence, the accounts must be audited and prepared by an independent Certified Public Accountant and Auditor or by an independent firm of Certified Public Accountants and Auditors;
 2. the presentation of the unaudited interim accounts and the balance sheet (1st January to 30th April) for the approval of the members.
 3. The election of Auditor/s.
- c) The election of the Management Committee of the Club or of the Board of Directors of the Company for the following year, except in the case of those officials whose term of office has not yet expired and have not in the meantime resigned their office.
 - d) The consideration of any amendments to Statute of the Member Club concerned or to the Memorandum and/or Articles of Association of the Member Club Company, as the case may be.
 - e) The consideration of any motions submitted by the members of the Member Club or the shareholders of the Member Club Company, as the case may be.
- iii) The Annual General Meeting shall not be valid unless notice thereof, including the date, time and place of the meeting, is given to the members or shareholders, as the case may be, and to the Association, at least fifteen (15) days prior to the date of the meeting.
 - iv) The quorum of the Annual General Meeting shall be fifty per cent plus one (50%+1) of the paid-up members of the Member Club or of the shareholders of the Member Club Company, as the case may be. However, if after half an hour of the time scheduled for the meeting, this quorum is not reached, the meeting may be held with the number of members present.
 - v) The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule IB of these Regulations.

N **3** Extraordinary General Meetings

- i) Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet
 - a) A Member Club with a Professional or Semi-Professional status, whatever its constitution, shall hold an Extraordinary General Meeting not earlier than the 15th day of March and not later than the 15th day of April in each year, for the approval of the Audited Accounts and Balance Sheet.
 - b) The Management Committee or the Board of Directors shall include the following items on the Agenda of the Extraordinary General Meeting:
 1. Approval of Minutes of the last Extraordinary General Meeting for the approval of audited Accounts and Balance Sheet;
 2. The presentation of the audited accounts and the balance sheet for the previous financial year (1st January to 31st December) for the approval of the members or shareholders. If the financial statements are prepared by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, these must be audited and prepared in accordance with the provisions concerning accounts and

audit, including the provisions applicable to small companies, of the Companies Act 1995 (Chapter 386 of the Laws of Malta). In case that the accounts and the balance sheet are audited by persons who are not qualified as Certified Public Accountants and Auditors, these must be on the Member Clubs' Annual Return Form contained in Schedule IIA of these Regulations. However, in the case of a Member Club, which in the following season intends to apply for a Professional or Semi-Professional Status Licence, the accounts must be audited and prepared by an independent Certified Public Accountant and Auditor or by an independent firm of Certified Public Accountants and Auditors;

3. The election of Auditor/s.

- c) The Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet shall not be valid unless notice thereof, including the date, time and place of the meeting, is given to the members or shareholders, as the case may be, and to the Association, at least fifteen (15) days prior to the date of the meeting.
- d) The quorum of the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet shall be fifty per cent plus one (50%+1) of the paid-up members of the Member Club or of the shareholders of the Member Club Company, as the case may be. However, if after half an hour of the time scheduled for the meeting, this quorum is not reached, the meeting may be held with the number of members present.
- e) The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule N(B) of these Regulations

ii) Other Extraordinary General Meetings

The Statute of a Member Club or the Memorandum and Articles of Association of a Member Club Company may provide for the holding of other Extraordinary General Meetings. In this case, the Association shall be informed of any such scheduled Extraordinary Meeting at least seven (7) days prior to the holding of such a meeting. The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule IB of these Regulations.

N **4 Member Club's Management Committee**

- i) a) Management Committee of Member Clubs, whatever their constitution, shall be composed of at least five (5) persons but not more than fifteen (15) persons, including the officials and any co-opted members.
- b) In the case of a Member Club, whatever its constitution, the number of co-opted members shall not exceed two (2) in one season.
- c) In the case of the President, the Vice-Presidents, if more than one, the Treasurer and the Secretary, these may be elected directly by the General Meeting for a term of office not exceeding three (3) years.
- ii) a) If the President, the Vice-president or Vice-presidents, the Treasurer and the Secretary are not elected during the Annual General Meeting due to the fact that the Club's Statute provides that these are to be elected by the Management Committee, the Management Committee of a Member Club which is a "sui generis" civil society shall, during its first meeting after the Annual General Meeting, elect from amongst its members the Clubs' officials of the

Club, namely the President, at least one (1) Vice-president, a Treasurer and a Secretary. Other officials may be elected as necessary.

- b) The first meeting of such a Management Committee shall be held within a week after the Annual General Meeting but in any case not later than the 30th June.
- iii) a) In the case of a Member Club which is a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) the Board of Directors shall during its first meeting after the Annual General Meeting, nominate or elect the Management Committee of the Club.
b) This Management Committee shall include the President, a least one (1) Vice-President, a Treasurer, a Secretary and at least one (1) member. Other officials and other members may be nominated or elected as necessary.
c) The officials and members of such a Management Committee need not be shareholders or members of the Board of Directors. However, the number of persons on the Management Committee shall not exceed the number mentioned in article 4(i)(a) of this Schedule.
d) The first meeting of the Board of Directors shall be held within a week after the Annual General Meeting had been held but in any case not later than the 30th June.
- iv) The members of a Management Committee of a Member Club, which is a "sui generis" civil society, shall not be eligible for election if they are not 'bona fide' members of the Member Club for at least thirty (30) days prior to the Annual General Meeting. Such requisite shall also be included in the Member Club's Statute.
- v) The Members of a Management Committee of a Member Club which is a "sui generis" civil society and the Members of the Board of Directors of a Member Club which is a Company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) shall not be eligible for election if they are persons who have been suspended by the Association from serving in such a capacity or who are persons who had been declared "personae non grata" by the Association and/or by FIFA and/or by UEFA.
- vi) a) A member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society and a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) may not, during the same and the following season, be a member or a co-opted member of the Management Committee of another Member Club which is a sui generis civil society or a member of the Board of Directors of another Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta). Provided that, if the Member Clubs in question compete in different divisions, such restriction shall only apply for the same season.
b) Members of a Management Committee, including co-opted members, or Members of the Board of Directors, Administrators, or Employees of a Member Club, shall not at the same time hold a position whatsoever, or directly or indirectly exercise control, influence, or any management authority over, or hold any direct or indirect financial interest in any other Member Club or in a Club affiliated with the Gozo FA. Provided that this prohibition shall not apply to medical staff in the fulfilment of their role as such.
- vii) a) A person who during the current season has his spouse or son or daughter or parent a member or a co-opted member of the Management Committee of another Member Club which is a sui generis civil society or a member of the Board of Directors of another Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), if both Clubs are competing in the same division, such person requires the pre-emptive consent of the Executive Board prior to becoming a member or a co-opted member of such Management Committee or a member of such Board of Directors, as the case may be.
b) In the event that notwithstanding the provisions of sub-clause (a) above, such a person has been elected to or has been co-opted as a member of the Management Committee or has been elected to the Board of Directors of a Member Club prior to having obtained the

Executive Board's permission, any act done by such person on behalf of such Club shall be deemed null and void.

- c) In the event that the Executive Board deems that only one of the persons of the same family as described in sub-clause (a) above may be or remain a member or a co-opted member of the Management Committee or a member of the Board of Directors of one of the Member Clubs concerned, the Executive Board shall have the right to decide who of the persons of the same family may be or remain a member or a co-opted member of the Management Committee or a member of the Board of Directors of one of the Member Clubs concerned.
 - d) Any decision to be made by the Executive Board with regards to the provisions of this clause shall be through a secret vote.
- viii) A person, even if already elected or co-opted to the Management Committee of a Member Club which is a sui generis civil society or as a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), who previously to joining the Management Committee or the Board of Directors was being charged or was found guilty of a serious criminal offence by a competent Court, may be prohibited by the Executive Board from becoming or remaining, as the case may be, a member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society or a member of the Board of Directors of Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), as the case may be.
- ix) A member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society or a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta) who during his term of office is charged or found guilty of a serious criminal offence by a competent Court may be prohibited by the Executive Board from remaining a member or co-opted member of such Management Committee of a Member Club which is a sui generis civil society or a member of such Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), as the case may be.
- x) a) Notwithstanding the provisions of clauses (vi) to (ix) above, all the members and co-opted members of a Management Committee of a Member Club which is a sui generis civil society and all the members of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) are subject to the approval of the Executive Board.
- b) Besides a request to the Executive Board made under sub-clause (vii)(a) above, a written request may also be made to the Executive Board for its approval prior to the election or co-option of a member to the Management Committee of a Member Club which is a sui generis civil society or prior to the election of a member to the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta).
- c) Except in the case of a person who was given approval by the Executive Board prior to election or co-option, unless in the meantime a new reason for rejection has arisen, the Executive Board has the right to refuse the approval of any member or any co-opted member of the Management Committee of a Member Club which is a sui generis civil society or of any member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta) both prior and after election or co-option of members. The Executive Board is not obliged to state its reasons for any such refusal.
- d) The Executive Board may delegate the vetting of Members of a Management Committee, including co-opted members, and the Members of the Board of Directors to the General Secretariat. In any case, prior to approval by the Executive Board, all Committee Members of Premier League Clubs and Officers and their Deputies (President, Vice Presidents, Secretary, Assistant Secretary, Treasurer, Deputy Treasurer) of all other Member Clubs shall undergo a due diligence exercise. Such due diligence exercise shall be undertaken in the form

established by the Executive Board from time to time and implemented by the General Secretariat.

- e) The Executive Board may also refer any member, co-opted member, or Director of a Management Committee of a Member Club to the Ethics and Compliance Committee where it deems that there may be reputational risk for the Association should such member, co-opted member, or Director be approved.

N 5 Duties of Member Club's Management Committee

- i) a) Subject to the Statute, Regulations and Bye-laws of the Association, the Management Committee of a Member Club shall have the control of all the affairs connected with the running of the Member Club concerned, including all matters connected with association football and with the Association in the city, town or village over which such Member Club has jurisdiction and shall be the only body for this purpose by the Association in the city, town or village concerned. The Association shall have jurisdiction over the members of such Management Committee.
- b) Notwithstanding the provisions of sub-clause (a) above, the Association shall have jurisdiction over the members of the Board of Directors even though these may not form part of the Club's Management Committee.
- c) Notwithstanding the provisions of sub-clause (a) above, members of the Board of Directors are considered as Management Committee Members in the case of misdemeanours committed by them.
- ii) Agreements between Member Clubs and agreements between a Member Club and a non-amateur player, must be approved by the Management Committee during a formal meeting of the Management Committee. Failure to abide by this provision shall be deemed to be a serious offence and both the Member Club concerned and those Members of the Club's Management Committee responsible for the agreement shall be subject to disciplinary proceedings.
- iii) The Management Committee may appoint sub-committees to help it in its duties. However, the Management Board shall in all cases be responsible for its Member Club towards the Association.
- iv) a) The Secretary of a Management Committee shall send within the established time-limits to the General Secretary of the Association all the information which is required by the Statute, Regulations and Bye-Laws of the Association or by the Executive Board of the Association. This information must be on the official form/s established by the Executive Board. The form/s must provide for the following information: the official name of the Club, the address of the Club and the correspondence address if different from that the Club's premises, the legal form of the Club (whether a 'sui generis' civil society or a commercial company), the list of the signatories (last name, first name and home address) and the type of signature required (individual, collective, etc.) as well as the telephone number/s, the fax address and the e-mail address of the Club.
- b) In the case of a commercial company, an official registration certificate must be attached to the form mentioned in sub-clause (a) above.
- c) Information sent by the Secretary of a Management Committee may be required to be confirmed on oath.
- v) A resolution or a decision of the Management Committee may not be rescinded at the meeting at which it was passed or at a subsequent regularly convened Management Committee meeting during the same season unless the motion for rescinding it is carried by three-fourths ($\frac{3}{4}$) of the members present and voting.

- vi) Unless otherwise stipulated, the Club shall be represented by its President and Secretary. These shall have the right to sign documents on behalf of the Club.

N 6 Financial Loans and other Financial Obligations of Member Clubs (6(iii) to 6(vii) applicable as from 1 June 2023)

- i) Member Clubs must have a provision in their Statute stipulating that any financial loan taken by the Club or any other financial obligation entered into by the Club which exceeds five hundred euro (€500), except in the case of agreements by a Member Club with another Member Club, and except in the case of agreements between a Member Club and a non-amateur player, shall not be valid, and therefore not legally binding on the Member Club concerned, unless such obligations are approved by the Club's Management Committee during a formal meeting, are made in writing and are signed by the President, the Secretary and the Treasurer of the Club.
- ii) Repealed.
- iii) A Member Club which receives any donation or sponsorship of over ten thousand euros (€10,000) shall disclose, by means of a form for this purpose, the following information:
 - a) The sponsorship/donation agreement;
 - b) The source of funds of the donor/sponsor;
 - c) An identification document of the donor/sponsor;
 - d) A 'Know-Your-Client' form.
- iv) Any such donation, sponsorship, or loan agreed in favour of a Member Club shall be paid through traceable means.
- v) For the purposes of the threshold amount established in Article 6(iii) above, any loans, donations and sponsorships made within a period of twelve (12) months shall be deemed to be one transaction. For all intents and purposes of the computation, donations and sponsorships granted by the same person or by any entity related directly or indirectly to the same person, shall be deemed to be one transaction.
- vi) In the case of any breach under this Article, the Member Clubs' Licensing Board shall be empowered to take disciplinary measures by imposing a fine which shall be equal to a percentage (10%) of the amount involved in the transaction under review (donation/sponsorship/loan), but in any case not less than €5,000.
- vii) Funding originating from the Government, local council and/or European Funds shall not be subject to any review. Proof of the source of such funding may be requested.

N 7 Member Club's Premises

- i) The Management Committee of a Member Club shall be responsible towards the Association for the activities held on the Member Club's premises or at the Club's training infrastructure.
- ii) No political activities of any sort shall be permitted by a Member Club's Management Committee on the premises or at training infrastructure of its Club.
- iii) No illegal or immoral activities shall be permitted by a Member Club's Management Committee on the premises or at the training infrastructure of its Club.

- iv) The Executive Board shall punish violations of these provisions as it may deem fit.
-

N **8 Member Club's Sponsors**

- i) The Executive Board or the Ethics and Compliance Committee shall have the right to object to any sponsorship agreement concluded by a Member Club.
 - ii) In the case of any objection by the Executive Board or the Ethics and Compliance Committee, the Member Club concerned shall not associate with such sponsor, be it an individual, body of persons or company and/or with their product. Furthermore, a Member Club shall not enter into another sponsorship agreement or associate itself with such an individual, body of persons or company, or with any of their products, without the prior approval of the Executive Board or the Ethics and Compliance Committee, as the case may be.
 - iii) Any wilful transgression of the different provisions contained in this article shall be deemed to be a serious offence.
-

N **9 Members' Status Committee**

- i) The Association shall have a Members' Status Committee which shall be appointed by the Executive Board.
- ii) The Members' Status Committee shall consist of a Chairman, who shall be an officer of the Association, two (2) Vice-Chairmen, one of whom shall be the Honorary Treasurer of the Association and who shall be the first Vice-Chairman, unless he is the Chairman, a number of members as may be deemed necessary, and a Secretary.
- iii) The Members' Status Committee shall be competent to deal with all matters relating to these Legal Criteria for Member Clubs and Member Associations, including the monitoring of the Statutes of Member Clubs and Member Associations, and of the Memorandum and Articles of Association of Member Clubs which are commercial companies and any amendments to such Statutes or Memorandum and Articles of Association, as well as to deal with any internal problems which a Member Club may refer to the Association.
- iv) If the Members' Status Committee is of the opinion that action against a Member Club or a Member Association is warranted it shall inform the Executive Board of the Association about the matter for any action which it may deem necessary to take.

ANNEX N(i) – CRITERIA REGARDING MEMBER CLUBS INCORPORATED AS COMMERCIAL COMPANIES

A Member Club desiring to incorporate into a commercial company, or any such company which proposes to make a fresh issue of shares, or in which a transfer of shares is to be approved, must apply to the MFA in writing and submit a copy of the proposed Memorandum and Articles of Association of the company, as well as any other documentation and evidence that the Executive Board of the MFA may deem appropriate to require of the applicant in each particular case.

Before the Executive Board accedes to such request it must be satisfied that the proposed Memorandum and Articles of Association include the under-mentioned conditions and other conditions, which may be recommended by the Members' Status Board of the Association.

- ¹ The main object of the company must be the carrying on of the business of a football club constituted in accordance with the rules and regulations of the Malta Football Association for the purpose of preparing football teams at all levels to participate in competitions organised by the Malta Football Association and, if qualified, to represent the Malta Football Association in international competitions at club level and to observe the rules and regulations of the Fédération Internationale de Football Association (FIFA) and of the Union des Associations Européennes de Football (UEFA).
- ² No person, whether physical or juridical, or any other association of persons, whether corporate or noncorporate, may, whether directly or indirectly, hold, control or in any other manner influence, more than forty-nine per cent (49%) of the shares or the voting rights in any such company.
- ³ No person, whether physical or juridical, or any other association of persons, whether corporate or noncorporate, being already a member or director of a Member Club or any such company may, whether directly or indirectly, own shares or otherwise be a member, director or Committee member of another Member Club, however constituted. This prohibition shall continue to apply for a period of three years after such person or association of persons ceases to be a shareholder, director, member or board member of the member club, however constituted.
- ⁴ Non-amateur players and active referees are prohibited from holding shares, whether directly or indirectly, in such a company. In the case of a referee, this prohibition shall continue to apply for a period of five years after he has ceased to be an active referee.
- ⁵ Such a company, whether on inception or on conversion, must ensure that prior to incorporation or conversion, its shares or any class thereof, are offered to the members of the Member Club as constituted prior to incorporation or conversion. The price of these shares, and the rights attaching thereto, shall be subject to the approval of the Executive Board, which must ensure that the price is reasonable, and that the rights attaching thereto reflect the contribution of that class. These shall have the right to be represented on the Board of Directors.
- ⁶ Amendments to the Memorandum and Articles of Association of a such a company shall not be valid unless approved by at least seventy-five per cent (75%) of the voting rights in the company and unless such change is approved by the MFA Executive Board.
- ⁷ A director of such a company shall resign from the post or is to be removed there from if he is suspended from all football activities for a period of more than six months and until such time as he is still under such suspension.
- ⁸ A non-amateur player cannot be a director of such a company.
- ⁹ An active referee cannot be a director of such a company. This prohibition shall continue to apply for five years after he has ceased to be an active referee.
- ¹⁰ No individual may be a shareholder or a director or may continue to be a shareholder or a director of such a company if he has been or is found guilty either under the Prevention of Corruption (Players) Act (Chapter 263 of the Laws of Malta) or of corruption, by the Association, or who has been or is declared "persona non grata" by the Association, or by FIFA or UEFA.

¹¹ A larger dividend shall not be declared than the maximum dividend allowed from time to time by the Executive Board of the Association and may be cumulative for a period not exceeding three (3) years (that is to say, the past three (3) consecutive years). Until otherwise determined by the Executive Board of the Association the maximum dividend payable in respect of any year shall be fifteen per cent (15%) before deduction of tax.

¹² Preference Shares may be issued with cumulative preference dividend not exceeding twelve Euro (€12) per cent net for a period not exceeding three (3) years (that is to say the Preference Shares may be issued with cumulative preference dividend not exceeding twelve Euro (€12) per cent net for a period not exceeding three (3) years (that is to say the past three consecutive years); but the company may not issue more Preference Shares than its subscribed Ordinary Shares.

¹³ A Share shall not be sub-divided. No such company shall make any bonus issue or pay any capital dividend without the written consent of the Executive Board of the Association.

¹⁴ A resolution to wind up such a company shall not be valid unless approved by seventy-five per cent (75%) of the shareholders.

¹⁵ In the case of an application to the competent court for the winding up of such a company, the Association shall be served with a copy of the application and the Association shall have the right to make submissions during the hearing as an interested party.

¹⁶ The Member Clubs' Status Committee and the Executive Board may draw any conclusion that they may deem appropriate to ensure that the provisions of these rules are complied with, and in particular to ensure so far as possible that no indirect holdings or other devices are employed to circumvent the provisions of these rules.

¹⁷ If such a company fails to adhere to the conditions mentioned in these directives or to any other condition imposed by the Executive Board of the Association in the recognition of a Member Club as a company, the Executive Board shall have the right to take all those measures, including the suspension of such Member Club, to ensure compliance as it may deem necessary in the circumstances.

ANNEX N(ii) A. – ANNUAL GENERAL MEETING OF A MEMBER CLUB

ANNUAL GENERAL MEETING OF A MEMBER CLUB

REPORT FORM

Name of Malta FA Representative _____

Member Club holding the AGM _____ Date: ___/___/___

Meeting held at _____ Time Start of Meeting _____ Time End of Meeting _____

Number of Members present _____ Quorum (50%+1) _____

Whether Meeting started late due to lack of Quorum: Yes / No

PROCEDURES

Agenda

(In accordance with the Regulations Governing the Constitution and Management of Member Clubs)

Annual General Meeting

- a. Approval of Minutes of the last Annual General Meeting and any intervening Extraordinary General Meetings
 - i. Presentation of audited Financial Report for the previous calendar year
 - ii. Appointment of Auditors
- b. Election of Management Committee
- c. Amendments to the Statute
- d. Motions
- e. Other Matters

Were all the above items included on the Agenda? Yes / No

Were there other items included on the Agenda? Yes / No

Was the notice to members, including the Agenda, sent to the Members, at least 15 days, before the date of the meeting? Yes / No

Proceedings as per the Agenda:

Who was appointed to keep the minutes for this meeting?

Name & Surname _____ Function _____

Minutes of the last Annual General Meeting held on ___/___/___

Read and Approved: Yes / No If Read and Approved:

Amendments to the statute and/or Motions:

Any Other Matter Raised and Decided:

I the undersigned, as representative of the Malta FA, hereby declare that this report represents a true account of proceedings during the above Annual General Meeting.

Signature of Representative _____ Date ____/____/____

Full name in Block Letters _____

To be sent to the General Secretary of the Association within five (5) days of the Meeting.

ANNEX N(ii) B. – EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB

EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB

REPORT FORM

Name of Malta FA Representative _____

Member Club holding the EGM _____ Date: ____/____/____

Meeting held at _____ Time Start of Meeting _____ Time End of Meeting _____

Number of Members present _____ Quorum (50%+1) _____

(If applicable) Meeting started late due to lack of Quorum: Yes / No

PROCEDURES

Extraordinary General Meeting for the approval of audited Financial Report

- a. Approval of Minutes of the last Extraordinary General Meeting for the approval of audited Financial Report
- b. Presentation of audited Financial Report for the previous season
- c. Appointment of Auditors

Were all the above items included on the Agenda? Yes / No

Was the notice to members, including the Agenda, sent to the Members, at least 15 days, before the date of the meeting? Yes / No

Proceedings as per the Agenda:

Who was appointed to keep the minutes for this meeting?

Name & Surname _____ Function _____

Minutes of the last Extraordinary General Meeting for the approval of the audited Financial Report held on ____/____/____ Read and Approved: Yes / No

If Read and Approved:

Proposed for approval by _____ Seconded by _____

Audited Financial Report for the period 1 January – 31 December 2022

Read and Approved: Yes / No

Audited by: _____

Signed by: _____

If Read and Approved:

Proposed for approval by _____ Seconded by _____

Copy of the approved audited Financial Report must be attached with this report

Auditors for the coming season:

The following auditors were appointed for year 2023

APPLICABLE TO UEFA LICENSED, PROFESSIONAL AND SEMI PROFESSIONAL CLUBS

Name and Surname of Certified Public Accountant and Auditor/Firm of Certified Accountants and Auditors elected by the Extraordinary General Meeting:

APPLICABLE TO AMATEUR CLUBS

Particulars of the two (2) Clubs' Auditors elected by the Extraordinary General Meeting:

Name & Surname: _____ Qualifications: _____

Address: _____

Name & Surname: _____ Qualifications: _____

Address: _____

I the undersigned, as representative of the Malta FA, hereby declare that this report represents a true account of proceedings during the above Extraordinary General Meeting.

Signature of Delegate _____ Date ____/____/____

Full name in Block Letters _____

This report together with copy of the financial report (professional or amateur) must be sent to the General secretary of the Association within two (2) days of the Meeting.

ANNEX O – CORE PROCESS – STANDARD REQUIREMENTS (FLOW CHART DEADLINES)

STEPS	REQUIREMENTS	DEADLINE
01	The Association produces and distributes applications to licence applicants.	15 December
02	The Association receives applications and documents.	31st January or the following Monday, if the 31st January falls on a Saturday or a Sunday
03	The Association checks applications and documents and enters a compliance report	
04	The Licensing Manager sorts and allocates documents to experts.	
05	Experts check documents and report to Licensing Manager.	
06	The Licensing Manager reviews experts' reports.	
07	The Licensing Manager prepares report to Member Clubs Licensing Board (FIB).	
08	The filing of any pending non-financial documents.	16th April or the next working day if the 16th April falls on a Public Holiday or on a Saturday or Sunday.
09	The filing of documents any pending documents proving that any overdue payables have been settled by 30th March or the previous working day if the 30th March is a Public Holiday or falls on a Saturday or Sunday.	16th April or the next working day if the 16th April falls on a Public Holiday or on a Saturday or Sunday.
10	Licence applicant to submit written representation letter	By 16th April
11	The Licensing Manager submits report to Member Clubs Licensing Board (FIB)	18th April or the next day, if the 18th April falls on a Public Holiday or the following Monday, if the 18th April falls on a Saturday or a Sunday
12	The examination of the applications and the written reports of the Licensing Manager by the Member Clubs' Licensing Board	
13	Member Clubs Licensing Board (FIB) decides on granting/refusing the licence. Written decision sent.	20th April or the next day if the 20th April falls on a Public Holiday or the following Monday, if the 20th April falls on a Saturday or Sunday.
14	Applicant files appeal within six days of FIB decision	
15	The Licensing Manager sends FIB decision and documents to Appeals Body.	
16	Appeals Body (Second and Final Instance Body) decides on granting/refusing the licence. Written decision sent.	20th May or the next day if the 20th May falls on a Public Holiday or the following Monday, if the 20th May falls on a Saturday or Sunday;
17	The Association puts on record the issuing or refusal of licences.	
18	The licence applicant must publish on its website or on the website of the Association by and in the form communicated by the licensor the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries and the latest audited annual financial information assessed by the Association.	21st May or the next working day if the 21st May falls on a Public Holiday, Saturday or Sunday
19	The Association notifies UEFA with the list of licensing decisions.	31st May or the date that would have been notified by UEFA

PART B

MALTA FA LICENSING AND FINANCIAL FAIR PLAY REGULATIONS

APPLICABLE TO ALL MEMBER CLUBS PARTICIPATING IN THE NATIONAL LEAGUE OF THE ASSOCIATION

AS AMENDED: 08.03.2016; 30.05.2017; 18.05.2021; 31.05.2022

PART B

MALTA FA LICENSING AND FINANCIAL FAIR PLAY REGULATIONS

APPLICABLE TO ALL MEMBER CLUBS PARTICIPATING IN THE NATIONAL LEAGUE OF THE ASSOCIATION

CONTENTS

Preamble

Article	Page
PART I. THE LICENSING ADMINISTRATION AND PROCEDURE	140
1. Scope of these Regulations	140
2. Responsibilities of the Association	140
3. The Licensing Administration	140
4. The Licensing Manager	141
5. The Panel of Experts	141
6. The Decision-making bodies	141
7. The Powers, Composition and Duties of the Member Clubs' Licensing Board	142
8. The Powers, Composition and Duties of the Appeals Board	143
9. The Licence	145
10. Licence Status	146
11. Catalogue of Sanctions	146
12. The Licensing Procedural Steps (Core Process)	147
13. The Determination of Licence Levels and the Applications of Sanctions	149
i) The Provisional Licence	149
ii) The Monitored Licence	149
iii) The Effects of the Refusal of a Licence	150
iv) Other Sanctions	151
v) Definition and Operation of the Sanction of Prohibition	151
14. Supremacy of the Licensing Decision-making Bodies	151
15. Equal Treatment and Confidentiality	152
16. Clubs Issued with a UEFA Licence	152
PART II. LICENSING CRITERIA	153
17. General	153
18. Conditions for Obtaining a Licence in a Professional, Semi-Professional or an Amateur Status	153
19. Professional Status	153
20. Semi-Professional Status	156
21. Repealed	158
22. Amateur Status	158
23. Obligatory Status of Licence for Taking Part in Domestic Competitions	158
24. Legal Criteria	159
25. Financial Criteria	160
PART III. FINAL PROVISIONS	161
26. Schedules	161
27. Amendments to these Regulations	161
28. Coming into force of these Regulations	161

SCHEDULE I. LEGAL CRITERIA	162
1. Constitution of Member Clubs	162
2. Annual General Meeting	162
3. Extraordinary General Meetings	163
i) Extraordinary General Meeting for the Approval of the Audited Accounts and Balance Sheet	163
ii) Other Extraordinary General Meetings	164
4. Member Club's Management Committee	164
5. Duties of the Member Club's Management Committee	167
6. Financial Loans and other Financial Obligations of Members Clubs	168
7. Member Club's Premises	168
8. Member Club's Sponsors	169
9. Members' Status Committee	169
SCHEDULE I A: CRITERIA REGARDING MEMBERS CLUBS INCORPORATED AS COMMERCIAL COMPANIES	170
SCHEDULE I B: ANNUAL/EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB REPORT FORM	172
SCHEDULE II: FINANCIAL CRITERIA APPLICABLE TO MEMBER CLUBS APPLYING FOR A PROFESSIONAL AND/OR SEMI-PROFESSIONAL LICENCE	177
1. Application	177
2. Annual Financial Statements	177
3. Interim Financial Statements	177
4. No overdue payables towards football clubs	178
5. No overdue payables towards Employees and the Commissioner for Revenue	180
6. Written representations prior to the licensing decision	180
7. No overdue payable towards football clubs – Monitoring	180
8. No overdue payables towards Employees and the Commissioner for Revenue – Monitoring	181
9. Definition of 'Overdue Payables'	182
10. Duty to Report Subsequent Events	183
SCHEDULE III: DETERMINATION OF THE AUDITOR AND AUDITOR'S ASSESSMENT PROCEDURES	184
1. Principle	184
2. Assessment Procedures	184
3. Subsidy for Audit Fees	184
SCHEDULE IV: MINIMUM DISCLOSURE REQUIREMENTS	185
1. Principle	185
2. Balance Sheet	185
3. Profit and Loss Account	186
4. Cash Flow Statement	187
5. Notes to the Financial Statements	188
6. Financial Review by Management	191
SCHEDULE V: BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS	192
1. Principle	192
2. Consolidation Requirements	192
3. Accounting Requirements for Player Registrations	192
4. Player Identification Table	193
SCHEDULE VI: BASIS FINANCIAL CRITERIA APPLICABLE TO MEMBER CLUBS APPLYING FOR AN AMATEUR LICENCE	195
1. Application	195

2. The Keeping of Proper Books of Accounts	195
3. Payments made by Clubs	195
4. Receipts of Member Clubs	196
5. Member Clubs' Standard Annual Report Form or Audited Financial Statements Certified by a Certified Public Accountant and Auditor or by a Firm of Certified Public Accountants and Auditors	196
6. Investigations by the Member Clubs' Licensing Board	197
7. Breach of the Financial Criteria	197
SCHEDULE VI A: MEMBER CLUBS' ANNUAL REPORT FORM	199
SCHEDULE VII: CORE PROCESS – STANDARD REQUIREMENTS (FLOW CHART DEADLINES)	208
MOTION REGARDING THE MERGER OF NURSERIES	210

PART I. THE LICENSING ADMINISTRATION AND PROCEDURE

Article 1 Scope of These Regulations

These regulations govern the rights, duties and responsibilities of all parties involved in the Association's club licensing system for participation in the National League competitions and define in particular:

- a) the MFA licence applicant and the licence required to enter the National League competitions (chapter 2);
- b) the minimum sporting, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a licence applicant in order to be granted a licence by the Association as part of the admission procedure to enter the National League competitions (chapter 3).

Article 2 Responsibilities of the Association

- i) The Association governs the MFA clubs licensing system.
- ii) In particular the Association must:
 - a) establish an appropriate licensing administration as defined in Articles 3 and 4;
 - b) establish at least two decision-making bodies as defined in Article 6;
 - c) set up a catalogue of sanctions as defined in Article 11;
 - d) define the core process as defined in Article 12;
 - e) ensure equal treatment of all Member clubs applying for a licence and guarantee the Member clubs full confidentiality with regard to all information provided during the licensing process as defined in Article 15;
 - f) determine whether a licence can be granted.

Article 3 The Licensing Administration

- i) The tasks of the licensing administration include:
 - a) preparing, implementing and further developing the club licensing system;
 - b) providing administrative support to the decision-making bodies;
 - c) assisting, advising and monitoring the licensees during the season;
- ii) At least one staff member or an external financial adviser must have a financial background and a diploma in accountancy/auditing recognised by the Laws of Malta, or must have several years' experience in the above matters (a "recognition of competence").

Article 4 The Licensing Manager

- i) The Executive Board must have appointed a Licensing Manager, responsible for the administrative procedure relating to the licensing of Member Clubs participating in the National League of the Association in accordance with the licensing core process established in these regulations. He must not be a member of the other bodies of the Association dealing with Member Clubs' licensing matters (the Member Clubs' Licensing Board and the Appeals Board).
 - ii) In the checking of the licence applications and the accompanying documents, the Licensing Manager shall seek the assistance of the members of the Panel of Experts.
 - iii) The Licensing Manager must ensure that the necessary procedures relating to the licensing of clubs as provided in these regulations are carried out in the most efficient manner within the time limits established in these regulations. Furthermore, the Licensing Manager and his staff are subject to the confidentiality rules as mentioned in these regulations and must strictly follow these rules.
-

Article 5 The Panel of Experts

- i) The Executive Board shall appoint a Panel of Experts whom the Licensing Manager, the Member Clubs Licensing Board and the Appeals Board may be able to consult in case of need. This Panel shall be made up of a Legal Expert holding a warrant issued by the Ministry of Justice, an Infrastructure and Training facilities Expert, an Expert in Finance and Auditing holding a warrant of Certified Public Accountant issued by the Accountancy Board under the auspices of the Ministry of Finance, an Expert in Youth Development, an Expert in Coaching Development, an Expert in Order and Security and an Expert in Administration. The Panel of Experts are appointed for a period of two (2) calendar years.
-

Article 6 The Decision-making bodies

- i) The MFA licence is granted to a Member Club by the Member Clubs' Licensing Board (hereinafter 'the Board') established in accordance with the Association's Statute or by the Appeals Board of the Association. The Board is the body of first instance in the licensing process.
- ii) A Member Club shall be granted the MFA licence if at the time that the application for the granting of the MFA licence is considered by the Board, such Member Club is deemed by the Board to have complied with the obligatory conditions and criteria established in these regulations.
- iii) In case that a club does not comply with the obligatory conditions and criteria established in these regulations for the granting of the MFA licence, the decision-making bodies shall sanction the defaulting Member Club according to Article 11 of these Regulations, depending on the level of licence the Member Club would be granted, whether this is a Full Licence or a Monitored Licence.
- iv) A Member Club which is refused the granting of the MFA licence, or has been granted a Monitored licence by the Member Clubs' Licensing Board has the right to appeal to the Appeals Board of the Association established in the Associations' Statute. The decision of the Appeals Body, which is the second and final instance body in the licensing process, is final and binding.

Article 7 The Powers, Composition and Duties of the Member Clubs' Licensing Board

- i) The Member Clubs' Licensing Board, hereinafter referred to also as 'the Board', will be the body of first instance in the licensing procedure and is competent to deal with all those matters with which it is entrusted in these regulations, including the power to grant or refuse to grant the MFA licence, the Monitored Licence or the Provisional Licence to applicant Member Clubs as well as the power to ensure that during the season licensed clubs are complying with the conditions and criteria of their MFA licence in accordance with these regulations. The Board also decides on whether or not a licence should be withdrawn. The Board must be independent of the Appeals Board.
- ii)
 - a) The Board shall be elected by the General Assembly for a period of two (2) calendar years starting on the first day of January. These shall be eligible for re-election.
 - b) Members of the Board may not be removed during their term of office unless for a serious and grave reason to the satisfaction of the Executive Board. However, a member requiring a special qualification shall be removed in case that such a member ceases to hold the required qualification.
 - c) The Executive Board shall be entitled to fill any permanent vacancy which may occur during the term of office of the Board.
- iii)
 - a) The Board shall be composed of a Chairman, two Deputy Chairmen and of a number of other members which shall be between five (5) and eight (8). Out of these members, at least one must hold the qualification of an auditor, holding a warrant of Certified Public Accountant issued by the Accountancy Board under the auspices of the Ministry of Finance and at least one must be a lawyer, holding a warrant issued by the Ministry of Justice. The members of the Board may not belong simultaneously to a judicial body of the Association. Furthermore, a member of the Board or a member of his family (spouse, children, parent or siblings) must not have any association whatsoever with any Member Club. In particular, a member of the Board may not be a member, a shareholder, a business partner, a sponsor or a consultant of any Member Club.
 - b) A member of the Board must automatically abstain if there is any doubt as to his independence vis-à-vis the applicant Member Club or if he has a conflict of interest.
 - c) The Members of the Board must follow strictly the confidentiality rules as mentioned in these regulations.
 - d) The Executive Board shall appoint a Secretary to assist the Board in its duties. The Secretary shall be a staff member of the Association.
 - e) The Executive Board shall have the right to substitute temporarily any member of the Board who for any reason whatsoever is temporarily unable to discharge his duties. In the case of a substitution, the Executive Board shall adhere to the qualification requirements of the substituted member as established in these regulations. In case that the Executive Board fails to make a substitution when so required, the Member Clubs' Licencing Board shall still be able to perform its functions provided it has the required quorum.
- iv) The quorum of the Board consists of the Chairman (or one of the two Deputy Chairman) and two other members.
- v) The Chairman of the Board (or a Deputy Chairman, if he is acting as Chairman of the Board) has both an original and a casting vote. The Secretary shall not vote.

Article 8 The Powers, Composition and Duties of the Appeals Board

- i) There shall be an Appeals Board, hereinafter referred to also as ‘the Board’, that will be the body of second instance in the licensing procedure and which shall be competent to decide on all appeals submitted in writing and shall make a final and binding decision on whether a licence should be granted or refused to an Applicant, or whether an applicant retains a Monitored Licence. The Board also decides on whether or not a licence should be withdrawn. The Board must be independent of the Member Clubs Licensing Board.
- ii) Appeals from a decision of the Licensing Board may only be lodged either by a licence applicant who received a refusal to its application from the Licensing Board, by a licensee whose license has been withdrawn by the Licensing Board according to these Regulations, by a licensee who has been granted a Monitored Licence by the Licensing Board according to these Regulations and/or by the Licensing Manager.
- iii) All the members of the Appeals Board and the substitute members shall be independent and neutral. These shall be elected by the General Assembly for a period of two (2) year. They shall be eligible for re-election.
- iv)
 - a) The Board shall consist of a Chairman and two (2) Members.
 - b) There shall be also a Panel of Substitute Members consisting of not less than five (5) and not more than seven (7) members to substitute any member of the Appeals Board who for any reason whatsoever is unable to take cognizance of an appeal.
 - c) The composition of the Appeals Board or the Panel of Substitute Members must include both a lawyer and a certified public accountant and auditor.
 - d) The composition of the Appeals Board must include at least one lawyer and at least one certified public accountant and auditor.
 - e) In the case of the hearing of an appeal from a decision of the Member Clubs’ Licensing Board as mentioned in sub-clause (iv) (d) above, if the composition of the Appeals Board does not include a lawyer and/or a certified public accountant and auditor, the Chairman of the Board shall designate, from the Panel of Substitute Members, at least one lawyer and at least one certified public accountant and auditor so that the Board will include at least one lawyer and at least one certified public accountant and auditor.
 - f) The Executive Board shall appoint a person to act as Secretary of the Board. The Secretary of the Board shall be responsible for administrative matters.
- v) A member of the Appeals Board, appointed in accordance with to the relevant articles of the Statute of the Association, shall:
 - a) Act impartially in the discharge of their duties;
 - b) Abstain if there is any doubt as to his independence from the licence applicant, or if such a member has a direct or indirect conflict of interest. In this connection, the independence of a member may not be guaranteed if he or any member of his direct family is a member, shareholder, business partner, sponsor or consultant of the licence applicant;
 - c) not be the licensing Manager;
 - d) not belong simultaneously to any other Board of the Association;
 - e) not belong simultaneously either to the administrative staff, to the administration, Executive Board, or any other Board or Committee of the Association;
- iv)
 - a) Decisions of the Appeals Board shall be taken in accordance with the simple majority of votes.
 - b) The Chairman of the Board shall have both an original and a casting vote.

- vii) Each member of the Board and the Secretary to the Board, shall bind themselves that they shall not in any manner whatsoever, divulge to anybody whomsoever, any information and/or the contents of any document that may come to his knowledge or in his possession because of his office. Any member, including the secretary, who contravenes this condition, shall be guilty of a breach of trust against the Association and against the Member Club and/or individual concerned. The member guilty of such a breach of trust shall be sanctioned by the Association's Executive Board with dismissal from any office within the Association as well as with a prohibition from holding any office within the Association for a period of three (3) years. Furthermore, both the Association and/or the aggrieved Member Club and/or individual concerned shall have claim against him for any damage suffered through such a breach of trust.
- viii) An appeal shall be lodged by means of a petition. A petition of appeal must, under pain of nullity, be in writing and must include the reasons for the appeal. Furthermore, under pain of nullity, it must be:
- a) filed with the Secretariat of the Association in the manner established by the General Secretary and communicated to all member clubs by means of a letter circular; and
 - b) accompanied by a deposit of the relevant fee as established by the Executive Board; and
 - c) filed within six (6) days from the date of notification of the decision against which an appeal is to be lodged, or the next available working day if the sixth (6th) day fall either on a Public Holiday or on a Saturday or Sunday.
- ix) The nullity of an appeal for any reason mentioned in this clause shall be decided by the Chairman of the Board alone without any hearing and the decision in writing shall be given "in camera". In such a case, the Chairman shall decide also whether the deposit, if a deposit had been made, shall be forfeited, or refunded in whole or in part.
- x)
 - a) The deposit of the appeal shall be automatically forfeited in favour of the Association if the appeal is not upheld.
 - b) If the appeal is only partially upheld, the Board shall, at its discretion, decide as to what amount, if any, shall be forfeited in favour of the Association.
 - c) If in the opinion of the Board a frivolous or an irresponsible appeal was lodged, besides the automatic forfeiture of the deposit in favour of the Association, the Board may impose on the appellant a fine not exceeding five hundred euro (€500).
- xi) The Board is empowered to regulate its own procedure, provided that the following rules are observed:
- a) The appellant shall be given at least three (3) days' notice of the date, place and time of the hearing, provided that an appellant and an appealed party may renounce to this time limit.
 - b) Each party to an appeal shall have the right to object only once against a member of the Appeals Board. Such objection shall be for a cause. The fact that a member of the Board had been the Chairman or a member of the Board when a decision on an appeal based on the same or similar facts and/or on the same rules on which the present appeal is based was taken, shall not qualify as a valid cause for upholding an objection against a member of the Board.
 - c) The decision whether to uphold or reject such an objection is decided upon by the Board.
 - d) In the case that an objection against a member of the Board is accepted, even where the member objected to is the Chairman, the Chairman of the Board shall substitute the member objected to by another member from the Panel of Substitute Members.
 - e) As a rule, no oral evidence is allowed during a hearing but the Board may ask for evidence which has already been tendered to be heard orally. In exceptional circumstances, the Board may allow new evidence to be produced by the parties provided that the party requesting it proves to the satisfaction of the Board either that he could not produce such evidence before the body of first instance or he could not reasonably have known of such evidence before

- the appealed decision had been taken by the body of first instance. Furthermore, the Board may ask for the production of additional evidence.
- f) The Board may consult the members of the Panel of Experts nominated by the General Assembly under the relative provisions of appropriate regulations.
- xii) a) If an appeal is not upheld, the Board shall also decide on the expenses of the appeal to be paid by the appellant. If an appeal is upheld, the Board shall decide whether the deposit of the appeal is to be refunded in full or in part to the appellant as well as on whether the appellant should pay any expenses.
- b) All decisions of the Board, including those relating to the forfeiture of the deposit in full or in part and those relating to costs shall be final and binding on all parties.
 - c) All the decisions of the Board shall be in writing.
 - d) The Chairman of the Board shall deposit any decision of the Board with the Secretariat of the Association and shall cause a copy of the decision to be notified to all parties as soon as practicable after the decision.

Article 9 The Licence

- i) All Member Clubs which are eligible to participate in the National League of the Association must obtain a licence issued by the Association according to these regulations, except where Article 16 applies.
- ii) An applicant which has been granted a licence under these regulations must, during the season, abide by the conditions of such licence as established in these regulations.
- iii) Besides complying with the conditions of membership as mentioned in the Association's Statute and in the other rules, regulations and bye-laws of the Association, Licence applicants intending to take part in the National League of the Association in the licence season must, during the current season, apply for and obtain the MFA licence in accordance with these regulations. Furthermore, such clubs must abide with all the other conditions and criteria mentioned in these regulations and in the Schedules attached thereto which form an integral part of these regulations.
- iv) There are three (3) levels of Licences:
 - a) Full Licence

The licence granted to those Member Clubs who, according to the Member Clubs' Licensing Board, or the Appeals Board, as the case may be, have successfully adhered to all the criteria for the granting of a full licence;
 - b) Provisional Licence

The licence temporarily granted to those Member Clubs holding a Professional or Semi-Professional Licence who, according to the Member Clubs' Licensing Board, have overdue payables towards members of their staff, other clubs or the Commissioner for Revenue. This licence shall be converted to a full licence if such Member Club settles the overdue payables within thirty (30) days after the granting of the Provisional Licence or it shall be converted to a Monitored Licence if it fails to settle overdue payables within thirty (30) days after the granting of the Provisional Licence. All Member Clubs which are not issued with a Full Licence by the Member Clubs' Licensing Board, and are issued with a Provisional Licence, shall be sanctioned by the Member Clubs' Licensing Board with a sanction according to Article 11(i)(a) of these Regulations. The decision of the Member Clubs' Licensing Board in the granting of a Provisional Licence and in the application of a sanction according to Article 11(i)(a) of these Regulations shall be final and binding, and may not be appealed.

- c) **Monitored Licence**

The licence granted to those Member Clubs holding a Professional or Semi-Professional Licence who, according to the Member Clubs' Licensing Board, or the Appeals Board, as the case may be, have failed to settle overdue payables within thirty (30) days after being granted a Provisional Licence. All Member Clubs which are issued with a Monitored Licence, shall be sanctioned by the Member Clubs' Licensing Board with a sanction according to Article 11(i)(c) of these Regulations.
- v) MFA Licences are granted for one season only, with the exception of the Provisional Licence which is valid for thirty (30) days. MFA Licences are not transferable and automatically expire at the end of the season for which they are granted without the need of prior notice.

Article **10** **Licence Status**

- i) There are three (3) types of licences that a Member Club may obtain, in the following descending order;
 - a) Professional
 - b) Semi-Professional
 - c) Amateur
- ii) In order to participate in the National League of the Association, a Member Club must have a valid licence issued by the Association. The Member Club shall apply to a Licence of its choice from those types of licenses mentioned in Article 10(i) above, provided that such Member Club achieves the minimum criteria set out for the attainment of such Licence.
- iii) In case that the Member Clubs' Licensing Board, or the Appeals Board, as the case may be, deems that a Member Club did not achieve the required minimum criteria set out for the attainment of the type of Licence applied for, then that Member Club shall be granted a type of licence corresponding to a status which reflects its state of affairs according with the criteria established in these regulations. However, in the event that a Member Club is not considered to possess the qualifications to be granted any licence at all, then it shall not be granted any type of licence whatsoever.

Article **11** **Catalogue of Sanctions**

- i) There are three categories of sanctions:
 - a) **Category 1 Sanctions:**
 - i. a reprimand;
 - ii. a fine;
 - iii. a prohibition from registering players with the Member Club.
 - b) **Category 2 Sanctions:**
 - i. a reprimand;
 - ii. a fine;
 - c) **Category 3 Sanctions:**
 - i. a prohibition from registering or taking on loan players with the Member Clubs;

- ii. a fine;
- iii. where the amounts overdue exceed five thousand euro (€5,000), deduction of one (1) point from the National League Championship for every five thousand euros (€5,000) or part thereof in excess of five thousand euro (€5,000) overdue.
- iv. relegation to the next Lower Division in the next National League;
- v. the refusal of a Licence.

Article **12** **The Licensing Procedural Steps (Core Process)**

- i) The licensing procedural steps (Core Process) in the licensing procedure under these regulations, are the following:
 - a) The preparation and sending of the application form/s relating to Financial Criteria by the Association by not later than the 15th December. A copy of these regulations shall be made available by the Association to each Member Club;
 - b) The holding of the Extraordinary General Meetings of all Member Clubs for the approval of the audited Financial Statements of the Member Clubs, by not later than the 15th April;
 - c) The receipt of the application form/forms relating to Financial Criteria by the Association by not later than the 16th April, provided that if the 16th April falls on a Saturday or Sunday or a public holiday, the latest day for the receipt of the form/s by the Association will be the following working day;
 - d) The checking by the Licensing Manager of the applications and documents received within the time limit;
 - e) The sorting by the Licensing Manager of the documents and the allocation by the Licensing Manager of the documents to the different members of the Panel of Experts for their opinion;
 - f) The checking by the members of the Panel of Experts of the documents and reporting back to the Licensing Manager;
 - g) The preparation by the Licensing Manager of his report to the Member Clubs' Licensing Board by not later than the 6th June;
 - h) The examination of the applications and the written reports of the Licensing Manager by the Member Clubs' Licensing Board;
 - i) The decision in writing by the Member Clubs' Licensing Board on whether to accept or refuse to grant the full licence, or grant a Provisional Licence, by not later than the 6th June or the next available working day if the 6th June falls on a Saturday or Sunday;
 - j) The holding of the Annual General Meetings of all the Member Clubs between the 15th May and the 15th June;
 - k) The preparation and sending of the application form/s relating to all other Licensing Criteria, for all Member Clubs, by not later than the 31st May.
 - l) The receipt of the application form/s relating to all other Licensing Criteria, for all Member Clubs, by not later than the 1st July or the next Monday if the 1st July falls on a Saturday or Sunday;
 - m) The receipt of submissions from Member Clubs relating to the grant of a Provisional Licence due to failure to abide by the minimum requirements of the Financial Criteria by the Member Clubs' Licensing Board, by not later than the 30th June or the next Monday if the 30th June falls on a Saturday or Sunday;

- n) The hearing and decision of the Member Clubs' Licensing Board in relation to those Member Clubs who have been granted a Provisional Licence, by not later than the 3rd July or the next Monday if the 3rd July falls on a Saturday or Sunday;
- o) The filing of the written petition of appeal with the Association by an admissible appellant which disagrees with the decision of the Member Clubs' Licensing Board to either grant a Monitored Licence or refused to grant a licence, within six (6) days from the receipt of the written decision of the Member Clubs' Licensing Board, or by the next available working day if the sixth day falls either on a Public Holiday or on a Saturday or Sunday;
- p) The sending by the Licensing Manager of the Member Clubs' Licensing Board's decision and documents to the Appeals Board of the Association (Second and Final Instance Body);
- q) The examination of the appeal by the Appeals Board of the Association;
- r) The decision in writing of the Appeals Board by not later than the 21st July or the next day if the 21st July falls on a Public Holiday or the following Monday, if the 21st July falls on a Saturday or Sunday;
- s) The decision in writing by the Member Clubs' Licensing Board on the applications relating to all other Licensing Criteria, by not later than the 31st July, or by the next Monday if the 31st July falls on a Saturday or Sunday;
- t) The preparation and sending of the Declaration Regarding Overdue Payables for the monitoring period between the 1st January and the 31st May of that season for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 31st July.
- u) The receipt of the Declaration Regarding Overdue Payables for the monitoring period between the 1st January and the 31st May of that season for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 16th August.
- v) The examination by the Member Clubs' Licensing Board of the Declaration Regarding Overdue Payables for Member Clubs holding a Professional or Semi-Professional Licence, and the decision in writing of the Member Clubs' Licensing Board on whether to maintain a Full Licence, or, convert a Full Licence or a Monitored Licence to a Provisional Licence, in relation to the Declaration Regarding Overdue Payables for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 16th September, or by the next Monday if the 16th September falls on a Saturday or Sunday;
- w) The receipt of submissions from Member Clubs relating to the grant of a Provisional Licence due to failure to overdue payables for the monitoring period between the 1st January and the 31st May of that season, for Member Clubs holding a Professional or Semi-Professional Licence, by the Member Clubs' Licensing Board, by not later than the 30th September or the next Monday if the 30th September falls on a Saturday or Sunday;
- x) The hearing and decision of the Member Clubs' Licensing Board in relation to those Member Clubs who have been granted a Provisional Licence, in relation to overdue payables for the monitoring period between the 1st January and the 31st May of that season, for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 7th October or the next Monday if the 7th October falls on a Saturday or Sunday;
- y) The filing of the written petition of appeal with the Association by an admissible appellant which disagrees with the decision of the Member Clubs' Licensing Board to grant a Monitored Licence, in relation to overdue payables for the monitoring period between the 1st January and the 31st May of that season, for Member Clubs holding a Professional or Semi-Professional Licence, within six (6) days from the receipt of the written decision of the Member Clubs' Licensing Board, or by the next available working day if the sixth day falls either on a Public Holiday or on a Saturday or Sunday;
- z) The sending by the Licensing Manager of the Member Clubs' Licensing Board's decision and documents to the Appeals Board of the Association (Second and Final Instance Body);

- aa) The examination of the appeal by the Appeals Board of the Association;
- bb) The decision in writing of the Appeals Board by not later than the 31st October or the following Monday, if the 31st October falls on a Saturday or Sunday;
- ii) a) The Applicant shall be entitled to have legal representation.
- b) Whenever entitled to appear in front of the Member Clubs' Licensing Board or the Appeals Board, the applicant shall have the right to produce all evidence which it believes is necessary to prove a claim or clarify any position. However, the burden of proof over any claim made by the applicant in the license application, and/or during any hearing shall vest exclusively with the applicant.
- c) Pleading by the Applicant, in front of the Member Clubs' Licensing Board and/or the Appeals Board of the Association, may be both in the oral and in the written form, according to the instructions set out by the competent board and according to the Statute of the Association.
- d) The Applicant shall have the right to attend the hearing of the Member Clubs' Licensing Board discussing its Application whenever such Board decides that it shall invite the Applicant to such hearing. However, whenever the Applicant is invited to attend the hearing, it shall have the right to make all the deliberations it wishes to make. In any case, the Applicant shall be entitled to present written submissions to the Board.
- e) There shall be no charge levied against the applicant for the licensing application and the whole procedure in front of the Member Clubs Licensing Board. The costs for an appeal, is the cost set out in Article 9(viii)(b) of these Regulations.

Article **13** **The Determination of Licence Levels and the Application of Sanctions**

The level of licence issued to a Member Club and the application of sanctions by the Member Clubs' Licensing Board and/or the Appeals Board shall occur in the following manner:

- i) The Provisional Licence
 - a) The Provisional Licence shall be issued against those Member Clubs who in the filing of their Annual Financial Statements according to Article 12(c) and/or in the filing of their Declaration regarding Overdue Payables according to Article 12(m) have shown overdue payables against members of their staff, other Member Clubs and/or the Commissioner for Revenue;
 - b) When issuing a Provisional Licence according to Article 13(i)(a) above, the Member Clubs' Licensing Board shall also impose a sanction on the defaulting Member Club, which sanction is to be a Category 1 sanction according to Article 11(1)(a) of these Regulations;
 - c) Moreover, when issuing a Provisional Licence according to Article 13(i)(a) above, and the amount of overdue payables exceeds the amount of five thousand Euro (€5,000), apart from a reprimand or fine according to Article 11(1)(a) of the Regulations, the Member Clubs' Licensing Board shall also sanction the defaulting Member Club with a prohibition;
 - d) The decision of the Member Clubs' Licensing Board in the issuing of a Provisional Licence and the application of a sanction according to this Article shall be final and binding and shall be unappealable.
- ii) The Monitored Licence
 - a) The Monitored Licence shall be issued by the Member Clubs' Licensing Board, and shall be confirmed by the Appeals Board, against those Member Clubs who after being issued with a Provisional Licence, according to Article 13(i) above, have not settled their overdue payables within the period of time granted by the Member Clubs' Licensing Board from the issue of

the Provisional Licence in accordance with the Core Process established in Article 12 of these Regulations;

- b) When issuing a Monitored Licence according to Article 13(ii)(a) above, the Member Clubs' Licensing Board shall also impose a sanction on the defaulting Member Club, which sanction is to be a Category 3 sanction according to Article 11(1)(c) of these Regulations;

Moreover, the Member Clubs' Licensing Board may impose any of the other sanctions if it deems that the applicant Member Club has repeatedly failed to adhere to the Financial Criteria or any other applicable criteria in any of the preceding three (3) licensing periods.

- c) The issuing of a Monitored Licence shall still allow that Member Club which has been issued with such a licence to participate in the National League;
- d) The sanctions of a prohibition, relegation to the next lower division, and the refusal of the licence, shall only be levied against a Member Club if such a Member Club shows overdue payables in its Annual Financial Statements. For the monitoring period between the 1st January and the 31st May of that season, the sanction applied shall be that of a reduction of points in the next National League Championship, depending on the amount of overdue payables according to Article 11(1)(c)(iii).
- e) The decision of the Member Clubs' Licensing Board to issue a Monitored Licence and the application of a sanction according to this Article may be appealed by means of a petition to the Appeals Board according to the procedure laid out in Article 9 and within the time limits set in Article 12 of these Regulations. The decision of the Appeals Board in this respect shall be final and binding.

iii) The Effects of the Refusal of a Licence

- a) A Member Club that has been sanctioned with the refusal of the licence shall have all its senior and youth team expelled from their respective National league and shall not have the right to participate in the next National League Championship of the Association.
- b) Such a Member Club shall have its membership to the Association held in abeyance, any representative thereof shall be removed from office;
- c) If such a Member Club, had its delegate, also elected as an MFA Executive Board Member, then such Executive Board member shall also be removed from the Executive Board;
- d) The licensed football nursery of that Member Club shall still be operational, players registered with the licensed football nursery shall remain registered with the Member Club, and its teams shall compete in the competitions of the Inħobb il-Futbol Foundation and/or the Youth Football Association.
- e) The Member Club which has had its licence refused shall release all the senior team and youth team players currently registered in its books without any condition. Failure by that Member Club to release all the players within three (3) days from the decision of refusal of the licence becoming definite, will lead to the Association releasing such players registered with that particular Member Club automatically.
- f) For such a Member Club to regain full membership to the Association and participate in the lowest division of the National League of the following season, the Member Club has to re-apply to regain the status of Member Club, according to the provisions of the Statute of the Association and attain a full licence to participate in the lowest division of the National League of the Association. However, if another Club, from that locality, applies for membership as a new Member Club with the Association, therefore replacing that Member Club, then the Association, if satisfied that the new Member Club would be more able to run and meet the financial criteria for the attainment of a licence, shall accept as a Member Club the new Club.
- g) The licensed football nursery of that locality will then join the Member Club which is given the full membership of the Association according to sub-article (f) above.

- h) If no club from a locality applies for full membership to the Association, or no club attains full membership to the Association, within a year from the refusal of the licence of a Member Club, then the licensed football nursery shall be entitled to merge with another Member Club. In default, it shall be disbanded, and all players registered with that licensed football nursery shall be granted the unconditional free release from that Member Club.
 - i) Whenever a Member Club has been refused a licence, and therefore will not participate in the next National League Championship, then the provisions of Article 5 of Section VII of the Regulations of the Malta FA (Rules Governing Competitions) shall apply.
- iv) Other Sanctions
- a) A Member Club who for any reason whatsoever does not satisfy the minimum requirements for any licence criteria, excluding all Financial Criteria, notwithstanding whether such Member Club has been issued with a Full Licence or with a Monitored Licence, shall be sanctioned by the Member Clubs' Licensing Board with a sanction according to Article 11(i)(b) of these Regulations, unless these Regulations provide otherwise. The decision of the Member Clubs' Licensing Board in this respect shall be final and binding and shall be unappealable.
 - b) A Member Club who for any reason whatsoever does not satisfy the minimum requirements of the Financial Criteria, but who satisfies the requirements relating to overdue payables, notwithstanding whether such Member Club has been issued with a Full Licence or with a Monitored Licence, shall be sanctioned by the Member Clubs' Licensing Board with a sanction according to Article 11(i)(a) of these Regulations. However, in this particular circumstance the Member Clubs' Licensing Board shall not issue a Provisional Licence but may sanction the defaulting Member Club with a prohibition, which prohibition shall be lifted by the Member Clubs' Licensing Board only when the Board is satisfied that the Member Club has complied with the minimum requirements of the Financial Criteria. The decision of the Member Clubs' Licensing Board in this respect shall be final and binding and shall be unappealable.
 - c) If a prohibition has been imposed on a Member Club by the Member Clubs' Licensing Board according to sub-article (iv)(b) above, then it shall be the responsibility of the Member Club to inform the Licensing Manager to request the Chairperson of the Member Clubs' Licensing Board to lift such prohibition due to compliance to the minimum requirements of the Financial Criteria. If the Chairperson of the Member Clubs' Licensing Board is satisfied that the Member Club in question has complied to such minimum requirements, then he shall decide in camera to lift the prohibition inflicted by not later than three (3) days following the Member Club's request, or by the next working day if the third day falls either on a Public holiday or on a Saturday or Sunday. In doing so, the Chairperson of the Member Clubs' Licensing Board shall decide whether to consult the Board where he deems it fit.
- v) Definition and Operation of the Sanction of Prohibition
- a) A Member Club that has been sanctioned with a Prohibition may not register players with it who are sixteen (16) years or older, including taking in such players on loan, until such a Prohibition is lifted by the Member Clubs' Licensing Board.

Article **14** **Supremacy of the Licensing Decision-Making Bodies**

The decisions of the Member Clubs' Licensing Board and/or of the Appeals Board, taken in accordance with these Regulations, shall not be declared null and void, or be varied, or be amended, or be discussed, or be sent back for reconsideration by either the President, the Officials, the Executive Board and/or the General Assembly of the Association.

Article 15 Equal Treatment and Confidentiality

- i) The Association ensures the equal treatment of all the licence Applicants during the core process.
- ii) The Association guarantees the licence applicants full confidentiality with regard to all information submitted during the licensing process.
- iii) Each person involved in the licensing process established in these regulations, prior to entering into office, must bind himself by means of a signed written declaration to be delivered to the Licensing Manager, that he will not, in any manner whatsoever, divulge to anybody whomsoever, any information and/or the contents of any document that may come to his knowledge or in his possession because of his office.
- iv) Any person who contravenes this condition shall be guilty of a breach of trust against the Association and against the Member Club and/or individual concerned. The person guilty of such a breach of trust shall be sanctioned by the Association's Executive Board with dismissal from any office within the Association as well as with a prohibition from holding any office within the Association for a period of three (3) years. Furthermore, the Association and/or the aggrieved Member Club and/or individual concerned shall have a claim against him for any damage suffered through such a breach of trust.

Article 16 Clubs issued with a UEFA Licence

- i) A Member Club that had obtained a UEFA Licence for the coming season and has qualified to participate in a UEFA Club Competition, shall be entitled to take part in the National League of the Association without the need to obtain any other type of licence.
- ii) However, a Member Club that had obtained a UEFA licence for the coming season, but did not qualify to participate in a UEFA Club Competition, shall still be bound to comply to the minimum requirements of the Financial Criteria set out in these regulations and file the relative documentation relating to overdue payables according to Article 12 of these Regulations, and in the event that such a Member Club has declared that it has overdue payables then such a Member Club shall be sanctioned by the Member Clubs' Licensing Board in the manner prescribed in these Regulations.

PART II. LICENSING CRITERIA

Article **17** **General**

- i) A licence applicant must satisfy the following criteria in order for them to be granted a licence to enter the Malta FA National League:
 - a) A Member Club applying for a Professional Licence must satisfy the licence criteria for the attainment of a Professional Licence according to Articles 18(i) and 19 of these Regulations, the Legal Criteria according to Article 24 and according to Schedule I of these Regulations and the Financial Criteria according to Article 25 and Schedule II of these Regulations;
 - b) A Member Club applying for a Semi-Professional Licence must satisfy the licence criteria for the attainment of a Semi-Professional Licence according to Articles 18(i) and 20 of these Regulations, the Legal Criteria according to Article 24 and according to Schedule I of these Regulations and the Financial Criteria according to Article 25 and Schedule II of these Regulations;
 - c) A Member Club applying for an Amateur Licence must satisfy the licence criteria for the attainment of an Amateur Licence according to Articles 18(i) and 22 of these Regulations, the Legal Criteria according to Article 24 and according to Schedule I of these Regulations and the Financial Criteria according to Article 25 and the relevant articles of Schedule II of these Regulations which apply for Member Clubs applying for an Amateur Licence;
 - ii) Non-fulfilment of the criteria defined in Articles 19(i)(b), 20(i)(b) and 22(i) does not lead to refusal of a licence but to a sanction defined by these Regulations according to Article 11(i)(b).
-

Article **18** **Conditions for Obtaining a Licence in a Professional, Semi-Professional or an Amateur Status**

- i) In order that a Member Club may obtain a licence in a Professional or Semi-Professional Status Category, it must comply with the conditions particular to the Professional or Semi-Professional Status applied for. Furthermore, any Member Club having a Professional or Semi-Professional Status shall be responsible towards its professional players for any medical expenses arising out of injuries sustained during football related activities whilst rendering a service to the Club, even if such a condition is not included in the agreement between the Club and the player.
 - ii) Member Clubs which do not desire to be granted a licence in a Professional or Semi-Professional Status Category and Member Clubs which have applied for a licence for a Professional or Semi-Professional Status category but do not qualify for a Professional or Semi-Professional Status shall be granted a licence in the Amateur Status category if they qualify for such a status.
-

Article **19** **Professional Status**

- i) A Member Club shall be granted a licence in the Professional Status category if the Member Clubs' Licensing Board is satisfied that at the time the application is considered, the applicant Member Club:
 - a) Had in the past season:

1. paid all the wages due to its professional players and the wages due to its coaches, staff, and administrator(s) hired by means of a written employment contract;
 2. paid all fees, if any, due to its medical doctor and other medical staff hired by means of a written employment contract;
 3. paid all its outstanding dues to other Member Clubs; and
 4. paid all its outstanding due to the Commissioner for Revenue;
- b) For the whole of the coming season will have:
1. at least twelve (12) professional players registered with it and with the Association under a written employment contract with the Club in accordance with the Association's Regulations Regarding Players Registered with Member Clubs and the FIFA Regulations for the Status and Transfer of Players.
 2.
 - a) a qualified Head Coach and Assistant Coach engaged by means of a written contract in that category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating;
 - b) a qualified Goalkeepers Coach engaged by means of a written contract in that category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating;
 - c) a qualified Fitness/Performance Coach/Physical Trainer engaged by means of a written contract in that category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating;
 - d) a qualified Match Analyst, engaged by means of a written contract, having the minimum qualification/training certificate from the Malta FA¹. Such role may be occupied by any of the members of staff who may be otherwise designated;
 - e) a Team Manager² or Sporting Director³, engaged by means of a written contract, having minimum qualification/training as provided by the Association from time to time.
 3.
 - a) a medical doctor who must make a written declaration to this effect. Furthermore, for all training sessions and club matches, the Member Club shall have a Medical Doctor or Physiotherapist or any other medical person who is a qualified first aider. Such role may be occupied by any of the members of staff who may be otherwise designated;
 - b) a medical liaison officer who shall make a written declaration to this effect and act as the key contact point with respect to medical matters.
 4. an administrator engaged under a written contract on full-time basis⁴.
 5. a Supporter Liaison Officer, engaged at least on a voluntary basis, whose rights and duties must be defined in writing and who must be available for the Member Club's matches. The role of the liaison officer is to act as the key contact point for supporters.
 6. a Disability Access Officer, engaged at least on a voluntary basis, whose rights and duties must be defined in writing, to support the provision of inclusive, accessible

¹ Applicable from Season 2024/25.

² Applicable from Season 2023/24.

³ Applicable from Season 2024/25.

⁴ Applicable from Season 2023/24. Until then, the Administrator is mandatory at least under a part-time or voluntary contract.

facilities and services in club matches and to act as the key contact point for supporters with any disability.

7. a Media Officer, engaged at least on a voluntary basis, who shall be responsible for media matters, engaged at least on a voluntary basis, whose rights and duties must be defined in writing and who must be available for the Member Club's matches.
8. a Legal Counsel who shall be empowered to represent the Member Club in any proceedings whether judicial or otherwise.

c) For the coming season must have:

1. applied to participate in the National League and in the Malta FA Trophy Competition of the Association;
2. applied to participate in the Youth League of the Association;
3. applied to participate in the Junior (Under 17 and Under 15) Leagues of the Inħobb il-Futbol Foundation and/or the Youth Football Association; and
4. applied to the Association to obtain in the coming season a Licence for its Football Nursery.

Provided that a Member Club shall be deemed to have satisfied the obligations under sub-article 19(c)(3) and (4) above where such Member Club enters into an agreement with another Member Club which participates in the Junior (Under 17 and Under 15) Leagues of the Inħobb il-Futbol Foundation and/or the Youth Football Association. Such agreement shall provide unequivocally that the Member Club in question shall compensate the merging Member Club with an amount equivalent to at least 2.5% of the aggregated average salary of the Premier League taken as at 31st December of the previous calendar year.

Where an agreement is in place as provided in the preceding paragraph, but this falls short from the amount of compensation established therein, the Member Clubs' Licensing Board shall sanction the Member Club to pay a contribution equivalent to the shortfall between the amount established in such agreement and the amount of 2.5% of the aggregated average salary of the Premier League taken as at 31st December of the previous calendar year, as established by the Board.

A Member Club may only enter into an agreement for the purposes of this sub-article with not more than one other Member Club. This applies both for the applicant Member Club and the merging Member Club.

Provided further that a Member Club may not rely on an agreement as provided in this sub-article entered into with another Member Club from the same division.

In determining the aggregated average salary of the Premier League, all the salaries of players, coaches, and staff, excluding any administrative staff, shall be taken into consideration.

5. Access to an 11-a-side football pitch with natural grass or artificial surface, with at least one (1) dressing room and basic medical supplies, for each training session.
- ii) a) If in the coming season the Club that had been granted this type of licence fails to take part in the National League or in the Malta F.A. Trophy Competition, or in the Youth League of the Association, or does not observe any other condition mentioned in sub-clause (i)(b) above, the Club shall be sanctioned as provided in these regulations.
- b) If in the coming season the Club that had been granted this type of license:
1. fails to participate in any of the Junior (Under 17 and Under 15) Leagues of the Inħobb il-Futbol Foundation and/or the Youth Football Association and to apply and obtain in the coming season a Licence for its Football Nursery; and

2. fails to enter into an agreement as provided in sub-article 19(i)(c) above,

Without prejudice to the sanctions established in Article 13 above, such Member Club shall be sanctioned by the Member Clubs' Licensing Board to pay a fine equivalent to 5% of the aggregated average salary of the Premier League for the previous calendar year, as established by the Board.

Article **20** **Semi-Professional Status**

- i) A Member Club shall be granted a licence in the Semi-Professional Status category if the Board is satisfied that at the time the application is considered, the applicant Member Club:
 - a) Had in the past season:
 1. paid all the wages due to its professional players and the wages due to its coaches, staff and administrator(s) hired by means of a written employment contract;
 2. paid all fees, if any, due to its medical doctor and/or qualified physiotherapist and/or qualified nurse;
 3. paid all its outstanding dues to other Member Clubs; and
 4. paid all its outstanding due to the Commissioner for Revenue;
 - b) For the whole of the coming season will have:
 1. a qualified Head Coach and Assistant Coach engaged under a written contract in the category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating; and
 2.
 - a) a medical doctor or a qualified physiotherapist or a qualified nurse who must make a written declaration to this effect. Furthermore, for all training sessions and club matches, the Member Club shall have a Medical Doctor or Physiotherapist or any other medical person who is a qualified first aider. Such role may be occupied by any of the members of staff who may be otherwise designated
 - b) a medical liaison officer who shall make a written declaration to this effect and act as the key contact point with respect to medical matters.
 3. a qualified Goalkeepers Coach engaged by means of a written contract in that category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating.
 4. a Team Manager⁵, engaged by means of a written contract, having minimum qualification/training as provided by the Association from time to time.
 5. a qualified Fitness/Performance Coach/Physical Trainer engaged by means of a written contract in that category as may be required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the National League in which it will be participating.
 6. at least five (5) professional players registered with it and with the Association under a written employment contract with the Club in accordance with the Association's and FIFA's Regulations on the Status and Transfer of Players, who have formed part of the

⁵ Applicable from Season 2024/25.

Youth Sector of the Association, as defined in Section V of the Malta FA Regulations (Competition Rules).

7. a Supporter Liaison Officer, engaged at least on a voluntary basis, whose rights and duties must be defined in writing and who must be available for the Member Club's matches. The role of the liaison officer is to act as the key contact point for supporters.
8. a Media Officer, engaged at least on a voluntary basis, who shall be responsible for media matters, engaged at least on a voluntary basis, whose rights and duties must be defined in writing and who must be available for the Member Club's matches.
9. Access to at least a 9-a-side football pitch with natural grass or artificial surface, with at least one (1) dressing room and basic medical supplies, for each training session.

c) For the coming season must have:

1. applied to take part in the National League and in the Malta FA Trophy Competition of the Association;
2. applied to take part in the Youth League of the Association and in those leagues of the Youth Football Association necessary for the attainment of the minimum nursery category licence;

Provided that a Member Club shall be deemed to have satisfied the obligations under sub-article 20(2) above where such Member Club enters into an agreement with another Member Club which participates in the Junior (Under 17 and/or Under 15) Leagues of the Inħobb il-Futbol Foundation and/or the Youth Football Association. Such agreement shall provide unequivocally that the Member Club in question shall compensate the merging Member Club with an amount equivalent to at least 2.5% of the aggregated average salary of the Challenge League taken as at 31st December of the previous calendar year.

Where an agreement is in place as provided in the preceding paragraph, but this falls short from the amount of compensation established therein, the Member Clubs' Licensing Board shall sanction the Member Club to pay a contribution equivalent to the shortfall between the amount established in such agreement and the amount of 2.5% of the aggregated average salary of the Challenge League taken as at 31st December of the previous calendar year, as established by the Board.

A Member Club may only enter into an agreement for the purposes of this sub-article with not more than one other Member Club. This applies both for the applicant Member Club and the merging Member Club.

Provided further that a Member Club may not rely on an agreement as provided in this sub-article entered into with another Member Club from the same division.

In determining the aggregated average salary of the Challenge League, all the salaries of players, coaches, and staff, excluding any administrative staff, shall be taken into consideration.

- ii) a) If in the coming season the Club that had been granted this type of licence fails to take part in the National League, the Malta FA Trophy Competition or in the Youth League of the Association, or if the Club does not observe any other condition mentioned in sub-clause (i)(b) above, such club shall be sanctioned according to these Regulations.
- b) If in the coming season the Club that had been granted this type of license:
 1. fails to participate in any of the Junior (Under 17 and/or Under 15) Leagues of the Inħobb il-Futbol Foundation and/or the Youth Football Association and to apply and obtain in the coming season a minimum category licence for its Football Nursery; and
 2. fails to enter into an agreement as provided in sub-article 20(i)(c) above,

Without prejudice to the sanctions established in Article 13 above, such Member Club shall be sanctioned by the Member Clubs' Licensing Board to pay a fine equivalent to 5% of the

aggregated average salary of the Challenge League for the previous calendar year, as established by the Board.

Article **21 Repealed**

Article **22 Amateur Status**

- i) A Member Club which has a licence in the Amateur Status category must have a qualified Head Coach under written contract in the category as required by the Regulations for the Control of Football Coaches Affiliated to the Malta Football Association applicable to the Division of the League in which it will be participating. If such a Club fails to abide with this condition it will be sanctioned as provided in these regulations.
- ii) A Member Club which has a licence in the Amateur Status category may only register with it a maximum of one (1) player under a written employment contract with the Club on a part-time basis in accordance with the Association's Regulations Regarding Players Registered with Member Clubs and the FIFA Regulations for the Status and Transfer of Players. Such players shall have formed part of the Youth Sector of the Association.

Where a Member Club has registered with it more professional players than what is established in the preceding sub-article, such Member Club shall, by not later than the 15th of July of the relevant season, release or loan out any players in excess of such quota.

- iii) In the case that a Member Club loses its Semi-Professional Status and is granted a licence in the Amateur Status category, such Member Club may only keep registered with it one (1) player as established in the preceding sub-articles. Any other professional players shall be released or loaned out by not later than the 15th July of the relevant season.
 - iv) Without prejudice to the rights of any third party, where on the 16th July a Member Club in the Amateur Status category has registered with it a number of professional players in excess of what is provided in the preceding sub-articles, all professional players registered with it shall be released. Furthermore, in such case the Member Clubs Licensing Board shall impose a prohibition on such club for the entire (summer) registration period and until the following registration period (i.e. until 31 December), restricted solely to the registration of professional players.
 - v) A Member Club which has a licence in the Amateur Status category must have access to a football pitch with natural grass or artificial surface, with at least one (1) dressing room and basic medical supplies, for each training session.
-

Article **23 Obligatory Status of Licence for Taking Part in Domestic Competitions**

- i) Member Clubs in the Premier Division must at least obtain a licence in the Professional Status Category. However, a newly promoted club may have a licence in the Semi-Professional Status category for a maximum of one (1) season. If after the one (1) season the Club does not obtain a licence in the Professional Status Category then such Club shall be charged in front of the Member Clubs' Licensing Board and if found in breach shall be fined an amount not exceeding five thousand

- euros (€5,000) and shall have three (3) points deducted from the Classification-Table of the Premier League in the Licence season.
- ii) Member Clubs in the Challenge League must at least obtain a licence in the Semi-Professional Status Category. However, a newly promoted club may have a licence in the Amateur Status category for a maximum of one (1) season. If after the one (1) season the Club does not obtain a licence in the Semi-Professional Status Category then such Club shall be charged in front of the Member Clubs' Licensing Board and if found in breach shall be fined an amount not exceeding one thousand euros (€1,000) and shall have three (3) points deducted from the Classification-Table of the Challenge League in the Licence season.
 - iii) If a Member Club does not obtain a licence in the Professional or Semi-Professional Status Category which corresponds to the Status required for the Division of the National League in accordance with these regulations, it shall not be allowed to compete in that Division of the National League but it shall be allowed to compete in the next lower Division where the granted Status is allowed. If it is not granted any licence at all, it shall lose its status as a full member of the Association and shall not be allowed to participate in any Division of the National League.
 - iv) Member Clubs in the National Amateur League must have a licence in the Amateur Status Category.

Article **24** Legal Criteria

- i) A Member Club must be constituted either as a "sui generis" civil society under Maltese Civil Law or as a commercial company constituted under the Maltese Companies Act 1995 (Chapter 386 of the Laws of Malta).
- ii) In the case of a Member Club, which is a "sui generis" civil society, the Club shall send to the Association a copy of any new Statute and of any amendments that may be made in its Statute. Both the Statute and any amendments must comply, as a minimum, with the Legal Criteria for Member Clubs contained in Schedule I of these Regulations, which form an integral part of these regulations, with the Statute, the other rules, regulations, bye-laws, decisions and directives of the Association as well as with the Statutes, rules, regulations, bye-laws, decisions and directives of FIFA and UEFA.
- iii) In the case of a Member Club that is a commercial company, the Club shall send to the Association a copy of the Memorandum and Articles of Association and any amendments which may be made to the Memorandum and Articles of Association. These must comply, as a minimum, with the Legal Criteria for Member Clubs contained in Schedule I of these regulations, with the Criteria regarding Member Clubs Incorporated as Commercial Companies contained in Schedule IA of these Regulations, both of which form an integral part of these regulations, with the Statute, the other rules, regulations, bye-laws, decisions and directives of the Association as well as with the statutes, rules, regulations, bye-laws, decisions and directives of FIFA and UEFA.
- iv) The Association shall not recognise any Statute or any Memorandum and Articles of Association or particular clauses in such Statute or Memorandum and Articles of Association or any amendments thereto if these do not at least comply, or if these are contrary to, the Legal Criteria for Member Clubs in Schedule I of these Regulations and/or the Criteria Regarding Member Clubs Incorporated as Commercial Companies contained in Schedule IB of these Regulations or are contrary to the Statute, rules, regulations, bye-laws, decisions and directives of the Association or the statutes, rules, regulations, bye-laws, decisions and directives of FIFA and UEFA.
- v) In order that a Member Club may obtain a licence it must apply on the appropriate form/s to take part in the coming season in those competitions of the Association and/or the Inħobb il-Futbol Foundation and/or the Youth Football Association as stipulated in these regulations. The form/s must be sent to the Association or the Inħobb il-Futbol Foundation and/or the Youth Football Association, as the case may be, within the established time limits. In the case of an application to take part in a

competition organised by the Inħobb il-Futbol Foundation and/or the Youth Football Association, a copy the application form/s must be sent to the Association.

At the time of submitting the application to obtain a Professional or Semi-Professional Licence, the applicant must undertake in writing that:

- a) It adheres to the provisions and conditions of the licensing system;
- b) all documents submitted to the Association are complete and correct; and
- c) The Licence applicant fully authorises the competent licensing authority to examine all documents and seek all information relevant to the issuance of the license, including through the granting of the necessary proxies to seek such information directly from the relevant authorities, in accordance with Maltese Law.

Article **25** **Financial Criteria**

- i) All Member Clubs shall keep proper accounting records and books of accounts.
- ii) For Member Clubs applying for a Professional and/or Semi-Professional Status Licence, such accounting records and books of accounts must comply, as a minimum, with the relative provisions contained in the Financial Criteria in Schedule II, Schedule III, Schedule IV and Schedule V of these Regulations, which form an integral part of these regulations.
- iii) For Member Clubs applying for an Amateur Status Licence, such accounting records and books of accounts must comply, as a minimum, with the relative provisions contained in the Financial Criteria in Schedule VI and Schedule VI A of these Regulations which form an integral part of these regulations.

PART III. FINAL PROVISIONS

Article **26** Schedules

All schedules to the present regulations form an integral part thereof.

Article **27** Amendments to these Regulations

Amendments to these regulations may be made by Executive Board and shall come into effect at the end of the Executive Board meeting which shall approve such amendments.

Article **28** Coming into force of these Regulations

These Regulations shall come into force on the 30th May 2017.

SCHEDULE I – LEGAL CRITERIA FOR MEMBER CLUBS

1 Constitution of Member Clubs

- i) A Member Club may be constituted either as a “sui generis” civil society under Maltese Civil Law or as a commercial company constituted under the Companies Act 1995 (Chapter 386 of the Laws of Malta).
- ii) a) Prior to the transformation of a “sui generis” civil society Member Club into a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), the Club shall send a copy of the proposed Memorandum and Articles of Association for the prior written approval of the Executive Board of the Association.
b) In the event that a Member Club constituted as a “sui generis” civil society under Maltese Civil Law, wishes to be constituted as a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), it will have to comply with the Criteria Concerning Member Clubs Incorporated as Commercial Companies contained in Schedule IA of these Regulations. Furthermore, the Executive Board of the Association may give such directives as the Executive Board may deem fit and proper.
- iii) In the case of a Member Club which is a “sui generis” civil society, the Club shall send to the Association a copy of any new Statute and of any amendments which may be made to its Statute. These must comply, as a minimum, with the Statute, Regulations and Bye-Laws of the Association and with the Statutes, Regulations and Bye-Laws of FIFA and UEFA.
- iv) In case that a Member Club is a commercial company, such Club shall send to the Association a copy of any new Memorandum and/or Articles of Association and any amendments to the Memorandum and/or Articles of Association. These must comply, as a minimum, with the Statute, Regulations and Bye-Laws of the Association and with the Statutes, Regulations and Bye-Laws of FIFA and UEFA
- v) The Association shall not recognise any Statute or any Memorandum and/or Articles of Association or particular clauses in such Statute or Memorandum and/or Articles of Association or any amendments thereto if these are contrary to the Statute, Regulations or Bye-Laws of the Association or the Statutes, Regulations and Bye-Laws of FIFA or UEFA or which are contrary to any directives which the Executive Board of the Association may have given.

2 Annual General Meeting

- i) A Member Club, whatever its constitution, shall hold an Annual General Meeting not earlier than the 15th day of May and not later than the 15th day of June in each year.
- ii) The Management Committee or the Board of Directors shall include the following items on the Agenda of the Annual General Meeting:
 - a) Approval of the Minutes of the last Annual General Meeting and the Minutes of any intervening Extraordinary General Meeting.
 - b) i) For Member Clubs with Professional or Semi-Professional Status, the presentation of the unaudited interim accounts and the balance sheet (1st January to 30th April) for the approval of the members or shareholders as the case may be;

- ii) For Member Clubs with Amateur Status:
 - 1. the presentation of the audited accounts and the balance sheet for the previous financial year (1st January to 31st December) for the approval of the members. These must be on the Member Clubs' Annual Return Form contained in Schedule IIA of these Regulations. However, in the case of a Member Club, which in the following season intends to apply for a Professional or Semi-Professional Status Licence, the accounts must be audited and prepared by an independent Certified Public Accountant and Auditor or by an independent firm of Certified Public Accountants and Auditors;
 - 2. the presentation of the unaudited interim accounts and the balance sheet (1st January to 30th April) for the approval of the members.
 - 3. The election of Auditor/s.
- c) The election of the Management Committee of the Club or of the Board of Directors of the Company for the following year, except in the case of those officials whose term of office has not yet expired and have not in the meantime resigned their office.
- d) The consideration of any amendments to Statute of the Member Club concerned or to the Memorandum and/or Articles of Association of the Member Club Company, as the case may be.
- e) The consideration of any motions submitted by the members of the Member Club or the shareholders of the Member Club Company, as the case may be.
- iii) The Annual General Meeting shall not be valid unless notice thereof, including the date, time and place of the meeting, is given to the members or shareholders, as the case may be, and to the Association, at least fifteen (15) days prior to the date of the meeting.
- iv) The quorum of the Annual General Meeting shall be fifty per cent plus one (50%+1) of the paid-up members of the Member Club or of the shareholders of the Member Club Company, as the case may be. However, if after half an hour of the time scheduled for the meeting, this quorum is not reached, the meeting may be held with the number of members present.
- v) The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule IB of these Regulations.

3 Extraordinary General Meetings

- i) Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet
 - a) A Member Club with a Professional or Semi-Professional status, whatever its constitution, shall hold an Extraordinary General Meeting not earlier than the 15th day of March and not later than the 15th day of April in each year, for the approval of the Audited Accounts and Balance Sheet.
 - b) The Management Committee or the Board of Directors shall include the following items on the Agenda of the Extraordinary General Meeting:
 - 1. Approval of Minutes of the last Extraordinary General Meeting for the approval of audited Accounts and Balance Sheet;
 - 2. The presentation of the audited accounts and the balance sheet for the previous financial year (1st January to 31st December) for the approval of the members or shareholders. If the financial statements are prepared by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, these must be

audited and prepared in accordance with the provisions concerning accounts and audit, including the provisions applicable to small companies, of the Companies Act 1995 (Chapter 386 of the Laws of Malta). In case that the accounts and the balance sheet are audited by persons who are not qualified as Certified Public Accountants and Auditors, these must be on the Member Clubs' Annual Return Form contained in Schedule IIA of these Regulations. However, in the case of a Member Club, which in the following season intends to apply for a Professional or Semi-Professional Status Licence, the accounts must be audited and prepared by an independent Certified Public Accountant and Auditor or by an independent firm of Certified Public Accountants and Auditors;

3. The election of Auditor/s.

- c) The Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet shall not be valid unless notice thereof, including the date, time and place of the meeting, is given to the members or shareholders, as the case may be, and to the Association, at least fifteen (15) days prior to the date of the meeting.
 - d) The quorum of the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet shall be fifty per cent plus one (50%+1) of the paid-up members of the Member Club or of the shareholders of the Member Club Company, as the case may be. However, if after half an hour of the time scheduled for the meeting, this quorum is not reached, the meeting may be held with the number of members present.
 - e) The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule IB of these Regulations.
- ii) Other Extraordinary General Meetings

The Statute of a Member Club or the Memorandum and Articles of Association of a Member Club Company may provide for the holding of other Extraordinary General Meetings. In this case, the Association shall be informed of any such scheduled Extraordinary Meeting at least seven (7) days prior to the holding of such a meeting. The Association shall be entitled to be represented at this meeting. In this case, the representative of the Association shall make a report to the General Secretary on the proceedings of such Annual General Meeting on the Report Form contained in Schedule IB of these Regulations.¹

4 Member Club's Management Committee

- i) a) Management Committee of Member Clubs, whatever their constitution, shall be composed of at least five (5) persons but not more than fifteen (15) persons, including the officials and any co-opted members.
 - b) In the case of a Member Club, whatever its constitution, the number of co-opted members shall not exceed two (2) in one season.
 - c) In the case of the President, the Vice-Presidents, if more than one, the Treasurer and the Secretary, these may be elected directly by the General Meeting for a term of office not exceeding three (3) years.
- ii) a) If the President, the Vice-president or Vice-presidents, the Treasurer and the Secretary are not elected during the Annual General Meeting due to the fact that the Club's Statute provides that these are to be elected by the Management Committee, the Management Committee of a Member Club which is a "sui generis" civil society shall, during its first meeting

after the Annual General Meeting, elect from amongst its members the Clubs' officials of the Club, namely the President, at least one (1) Vice-president, a Treasurer and a Secretary. Other officials may be elected as necessary.

- b) The first meeting of such a Management Committee shall be held within a week after the Annual General Meeting but in any case not later than the 30th June.
- iii) a) In the case of a Member Club which is a commercial company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) the Board of Directors shall during its first meeting after the Annual General Meeting, nominate or elect the Management Committee of the Club.
 - b) This Management Committee shall include the President, a least one (1) Vice-President, a Treasurer, a Secretary and at least one (1) member. Other officials and other members may be nominated or elected as necessary.
 - c) The officials and members of such a Management Committee need not be shareholders or members of the Board of Directors. However, the number of persons on the Management Committee shall not exceed the number mentioned in article 4(i)(a) of this Schedule.
 - d) The first meeting of the Board of Directors shall be held within a week after the Annual General Meeting had been held but in any case not later than the 30th June.
- iv) The members of a Management Committee of a Member Club, which is a "sui generis" civil society, shall not be eligible for election if they are not 'bona fide' members of the Member Club for at least thirty (30) days prior to the Annual General Meeting. Such requisite shall also be included in the Member Club's Statute.
- v) The Members of a Management Committee of a Member Club which is a "sui generis" civil society and the Members of the Board of Directors of a Member Club which is a Company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) shall not be eligible for election if they are persons who have been suspended by the Association from serving in such a capacity or who are persons who had been declared "personae non grata" by the Association and/or by FIFA and/or by UEFA.
- vi) a) A member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society and a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) may not, during the same and the following season, be a member or a co-opted member of the Management Committee of another Member Club which is a sui generis civil society or a member of the Board of Directors of another Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta).

Provided that, if the Member Clubs in question compete in different divisions, such restriction shall only apply for the same season

- b) Members of a Management Committee, including co-opted members, or Members of the Board of Directors, Administrators, or Employees of a Member Club, shall not at the same time hold a position whatsoever, or directly or indirectly exercise control, influence, or any management authority over, or hold any direct or indirect financial interest in any other Member Club or in a Club affiliated with the Gozo FA.

Provided that this prohibition shall not apply to medical staff in the fulfilment of their role as such.

- vii) a) A person who during the current season has his spouse or son or daughter or parent a member or a co-opted member of the Management Committee of another Member Club which is a sui generis civil society or a member of the Board of Directors of another Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), if both Clubs are competing in the same division, such person requires the pre-emptive consent of the Executive Board prior to becoming a member or a co-opted member of such Management Committee or a member of such Board of Directors, as the case may be.

- b) In the event that notwithstanding the provisions of sub-clause (a) above, such a person has been elected to or has been co-opted as a member of the Management Committee or has been elected to the Board of Directors of a Member Club prior to having obtained the Executive Board's permission, any act done by such person on behalf of such Club shall be deemed null and void.
 - c) In the event that the Executive Board deems that only one of the persons of the same family as described in sub-clause (a) above may be or remain a member or a co-opted member of the Management Committee or a member of the Board of Directors of one of the Member Clubs concerned, the Executive Board shall have the right to decide who of the persons of the same family may be or remain a member or a co-opted member of the Management Committee or a member of the Board of Directors of one of the Member Clubs concerned.
 - d) Any decision to be made by the Executive Board with regards to the provisions of this clause shall be through a secret vote.
- viii) A person, even if already elected or co-opted to the Management Committee of a Member Club which is a sui generis civil society or as a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), who previously to joining the Management Committee or the Board of Directors was being charged or was found guilty of a serious criminal offence by a competent Court, may be prohibited by the Executive Board from becoming or remaining, as the case may be, a member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society or a member of the Board of Directors of Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), as the case may be.
- ix) A member or a co-opted member of the Management Committee of a Member Club which is a sui generis civil society or a member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta) who during his term of office is charged or found guilty of a serious criminal offence by a competent Court may be prohibited by the Executive Board from remaining a member or co-opted member of such Management Committee of a Member Club which is a sui generis civil society or a member of such Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta), as the case may be.
- x) a) Notwithstanding the provisions of clauses (vi) to (ix) above, all the members and co-opted members of a Management Committee of a Member Club which is a sui generis civil society and all the members of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the Laws of Malta) are subject to the approval of the Executive Board.
- b) Besides a request to the Executive Board made under sub-clause (vii)(a) above, a written request may also be made to the Executive Board for its approval prior to the election or co-option of a member to the Management Committee of a Member Club which is a sui generis civil society or prior to the election of a member to the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta).
- c) Except in the case of a person who was given approval by the Executive Board prior to election or co-option, unless in the meantime a new reason for rejection has arisen, the Executive Board has the right to refuse the approval of any member or any co-opted member of the Management Committee of a Member Club which is a sui generis civil society or of any member of the Board of Directors of a Member Club which is a company under the Companies Act 1995 (Chapter 386 of the laws of Malta) both prior and after election or co-option of members. The Executive Board is not obliged to state its reasons for any such refusal.
- d) The Executive Board may delegate the vetting of Members of a Management Committee, including co-opted members, and the Members of the Board of Directors to the General Secretariat. In any case, prior to approval by the Executive Board, all Committee Members of

Premier League Clubs and Officers and their Deputies (President, Vice Presidents, Secretary, Assistant Secretary, Treasurer, Deputy Treasurer) of all other Member Clubs shall undergo a due diligence exercise.

Such due diligence exercise shall be undertaken in the form established by the Executive Board from time to time and implemented by the General Secretariat.

- e) The Executive Board may also refer any member, co-opted member, or Director of a Management Committee of a Member Club to the Ethics and Compliance Committee where it deems that there may be reputational risk for the Association should such member, co-opted member, or Director be approved.

N **5 Duties of Member Club's Management Committee**

- i) a) Subject to the Statute, Regulations and Bye-laws of the Association, the Management Committee of a Member Club shall have the control of all the affairs connected with the running of the Member Club concerned, including all matters connected with association football and with the Association in the city, town or village over which such Member Club has jurisdiction and shall be the only body for this purpose by the Association in the city, town or village concerned. The Association shall have jurisdiction over the members of such Management Committee.
- b) Notwithstanding the provisions of sub-clause (a) above, the Association shall have jurisdiction over the members of the Board of Directors even though these may not form part of the Club's Management Committee.
- c) Notwithstanding the provisions of sub-clause (a) above, members of the Board of Directors are considered as Management Committee Members in the case of misdemeanours committed by them.
- ii) Agreements between Member Clubs and agreements between a Member Club and a non-amateur player, must be approved by the Management Committee during a formal meeting of the Management Committee. Failure to abide by this provision shall be deemed to be a serious offence and both the Member Club concerned and those Members of the Club's Management Committee responsible for the agreement shall be subject to disciplinary proceedings.
- iii) The Management Committee may appoint sub-committees to help it in its duties. However, the Management Board shall in all cases be responsible for its Member Club towards the Association.
- iv) a) The Secretary of a Management Committee shall send within the established time-limits to the General Secretary of the Association all the information which is required by the Statute, Regulations and Bye-Laws of the Association or by the Executive Board of the Association. This information must be on the official form/s established by the Executive Board. The form/s must provide for the following information: the official name of the Club, the address of the Club and the correspondence address if different from that the Club's premises, the legal form of the Club (whether a 'sui generis' civil society or a commercial company), the list of the signatories (last name, first name and home address) and the type of signature required (individual, collective, etc.) as well as the telephone number/s, the fax address and the e-mail address of the Club.
- b) In the case of a commercial company, an official registration certificate must be attached to the form mentioned in sub-clause (a) above.
- c) Information sent by the Secretary of a Management Committee may be required to be confirmed on oath.

- v) A resolution or a decision of the Management Committee may not be rescinded at the meeting at which it was passed or at a subsequent regularly convened Management Committee meeting during the same season unless the motion for rescinding it is carried by three-fourths ($\frac{3}{4}$) of the members present and voting.
- vi) Unless otherwise stipulated, the Club shall be represented by its President and Secretary. These shall have the right to sign documents on behalf of the Club.

6 Financial Loans and other Financial Obligations of Member Clubs

- i) Member Clubs must have a provision in their Statute stipulating that any financial loan taken by the Club or any other financial obligation entered into by the Club which exceeds five hundred euro (€500), except in the case of agreements by a Member Club with another Member Club, and except in the case of agreements between a Member Club and a non-amateur player, shall not be valid, and therefore not legally binding on the Member Club concerned, unless such obligations are approved by the Club's Management Committee during a formal meeting, are made in writing and are signed by the President, the Secretary and the Treasurer of the Club.
- ii) Repealed.
- iii) A Member Club which receives any donation or sponsorship of over ten thousand euros (€10,000) shall disclose, by means of a form for this purpose, the following information:
 - a) The sponsorship/donation agreement;
 - b) The source of funds of the donor/sponsor;
 - c) An identification document of the donor/sponsor;
 - d) A 'Know-Your-Client' form.
- iv) Any such donation, sponsorship, or loan agreed in favour of a Member Club shall be paid through traceable means.
- v) For the purposes of the threshold amount established in Article 6(iii) above, any loans, donations and sponsorships made within a period of twelve (12) months shall be deemed to be one transaction. For all intents and purposes of the computation, donations and sponsorships granted by the same person or by any entity related directly or indirectly to the same person, shall be deemed to be one transaction.
- vi) In the case of any breach under this Article, the Member Clubs' Licensing Board shall be empowered to take disciplinary measures by imposing a fine which shall be equal to a percentage (10%) of the amount involved in the transaction under review (donation/sponsorship/loan), but in any case not less than €5,000.
- vii) Funding originating from the Government, local council and/or European Funds shall not be subject to any review. Proof of the source of such funding may be requested.

7 Member Club's Premises

- i) The Management Committee of a Member Club shall be responsible towards the Association for the activities held on the Member Club's premises or at the Club's training infrastructure.

- ii) No political activities of any sort shall be permitted by a Member Club's Management Committee on the premises or at training infrastructure of its Club.
- iii) No illegal or immoral activities shall be permitted by a Member Club's Management Committee on the premises or at the training infrastructure of its Club.
- iv) The Executive Board shall punish violations of these provisions as it may deem fit.

8 Member Club's Sponsors

- i) The Executive Board or the Ethics and Compliance Committee shall have the right to object to any sponsorship agreement concluded by a Member Club.
- ii) In the case of any objection by the Executive Board or the Ethics and Compliance Committee, the Member Club concerned shall not associate with such sponsor, be it an individual, body of persons or company and/or with their product. Furthermore, a Member Club shall not enter into another sponsorship agreement or associate itself with such an individual, body of persons or company, or with any of their products, without the prior approval of the Executive Board or the Ethics and Compliance Committee, as the case may be.
- iii) Any wilful transgression of the different provisions contained in this article shall be deemed to be a serious offence.

9 Members' Status Committee

- i) The Association shall have a Members' Status Committee which shall be appointed by the Executive Board.
- ii) The Members' Status Committee shall consist of a Chairman, who shall be an officer of the Association, two (2) Vice-Chairmen, one of whom shall be the Honorary Treasurer of the Association and who shall be the first Vice-Chairman, unless he is the Chairman, a number of members as may be deemed necessary, and a Secretary.
- iii) The Members' Status Committee shall be competent to deal with all matters relating to these Legal Criteria for Member Clubs and Member Associations, including the monitoring of the Statutes of Member Clubs and Member Associations, and of the Memorandum and Articles of Association of Member Clubs which are commercial companies and any amendments to such Statutes or Memorandum and Articles of Association, as well as to deal with any internal problems which a Member Club may refer to the Association.
- iv) If the Members' Status Committee is of the opinion that action against a Member Club or a Member Association is warranted it shall inform the Executive Board of the Association about the matter for any action which it may deem necessary to take.

SCHEDULE IA – CRITERIA REGARDING MEMBER CLUBS INCORPORATED AS COMMERCIAL COMPANIES

A Member Club desiring to incorporate into a commercial company, or any such company which proposes to make a fresh issue of shares, or in which a transfer of shares is to be approved, must apply to the MFA in writing and submit a copy of the proposed Memorandum and Articles of Association of the company, as well as any other documentation and evidence that the Executive Board of the MFA may deem appropriate to require of the applicant in each particular case.

Before the Executive Board accedes to such request it must be satisfied that the proposed Memorandum and Articles of Association include the under-mentioned conditions and other conditions, which may be recommended by the Members' Status Board of the Association.

- ¹ The main object of the company must be the carrying on of the business of a football club constituted in accordance with the rules and regulations of the Malta Football Association for the purpose of preparing football teams at all levels to participate in competitions organised by the Malta Football Association and, if qualified, to represent the Malta Football Association in international competitions at club level and to observe the rules and regulations of the Fédération Internationale de Football Association (FIFA) and of the Union des Associations Européennes de Football (UEFA).
- ² No person, whether physical or juridical, or any other association of persons, whether corporate or noncorporate, may, whether directly or indirectly, hold, control or in any other manner influence, more than forty-nine per cent (49%) of the shares or the voting rights in any such company.
- ³ No person, whether physical or juridical, or any other association of persons, whether corporate or noncorporate, being already a member or director of a Member Club or any such company may, whether directly or indirectly, own shares or otherwise be a member, director or Committee member of another Member Club, however constituted. This prohibition shall continue to apply for a period of three years after such person or association of persons ceases to be a shareholder, director, member or board member of the member club, however constituted.
- ⁴ Non-amateur players and active referees are prohibited from holding shares, whether directly or indirectly, in such a company. In the case of a referee, this prohibition shall continue to apply for a period of five years after he has ceased to be an active referee.
- ⁵ Such a company, whether on inception or on conversion, must ensure that prior to incorporation or conversion, its shares or any class thereof, are offered to the members of the Member Club as constituted prior to incorporation or conversion. The price of these shares, and the rights attaching thereto, shall be subject to the approval of the Executive Board, which must ensure that the price is reasonable, and that the rights attaching thereto reflect the contribution of that class. These shall have the right to be represented on the Board of Directors.
- ⁶ Amendments to the Memorandum and Articles of Association of a such a company shall not be valid unless approved by at least seventy-five per cent (75%) of the voting rights in the company and unless such change is approved by the MFA Executive Board.
- ⁷ A director of such a company shall resign from the post or is to be removed there from if he is suspended from all football activities for a period of more than six months and until such time as he is still under such suspension.
- ⁸ A non-amateur player cannot be a director of such a company.
- ⁹ An active referee cannot be a director of such a company. This prohibition shall continue to apply for five years after he has ceased to be an active referee.
- ¹⁰ No individual may be a shareholder or a director or may continue to be a shareholder or a director of such a company if he has been or is found guilty either under the Prevention of Corruption (Players) Act (Chapter 263 of the Laws of Malta) or of corruption, by the Association, or who has been or is declared "persona non grata" by the Association, or by FIFA or UEFA.

¹¹ A larger dividend shall not be declared than the maximum dividend allowed from time to time by the Executive Board of the Association and may be cumulative for a period not exceeding three (3) years (that is to say, the past three (3) consecutive years). Until otherwise determined by the Executive Board of the Association the maximum dividend payable in respect of any year shall be fifteen per cent (15%) before deduction of tax.

¹² Preference Shares may be issued with cumulative preference dividend not exceeding twelve Euro (€12) per cent net for a period not exceeding three (3) years (that is to say the Preference Shares may be issued with cumulative preference dividend not exceeding twelve Euro (€12) per cent net for a period not exceeding three (3) years (that is to say the past three consecutive years); but the company may not issue more Preference Shares than its subscribed Ordinary Shares.

¹³ A Share shall not be sub-divided. No such company shall make any bonus issue or pay any capital dividend without the written consent of the Executive Board of the Association.

¹⁴ A resolution to wind up such a company shall not be valid unless approved by seventy-five per cent (75%) of the shareholders.

¹⁵ In the case of an application to the competent court for the winding up of such a company, the Association shall be served with a copy of the application and the Association shall have the right to make submissions during the hearing as an interested party.

¹⁶ The Member Clubs' Status Committee and the Executive Board may draw any conclusion that they may deem appropriate to ensure that the provisions of these rules are complied with, and in particular to ensure so far as possible that no indirect holdings or other devices are employed to circumvent the provisions of these rules.

¹⁷ If such a company fails to adhere to the conditions mentioned in these directives or to any other condition imposed by the Executive Board of the Association in the recognition of a Member Club as a company, the Executive Board shall have the right to take all those measures, including the suspension of such Member Club, to ensure compliance as it may deem necessary in the circumstances.

SCHEDULE IB – ANNUAL / EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB

ANNUAL / EXTRAORDINARY GENERAL MEETING OF A MEMBER CLUB

REPORT FORM

Name of Malta FA Representative _____

Member Club _____ Date: ___/___/___

Meeting held at _____ Start time: _____ End time: _____

Number of Members present _____ Quorum (50%+1) _____

Whether Meeting started late due to lack of Quorum: Yes / No

PROCEDURES

Agenda

(In accordance with the Regulations Governing the Constitution and Management of Member Clubs)

Annual General Meeting

- a. Approval of Minutes of the last Annual General Meeting and any intervening Extraordinary General Meetings
- b. Election of Management Committee
- c. Amendments to the Statute
- d. Motions
- e. Other Matters

Extraordinary General Meeting for the approval of audited Accounts and Balance Sheet

- a. Approval of Minutes of the last Extraordinary General Meeting for the approval of audited Accounts and Balance Sheet
- b. Presentation of audited Accounts and Balance Sheet for the previous season
- c. Appointment of auditors

Were all the above items included on the Agenda? YES / NO

Were there other items included on the Agenda? YES / NO

Was the notice to members, including the Agenda, sent to the Members, at least 15 days, before the date of the meeting? Yes / No

Proceedings as per the Agenda:

Who was appointed to keep the minutes for this meeting?

Name & Surname _____ Function _____

Minutes of the last Annual General Meeting held on _____

Read and Approved: Yes / No

If Read and Approved –

Proposed for approval by _____

Seconded by _____

Minutes of any Extraordinary General Meeting held on _____

Read and Approved: Yes / No

If Read and Approved –

Proposed by _____

Seconded by _____

Minutes of the Extraordinary General Meeting for the approval of the audited Accounts and

Balance Sheet held on _____

Read and Approved: Yes / No

If Read and Approved –

Proposed by _____

Seconded by _____

Audited Accounts and Balance Sheet for previous season

Read and Approved: Yes / No

If Read and Approved –

Proposed by _____

Seconded by _____

If Accounts and Balance Sheet Approved to be attached with this report.

Election of Management Committee: Held/Not Held

Candidates Nominated for Election:

Name	Post Contested for	No. of votes*	Elected/Not*

Were all the above proposed and seconded? Yes/No

The Management Committee for Season 20____ / 20____ was elected as follows:

1		9	
2		10	
3		11	
4		12	
5		13	
6		14	
7		15	
8			

Auditors for the coming season: _____

The following auditors were appointed for season 20____ /20____

Either

Name & Surname of Certified Public Accountant and Auditor/Firm of Certified Public Accountants and Auditors elected by the Annual General Meeting:

Or

Particulars of the two (2) Clubs' Auditors elected by the Annual General Meeting:

Name & Surname _____ Qualifications:

Address _____

Name & Surname _____ Qualifications:

Address _____

Amendments to the Statute and/or Motions:

I the undersigned, as representative of the Malta Football Association, hereby declare that this report represents a true account of proceedings during the above Annual / Extraordinary General Meeting.

Signature of MFA Representative _____ Date _____

Full Name in Block Letters _____

To be sent to the General Secretary of the Association within five (5) days of the Meeting.

SCHEDULE II – FINANCIAL CRITERIA APPLICABLE TO MEMBER CLUBS APPLYING FOR A PROFESSIONAL AND/OR SEMI-PROFESSIONAL LICENCE

1 Application

- i) The provisions of this Schedule shall be observed by all Member Clubs who apply for the attainment of a licence for Professional and/or Semi-Professional Status;
 - ii) Such Member Clubs shall also observe all the provisions contained in Schedules III, IV and V, which for all intents and purposes shall be considered as an integral part of this Schedule II.
-

2 Annual Financial Statements

- i) Annual financial statements in respect of the statutory closing date prior to the deadline for submission of the application to the Association must be prepared and submitted.
 - ii) Annual financial statements must be audited by an independent auditor as defined in Schedule III.
 - iii) The annual financial statements must consist of:
 - a) A balance sheet
 - b) A profit and loss account
 - c) a cash flow statement;
 - d) Notes, comprising a summary of significant accounting policies and other explanatory notes; and
 - e) A financial review by management.
 - iv) The annual financial statements must meet the minimum disclosure requirements as set out in Schedule IV and the accounting principles as set out in Schedule V. Comparative figures in respect of the prior statutory closing date must be provided.
 - v) If the minimum requirements for the content and accounting as set out in sub-article (iv) above are not met in the annual financial statements, then the licence applicant must prepare supplementary information in order to meet the minimum information requirements that must be assessed by an independent auditor as defined in Schedule III of these Regulations.
-

3 Interim Financial Statements

- i) Interim financial statements in respect of the period between the 1st January and the 30th April preceding the Annual General Meeting of the Member Club shall be prepared according to this Article, and submitted to the Association.
- ii) These Interim Financial statements may not be audited by an independent auditor.
- iii) The annual financial statements must consist of:
 - a) A balance sheet;

- b) A profit and loss account;
- c) a cash flow statement;

II 4 No overdue payables towards football clubs

- i) The licence applicant must prove that as at 15th April preceding the licence season it has no overdue payables, according to Article 8 below, that refer to transfer activities that occurred prior to the previous 31st December.
- ii) Payables are those amounts due to football clubs as a result of transfer activities as defined in the regulations for *Players Registered with Member Clubs Operative Dispositions and Players' Agents (Section IV of the MFA Regulations)* as well as any amount due upon fulfilment of certain conditions.
- iii) The licence applicant must prepare and submit to the Association a transfer payables table. It must be prepared even if there have been no transfers/loans during the relevant period.
- iv) The licence applicant must disclose all transfer activities (including loans) undertaken up to 31st December, irrespective of whether there is an amount outstanding to be paid at 31st December. In addition, the licence applicant must disclose all transfers subject to a claim pending before the competent authority under Maltese law or proceedings pending before the competent MFA or international football authority or relevant arbitration tribunal.
- v) The transfer payables table must contain the following information as a minimum (in respect of each player transfer, including loans):
 - a) Player (identification by name or number);
 - b) Date of the transfer/loan agreement;
 - c) The name of the football club that formerly held the registration;
 - d) Transfer (or loan) fee paid and/or;
 - e) Other direct costs of acquiring the registration paid and/or payable;
 - f) Amount settled and payment date;
 - g) The balance payable at 31st December in respect of each player transfer including the due date for each unpaid element;
 - h) Any payable as at 1th April (rolled forward from 31st December) including the due date for each unpaid element, together with explanatory comment; and
 - i) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as of 31st December.
- vi) The licence applicant must reconcile the total liability as per the transfer payables table to the figure in the financial statements balance sheet for 'Accounts payable relating to player transfers'. The licence applicant is required to report in this table all payables even if payment has not been requested by the creditor.
- vii) The transfer payables table must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licence applicant.

5 No overdue payables towards Employees and the Commissioner for Revenue

- i) The licence applicant must prove that as at 15th April preceding the licence season it has no overdue payables, according to Article 8 below, towards its employees or the Commissioner for Revenue as a result of contractual and legal obligations towards its employees that arose prior to the previous 31st December.
- ii) Payables are those amounts due to employees or the Commissioner for Revenue as a result of contractual or legal obligations towards employees. Amounts payable to people who, for various reasons, are no longer employed by the licence applicant fall within the scope of this condition/criterion and must be settled within the period stipulated in the contract and/or defined by law, regardless of how such payables are accounted for in the financial statements.
- iii) The term "employees" includes the following persons:
 - a) All professional players according to the applicable regulations for Regulations on the Status and Transfer of Players (Section IV of the MFA Regulations); and
 - b) The technical, medical and administrative staff specified in Articles 19, for the licence applicant applying for a Professional Status Licence, or Article 20, for the licence applicants applying for a Semi-Professional Status Licence.
- iv) The licence applicant must prepare a schedule showing all employees who were employed at any time during the year up to the 31st December preceding the licence season; i.e. not just those who remain at yearend. This schedule must be submitted to the Association.
- v) The following information must be given, as a minimum, in respect of each employee:
 - a) Name of the employee;
 - b) Position/function of the employee;
 - c) Start date;
 - d) End date (if applicable);
 - e) The balance payable as at 31st December, including the due date for each unpaid element; and
 - f) Any payable as at 15th April (rolled forward from 31st December), including the due date for each unpaid element, together with explanatory comment.
- vi) The licence applicant must reconcile the total liability as per the employee schedule to the figure in the financial statements balance sheet for 'Accounts payable towards employees' or to the underlying accounting records.
- vii) The licence applicant must submit to the Association a social/tax table showing the amount payable (if any), as at 31st December of the year preceding the licence season, to the Commissioner for Revenue as a result of contractual and legal obligations towards its employees.
- viii) The following information must be given, as a minimum, in respect of each payable towards the Commissioner for Revenue, together with explanatory comment:
 - a) Name of the creditor;
 - b) Any payable as at 31st December, including the due date for each unpaid element;
 - c) Any payable as at 15th April (rolled forward from 31st December), including the due date for each unpaid element;
 - d) All supporting evidence in respect of the above payables.

- ix) The licence applicant must reconcile the total liability as per the social/tax table to the figure in the financial statements balance sheet for 'Accounts payable to the Commissioner for Revenue' or to the underlying accounting records.
- x) The employees schedule and the social/tax table must be approved by management, and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licence applicant.

II **6 Written representation prior to the licensing decision**

- i) By the 16th April, the licence applicant must make written representations to the Association.
- ii) The licence applicant must confirm the following:
 - a) That all documents submitted to the Association are complete and correct;
 - b) Whether or not any significant change in relation to all the licensing criteria has occurred;
 - c) Whether or not any events or conditions of major economic importance have occurred that may have an adverse impact on the licence applicant's financial position since the balance sheet date of the preceding audited annual financial statements. If any events or conditions of major economic importance have occurred, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made;
 - d) Whether or not the licence applicant or any parent company of the licence applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the twelve (12) months preceding the licence season.
- iii) Approval by management must be evidenced by way of a signature on behalf of the executive body of the licence applicant.

II **7 No overdue payables towards football clubs - Monitoring**

- i) The licensee must prove that as at 31st May of the year in which the National League Competition commences it has no overdue payables (as specified in Article 8 below) towards other football clubs as a result of transfer activities undertaken from the 1st January up to 31st May.
- ii) Payables are those amounts due to football clubs as a result of transfer activities as defined in the *Players Registered with Member Clubs Operative Dispositions and Players' Agents (Section IV of the MFA Regulations)*, as well as any amount due upon fulfilment of certain conditions.
- iii) By the deadline and in the form communicated by the Association, the licensee must prepare and submit the transfer payables information, even if there have been no transfers/loans during the relevant period.
- iv) The licensee must disclose all transfer activities (including loans) undertaken up to 31st May, irrespective of whether there is an amount outstanding at 31st May. In addition, the licensee must disclose all transfers subject to legal proceedings before an MFA or international sporting body, arbitration tribunal or competent Maltese court.
- v) The transfer payables information must contain the following as a minimum (in respect of each player transfer, including loans):
 - a) Player (identification by name);

- b) Date of the transfer/loan agreement;
 - c) The name of the football club that formerly held the registration;
 - d) Transfer (or loan) fee paid and/or payable (including training compensation and solidarity contributions) even if payment has not been requested by the creditor;
 - e) Other direct costs of acquiring the registration paid and/or payable;
 - f) Amount settled and payment date;
 - g) Balance payable at 31st May in respect of each player transfer;
 - h) Due date(s) for each unpaid element of the transfer payables; and
 - i) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as of 31st May.
- vi) The licensee must reconcile the total liability as per the transfer payables table to the figure in the financial statements balance sheet for 'Accounts payable relating to player transfers' (if applicable) or to underlying accounting records.
- vii) The transfer payables information must be approved by management, and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licensee.

II **8 No overdue payables towards Employees and/or the Commissioner for Revenue – Monitoring**

- i) The licensee must prove that as at 31st May of the year in which the National League Competition commences it has no overdue payables (as specified in Article 8 below) towards its employees and/or the Commissioner for Revenue, as defined in sub-articles (ii) and (iii) of Article 4, that arose between the 1st January and the 31st May.
- ii) By the deadline and in the form communicated by the Association, the licensee must prepare and submit a declaration confirming the absence or existence of overdue payables towards employees and the Commissioner for Revenue.
- iii) The following information must be given, as a minimum, in respect of each overdue payable towards employees, together with explanatory comment:
 - a) Name of the employee;
 - b) Position/function of the employee;
 - c) Start date;
 - d) Termination date (if applicable); and
 - e) Balance overdue as at 31st May, including the due date for each overdue element.
- iv) The following information must be given, as a minimum, in respect of each overdue payable towards the Commissioner for Revenue, together with explanatory comment:
 - a) Name of the creditor;
 - b) Balance overdue as at 31st May, including the due date for each overdue element.
- v) The declaration must be approved by management, and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licensee.

9 Definition of 'Overdue Payables'

- i) Payables are considered as overdue if they are not paid according to the agreed terms.
- ii) Payables are not considered as overdue, within the meaning of these regulations, if the licence applicant/licensee (i.e. debtor club) is able to prove by 15th April (in respect of Articles 3 and 4 of this Schedule) and by 31st May (in respect of Articles 6 and 7 of this Schedule) respectively that:
 - a) It has paid the relevant amount in full; or
 - b) It has concluded an agreement which has been accepted in writing by the creditor to extend the deadline for payment beyond the applicable deadline (note: the fact that a creditor may not have requested payment of an amount does not constitute an extension of the deadline), subject to sub-articles (iii), (iv), (v) and (vi) below; or
 - c) It has brought a legal claim which has been deemed admissible by the competent court under Maltese law or has opened proceedings with the MFA or international football tribunals or relevant arbitration tribunal contesting liability in relation to the overdue payables; however, if the decision-making bodies (Member Clubs' Licensing Board and/or Appeals Board) consider that such claim has been brought or such proceedings have been opened for the sole purpose of avoiding the applicable deadlines set out in these regulations (i.e. in order to buy time), the relevant amount will still be considered as an overdue payable; or
 - d) It has contested to the competent court under national law, the MFA or international football tribunals or the relevant arbitration tribunal, a claim which has been brought or proceedings which have been opened against it by a creditor in respect of overdue payables and is able to demonstrate to the reasonable satisfaction of the relevant decision-making bodies (Member Clubs' Licensing Board and/or Appeals Board) that it has established reasons for contesting the claim or proceedings which have been opened; however, if the decision-making bodies (Member Clubs' Licensing Board and/or Appeals Board) consider the reasons for contesting the claim or proceedings which have been opened as manifestly unfounded the amount will still be considered as an overdue payable.
- iii) An agreement which has been accepted in writing by the creditor to extend the deadline for payment beyond the applicable deadline according to sub-article (ii) above, shall only be deemed valid if it is made only for one (1) deadline, with the same creditor and for the same amount of debt, and such agreement shall only extend the deadline for a period of no more than twelve (12) months.
- iv) A subsequent agreement, extending a further deadline, to the agreement provided in sub-article (iii) above shall be considered null and void in the determination of overdue payables for licensing purposes, and shall also be considered null and void by the Players, Coaches, Member Clubs and Players Agents Complaints Board, the Appeals Board and the Independent Arbitration Tribunal of the Association.
- v) The above sub-articles (iii) and (iv) shall apply only in respect to agreements made between the licence applicant/licensee and an employee and/or another Member Club. Agreements between the licence applicant/licensee and the Commissioner for Revenue may be made for an infinite number of times and for infinite number of periods, even if such agreement extends the deadline of another agreement made for the same purpose.
- vi) A creditor, being an employee of the licence applicant/licensee or a Member Club, which had signed an agreement in order to extend the deadline for payment beyond the applicable deadline, and has subsequently signed another agreement to further extend that deadline for that particular debt, which by virtue of sub-articles (iii) and (iv) is deemed to be null and void,

shall not be granted permission by neither by the Executive Board, nor the General Meeting of the Association, to seek redress in front of the competent Maltese Court.

- vii) Member Clubs, in possession of an Amateur Status Licence that have been promoted to the Challenge League, without prejudice to any relevant competition rules of the National League, shall be exempt from the requirements related to overdue payables in respect of the Commissioner for Revenue for the duration of the first football season following their promotion to the Challenge League of the National League.

II **10 Duty to report subsequent events**

- i) The licensee must promptly notify the Association in writing about any significant changes including, but not limited to, subsequent events of major economic importance until at least the end of the licence season.
- ii) The information prepared by management must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement (with supporting reasons) that such an estimate cannot be made.

SCHEDULE III – DETERMINATION OF THE AUDITOR AND AUDITOR’S ASSESSMENT PROCEDURES

III 1 Principle

The auditor must be a Certified Public Accountant or a firm of Certified Public Accountants, according to Article 2(1) of the Accountancy Profession Act (Chapter 281 of the Laws of Malta), to certify the financial statements in accordance with the provisions, including those relating to small companies, of the Companies Act 1995 (Chapter 385 of the Laws of Malta). In such a case, the Certified Public Accountant or the firm of Certified Public Accountants as the case may be, must be independent of such Member Club, in compliance with the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. The auditor must also be a member of the Malta Institute of Accountants, which is the relevant IFAC member body in Malta.

III 2 Assessment procedures

- i) The auditor must audit the annual financial statements. The auditor’s report must:
 - a) include a statement confirming that the audit was conducted in accordance with the International Standards on Auditing or relevant national auditing standards or practices where these comply with, as a minimum, the requirements of the International Standards on Auditing; and
 - b) be submitted to the Association together with the annual financial statements to form a basis for his licensing decision.
 - 1) Financial information other than the financial statements may be assessed by an auditor. In this case, the auditor’s report of factual findings must:
 - a) include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400 or relevant national standards or practices where these comply with, as a minimum, the requirements of ISRS 4400; and
 - b) be submitted to the Association together with the relevant documentation to form a basis for his licensing decision.
-

III 3 Subsidy for Audit Fees

The Association shall pay to all Member Clubs holding a full or monitored Professional Status and/or Semi-Professional Status Licence, a subsidy of the amount paid for audit fees for each season, provided that the Association shall withhold such subsidy if it is advised by the Member Clubs’ Licensing Board that the audited financial statements do not reflect the real picture of that Member Club’s finances and/or the audit work carried out was not according to the accounting standards set out in this Schedule. The subsidy shall be of the amount actually paid by the Member Club for audit fees or five hundred Euro (€500), whichever is the lower.

SCHEDULE IV – MINIMUM DISCLOSURE REQUIREMENTS

IV 1 Principle

- i) Notwithstanding the requirements of Maltese legislation, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, the financial criteria of these regulations require licence applicants/licensees to present a specific minimum level of financial information to the Association as set out in Article 2 of Schedule II of these Regulations.
- Each component of the financial statements must be identified clearly. The following information must be displayed prominently, and repeated where necessary within the financial statements, for a proper understanding of the information presented:
 - a) Name (and legal form), domicile and business address of the reporting entity and any change in that information since the previous statutory closing date;
 - b) Whether the financial information covers the individual licence applicant/licensee or a group of entities or some other combination of entities, and a description of the structure and composition of any such group or combination;
 - c) The statutory closing date and the period covered by the financial information (for both current and comparative information); and
 - d) The presentation currency.

IV 2 Balance sheet

- i) The minimum requirements for balance sheet items are stated below.

Current assets

- i) cash and cash equivalents
- ii) accounts receivable from player transfer
- iii) accounts receivable from group entities and other related parties
- iv) accounts receivable from the Commissioner for Revenue
- v) other current assets
- vi) inventories

Non-current assets

- vii) tangible fixed assets
- viii) intangible assets - players
- ix) intangible assets - other
- x) investments
- xi) other non-current assets

Current liabilities

- xii) bank overdrafts and loans

- xiii) accounts payable relating to player transfer
- xiv) accounts payable to group entities and other related parties
- xv) accounts payable to employees
- xvi) accounts payable to social/tax authorities
- xvii) other current liabilities
- xviii) short-term provisions

Non-current liabilities

- xix) bank and other loans
- xx) accounts payable relating to player transfers
- xxi) accounts payable to social/tax authorities
- xxii) other non-current liabilities
- xxiii) other tax liabilities
- xxiv) long-term provisions

Net assets/liabilities

- xxv) net assets/liabilities

Equity

- xxv) capital and reserves

- ii) Management may consider that line items (i) to (xxvi) are best presented on the face of the balance sheet or in the notes.

IV **3 Profit and loss account**

- i) The minimum requirements for profit and loss accounts are stated below.

Income

- i) Gate receipts
- ii) Marketing, sponsorship and advertising
- iii) Broadcasting rights
- iv) UEFA Solidarity and Prize Money
- v) Profits (Loss) on Transfer Activities
- vi) Merchandising and Catering (commercial)
- vii) Football-related renting and leasing income
- viii) Donations and other third-party contributions
- ix) Other football-related income/operating income

Expenditure

- x) Personnel expenditure
- xi) Players' wages and salaries
- xii) Others' wages and salaries

- xiii) Other personnel expenditure
- xiv) Cost of sales/materials
- xv) Direct competition expenditure)
- xvi) Other football-related expenditure
- xvii) Other operating expenses
- xviii) Depreciation and amortization
- xix) Impairment of fixed assets
- xx) Player-related depreciation
- xxi) Other depreciation

Other

- xxii) profit/loss on disposal of assets
- xxiii) finance costs
- xxiv) tax expense
- xxv) profit or loss after taxation.

- ii) Management may consider that line items (i) to (xxv) are best presented on the face of the profit and loss account or in the notes.

IV **4 Cash flow statement**

- i) The cash flow statement must report cash flows for the financial period (and comparatives for the previous financial period), classified separately as stated below.
- 1) Cash flow from operating activities

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Therefore, they generally result from the transactions and other events that enter into the determination of net profit or loss.
 - 2) Cash flow from investing activities

Investing activities are the acquisition and disposal of long-term assets (including player registrations) and other investments not included in cash equivalents. The entity must report separately major classes of gross cash receipts and gross cash payments arising from investing activities.
 - 3) Cash flow from financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity share capital and borrowings of the entity. The entity must report separately major classes of gross cash receipts and gross cash payments arising from financing activities.
 - 4) Other cash flows

Cash flows from interest and dividends received and paid must each be disclosed separately. Each must be disclosed in a consistent manner from period to period as either operating, investing or financing activities.

Cash flows arising from taxes on income must be disclosed separately and classified as cash flows from operating activities unless they can be appropriately and specifically identified as financing and investing activities.

IV 5 Notes to the financial statements

i) Notes to the annual financial statements must be presented in a systematic manner. Each item on the face of the balance sheet, profit and loss account and cash flow statement must be cross-referenced to any related information in the notes. The minimum requirements for disclosure in notes are as follows:

a) Accounting policies

The basis of preparation of the financial statements and a summary of the significant accounting policies used.

b) Tangible fixed assets

Each class of tangible fixed asset must be disclosed separately (e.g. property, stadium and equipment).

The following information must be disclosed for each class of tangible fixed asset:

- 1) the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- 2) a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, increases or decreases during the period resulting from revaluations, impairment losses recognised in the profit and loss account during the period (if any), impairment losses reversed in the profit and loss account during the period (if any) and depreciation.

The depreciation methods and useful lives (or depreciation rates) used must be disclosed in the accounting policy notes.

c) Intangible fixed assets

Each class of intangible fixed asset must be disclosed separately (e.g. player registrations, goodwill, other intangible assets).

The following information must be disclosed for each class of intangible fixed asset:

- 1) the gross carrying amount and the accumulated amortisation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- 2) a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, decreases during the period resulting from impairment losses recognised in the profit and loss account during the period (if any) and amortisation.

For further information and guidance in relation to accounting for player registrations, refer to Schedule V.

d) Pledged assets and assets under reservation of title

The existence and amounts of restrictions on title, and property, stadium and equipment pledged as security for liabilities or guarantees, must be disclosed.

The existence and carrying amounts of intangible assets whose title is restricted and the carrying amount of intangible assets pledged as security for liabilities must be disclosed.

e) Investments

Investments must include investments in subsidiaries, jointly controlled entities and associates. In respect of investments in subsidiaries, jointly controlled entities and associates, the following information must be disclosed as a minimum for each investment:

- 1) name;
- 2) country of incorporation or residence;
- 3) type of business/operations of the entity;
- 4) proportion of ownership interest;
- 5) if different, proportion of voting power held; and
- 6) description of the method used to account for the investments.

f) Bank overdrafts and loans

For each class of financial liability the following must be disclosed:

- 1) information about the extent and nature of the financial instruments, including amounts and duration and any significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- 2) the accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied.

g) Provisions

Provisions must be disclosed in separate classes. In determining which provisions may be aggregated to form a class, it is necessary to consider whether the nature of the items is sufficiently similar to be combined in a statement of a single amount.

For each class of provision, the carrying amount at the beginning and end of the period, the amount utilised and any amount released, or credited, in the period must be disclosed.

h) Issued capital and reserves

Share capital, other reserves and retained earnings must be disclosed separately.

1) Share capital

In relation to share capital issued during the current year the following must be disclosed:

- Number and type of shares issued;
- Share premium (if applicable) arising on the shares issued;
- Total amount raised as a result of the issuing of shares;
- Reason for the issuing of new shares.

2) Other reserves

Where items of property, stadium and equipment are stated at revalued amounts, the revaluation surplus, indicating the change for the period and any restrictions on the distribution of the balance to shareholders, must be disclosed.

3) Retained earnings

The balance of retained earnings (i.e. accumulated profit or loss) at the beginning of the reporting period and at the balance sheet date, and the changes during the reporting period must be disclosed.

i) Controlling party

When the reporting entity is controlled by another party, the related party relationship and the name of that party must be disclosed and, if different, that of the ultimate controlling

party. This information must be disclosed irrespective of whether any transactions have taken place between the controlling parties and the reporting entity.

j) Related party transactions

If there have been transactions between related parties during the periods covered by the financial statements, the reporting entity must disclose the nature of the related party relationship, as well as information about those transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements. Items of a similar nature may be disclosed in aggregate except when separate disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the reporting entity.

As a minimum, disclosures must include for each related party:

- 1) the amount and the nature of the transactions;
- 2) the amount of outstanding balances, including commitments, and:
 - Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - Details of any guarantees given or received;
- 3) provisions for doubtful debts related to the amount of outstanding balances; and
- 4) the expense recognised during the period in respect of bad or doubtful debts due from related parties.

The disclosures required must be made separately for each of the following categories:

- The parent;
- Entities with joint control or significant influence over the reporting entity;
- Subsidiaries;
- Associates;
- Joint ventures in which the reporting entity is a venturer;
- Key management personnel of the entity or its parent; and
- Other related parties.

Confirmation that related party transactions were made on terms equivalent to those that prevail in arm's length transactions must be made if such terms can be substantiated.

k) Contingent liabilities

Unless the possibility of any outflow in settlement is remote, the reporting entity must disclose for each class of contingent liability at the statutory closing date a brief description of the nature of the contingent liability and, where practicable:

- 1) an estimate of its financial effect;
- 2) an indication of the uncertainties relating to the amount of timing of any outflow; and
- 3) the possibility of any reimbursement.

l) Events after the balance sheet date

Material non-adjusting events after the balance sheet date must be disclosed (the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made). Examples of such events are:

- 1) fixed-term borrowing approaching maturity without realistic prospects of renewal or repayment;
- 2) substantial operating losses;
- 3) discovery of material fraud or errors that show the financial statements are incorrect;

- 4) management determining that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to so do;
- 5) player transactions where the amounts paid or received are significant;
- 6) transactions relating to property – for example, in relation to the club’s stadium.

m) Other disclosures

- 1) Agents’ fees
The total amount of payments made to or for the benefit of an agent must be disclosed.
- 2) Players’ economic rights (or similar)
For any player for whom the economic rights or similar are not fully owned by the licence applicant, the name of the player and the percentage of economic rights or similar held by the licence applicant at the beginning of the period (or on acquisition of the registration) and at the end of the period must be disclosed.
- 3) Tax expense
The components of tax expense must be disclosed separately. That is, the aggregate amount included in the determination of net profit or loss for the reporting period in respect of current and/or deferred tax.
- 4) Miscellaneous
Any additional information or disclosure that is not presented on the face of the balance sheet, profit and loss account or cash flow statement, but is relevant to an understanding of any of those statements and/or is required to meet the minimum financial information requirements, must be disclosed.

IV **6 Financial review by management**

- i) The annual financial statements must include a financial review or commentary by management (sometimes referred to as a directors’ report) that describes and explains the main features of the reporting entity’s financial performance and financial position and the principal risks and uncertainties it faces.
- ii) The annual financial statements must also include the names of persons who were members of the executive body, or board of directors, and of the supervisory bodies of the reporting entity at any time during the year.

SCHEDULE V – BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

v 1 Principle

- i) a) Member Clubs must close their account annually. The accounting period must start on the 1st of January and end on the 31st of December in that year.
 - b) Financial statements as defined in Article 2 of Schedule II must be based on the accounting standards required by the Companies Act of 1995 (Chapter 386 of the Laws of Malta), regardless of the legal structure of the licence applicant.
 - ii) Financial statements must be prepared on the assumption that the licence applicant is a going concern, meaning it will continue in operation for the foreseeable future. It is assumed that the licence applicant has neither the intention nor the necessity to go into liquidation, cease trading or seek protection from creditors pursuant to laws or regulations.
 - iii) The financial statements must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the reporting entity.
-

v 2 Consolidation requirements

- i) If the licence applicant has control of any subsidiary, then consolidated financial statements must be prepared and submitted to the Association as if the entities were a single company.
 - ii) a subsidiary may be excluded only if:
 - a) the subsidiary is immaterial compared with the overall group made by the licence applicant; or
 - b) the subsidiary's activity is clearly and exclusively not related to football.
 - iii) If a subsidiary is excluded from the reporting perimeter, the management of the licence applicant must justify its decision to the Association in detail.
 - iv) If the licence applicant is controlled by a parent which has been included in the reporting perimeter, consolidated financial statements must be prepared and submitted to the Association as if the entities included in the reporting perimeter were a single company.
-

v 3 Accounting requirements for player registrations

- i) Notwithstanding that each licence applicant has to prepare audited annual financial statements under the Companies Act of 1995 (Chapter 386 of the Laws of Malta), these regulations include a specific accounting requirement for player registrations carried as intangible fixed assets as set out in Article 2 of Schedule II.
- ii) Licence applicants that capitalise the costs of acquiring a player's registration must:
 - a) apply certain minimum accounting requirements as described in sub-article (iv) below;
 - b) prepare a player identification table as described in Article 4 of this Schedule.

- iii) If a licence applicant has an accounting policy to expense the costs of acquiring a player's registration rather than capitalise them, there is no requirement for such entities to apply the minimum accounting requirements set out below and they do not have to prepare restated figures.
- iv) The minimum accounting requirements are described as follows:
 - a) In respect of each individual player's registration, the depreciable amount must be allocated on a systematic basis over its useful life. This is achieved by the systematic allocation of the cost of the asset as an expense over the period of the player's contract.
 - b) Only direct costs of acquiring a player's registration can be capitalised. For accounting purposes, the carrying value of an individual player must not be re-valued upwards, even though management may believe market value is higher than carrying value. In addition, whilst it is acknowledged that a licence applicant may be able to generate some value from the use and/or transfer of locally trained players, for accounting purposes costs relating to an applicant's own youth sector must not be included in the balance sheet – as only the cost of players purchased is to be capitalised.
 - c) Amortisation ceases when the asset is classified as held for sale or when the asset is derecognised (i.e. the registration is transferred to another club), whichever comes first.
 - d) All capitalised player values must be reviewed individually each year by management for impairment. If the recoverable amount for an individual player is lower than the carrying amount on the balance sheet, the carrying amount must be adjusted to the recoverable amount and the adjustment charged to the profit and loss account as an impairment cost.
- v) The licence applicant must prepare supplementary information (to be submitted to the Association) if the accounting requirements described in this annex are not met by the disclosures and accounting treatment in the audited annual financial statements. The supplementary information must include a restated balance sheet, profit and loss account and any associated notes to meet the requirements set out above. There must also be included a note (or notes) reconciling the results and financial position shown in the supplementary information document to those shown in the audited financial statements (that were prepared under the national accounting practice). The restated financial information must be assessed by the auditor by way of agreed-upon procedures.

v **4 Player identification table**

- i) As specified under Article 3(ii) above, licence applicants that capitalise costs relating to the acquisition of a player's registration must prepare a player identification table.
- ii) The player identification table must be provided to the auditor. However, the player identification table does not need to be disclosed within the annual financial statements, nor does it have to be submitted to the Association.
- iii) The minimum information for the content of the player identification table in respect of each relevant player's registration held up to the closing date of the last set of financial statements is as follows:
 - a) Name and date of birth;
 - b) Start and end date of contract;
 - c) The direct costs of acquiring the player's registration;
 - d) Accumulated amortisation brought forward and as the end of the period;

- e) Expense/amortisation in the period;
 - f) Impairment cost in the period;
 - g) Disposals (cost and accumulated amortisation);
 - h) Net book value (carrying amount); and
 - i) Profit/(loss) from disposal of player's registration.
- iv) The relevant players about whom details are required in the table are all those players whose registration is held by the licence applicant at any time during the period and in respect of whom some direct acquisition cost has been incurred (at some point in time in the period or prior periods).
- v) The following aggregate figures in the player identification table must be reconciled to the relevant figures in the balance sheet and profit and loss account in the audited annual financial statements:
- a) The aggregate of the amortisation of player registrations in the current period as shown in the player identification table must agree with/be reconciled to the 'Amortisation of player registrations' (disclosed on the face of, or in a note to, the profit and loss account for the period);
 - b) The aggregate of impairment provisions made in the current period as shown in the player identification table must agree with/be reconciled to the 'Impairment of player registrations' (disclosed on the face of, or in a note to, the profit and loss account for the period);
 - c) The aggregate of profit/(loss) on disposal of player registrations in the player identification table must agree with/be reconciled to the 'Profit/(loss) from disposal of player registrations' (disclosed on the face of, or in a note to, the profit and loss account for the period);
 - d) The aggregate of the net book value of player registrations in the player identification table must agree with/be reconciled to the figure for 'Intangible assets – players' in the balance sheet (on the face or in the notes thereto) for the period end.
- vi) For licence applicants who have restated player accounting figures to meet the accounting requirements of these regulations, these aggregate figures from the player identification table must agree with/be reconciled to the restated figures in the supplementary information.

SCHEDULE VI – FINANCIAL CRITERIA APPLICABLE TO MEMBER CLUBS APPLYING FOR AN AMATEUR LICENCE

VI 1 Principle

- i) The provisions of this Schedule shall be observed by all Member Clubs who apply for the attainment of a licence for Amateur Status;
 - ii) Such Member Clubs shall not be bound to observe the provisions contained in Schedules II, III, IV and V.
-

VI 2 The Keeping of Proper Books of Accounts

- i) All Member Clubs applying for a licence for Amateur Status shall keep proper accounting records and books of accounts.
 - ii) Proper accounting records shall include the following:
 - a) a detailed Cashbook incorporating all receipts and payments;
 - b) a detailed Purchase Ledger with the relative Creditor's Ledger;
 - c) a detailed Sales Ledger with relative Debtor's Ledger;
 - d) a detailed Register of Fixed Assets.
 - iii) Accounting records may be maintained and produced either manually or by means of computerized accounting programs.
 - iv) Supporting documentary evidence of accounting entries must be properly filed and retained for at least three (3) years.
 - v) All accounting records and supporting documents must be readily available for presentation to the Association if so requested.
 - vi) All accounting records may be required to be confirmed on oath.
 - vii) The Association may carry out any investigation which it may deem fit.
-

VI 3 Payments made by Clubs

- i)
 - a) Member Clubs must have a current account/s with a local bank/s in the name of the Club.
 - b) Member Clubs must by not later than the 16th April of each year inform the Association in writing of the number of such account/s and the bank/s with which these are held and with any relevant changes within seven (7) days of such changes.
 - c) The Member Clubs' Licensing Board may authorise a Member Club to have a current account/s other than in the name of the Club if it deems that such a measure is justified in the circumstances of the Club concerned. In such a case the Member Club shall within seven (7) days of the opening of such account/s inform the Association in writing about the number of the account/s, the name of the person/s in whose name the account/s is /are held and the name of the bank/s where the account/s is/are held.

- ii) All payments made by a Member Club must be made by means of a cheque issued on the account/s registered with the MFA or through any other traceable means.
- iii) A Member Club shall within seven (7) days of a request to this effect by the Association authorise the bank/s with which it holds an account/s to furnish the Association with all the details relative to the account/s.

VI **4 Receipts of Member Clubs**

All receipts of a Member Club must be acknowledged by means of an official receipt.

VI **5 Member Clubs' Standard Annual Return Form or Audited Financial Statements Certified by a Certified Public Accountant and Auditor or by a Firm of Certified Public Accountants and Auditors**

- i) Member Clubs must close their accounts annually. The accounting period must start on 1st of January and end on the 31st of December of the same year. The accounts must be audited by means of any method mentioned in sub-article (ii) hereunder.
- ii) Member Clubs may either make use of the Member Clubs' Annual Return Form contained in Schedule VI A of these regulations or else engage the services of a Certified Public Accountant and Auditor or a firm of Certified Public Accountants and Auditors to certify their financial statements.
- iii) The Member Clubs' Annual Return Form duly filled in and signed by the Club's Auditors and those Club's officials mentioned on the Form or the financial statements certified by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, as the case may be, must be presented at the Member Club's Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet as per Schedule I of these Regulations.
- iv) If an MFA representative attends the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet, he must be given a copy of the Member Club's Annual Return Form duly audited and duly signed by the Club's Auditors and those Club's Officials mentioned on the Form or the financial statements certified by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, as the case may be, even if the Member Clubs' Annual Return Form or the certified financial statements had not been approved by the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet.
- v) The Member Clubs' Annual Return Form duly audited and duly signed by the Club's Auditors and those Club's Officials mentioned on the Form or the financial statements certified by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, as the case may be, must be sent to the Licensing Manager by not later than the 16th April, even in the case that the Member Clubs' Annual Return Form or the certified financial statements had not been approved by the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet.
- vi) The approved Member Clubs' Annual Return Form or the certified financial statements by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, as the case may be, may be subjected to an investigation by the licensing decision-making bodies of the Association.

- vii) The Member Clubs' Annual Return Form or the certified financial statements by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, which had not been approved by the Extraordinary General Meeting for the approval of the Audited Accounts and Balance Sheet, shall be subjected to an investigation by the Member Clubs' Licensing Board of the Association. Likewise, the Member Clubs' Licensing Board shall investigate any such Form which contains a disclaimer by the Club's auditors or any financial statements prepared by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors which contain a disclaimer to the financial statements.
- viii) The Member Clubs' Licensing Board shall be empowered to take disciplinary measures, by imposing a sanction according to Article 11(i)(b) of these Regulations on the Member Club concerned, in the case that a Club fails to submit to the Association within the stipulated period the Member Clubs' Annual Return Form duly filled in, audited and duly signed by the Club's Auditors and those Club's Officials mentioned on the Form or the financial statements certified by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors, as the case may be.

VI **6** Investigations by the Member Clubs' Licensing Board

- i) a) The Member Clubs' Licensing Board shall have the competence to monitor and evaluate the Member Clubs' Annual Return Forms or the Member Clubs' financial statements certified by a Certified Public Accountant and Auditor or by a firm of Certified Public Accountants and Auditors in order to ensure that these conform with these Financial Criteria and/or the Companies Act (Chapter 386 of the Laws of Malta) and that no irregularities exist.
- b) The Member Clubs' Licensing Board shall have the competence to conduct any investigation relative to such returns.
- c) The Member Clubs' Licensing Board shall sanction the Member Club for any irregularities and/or breach of these Financial Criteria of which they may become aware according to the provisions of these Regulations.
- ii) a) The Member Clubs' Licensing Board shall have the competence to monitor and evaluate the current financial situation of Member Clubs. In case that the Member Clubs' Licensing Board deems that the current financial situation of a Member Club is one which gives rise to concern, it shall discuss the situation with the officials of the Member Club concerned. Furthermore, if the Member Clubs' Licensing Board deems that the Association should adopt corrective measures, it shall make a report to the Executive Board.
- b) On receiving such a report, the Executive Board shall be entitled to give to the Member Club concerned those directives, which it may deem necessary. Furthermore, if the situation so warrants, the Executive Board shall, either immediately or at a later stage, to adopt any measure, which it may deem necessary. These measures shall include those of placing such Member Club under a prohibition.
- c) The Executive Board shall be entitled to take any measure after hearing a representative of the Member Club concerned.

VI **7** Breach of the Financial Criteria

- i) Any breach of these Financial Criteria by Member Clubs shall be deemed to be an offence.

- ii) When a breach of these Financial Criteria is established, the offending Club and those officials of the Club which are found guilty shall be dealt with the Member Clubs' Licensing Board and/or the Appeals Board in the manner prescribed in these Regulations.
- iii) The Member Clubs' Licensing Board may at its discretion report to the Police any breach of the criminal law of which it may become aware.

SCHEDULE VI A – MEMBER CLUBS’ ANNUAL RETURN FORM

BALANCE SHEET & INCOME AND EXPENDITURE ACCOUNT

FOR YEAR ENDING 31st DECEMBER 20 _ _

CLUB: _____ F.C.

Contents	Page
Income Account	1
Expenditure Account	2
Balance Sheet	3
Notes to the Accounts	4 - 6
Auditor's Report	7
Treasurer's Report	7

Note: This return must be submitted to the MFA Licensing Manager every year by not later than the 16th April proceeding the licence season.

CLUB: _____ F.C.

Income Account
For the year ended 31 December, 20__

INCOME

Euro (€)

Membership Fees	
Transfer Fees	
Donations & Voluntary Contributions	
Lease of Bar	
Share of Gate Receipts	
Share of TV Rights	
UEFA Subsidies	
Fund Raising Activities	
Income from Advertising	
Sponsorships	
Merchandising	
Amusement Machines Income	
Sponsorship (MFA)	

Other Income:	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	
-	

TOTAL INCOME (To Page 2)

CLUB: _____ F.C.

Expenditure Account
For the year ended 31 December, 20__

EXPENDITURE**Euro (€)**

Affiliation Fees and Other Dues	
Transfer Fees	
Non-Amateur Players Remuneration	
Other Players' Reimbursements	
Bonuses	
Coaches & Technical Staff	
Overseas Travel & Accommodation	
Medical Expenses	
Transport	
Printing and Stationery	
Kits, Footballs & Equipment etc.	
Repairs & Maintenance	
Telephones & Fax	
Ground Maintenance Expenses	
Nursery Costs and Expenses	
Rent of Premises	
Water & Electricity	
Depreciation	

Other Expenses:	
- Players Fines	
- Club Fines	
- Junior Match Expenses	
TOTAL EXPENDITURE	

TOTAL INCOME (From Page 1)

Excess Income over Expenditure (To Page 3)
 Excess Expenditure over Income (To Page 3)

=====

CLUB: _____ F.C.

**Balance Sheet / Statement of Affairs
As at 31 December, 20__**

	Notes	€	€
FIXED ASSETS	1		<input type="text"/>
CURRENT ASSETS			
Prepayments		<input type="text"/>	
Accounts receivable – Clubs	2	<input type="text"/>	
Accounts receivable – Others		<input type="text"/>	
Stocks		<input type="text"/>	
Cash in hand		<input type="text"/>	
Cash at bank		<input type="text"/>	
		<input type="text"/>	
CURRENT LIABILITIES			
Accruals		<input type="text"/>	
Accounts payable – Clubs	3	<input type="text"/>	
Accounts payable – Players and Coaches		<input type="text"/>	
Accounts payable – Others		<input type="text"/>	
Bank Overdraft		<input type="text"/>	
		<input type="text"/>	
NET CURRENT ASSETS / LIABILITIES			<input type="text"/>
NET ASSETS / LIABILITIES			<input type="text"/>

FINANCED BY:

ACCUMULATED PROFIT /(LOSS) B.Fwd
ADD: PROFIT / (LOSS) FOR SEASON (Pg 2)

ACCUMULATED PROFIT /(LOSS) C/Fwd
LOANS PAYABLE **4**

Treasurer _____

President _____

Secretary _____

CLUB: _____ F.C.

Notes to the Accounts
As at 31 December, 20__**Page 4**

1. FIXED ASSETS	Balance B/Fwd	Depreciation Charge for Year	Net Book Value C/FWD
------------------------	------------------	------------------------------------	----------------------------

	€	€	€
Premises			
Improvements to premises			
Trophies			
Furn., Fixt., & Fittings			
Ground Improvements			

--	--	--

2. Accounts receivable – Clubs

The following amounts were receivable from MFA Clubs as follows:

	€
a)	
b)	
c)	
d)	
e)	
f)	
g)	
h)	
i)	
j)	

to Page 3

--

CLUB: _____ F.C.

Notes to the Accounts
As at 31 December, 20__**Page 5****3. Accounts Payable – Clubs**

The following amounts were due from MFA Clubs as follows:

	€
a)	
b)	
c)	
d)	
e)	
f)	
g)	
h)	
i)	
j)	

to Page 3

Players on contract beyond Balance Sheet Date _____

The Club has contractual obligations to Non-Amateur Players amounting to € _____, per month, for the coming Season.

CLUB: _____ F.C.

Notes to the Accounts
As at 31 December, 20__**Page 6****4. Loans Payable**

The loans payable were as follows:

	Names	€	Rate of Interest	Repayment Period
a)				
b)				
c)				
d)				
e)				
f)				
g)				
h)				
i)				
j)				

CLUB: _____ F.C.

**AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER, 20__**

We have examined the Scheduled Statement of Affairs and Income and Expenditure Account which are in agreement with the Club's Books of Account and we have obtained all the information necessary for the purposes of our audit.

In our opinion and to the best of our knowledge, the said accounts, prepared in accordance with the MFA Regulations, give a true and fair view of the State of Affairs of the club as at that date.

Name: _____

Name: _____

Signature: _____

Signature: _____

Date: _____

**PRESIDENT, SECRETARY and TREASURER REPORT
FOR THE YEAR ENDED 31 DECEMBER, 20__**

We, the undersigned, do hereby declare that as far as we know, only the items which appear on the scheduled accounts have been transacted, and that to our knowledge no other person has made any other transaction which should normally and officially have appeared on the above Balance Sheet and for which we should be responsible.

President

Secretary

Date

Treasurer

SCHEDULE VII – CORE PROCESS – STANDARD REQUIREMENTS (FLOW CHART DEADLINES)

Steps	Requirements	Deadline
01	The Association produces and distributes applications related to Financial Criteria to licence applicants.	15 December
02	Member Clubs hold the Extraordinary General Meeting for the Approval of the Audited Accounts and Balance Sheet	15 April
03	The Association receives applications and documents related to the Financial Criteria Year End 31 December.	16 April or the following Monday, if the 16 April falls on a Saturday or a Sunday
04	The Association produces and distributes applications related to other Licensing Criteria.	31 May
05	The Licensing Manager prepares report to Member Clubs Licensing Board.	6 June
06	Decision in writing by Member Clubs' Licensing Board for granting of full Licences or Provisional Licences.	6 June or the first available working day if the 6 June falls on a Saturday or Sunday
07	The Holding of all Annual General Meetings of Member Clubs.	15 June
08	Receipt by Association of written submissions from Member Clubs relating to the grant of Provisional Licence.	30 June or the next Monday if the 30 June falls on a Saturday or Sunday
09	Association receives applications relating to all other Licensing Criteria.	1 July or the next Monday if the 1 July falls on a Saturday or Sunday
10	Hearing and Decision of the Member Clubs' Licensing Board in relation to those Member Clubs granted a Provisional Licence.	3 July or next Monday if the 3 July falls on a Saturday or Sunday
11	Receipt of Petition of Appeal by an admissible appellant from decision of the Member Clubs' Licensing Board to either grant a Monitored Licence or refused to grant a licence.	6 days from the decision of the Member Clubs' Licensing Board or the next available working day if 6 th day falls on a Public Holiday or on a Saturday or Sunday
12	Hearings and Decisions of the Appeals Board	21 July or the next Monday if the 21 July falls on a Saturday or Sunday
13	Decision of the Member Clubs' Licensing Board on all applications relating the other Licensing Criteria	31 July or the next Monday if the 31 July falls on a Saturday or Sunday
14	The Association produces and distributes the Declaration Regarding Overdue Payables for Monitoring Period between 1 st January and 31 st May for clubs holding a Professional or Semi-Professional Licence.	31 July or the next Monday if the 31 July falls on a Saturday or Sunday
15	The receipt of the Declaration Regarding Overdue Payables for the monitoring period between the 1 st January and the 31 st May of that season for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 16 th August.	16 August or the next Monday if the 16 August falls on a Saturday or Sunday
16	The examination by the Member Clubs' Licensing Board of the Declaration Regarding Overdue Payables for the period 1 st January and 31 st May for Member Clubs holding a Professional or Semi-Professional Licence, and the decision in writing of the Member Clubs' Licensing Board on whether to maintain a Full Licence, or, convert a Full Licence or a Monitored Licence to a Provisional Licence.	16 September or the next Monday if the 16 September falls on a Saturday or Sunday

17	The receipt of submissions from Member Clubs relating to the grant of a Provisional Licence due to failure to overdue payables for the monitoring period between the 1 st January and the 31 st May of that season, for Member Clubs holding a Professional or Semi-Professional Licence, by the Member Clubs' Licensing Board.	30 September or the next Monday if the 30 September falls on a Saturday or Sunday
18	The hearing and decision of the Member Clubs' Licensing Board in relation to those Member Clubs who have been granted a Provisional Licence, in relation to overdue payables for the monitoring period between the 1 st January and the 31 st May of that season, for Member Clubs holding a Professional or Semi-Professional Licence, by not later than the 7 th October or the next Monday if the 7 th October falls on a Saturday or Sunday;	7 October or the next Monday if the 7 October falls on a Saturday or Sunday
19	Receipt of Petition of Appeal by an admissible appellant from decision of the Member Clubs' Licensing Board to either grant a Monitored Licence or refused to grant a licence to a Member Club holding a Semi-Professional A or B Licence in relation to overdue payables for the monitoring period between the 1 st January and the 31 st May.	6 days from the decision of the Member Clubs' Licensing Board or the next available working day if 6 th day falls on a Public Holiday or on a Saturday or Sunday
20	Hearings and Decisions of the Appeals Board from Appeals by Clubs holding Professional or Semi-Professional Licence, in relation to overdue payables for the monitoring period between the 1 st January and the 31 st May.	31 October or the next available working day if the 31 October falls on a Public Holiday or the following Monday if the 20 August falls on a Saturday or Sunday

MOTION REGARDING THE MERGER OF NURSERIES

During the meeting of the Council of the Malta Football Association held on Tuesday, 10th May, 2011 it has been resolved that the Executive Board of the Malta Football Association shall have the power to grant permission to multiple licensed football nurseries to merge and amalgamate under the following terms and conditions:

- 1) An application in writing is sent to the attention of the General Secretary of the Malta Football Association, which application shall contain:
 - a) A request to the Malta Football Association requesting the constitution of a merger and amalgamation of multiple licensed football nurseries which are not less than three (3) in number;
 - b) A brief description as to the reasons for such an amalgamation;
 - c) The names of the amalgamating Member Clubs, and the signature of the President and Secretary of all amalgamating clubs;
- 2) A proposed detailed Statute of the new amalgamated club is to be sent to the Malta Football Association together with the letter of application, which Statute shall contain as a minimum requirement:
 - a) The proposed administrative body which has to be made up of an equal number of members from each amalgamating club;
 - b) A declaration that each club shall still retain its own nursery to cater for the football development of the younger age children in their locality;
 - c) A declaration that players in the newly established nursery will still be registered with the respective parent clubs;
 - d) A declaration that the newly established nursery shall participate and compete in all the youth competitions in which the highest category nurseries are expected to take part in;
 - e) An article which explains in detail what would happen in the event that one or more of the amalgamating parent Clubs will be in a position to apply for a UEFA License in order to participate in competitions organised by UEFA;
- 3) The following minimum conditions are to be met in order for the Executive Board of the Malta Football Association to grant permission for amalgamation:
 - a) The reason for amalgamation shall be due to demographic circumstances.
 - b) The amalgamation shall occur between neighbouring licensed nurseries.
 - c) Notwithstanding that parent clubs may be competing in different divisions of the National League or the founding nurseries have different license categories, the amalgamated nursery shall have to obtain the highest category license in order to be accepted as the representative of all the parent Member Clubs involved;
- 4) The procedure which is to be used when an application is submitted to the Malta Football Association for the amalgamation of nurseries, shall be that an ad hoc committee, made up of representatives of the Malta Football Association and the Youth Football Association, shall be formed to hold discussions with the amalgamating nurseries. Should the ad hoc committee be satisfied that all minimum criteria have been met by the newly amalgamated nursery and that such amalgamation is feasible, then the proposal will be put in front of the Executive Board of the Malta Football Association for permission to be granted for the amalgamation of the nurseries.
- 5) The effects of amalgamation shall be the following:
 - a) The newly amalgamated nursery shall for all intents and purposes represent all parent clubs forming part of the merger.

- b) The newly amalgamated nursery shall compete in all competitions of the Youth Football Association in which the highest category nurseries take part.
- c) In the event of any distribution of MFA or UEFA funds to the licensed football nurseries the newly formed nursery will not receive any share of funds. However, the nurseries of the parent clubs involved will each receive a share which shall be equal to that received by the lowest category nurseries at that time.

PART C

MALTA FA CLUB LICENSING REGULATIONS FOR PARTICIPATION IN
UEFA WOMENS CHAMPIONS LEAGUE APPLICABLE TO ALL MEMBER CLUBS PARTICIPATING IN THE
NATIONAL LEAGUE OF THE ASSOCIATION

INTRODUCED ON: 07.12.2022

PART CMALTA FA CLUB LICENSING REGULATIONS
FOR PARTICIPATION IN UEFA WOMENS CHAMPIONS LEAGUE**CONTENTS**

Preamble

Article	Page
PART I. GENERAL PROVISIONS	216
1. Scope of application	216
2. Objectives	216
3. Responsibilities of the UEFA Club Financial Control Body	217
4. Definition of terms	217
PART II. UEFA CLUB LICENSING	221
Chapter 1: Licensor	221
5. Responsibilities of the licensor	221
6. Licensing administration	221
7. Decision-making bodies	222
8. Catalogue of sanctions	223
9. Licensor's certification	223
10. Core process	223
11. Assessment procedures	225
12. Equal treatment and confidentiality	225
13. Exceptions policy	226
Chapter 2: Licence applicant and licence	227
14. Definition of licence applicant and three-year rule	227
15. General responsibilities of the licence applicant	227
16. Licence	228
17. Special permission	228
Chapter 3: Club licensing criteria	229
18. General	229
SPORTING CRITERIA	230
19. Youth development programme	230
20. Women's youth teams	230
21. Medical care of players	230
22. Registration of players	231
23. Written contract with professional players	231
24. Loan of professional players	231
25. Refereeing matters and Laws of the Game	231
FOOTBALL SOCIAL RESPONSIBILITY CRITERIA	232
26. Football social responsibility strategy	232
27. Equality and inclusion	232
28. Anti-racism	232
29. Child and youth protection and welfare	232
30. Football for all abilities	232
31. Environmental protection	232

INFRASTRUCTURE CRITERIA	234
32. Stadium for UEFA Women’s Champions League	234
33. Training facilities - Availability	234
34. Training facilities – Minimum infrastructure	234
PERSONNEL AND ADMINISTRATIVE CRITERIA	235
35. Administrative Officer	235
36. Media Officer	235
37. Medical Doctor	235
38. Physiotherapist	235
39. Head Coach of Women’s First Squad	236
40. Assistant Coach of Women’s First Squad	236
41. Goalkeeper Coach of Women’s First Squad	236
42. Youth Women’s Teams’ Coaches	237
43. Common provisions applicable to UEFA coaching qualifications	237
44. Written contracts	238
45. Service providers	238
46. Occupation of functions	238
47. Organisational structure	238
48. Duty of replacement during the season	238
LEGAL CRITERIA	240
49. Declaration in respect of participation in the UEFA Women’s Champions League	240
50. Minimum legal information	240
51. Written contract with a football company	241
52. Legal group structure	242
53. Ultimate controlling party, ultimate beneficiary and party with significant influence	243
54. Written representation prior to the licensing decision	244
FINANCIAL CRITERIA	245
55. Reporting entity/entities and reporting perimeter	245
56. Annual financial statements	246
57. No overdue payables to football clubs	247
58. No overdue payables in respect of employees	248
59. No overdue payables to social/tax authorities	249
60. No overdue payables in respect of UEFA and the licensor	250
PART III. FINAL PROVISIONS	251
61. Authoritative text and language of correspondence	251
62. Annexes	251
63. Compliance audits	251
64. Disciplinary procedures	251
65. Implementing provisions	252
66. Adoption, abrogation and entry into force	252
67. Exceptional and transitional provisions	252
ANNEX A – EXCEPTIONS POLICY	253
A.1 Principles	253
A.2 Process	253
ANNEX B – DELEGATION OF LICENSING RESPONSIBILITIES TO AN AFFILIATED LEAGUE	255
B.1 Principles	255
ANNEX C – INTEGRATION OF UEFA WOMEN’S CHAMPIONS LEAGUE CLUB LICENSING CRITERIA INTO NATIONAL CLUB LICENSING REGULATIONS	256
C.1 Principles	256
C.2 Process	256

ANNEX D – EXTRAORDINARY APPLICATION OF THE CLUB LICENSING SYSTEM	257
D.1 Principles	257
ANNEX E – DISCLOSURE REQUIREMENTS FOR THE FINANCIAL STATEMENTS	258
E.1 Principles	258
E.2 Balance sheet	258
E.3 Profit and loss account	259
E.4 Cash flow statement	259
ANNEX F – NOTION OF OVERDUE PAYABLES	261
F.1 Principles	261
ANNEX G – LICENSOR’S ASSESSMENT PROCEDURES	262
G.1 Principles	262
G.2 Assessment of the auditor’s report on the financial statements	262
G.3 Assessment of licensing documentation for no overdue payables	263
G.4 Assessment of the written representation prior to the licensing decision	264

I. GENERAL PROVISIONS

Article **1** Scope of Application

¹ These regulations are applicable in accordance with the relevant reference in the *Regulations of the UEFA Women's Champions League*.

² These regulations govern the rights, duties and responsibilities of all parties involved in the UEFA club licensing system (Part II) and define in particular:

- a) the minimum requirements to be fulfilled by the Malta FA in order to act as the licensor for its clubs, as well as the minimum procedures to be followed by the licensor in its assessment of the club licensing criteria (Chapter 1);
 - b) the licence applicant and the licence required to enter the UEFA Women's Champions League (Chapter 2);
 - c) the minimum sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a club in order to be granted a licence by its licensor as part of the admission procedure to enter the UEFA Women's Champions League (Chapter 3).
-

Article **2** Objectives

¹ These regulations aim:

- a) to further promote and continuously improve the standard of all aspects of football in Europe and to give continued priority to the training and welfare of young players in every club;
- b) to promote participation in football and contribute to the development of women's football;
- c) to ensure that clubs have an adequate level of management and organisation;
- d) to adapt clubs' sporting infrastructure to provide players, spectators and media representatives with suitable, well-equipped and safe facilities;
- e) to protect the integrity and smooth running of the UEFA Women's Champions League;
- f) to safeguard each club's identity, history and legacy;
- g) to encourage cooperation between licensors and clubs and enable the development of benchmarking for clubs in financial, sporting, legal, football social responsibility, personnel, administrative and infrastructure-related criteria throughout Europe;
- h) to embrace social responsibility in football;
- i) to promote a healthy relationship between clubs and supporters and increase accessibility in football.

 Article **3** **Responsibilities of the UEFA Club Financial Control Body**

¹ The UEFA Club Financial Control Body carries out its duties as specified in the present regulations and in the *Procedural rules governing the UEFA Club Financial Control Body*.

² In carrying out these responsibilities, the UEFA Club Financial Control Body ensures equal treatment of all licensors, licence applicants and licensees and guarantees full confidentiality of all information provided.

 Article **4** **Definition of terms**

¹ For the purpose of the regulations, the following definitions apply:

Administration procedures	A voluntary or mandatory process that may be used as an alternative to the liquidation of an entity, often known as going into administration. The day-to-day management of the activities of an entity in administration may be operated by the administrator on behalf of the creditors.
Agent/Intermediary	A natural or legal person who, for a fee, or free of charge, represents players and/or clubs in negotiations with a view to concluding an employment contract or represents clubs in negotiations with a view to concluding a transfer agreement.
Agreed-upon procedures	Procedures that have been agreed to by the auditor and the engaging party and, if relevant, other parties.
Annual accounting reference date	The date on which the reporting period for the annual financial statements ends.
Associate	An entity, including an unincorporated entity such as a partnership, which is neither a subsidiary nor an interest in a joint venture and over which the investor has significant influence.
Auditor	Court of Arbitration for Sport based in Lausanne (Switzerland). An independent audit firm acting in compliance with the International Code of Ethics for Professional Accountants (including International Independence Standards).
CFCB	UEFA Club Financial Control Body
Club licensing criteria	Requirements, divided into six categories (sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial., to be fulfilled by a licence applicant for it to be granted the UEFA Licence.
UEFA Club Licensing Quality Standard	Document that defines the minimum requirements with which licensors must comply to operate the club licensing system.
Control	The power to conduct the activities of an entity and to direct its financial, operating or sporting policies which affect returns, by means of share

ownership, voting power, constitutional documents (statutes), agreement, or otherwise.

Examples of control include a party:

- a. holding a majority of the shareholders' or members' voting rights;
- b. having the right to appoint or remove a majority of the members charged with the governance of an entity (e.g. any administrative, management or supervisory bodies of an entity);
- c. being a minority shareholder or a member of the entity and alone, pursuant to an agreement entered into with other shareholders or members of the entity or by any other means, being able to exercise control (including as defined under a. or b.).

Cost of a player's registration

Amounts paid or payable directly attributable to a player's registration, comprising:

- a. fixed transfer compensation;
- b. realised conditional transfer compensation for amounts which have become payable during the period;
- c. any other directly attributable amounts paid and/or payable to another party such as another football club, agent/intermediary, or national football association/league.

Directly attributable

Directly attributable means, in relation to a particular activity, that:

- a. the expense would have been avoided if that particular activity had not been undertaken; and
- b. the expense is separately identifiable without apportionment.

Dividends

Distributions paid to holders of equity instruments.

Event or condition of major economic importance

An event or condition that is considered material to the financial statements of the reporting entity/entities and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the reporting entity/entities if it occurred during the preceding reporting period or interim period.

Government

Any form of government, including government agencies, government departments, government entities and similar bodies, whether local or national.

Group

A parent and all its subsidiaries. A parent is an entity that has one or more subsidiaries. A subsidiary is an entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent).

International Financial Reporting Standards (IFRS)

Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise:

- a. International Financial Reporting Standards'
- b. International Accounting Standards; and

	c. Interpretations originated by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).
ISRS 4400	International Standard on Related Services 4400 (Revised., Agreed-Upon Procedures Engagements).
Key management personnel	Persons having authority over and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including but not limited to any director (executive or otherwise. of the entity.
Licence	Certificate granted by the licensor confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering the UEFA Women's Champions League.
Licence season	UEFA season for which a licence applicant has applied for/been granted a licence. It starts the day following the deadline for submission of the list of licensing decisions by the licensor to UEFA and lasts until the same deadline the following year.
Licensee	Licence applicant that has been granted a licence by the licensor.
Licensor	The Malta FA or its affiliated league that operates the club licensing system and grants licences.
List of licensing decisions	List submitted by the Association to UEFA containing, among other things, information about the licence applicants that have undergone the licensing process and been granted or refused the UEFA Licence by the national decision-making bodies in the format established and communicated by the UEFA.
Material/Materiality	Omissions or misstatements of items or information are material if they could individually or collectively influence the decisions of users taken on the basis of the information submitted by the club. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.
Minimum criteria	Criteria to be fulfilled by a licence applicant in order to be granted the licence.
National accounting practice	The accounting and reporting practices and disclosures required of entities in a particular country.
Parties involved	Any person or entity involved in the UEFA club licensing system or club monitoring process, including the UEFA administration, the CFCB the Association, the licence applicant/licensee and any individual involved on their behalf.
Party	A natural or legal person or a legal entity or a government.
Player registration(s)	Player registration(s) has the meaning set out in the <i>FIFA Regulations on the Status and Transfer of Players</i> .
Reporting entity/entities	A registered member or football company or group of entities or some other combination of entities which is included in the reporting perimeter and which must provide the licensor with information for club licensing purpose.

Reporting period	A financial reporting period ending on the reporting's entity annual accounting reference date.
Significant change	An event that is considered material to the documentation previously submitted to the Association and that would require a different presentation if it occurred prior to submission of the documentation.
Significant influence	<p>The power to participate in the financial, operating or sporting policies of an entity, but not in control or joint control of that entity, by means of share ownership, voting power, constitutional documents (statutes), agreement, or otherwise.</p> <p>Examples of significant influence include a party:</p> <ul style="list-style-type: none"> e. holding, directly or indirectly, between 20% and 50% of the shareholders' or members' voting rights; f. having the ability to influence the appointment or removal of a majority of the members charged with the governance of an entity (e.g. any administrative, management or supervisory bodies of an entity); g. being a minority shareholder or a member of the entity and alone, pursuant to an agreement entered into with other shareholders or members of the entity or by any other means, being able to exercise any significant influence (including as defined under a. and b.; h. providing in one reporting period either alone or in aggregate with parties under the same ultimate controlling party or government (excluding UEFA, a UEFA member association and an affiliated league. an amount equivalent to at least 30% of the entity's total revenue for the same period.
Stadium	The venue for a competition match including, but not limited to, all surrounding properties and facilities (for example offices, hospitality areas, press centre and accreditation centre)
Supplementary information	<p>Financial information to be submitted to the Association in addition to the financial statements if the minimum requirements for disclosure and accounting are not met.</p> <p>The supplementary information must be prepared on a basis of accounting, and accounting policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the annual financial statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements</p>
Training facilities	The venue(s) at which a club's registered players undertake football training or youth development activities on a regular basis
Ultimate controlling party	A natural or legal person who/which has, directly or indirectly, ultimate control of an entity.

II. UEFA CLUB LICENSING

Chapter 1: Licensor

Article **5** Responsibilities of the licensor

- ¹ The licensor is the Malta FA and governs the club licensing system.
- ² Under certain conditions as set out in Annex B, the Malta FA may delegate the club licensing system to its affiliated league. *Vis-à-vis* UEFA, the Malta FA remains liable and responsible for the proper implementation of the club licensing system, regardless of whether there is delegation or not.
- ³ The licensor must ensure that all applicable provisions defined in part II of these regulations are integrated into national club licensing regulations, which must be submitted in one of UEFA's official languages to UEFA for review according to the procedure defined in Annex C.
- ⁴ In particular, the Association acts through:
 - a) establish an appropriate licensing administration as defined in Article 6;
 - b) establish at least two decision-making bodies as defined in Article 7;
 - c) set up a catalogue of sanctions as defined in Article 8;
 - d) define the core process in accordance with Article 10;
 - e) assess the documentation submitted by the licence applicants, consider whether this is appropriate and define the assessment procedures in accordance with Article 11;
 - f) ensure equal treatment of all licence applicants and guarantee them full confidentiality with regard to all information provided during the licensing process as defined in Article 12;
 - g) determine to its comfortable satisfaction whether each criterion has been met and what further information, if any, is needed for a licence to be granted.

Article **6** The Licensing Administration

- ¹ The licensor must appoint a Licensing Manager who is responsible for the licensing administration.
- ² The tasks of the licensing administration include:
 - a) preparing, implementing and further developing the club licensing system;
 - b) providing administrative support to the decision-making bodies;
 - c) assisting, advising and monitoring the licensees during the season;
 - d) informing UEFA of any event occurring after the licensing decision that constitutes a significant change to the information previously submitted to the Association, including a change of legal form or legal group structure (including change of ownership or identity);
 - e) serving as the contact point for and sharing expertise with the licensing departments of other UEFA member associations and with UEFA itself.

³ At least one member of the licensing administration or an external financial expert must have a financial background and a diploma in accountancy/auditing recognised by the Laws of Malta, or must have several years' experience in the above matters (a "recognition of competence").

Article **7** **The Decision-making bodies**

¹ The decision-making bodies are the First Instance Body and the appeals Body and they must be independent of each other.

² The First Instance Body decides on whether a licence should be granted to an applicant on the basis of the documents provided by the submission deadline set by the licensor and on whether a licence should be withdrawn.

³ The Appeals Body decides on appeals submitted in writing and makes a final decision on whether a licence should be granted or withdrawn.

⁴ Appeals may only be lodged by:

- a) a licence applicant who received a refusal from the First Instance Body;
- b) a licensee whose licence has been withdrawn by the First Instance Body; or
- c) the licensing manager on behalf of the licensor.

⁵ The Appeals Body makes its decision based on the decision of the First Instance Body and all the evidence provided by the appellant with its written request for appeal and by the set deadline.

⁶ If the Malta FA has an arbitration tribunal specified in its statutes, this court decides whether the club licensing system comes under its authority. In this respect, particular attention must be paid to the relevant deadlines for entering the UEFA Women's Champions League.

⁷ Members of the decision-making bodies are elected or appointed in accordance with the Malta FA statutes and must:

- a) a licence act impartially in the discharge of their duties;
- b) abstain if there is any doubt as to their independence from the licence applicant or if there is a conflict of interest. In this connection, the independence of a member may not be guaranteed if he/she or any member of his/her family (spouse, child, parent or sibling) is a member, shareholder, business partner, sponsor or consultant of the licence applicant;
- c) not act simultaneously as licensing manager or member of licensing administration;
- d) not belong simultaneously to a judicial statutory body of the licensor;
- e) not belong simultaneously to the executive body of the Malta FA or its affiliated league;
- f) not belong simultaneously to the personnel of an affiliated club;
- g) include at least one qualified lawyer and one qualified financial expert holding a qualification recognised by the appropriate national professional body.

⁸ The quorum of the decision-making bodies must be at least three members. In case of a tie, the chair has the casting vote.

⁹ The decision-making bodies must operate according to procedural rules – to be defined by the licensor – that, as a minimum, must regulate the following standards:

- a) a licence act Deadlines (e.g. submission deadline, etc.)
- b) Safeguards of the principle of equal treatment
- c) Representation (e.g. legal representation, etc.)
- d) The right to be heard (e.g. convocation, hearing)
- e) Official language (if applicable)
- f) Time limit for requests (e.g. calculation, compliance, interruption, extension)
- g) Time limit for appeal
- h) Effects of appeal (e.g. no delaying effect)
- i) Type of evidence requested
- j) Burden of proof (e.g. licence applicant has burden of proof)
- k) Decision (e.g. in writing with reasoning, etc.)
- l) Grounds for complaints
- m) Content and form of pleading
- n) Deliberation/hearings
- o) Cost of procedure/administrative fee/deposit

Article **8** **Catalogue of sanctions**

- ¹ To guarantee an appropriate assessment process, the licensor must:
- a) set up a catalogue of sanctions for the club licensing system for the non-respect of the criteria referred to in Paragraph 18.02 which may include a caution, a fine, the obligation to submit evidence or fulfil certain conditions by a certain deadline, etc. It falls to the competent national bodies to impose these sanctions on the licence applicants/licensees;
 - b) a licensee whose licence has been withdrawn by the First Instance Body; or refer to the national disciplinary regulations in respect of violations of other licensing regulations (e.g. submission of falsified documents, non-respect of deadlines, sanctions against individuals, etc.).

Article **9** **Licensor's certification**

- ¹ The licensor must be certified against the UEFA Club Licensing Quality Standard on an annual basis by an independent body appointed by UEFA.

Article **10** **Core process**

- ¹ The licensor defines the core process for the verification of the club licensing criteria and thus manages the issuing of licences.

² The core process starts at a time defined by the licensor under these regulations and ends on submission of the list of licensing decisions to UEFA by the deadline communicated by the latter.

- ³ i) The core process consists of the following minimum key steps:
- a) The preparation and sending of the application form/s by the Association by not later than the 15th December. A copy of these regulations are sent by the Association to each Premier Division Member Club;
 - b) The receipt of the application form/forms by the Association by not later than the 31st January, provided that if the 31st January falls on a Saturday or Sunday the latest day for the receipt of the form/s by the Association will be the following Monday;
 - c) The checking by the Licensing Manager of the applications and documents received within the time limit;
 - d) The sorting by the Licensing Manager of the documents and the allocation by the Licensing Manager of the documents to the different members of the Panel of Experts for their opinion;
 - e) The checking by the members of the Panel of Experts of the documents and reporting back to the Licensing Manager;
 - f) The filing of documents proving that any overdue payables have been settled by 30th March or the previous working day if the 30th March is a Public Holiday or falls on a Saturday or Sunday;
 - g) The filing of any pending non-financial documents by not later than 16th April or the next working day if the 16th April falls on a Public Holiday or on a Saturday or Sunday.
 - h) By no later than 16th April of the year in which the application is made, the applicant must make written representations to the Member Clubs' Licensing Board stating whether or not any events or conditions of major economic importance have occurred that may have an adverse impact on the applicant's financial position since the balance sheet date of the preceding reviewed interim financial statements;
 - i) The preparation by the Licensing Manager of his report to the Member Clubs' Licensing Board by not later than the 18th April or the next day, if the 18th April falls on a Public Holiday or the following Monday, if the 18th April falls on a Saturday or a Sunday;
 - j) The examination of the applications and the written reports of the Licensing Manager by the Member Clubs' Licensing Board;
 - k) The decision in writing by the Member Clubs' Licensing Board on whether to accept or refuse to grant the UEFA Licence by not later than the 20th April or the next day if the 20th April falls on a Public Holiday or the following Monday if the 20th April falls on a Saturday or Sunday.
 - l) The filing of the written petition of appeal with the Association within six (6) working days from the receipt of the written decision of the Member Clubs' Licensing Board by an admissible appellant which disagrees with the decision of the Member Clubs' Licensing Board;
 - m) The sending by the Licensing Manager of the Member Clubs' Licensing Board's decision and documents to the Appeals Board of the Association (Second and Final Instance Body);
 - n) The examination of the appeal by the Appeals Board of the Association;
 - o) The decision in writing of the Appeals Board by not later than the 20th May or the next working day if the 20th May falls on a Public Holiday or the following Monday, if the 20th May falls on a Saturday or Sunday;

- p) The licence applicant must publish on its website or Facebook page and on the website of the Association by 21st May or the next working day if the 21st May falls on a Public Holiday, Saturday or Sunday and in the form communicated by the licensor the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries and its latest audited annual financial statements assessed by the Association.
- q) The putting on record by the Association of the issue or refusal of the UEFA Licence;
- r) The notification by the Association to UEFA of its list of licensing decisions by no later than the date that would have been notified by UEFA for the current licensing process (in principle, 31 May).
- ii)
 - a) The Applicant shall be entitled to have legal representation only in the case of sitting in front of the Appeals Board.
 - b) Whenever entitled to appear in front of the Member Clubs Licensing Board or the Appeals Board, the applicant shall have the right to be legally represented and to produce all evidence which it believes is necessary to prove a claim or clarify any position. However, the burden of proof over any claim made by the applicant in the license application, and/or during any hearing shall vest exclusively with the applicant.
 - c) Pleading by the Applicant, in front of the Member Clubs Licensing Board and/or the Appeals Board of the Association, may be both in the oral and in the written form, according to the instructions set out by the competent board and according to the Statute of the Association;
 - d) The Applicant shall have the right to attend the hearing of the Member Clubs Licensing Board discussing its Application whenever such Board decides that it shall invite the Applicant to such hearing. However, whenever the Applicant is invited to attend the hearing, it shall have the right to make all the deliberations it wishes to make
 - e) There shall be no charge levied against the Applicant for its licensing application and the whole procedure in front of the Member Clubs Licensing Board. The costs for an appeal is the cost set out in Article 9(viii)b. of these Regulations.

⁴ The deadlines for the above key process steps must be communicated to the clubs concerned before the start of the core process by the licensor.

Article **11** Assessment procedures

¹ The licensor defines the assessment procedures, except those used to verify compliance with the defined criteria for which specific assessment processes must be followed as set out in Annex G.

Article **12** Equal treatment and confidentiality

¹ The licensor ensures equal treatment of all licence applicants during the core process.

² The licensor guarantees the licence applicants full confidentiality with regard to all information submitted during the licensing process. Anyone involved in the licensing process or appointed by the licensor must sign a confidentiality agreement before assuming their tasks.

Article **13** **Exceptions policy**

- ¹ UEFA may grant an exception to the provisions set out in Part II within the limits set out in Annex A.

Chapter 2: Licence Applicant and Licence

Article **14** Definition of Licence Applicant and three-year rule

¹ A licence applicant may only be a Member Club, i.e. a legal entity fully and solely responsible for a football team participating in national and international competitions, which either:

- a) is a registered member of the Association as defined in Part II of the Statute of the Association; or
- b) has a contractual relationship with a registered member (hereinafter: football company).

² By the start of the licence season the Association membership and /or the contractual relationship (if any) must have lasted for at least three consecutive seasons. Furthermore, the licence applicant must have participated in the official competitions for at least three consecutive seasons (hereinafter: three-year rule). (as from 1 June 2024)

³ Any change to the legal form, legal group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name, or colours) of a licence applicant/licensee must be notified to the Association and UEFA before the start of the licensing process.

⁴ Any change to the legal form, legal group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name or colours) of a licence applicant/licensee that took place within the three seasons preceding the start of the licence season to the detriment of the integrity of a competition; or to facilitate the licence applicant's qualification for a competition on sporting merit; or to facilitate the licence applicant receipt of a licence is deemed as an interruption of membership or contractual relationship (if any) within the meaning of this provision. (as from 1 June 2024)

⁵ Exceptions to the three-year rule may be granted by the CFCB in accordance with Annex A. (as from 1 June 2024)

Article **15** General Responsibilities of the Licence Applicant

¹ The licence applicant must provide the Association with:

- a) all necessary information and relevant documents to fully demonstrate that the licensing obligations are fulfilled; and
- b) any other document relevant for decision-making by the licensor.

² This includes all information on the reporting entity/entities in respect of which sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial information is required to be provided.

³ Any event occurring after the submission of the licensing documentation to the Association representing a significant change to the information previously submitted must be promptly notified to the Association in writing (including a change of the licence applicant's legal form, legal group structure including ownership or identity).

Article **16** Licence

- ¹ Clubs which qualify for the UEFA Women's Champions League on sporting merit must obtain the UEFA Licence issued by their licensor according to the national licensing regulations, except where Article 17 applies.
- ² A licence expires without prior notice at the end of the season for which it was issued.
- ³ A licence cannot be transferred.
- ⁴ The Member Clubs Licensing Board shall have the power to withdraw the licence if:
 - a) any of the conditions for the issuing of a licence is no longer satisfied;
 - b) the licensee violates any of its obligations under these regulations.
- ⁵ As soon as a licence withdrawal is envisaged, the licensor must inform UEFA accordingly.

Article **17** Special permission

- ¹ If a club qualifies for a UEFA Women's Champions League on sporting merit but has not undergone any licensing process at all or has undergone a licensing process which is lesser/not equivalent to the one applicable for top-division clubs to enter the UEFA Women's Champions League, because it belongs to a division other than the top division, the licensor of the club concerned may – on behalf of such a club – request an extraordinary application of the club licensing system in accordance with Annex D.
- ² Based on such an extraordinary application, UEFA may grant special permission to the club to enter the UEFA Women's Champions League subject to the applicable competition regulations. Such an extraordinary application applies only to the specific club and for the season in question.

Chapter 3: Club Licensing Criteria

Article **18** General

- ¹ With the exception of those in paragraph 2 below, the criteria defined in this chapter must be fulfilled by clubs in order for them to be granted a licence to enter the UEFA Women's Champions League.
- ² Failure to fulfil the criteria defined from Article 24 to Article 31, Article 34, Article 36, Article 41 and from Article 44 to Article 48 and Paragraph 21.02 does not lead to refusal of a licence but to a sanction defined by the licensor according to its catalogue of sanctions (see Article 8).

SPORTING CRITERIA

Article **19 Youth development programme**

- ¹ The licence applicant must have a written youth development programme approved by the licensor.
- ² The programme must cover at least the following areas:
 - a) Objectives Promotion of women's game
 - b) Youth development objectives and philosophy
 - c) Youth sector organisation (organisational chart, bodies involved, relation to licence applicant, youth teams, etc.)
 - d) Personnel (technical, medical, administrative, etc.) and minimum qualifications required
 - e) Infrastructure (training and match facilities, availability, etc.)
 - f) Financial resources (budget, contribution from licence applicant, players or local community, etc.)
 - g) Football education for various age groups (playing skills, technical, tactical and physical)
 - h) Educational initiatives (Laws of the Game; anti-doping; integrity; anti-racism)
 - i) Medical support for youth players (including maintaining medical records)
 - j) Review and feedback process to evaluate the results and achievements against the objectives
 - k) Duration of the programme (at least three years but maximum seven).
- ³ The licence applicant must further ensure that:
 - a) every youth player involved in its youth development programme can follow mandatory school education in accordance with national law; and
 - b) no youth player involved in its youth development programme is prevented from continuing their non-football education.

Article **20 Women's youth teams (season 2023/24 one youth team)**

- ¹ The licence applicant must at least have two women's youth teams within the age range of 12 to 21.
- ² Each women's youth team, within this age range, must take part in official competitions or programmes played at national, regional or local level and recognised by the UEFA member association.

Article **21 Medical care of players**

- ¹ The licence applicant must establish and apply a policy to ensure that all players eligible to play for its women's first squad undergo a yearly medical examination in accordance with the relevant provisions of the *UEFA Medical Regulations*.

² The licence applicant must establish and apply a policy to ensure that all youth players above the age of 12 undergo a yearly medical examination in accordance with the relevant provisions defined by its licensor in line with its domestic legislation.

Article **22** **Registration of players**

¹ All the licence applicant's players above the age of 12 must be registered with the Malta FA or its affiliated league in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article **23** **Written contract with professional players**

¹ Each of the licence applicant's professional players must have a written contract with the licence applicant in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article **24** **Loan of professional players**

¹ The licence applicant must respect the provisions of the *FIFA Regulations on the Status and Transfer of Players with regard to loans of professional players*.

Article **25** **Refereeing matters and Laws of the Game**

¹ The licence applicant must ensure that all members of the women's first squad (players, coaches and other technical staff) attend a session or an event on refereeing organised by or in collaboration with the Malta FA during the 12 months prior to the licence season.

FOOTBALL SOCIAL RESPONSIBILITY CRITERIA

Article **26** Football social responsibility strategy

¹ The licence applicant must establish and implement a football social responsibility strategy in line with the *UEFA Football Sustainability Strategy 2030* and relevant UEFA guidelines, for at least the areas of equality and inclusion, anti-racism, child and youth protection and welfare, football for all abilities, and environmental protection.

Article **27** Equality and inclusion

¹ The licence applicant must establish and implement a policy to ensure equal rights and opportunities for all people following and contributing to football activities organised by the licence applicant.

Article **28** Anti-racism

¹ The licence applicant must establish and implement a policy to tackle racism and to guarantee that all the licence applicant's policies, programmes and practices are exercised without discrimination of any kind.

Article **29** Child and you protection and welfare

¹ The licence applicant must establish and implement a policy to protect, safeguard and ensure the welfare of youth players and ensure they are in a safe environment when participating in activities organised by the licence applicant.

Article **30** Football for all abilities

¹ The licence applicant must establish and implement a policy to make following and contributing to football activities organised by the licence applicant accessible and enjoyable for everyone, irrespective of disability or disabling factors.

Article **31** Environmental protection

¹ The licence applicant must establish and implement a policy to improve its environmental footprint and sustainability in relation to the organisation of events, infrastructure construction and management.

INFRASTRUCTURE CRITERIA

Article **32 Stadium for UEFA Women's Champions League**

- ¹ The licence applicant must have a stadium available for the UEFA Women's Champions League which must be within the territory of the Malta FA and approved by the Malta FA in accordance with the *UEFA Stadium Infrastructure Regulations*.
 - ² If the licence applicant is not the owner of a stadium, it must provide a written contract with the owner(s) of the stadium(s) it will use.
 - ³ It must be guaranteed that the stadium(s) can be used for the licence applicant's UEFA home matches during the licence season.
 - ⁴ The stadium(s) must fulfil the minimum requirements defined in the *UEFA Stadium Infrastructure Regulations* and be classified at least as a UEFA category 1 stadium.
-

Article **33 Training facilities - Availability**

- ¹ The licence applicant must have training facilities available throughout the year.
 - ² If the licence applicant is not the owner of the training facilities, it must provide a written contract with the owner(s) of the training facilities.
 - ³ It must be guaranteed that the training facilities can be used by all the licence applicant's teams during the licence season, taking into account its youth development programme.
-

Article **34 Training facilities – Minimum infrastructure**

- ¹ As a minimum, the infrastructure of training facilities must fulfil the requirements defined by the licensor, for example:
 - a) relevant indoor/outdoor facilities;
 - b) the specificities of those facilities (i.e. number and size of football pitches);
 - c) dressing room specificities;
 - d) the medical room and its minimum equipment (i.e. defibrillator and first aid kit);
 - e) floodlighting;
 - f) any other relevant requirements identified by the licensor.

PERSONNEL AND ADMINISTRATIVE CRITERIA

Article **35** Administrative Officer

- ¹ The licence applicant must have appointed an administrative officer who is responsible for running its operative matters.
-

Article **36** Media Officer

- ¹ The licence applicant must have appointed a qualified media officer who is responsible for media matters including the promotion of the licence applicant's activities on social media.
 - ² The media officer must hold as a minimum one of the following qualifications:
 - a) Diploma in journalism;
 - b) Media officer diploma issued by the licensor or an organisation recognised by the licensor;
 - c) Recognition of competence issued by the licensor, based on practical experience of at least three years in such matters.
-

Article **37** Medical Doctor

- ¹ The licence applicant must have appointed at least one doctor who is responsible for medical support of the women's first squad during matches and training as well as for doping prevention.
 - ² The medical doctor's qualification must be recognised by the appropriate national health authorities.
 - ³ The medical doctor must be duly registered with the Malta FA or its affiliated league.
-

Article **38** Physiotherapist

- ¹ The licence applicant must have appointed at least one physiotherapist who is responsible for medical treatment and massages for the women's first squad during training and matches.
- ² The physiotherapist's qualification must be recognised by the appropriate national health authorities.
- ³ The physiotherapist must be duly registered with the Malta FA or its affiliated league.

Article 39 Head coach of women's first squad

¹ The licence applicant must have appointed a qualified head coach of the women's first squad who is confirmed as the head coach by Malta FA and who is responsible for the following matters of the first squad:

- a) Players' selection;
- b) Tactics and training;
- c) Management of the players and technical staff in the dressing room and the technical area before, during and after matches; and
- d) Duties regarding media matters (press conferences, interviews, etc.).

² The head coach must hold one of the following minimum coaching qualifications, issued by the Malta FA in accordance with the *UEFA Coaching Convention*:

- a) Valid UEFA A coaching licence;
 - b) Valid UEFA recognition of competence equivalent to the licence required under a) above.
-

Article 40 Assistant coach of women's first squad (as from 1 June 2023)

¹ The licence applicant must have appointed a qualified coach who assists the head coach in all football matters of the women's first squad.

² The assistant coach of the women's first squad must hold one of the following minimum coaching qualifications, issued by the Malta FA in accordance with the *UEFA Coaching Convention*:

- a) Valid UEFA B coaching licence;
 - b) Valid UEFA recognition of competence equivalent to the licence required under a) above.
-

Article 41 Goalkeeper coach of women's first squad (as from 1 June 2023)

¹ The licence applicant must have appointed a qualified goalkeeper coach who assists the head coach in goalkeeping matters of the women's first squad.

² The goalkeeper coach must hold one of the following minimum coaching qualifications, issued by a UEFA member association:

- a) Valid UEFA goalkeeper B licence in accordance with the UEFA Coaching Convention;
- b) Valid domestic goalkeeper licence;
- c) Valid UEFA recognition of competence issued in accordance with the UEFA Coaching Convention and equivalent to the licence required under a) above.

Article 42 Youth women's teams' coaches (season 2023/24 1 coach)

¹ The licence applicant must have appointed at least two qualified coaches who are responsible for all football matters related to the youth women's team(s) as defined under Article 20.

² At least one of the youth head coaches must hold one of the following minimum coaching qualifications, issued by the Malta FA in accordance with the *UEFA Coaching Convention*:

- a) Valid UEFA Youth coaching licence;
- b) Valid UEFA B coaching licence;
- c) Valid UEFA recognition of competence which is equivalent to the licence required under a) or b) above as applicable.

Article 43 Common provisions applicable to UEFA coaching qualifications

¹ A holder of the required UEFA coaching licence within the meaning of Article 39 to Article 42 is considered a coach who, in accordance with the implementation provisions of the *UEFA Coaching Convention*, has:

- a) been issued a UEFA coaching licence by a UEFA member association; or
- b) at least started the required UEFA coaching diploma course. Registration for the required diploma course is not sufficient to meet this criterion.

² If the *UEFA Coaching Convention* membership status of the Malta FA is upgraded (e.g. from A to Pro level), the following apply:

- a) Regarding paragraph 1(a) above, the new highest or second-highest available UEFA coaching licence (as applicable) will become mandatory for the licence applicant as soon as the licensor has run its second course at this higher level. After this transitional period, only a holder of the newly required UEFA coaching diploma will be deemed in compliance with the criterion;
- b) With regard to paragraph 1(b) above, only participation in an education course for the newly available highest or second-highest UEFA coaching diploma (as applicable) will be deemed in compliance with the criterion.

³ In case of a partnership agreement under the *UEFA Coaching Convention*, the UEFA coaching qualifications offered by the Malta FA with limited *UEFA Coaching Convention* membership status apply.

⁴ UEFA reserves the right to review the consequences of any downgrade in *UEFA Coaching Convention* membership status (e.g. from Pro to A level) as well as those of partnership agreements with the Malta FA in question, and to take decisions on a case-by-case basis in this respect.

⁵ All qualified coaches must be duly registered with the Malta FA and/or its affiliated league.

Article 44 Written contracts

¹ All administrative, technical, medical and security staff or service providers performing any of the functions referred to in Article 35 to Article 42 must have written contracts with the licence applicant (or another entity within the legal group structure of the licence applicant) in accordance with the national legal framework.

² The licence applicant must ensure that each coach's contract is in line with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article 45 Service providers

¹ If a given function is entrusted to a service provider in accordance with the national legal framework, the licence applicant must sign a written contract with the service provider. It must contain the following information as a minimum:

- a) Defined tasks and responsibilities;
 - b) Information on the person(s) responsible for the function, including their relevant qualifications.
-

Article 46 Occupation of functions

¹ The mandatory functions defined in Article 35 to Article 42 represent the minimum organisational structure required of the licence applicant.

² One person could occupy more than one function, provided the person has sufficient time, adequate competencies and the necessary qualifications for each function, and no conflict of interest.

Article 47 Organisational structure

¹ The licence applicant must provide the licensor with an organisational chart clearly identifying the relevant personnel and their hierarchical and functional responsibilities in its organisational structure.

² As a minimum, the organisational chart should provide information on the key personnel defined from Article 35 to Article 38.

Article 48 Duty of replacement during the season

¹ If a function defined in Article 35 to Article 42 becomes vacant during the licence season, the licensee must ensure that, within a period of a maximum of 60 days, the function is taken over by someone who holds the required qualification.

² In the event that a function becomes vacant due to illness or accident, the licensor may grant an extension to the 60-day period only if reasonably satisfied that the person concerned is still medically unfit to resume their duties.

³ The licensee must promptly notify the licensor of any such replacement.

LEGAL CRITERIA

Article 49 Declaration in respect of participation in the UEFA Women's Champions League

- ¹ The licence applicant must submit a legally valid declaration confirming the following:
- a) It recognises as legally binding the statutes, regulations, directives and decisions of FIFA, UEFA, the Malta FA and, if any, the national league as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of the *UEFA Statutes*.
 - b) At national level it will play in competitions recognised and endorsed by the Malta FA (e.g. national championship, national cup).
 - c) At international level it will participate in competitions recognised by UEFA (to avoid any doubt, this provision does not relate to friendly matches).
 - d) It will promptly inform the licensor about any significant change, event or condition of major economic importance.
 - e) It will abide by and observe the licensor's club licensing regulations.
 - f) It will abide by and observe the *UEFA Club Licensing Regulations* for the *UEFA Women's Champions League*.
 - g) Its reporting perimeter is defined in accordance with Article 55.
 - h) All revenues and costs related to each of the football activities listed in Paragraph 55.03 have been included in the reporting perimeter.
 - i) It will be accountable for any consequences of an entity included in the reporting perimeter not abiding by and observing items e) and f) above.
 - j) All relevant information related to any change of its legal form, legal group structure (including ownership) or identity from the three seasons preceding the start of the licence season have been reported to the licensor and UEFA.
 - k) All submitted documents are complete and correct.
 - l) It authorises the competent national club licensing administration and national club licensing bodies, the UEFA administration, and the UEFA Organs for the Administration of Justice to examine any relevant document and seek information from any relevant public authority or private body in accordance with national law.
 - m) It acknowledges that UEFA reserves the right to execute compliance audits in accordance with Article 63.
- ² The declaration must be executed by an authorised signatory of the licence applicant no more than three months prior to the deadline for its submission to the licensor.

Article 50 Minimum legal information

- ¹ The licence applicant must submit at least the following minimum legal information about the licence applicant and if different, the registered member:
- a) Complete legal name;

- b) Legal form;
 - c) Copy of current, valid statutes (e.g. company act);
 - d) Extract from a public register (e.g. trade register);
 - e) List of authorised signatories;
 - f) Type of signature required (e.g. individual, collective)
- ² The licence applicant must also provide the following contact information:
- a) Address of its official headquarters;
 - b) Official contact details (such as phone/fax number and email addresses);
 - c) Address of its official public website;
 - d) Name and direct contact details of its main official contact person for club licensing matters.

Article **51** **Written contract with a football company (not applicable)**

- ¹ If the licence applicant is a football company as defined in Paragraph 14.01(b), it must provide a written contract of assignment with a registered member.
- ² The contract must stipulate the following, as a minimum:
- a) The football company must comply with the applicable statutes, regulations, directives and decisions of FIFA, UEFA, the Malta FA and its affiliated league.
 - b) The football company must not further assign its right to participate in a competition at national or international level.
 - c) The football company's right to participate in such a competition ceases to apply if the assigning club's membership of the association ceases.
 - d) If the football company is put into bankruptcy or enters liquidation, this is deemed to be an interruption of membership or contractual relationship within the meaning of Article 14. For the sake of clarity, a licence already granted to the football company cannot be transferred from the football company to the registered member.
 - e) The Malta FA must be reserved the right to approve the name under which the football company participates in national competitions.
 - f) The football company must, at the request of the competent national arbitration tribunal or the Court of Arbitration for Sport (CAS), provide views, information, and documents on matters regarding the football company's participation in national or international competitions.
- ³ The contract of assignment and any amendment to it must be approved by the Malta FA or its affiliated league.

Article 52 Legal group structure

- ¹ The licence applicant must provide the licensor with a document that presents its legal group structure at the annual accounting reference date prior to the deadline for the submission of its licence application to the licensor.
- ² This document must clearly identify and include information on:

 - a) the licence applicant and, if different, the registered member;
 - b) any subsidiary of the licence applicant and, if different, the registered member;
 - c) any associate entity of the licence applicant and, if different, the registered member;
 - d) any party that has 10% or greater direct or indirect ownership of the licence applicant, or 10% or greater voting rights;
 - e) any direct or indirect controlling entity of the licence applicant;
 - f) any other football club, in respect of which any of the parties identified in a) to e), or any of their key management personnel, have any ownership interest or voting rights or membership or any other involvement or influence whatsoever in its management, administration or sporting performance; and
 - g) the key management personnel of the licence applicant and, if different, the registered member.
- ³ The reporting perimeter as defined in Article 55 must also be clearly identified in the document.
- ⁴ The following information must be provided in relation to each of the parties included in the legal group structure:

 - a) Name and, if applicable, legal form;
 - b) Main activity; and
 - c) Percentage of ownership interest and, if different, percentage of voting rights. For any subsidiary of the licence applicant and, if different, the registered member, the following information must also be provided;
 - d) Share capital
 - e) Total assets;
 - f) Total revenues; and
 - g) Total equity.
- ⁵ The licensor must be informed of any changes there may have been to the legal group structure during the period between the annual accounting reference date and the submission of this information to the licensor.
- ⁶ If deemed relevant the licensor may request the licence applicant/licensee to provide other information in addition to that listed above.
- ⁷ The licence applicant must confirm that the information about the legal group structure is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/ authorised signatories of the licence applicant.

Article 53 Ultimate controlling party, ultimate beneficiary and party with significant influence

- ¹ The licence applicant must provide the licensor with a document which contains information on:

 - a) the ultimate controlling party of the licence applicant;
 - b) the ultimate beneficiary of the licence applicant, i.e. a natural person on whose behalf an entity or arrangement is owned or controlled or a transaction is conducted; and
 - c) any party with significant influence over the licence applicant.
- ² The following information must be provided in relation to each of the parties identified in paragraph 1 above as at the date of submission of this information to the licensor:

 - a) Name and, if applicable, legal form;
 - b) Main activity;
 - c) Percentage of ownership interest and, if different, percentage of voting rights in respect of the licence applicant;
 - d) If applicable, key management personnel; and
 - e) Any other football club in respect of which the party, or any of its key management personnel, has any ownership interest, voting rights or membership or any other involvement or influence whatsoever.
- ³ The licence applicant must confirm whether any change has occurred in relation to the information indicated in the paragraphs 1 and 2 above during the period covered by the annual financial statements up to the submission of the information to the licensor.
- ⁴ If a change has occurred as indicated in paragraph 3 above, it must be described in detail by the licence applicant in the information to the licensor. As a minimum the following information must be provided:

 - a) The date on which the change occurred;
 - b) A description of the purpose of and reasons for the change;
 - c) Implications for the licence applicant's financial, operating and sporting policies; and
 - d) A description of any impact on the licence applicant's equity or debt situation.
- ⁵ If deemed relevant the licensor may request the licence applicant to provide additional information other than that listed above.
- ⁶ The licence applicant must confirm that the declaration on the ultimate controlling party, ultimate beneficiary and party with significant influence is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of both the licence applicant and the licence applicant's ultimate controlling party.

Article **54** **Written representation prior to the licensing process**

- ¹ The licence applicant must submit written representation to the licensor within the seven days prior to the start of the First Instance Body's decision-making process, as defined by the licensor in accordance with Article 10.

- ² The licence applicant must confirm:
 - a) that all documents submitted to the licensor are complete, accurate and in compliance with these regulations;
 - b) whether or not any significant change or similar event has occurred in relation to its licensing application or any of the club licensing criteria;
 - c) whether or not any event or condition of major economic importance has occurred that may have an adverse impact on the licence applicant's financial position since the balance sheet date of the preceding audited annual financial statements and reviewed interim financial statements (if so, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made);
 - d) whether or not the licence applicant and, if different, the registered member or any parent company of the licence applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season.

- ³ Approval by the licence applicant's management must be evidenced by way of a signature on behalf of the executive body of the licence applicant.

FINANCIAL CRITERIA

Article 55 Reporting entity/entities and reporting perimeter

- ¹ The licence applicant determines and provides to the licensor the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (e.g. single entity, consolidated or combined financial statements) has to be provided.
- ² The reporting perimeter must include:
- a) the licence applicant and, if different, the registered member;
 - b) any subsidiary of the licence applicant and, if different, the registered member;
 - c) any entity, irrespective of whether it is included in the legal group structure, which generates revenues and/or performs services and/or incurs costs in respect of any of the women's football activities defined in paragraph 3(a) and (b) below;
 - d) any other entity included in the legal group structure which generates revenues and/or performs services and/or incurs costs in respect of any of the women's football activities defined in paragraph 3(c) to (j) below.
- ³ Women's football activities include:
- a) employing/recruiting employees (as defined in Article 58) including payment of all forms of consideration to employees arising from contractual or legal obligations;
 - b) acquiring/selling players' registrations (including loans);
 - c) ticketing;
 - d) sponsorship and advertising;
 - e) broadcasting;
 - f) merchandising and hospitality;
 - g) club operations (administration, matchday activities, travel, scouting, etc.);
 - h) use and management of stadium and training facilities;
 - i) youth development; and
 - j) financing, including equity that results in obligations on the licence applicant, or debt directly or indirectly secured or pledged against the licence applicant's assets or revenues.
- ⁴ An entity may be excluded from the reporting perimeter only if:
- a) the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter; and
 - b) its activities are entirely unrelated to the football activities defined in paragraph 3 above or the locations, assets or brand of the football club; or
 - c) it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph 3(a) and (b) above.
- ⁵ The licence applicant must submit a declaration by an authorised signatory which confirms:

- a) that all revenues and costs related to each of the football activities indicated in paragraph 3 have been included in the reporting perimeter, providing a detailed explanation if this is not the case; and
- b) whether any entity included in the legal group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to Paragraph 4.

Article **56** Annual financial statements

¹ The licence applicant must prepare and submit, by the date communicated by the licensor, annual financial statements for the reporting period ending in the year preceding the deadline for submission of the application to the licensor and preceding the deadline for submission of the list of licensing decisions to UEFA.

² Annual financial statements, including comparative amounts for the prior period, must be prepared in accordance with International Financial Reporting Standards or national accounting standards (as applicable) and must include:

- a) a balance sheet as at the end of the reporting period;
- b) a profit and loss account/income statement for the reporting period;
- c) a cash flow statement for the reporting period; **(as from 1 June 2023)**
- d) a statement of changes in equity over the reporting period;
- e) notes, comprising a summary of significant accounting policies and other explanatory notes; and
- f) a financial review by management.

³ The annual financial statements must be audited by an independent auditor in accordance with national legal framework. **(as from 1 June 2024)**

⁴ If the annual financial statements do not meet the minimum disclosure requirements set out in Annex E, then the licence applicant must also submit to the licensor: **(as from 1 June 2023)**

- a) supplementary information to meet the minimum disclosure requirements set out in Annex E; and
- b) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor to confirm the completeness and accuracy of the supplementary information.

⁵ When the women's football teams and activities are part of the same legal entity/ reporting perimeter as men's football teams and activities, the licence applicant must identify the revenues and expenses linked to women's football activities and prepare a profit and loss account in accordance with the requirements of Annex E. **(as from 1 June 2023)**

Article 57 No overdue payables to football clubs

¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex F) to other football clubs as a result of obligations arising from transfers due to be paid by the 28 February preceding the licence season.

² Payables are those amounts due to football clubs as a result of:

- a) transfers of professional players (as defined in the FIFA Regulations on the Status and Transfer of Players), including any amount payable upon fulfilment of certain conditions;
- b) players registered for the first time as professionals, including any amount payable upon fulfilment of certain conditions;
- c) training compensation and solidarity contributions as defined in the FIFA Regulations on the Status and Transfer of Players; and
- d) any joint and several liability decided by a competent authority for the termination of a contract by a player.

³ The licence applicant must prepare and submit to the licensor a transfers table unless the transfers information has already been disclosed to the licensor under existing national transfer requirements (e.g. national clearing house system) and the licensor is able to extract and assess all the required information as described in paragraphs 4 and 5 below. A transfers table must be prepared even if there have been no transfers/loans during the relevant period.

⁴ The licence applicant must disclose:

- a) all new player registrations (including loans) as a result of transfer agreements concluded in the 12-month period up to 28 February, irrespective of whether there is an amount outstanding as at 28 February;
- b) all transfers for which a payable is outstanding as at 28 February (whether they relate to the release or registrations of players and irrespective of when the transfers were undertaken); and
- c) all transfers subject to any amounts disputed as at 28 February.

⁵ The transfers table must contain the following information as a minimum (in respect of each player transfer):

- a) Player's name and date of birth;
- b) Date of the transfer agreement;
- c) Name of the football club that is the creditor;
- d) Transfer (or loan) fee paid or payable (including training compensation and solidarity contribution) even if payment has not been requested by the creditor;
- e) Other direct costs of the player's registration paid or payable;
- f) Any other compensation paid or payable in the scope of a transfer agreement;
- g) Amounts settled before 28 February and payment date(s);
- h) Balance payable as at 28 February, including the due date(s) for each unpaid element;
- i) Amounts overdue as at 28 February, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February), together with explanatory comment;

- j) Amounts deferred as at 28 February (as defined in Annex F), including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;
 - k) Amounts disputed as at 28 February (as defined in Annex F), including the case references and a brief description of the positions of all involved parties; and
 - l) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as at 28 February.
- ⁶ The licence applicant must reconcile its liabilities as per the transfers table to its underlying accounting records.
- ⁷ The licence applicant must confirm that the transfers table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **58** **No overdue payables in respect of employees**

- ¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex F) in respect of its employees as a result of contractual or legal obligations due to be paid by the 28 February preceding the licence season.
- ² Payables are all forms of consideration due in respect of employees as a result of contractual or legal obligations, including wages, salaries, image rights payments, bonuses and other benefits.
- ³ The term "employees" includes the following persons:
- a) All professional players according to the FIFA Regulations on the Status and Transfer of Players;
 - b) All administrative, technical, medical and security staff performing any of the functions referred to in Article 35 to Article 42; and
 - c) Service providers performing any of the functions referred to in Article 35 to Article 42.
- ⁴ If any of the "employees" is employed by, contracted to, a consultant of or otherwise provides services to an entity within the legal group structure or the reporting perimeter other than the licence applicant, these payables must be also included in the scope of paragraph 1 above.
- ⁵ Amounts payable to persons who, for various reasons, are no longer employed or engaged by the licence applicant or an entity within the legal group structure of the licence applicant fall within the scope of this criterion and must be settled within the period stipulated in the contract or defined by law, regardless of how such payables are accounted for in the financial statements.
- ⁶ The term "employees" includes the following persons: The licence applicant must prepare and submit to the licensor an employees table showing the following total balances in respect of the employees as at the 28 February preceding the licence season:
- a) Total balance payable;
 - b) Total amount overdue as well as any remaining overdue amount as at 31 March (rolled forward from 28 February);
 - c) Total amount deferred (as defined in Annex F); and
 - d) Total amount disputed (as defined in Annex F).

⁷ The following information must be given, as a minimum, in respect of each overdue, deferred or disputed amount as at 28 February, together with an explanatory comment:

- a) Name and position/function of the employee (irrespective of whether the person was employed or engaged during the year up to 28 February);
- b) Start date and end date (if applicable);
- c) Amounts overdue, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February);
- d) Amounts deferred, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded; and
- e) Amounts disputed, including the case references and a brief description of the positions of all involved parties.

⁸ The licence applicant must reconcile its liabilities as per the employees table to its underlying accounting records.

⁹ The licence applicant must confirm that the employees table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **59** **No overdue payables to social/tax authorities**

¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex F) to social/tax authorities as a result of contractual or legal obligations in respect of all employed individuals due to be paid by the 28 February preceding the licence season.

² Payables are those amounts due to social/tax authorities as a result of contractual or legal obligations in respect of all employed individuals. Payables include, but are not limited to, personal income tax, pension fund payments, social security and similar payments.

³ The licence applicant must submit to the licensor a social/tax table as at the 28 February preceding the licence season showing:

- a) total balance payable to the social/tax authorities;
- b) total amount overdue as well as any remaining overdue amount as at 31 March (rolled forward from 28 February);
- c) total amount deferred (as defined in Annex F);
- d) total amount disputed (as defined in Annex F); and
- e) total amount subject to a pending decision by the competent authority (as defined in Annex F).

⁴ The following information must be given, as a minimum, in respect of each overdue, deferred, disputed or pending amount as at 28 February, together with explanatory comment:

- a) Name of the creditor;
- b) Amounts overdue, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February);

- c) Amounts deferred, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;
 - d) Amounts subject to a pending decision by the competent authority and a brief description of the licence applicant's request; and
 - e) Amounts disputed, including the case references and a brief description of the positions of all involved parties.
- ⁵ The licence applicant must reconcile its liabilities as per the social/tax table to its underlying accounting records.
- ⁶ The licence applicant must confirm that the social/tax table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article **60** **No overdue payables in respect of UEFA and the licensor**

- ¹ The licence applicant must prove that as at the 31 March preceding the licence season, it has no overdue payables (as defined in Annex F) in respect of UEFA, additional entities designated by UEFA or the licensor as a result of obligations due to be paid by the 28 February preceding the licence season.
- ² Payables in respect of UEFA include, but are not limited to, financial disciplinary measures imposed by the CFCB.
- ³ By the deadline and in the form communicated by the licensor, the licence applicant must prepare and submit a declaration confirming total payables to UEFA, additional entities designated by UEFA and the licensor and the absence or existence of overdue payables.

III. FINAL PROVISIONS

Article **61** Authoritative text and language of correspondence

- ¹ If there is any discrepancy in the interpretation of the English, French, German and Russian versions of these regulations, the English version prevails.
 - ² All correspondence between UEFA and the licensor and/or the licensee must be in one of the three UEFA official languages (English, French and German) and UEFA may ask the licensor and/or licensee for a certified translation of documents at their expense.
-

Article **62** Annexes

- ¹ All annexes to the present regulations form an integral part thereof.
-

Article **63** Compliance audits

- ¹ UEFA and/or its nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of the licensor and of the licence applicant/licensee.
 - ² Compliance audits aim to ensure that the licensor and the licence applicant/ licensee have fulfilled their obligations as defined in these regulations and that the licence was correctly awarded at the time of the licensor's final decision.
 - ³ For the purpose of compliance audits, in the event of any discrepancy in the interpretation of the national club licensing regulations between a UEFA official language version and the official national language version, the UEFA official language version prevails.
-

Article **64** Disciplinary procedures

- ¹ The CFCB at all times bears in mind the overall objectives of these regulations, in particular to defeat any attempt to circumvent those objectives.
- ² Any breach of these regulations may be dealt with by UEFA in accordance with these regulations and the *Procedural rules governing the UEFA Club Financial Control Body*.

Article 65 Implementing provisions

¹ UEFA will take the decisions and adopt, in the form of directives, the detailed provisions necessary for implementing these regulations.

Article 66 Adoption, abrogation and entry into force

¹ These regulations were adopted by the UEFA Executive Committee at its meeting on 10 May 2022.

² These regulations replace the *UEFA Club Licensing and Financial Fair Play Regulations (Edition 2018)*.

³ These regulations come into force on 1 June 2022, with the exceptional and transitional provisions described in Article 67.

Article 67 Exceptional and transitional provisions

¹ Notwithstanding Paragraph 66.03 above, Article 40, and Article 41 enter into force on 1 June 2023.

² By exception to Article 14, Paragraph 14.02, Paragraph 14.04 and Paragraph 14.05, enter into force on 1 June 2024.

³ By exception to Article 20, for the licence season 2023/24 the licence applicant must at least have one youth team within the age range of 12 to 21.

⁴ By exception to Article 42, for the licence season 2023/24 the licence applicant must have appointed at least one qualified coach with the minimum coaching qualification as defined by UEFA member association.

⁵ By exception to Article 56, Paragraph 56.02(c), Paragraph 56.04 and Paragraph 56.05, enter into force on 1 June 2023.

⁶ By exception to Article 56, Paragraph 56.03 enters into force on 1 June 2025.

⁷ Notwithstanding Paragraph 67.06 above, for licence applicants who participate in the groups stage of the 2024/25 UEFA Women's Champions League, Paragraph 56.03 enters into force on 1 June 2024.

ANNEX A – EXCEPTIONS POLICY

A 1 Principles

¹ The UEFA administration or the CFCB may, in accordance with Article 13, grant exceptions on the following matters:

- a) Non-applicability of a minimum requirement concerning the decision-making bodies or process defined in Article 7 due to national law or for any other reason;
- b) Non-applicability of a minimum requirement concerning the core process defined in Article 10 due to national law or for any other reason;
- c) Non-applicability of a minimum assessment procedure defined in Article 11 due to national law or for any other reason;
- d) Non-applicability of the three-year rule defined in Article 14;
- e) Non-applicability of a certain criterion defined in part II, Chapter 3 and the relevant annexes due to national law or for any other reason;
- f) Extension of the introduction period for the implementation of a criterion or a category of criterion defined in part II, Chapter 3.

² Exceptions related to paragraphs a), b), c), e) and f) are granted to the Malta FA and apply to all clubs that are registered with the Malta FA and apply for a licence to enter the UEFA Women's Champions League.

³ Exceptions related to item d) are granted to the individual club that applies for a licence.

A 2 Process

¹ The UEFA administration or the CFCB may, in accordance with Article 13, grant exceptions on the following matters: The UEFA administration or the CFCB acts as the decision-making body on exception requests. UEFA decides on all exceptions related to Annex A.1.1(a), (b), (c), (e) and (f), and the CFCB decides on exception requests related to Annex A.1.1(d).

² An exception request must be in writing, clear and well founded.

³ An exception request must be in writing, clear and well founded. Exception requests related to Annex A.1.1(a), (b), (c), (e) and (f) must be submitted by the licensor by the deadline and in the form communicated by UEFA.

⁴ Exception requests related to Annex A.1.1(d) must be submitted by the licensor on behalf of the licence applicant by the deadline and in the form communicated by UEFA. It is the responsibility of the licence applicant/licensee to ensure that the request is complete and accurate.

⁵ The UEFA administration and the CFCB use the necessary discretion to grant exceptions within the limits of these regulations.

⁶ The status and situation of football and of the licence applicant within the territory of the Malta FA will be taken into account when considering an exception. This encompasses, for example:

- a) size of the territory, population, geography, economic background;
- b) size of the Malta FA (number of clubs, number of registered players and teams, size and quality of the administration of the association, etc.);
- c) level of football (professional, semi-professional or amateur clubs);
- d) status of football as a sport within the territory and its market potential (average attendance, TV market, sponsorship, revenue potential, etc.);
- e) UEFA coefficient (association and its clubs) and FIFA ranking;
- f) stadium ownership situation (club, city/community, etc.) within the association;
- g) support (financial and other) from the national, regional and local authorities, including the national sports ministry;
- h) protection of creditors;
- i) club's legal group structure and reporting perimeter;
- j) club's identity.

⁷ A decision related to Annex A.1.1(a), (b), (c), (e) and (f) will be communicated to the licensor in writing, stating the reasoning. The licensor must then communicate it to all licence applicants concerned.

⁸ A decision related to Annex A.1.1(d) will be communicated to the licensor and the requesting club in writing, stating the reasoning.

⁹ Appeals can be lodged against final decisions made by the UEFA administration or the CFCB in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the *UEFA Statutes*.

ANNEX B – DELEGATION OF LICENSING RESPONSIBILITIES TO AN AFFILIATED LEAGUE

B 1 Principles

- ¹ The UEFA Executive Committee decides on any requests from UEFA member associations to delegate or to withdraw licensing responsibilities to/from their affiliated league as specified in Paragraph 5.02.
- ² Well-founded requests can be made to UEFA at any time. All the requests presented to UEFA in writing before the start of the core process will be considered for effect in the following sporting season.
- ³ The timing of such a request must be carefully considered. UEFA will not accept any request to delegate or to withdraw licensing responsibilities during the core process in order to ensure continuity.
- ⁴ The UEFA Executive Committee may approve a delegation request if the Malta FA provides written confirmation that the league:
 - a) is affiliated to the Malta FA and has accepted its statutes and regulations and the decisions of its responsible and competent bodies in writing;
 - b) is responsible for running the top domestic championship;
 - c) has agreed with the Malta FA on the use of the financial contributions paid by UEFA to the Malta FA for club licensing purposes;
 - d) has submitted a written decision by the legislative body of this affiliated league to comply with the following obligations towards UEFA:
 - i) to have national club licensing regulations that implement the UEFA club licensing criteria according to the provisions of these regulations and any future amendments thereto;
 - ii) to grant UEFA and its nominated bodies/agencies all necessary access to verify the operation of the club licensing system and the decisions of the decision-making bodies at any time;
 - iii) to allow UEFA and its nominated bodies/agencies to conduct compliance audits at any time of clubs that qualify for the UEFA Women's Champions League;
 - iv) to accept any UEFA decision made with regard to exceptions or compliance audits;
 - v) to issue the appropriate sanctions to the relevant parties according to UEFA's recommendations or decisions.

ANNEX C – INTEGRATION OF UEFA WOMEN’S CHAMPIONS LEAGUE CLUB LICENSING CRITERIA INTO NATIONAL CLUB LICENSING REGULATIONS

c 1 Principles

¹ its national club licensing regulations, each licensor must define the parties involved, their rights and duties, the criteria and the necessary processes in accordance with these regulations for entering the UEFA Women’s Champions League (see Paragraph 5.03).

c 2 Process

¹ The licensor must finalise the wording of the national club licensing regulations and send them, in one of UEFA’s official languages, to UEFA for review by the deadline communicated by the latter.

² The licensor is responsible for ensuring, and must demonstrate to UEFA, that all applicable provisions of these regulations have been integrated in its national club licensing regulations. Exceptions may be granted according to Article 13 of these regulations.

³ The licensor is free to increase or introduce additional minimum criteria in its national club licensing regulations for the purpose of entering the UEFA Women’s Champions League.

⁴ Where introduced by the licensor in its national club licensing regulations, any increased or additional minimum criteria apply mutatis mutandis to entry in the UEFA Women’s Champions League.

⁵ The licensor must confirm to UEFA that all provisions contained in the national club licensing regulations are in compliance with the applicable national law.

⁶ The national club licensing regulations must be approved by the competent national bodies and communicated to the licence applicants before the start of the licensing process. They cannot be amended during the licensing process, unless duly approved by UEFA.

⁷ UEFA reviews the final version of the national club licensing regulations and confirms in writing to the licensor that:

- a) the applicable provisions of these regulations for the purpose of entering the UEFA Women’s Champions League are integrated in the national club licensing regulations;
- b) the licence issued by the competent national bodies according to the national club licensing regulations is based on the minimum criteria set out in part II of these regulations.

The licensor is encouraged to apply a club licensing system to govern participation in its domestic competitions. For this purpose, the licensor is free to increase, decrease, or introduce additional minimum criteria in its national club licensing regulations for the purpose of granting permission to enter its domestic competitions.

ANNEX D – EXTRAORDINARY APPLICATION OF THE CLUB LICENSING SYSTEM

D 1 Principles

¹ UEFA defines the necessary deadlines and the minimum criteria for the extraordinary application of the club licensing system as specified in Paragraph 17.01 and communicates them to the licensors at the latest by the 31 August of the year preceding the licence season.

² Licensors must notify UEFA of any extraordinary application requests in writing, stating the name of the club concerned, by the deadline communicated by UEFA.

³ The licensor is responsible for submitting the criteria to the club concerned for its assessment of the extraordinary application request. They must also take immediate action with the club concerned to prepare for the extraordinary application procedure.

⁴ The club concerned must provide the necessary documentary proof to the licensor that will assess the club against the fixed minimum standards and forward the following documentation in one of UEFA's official languages to UEFA by the deadline communicated by the latter:

- a) Written request for special permission to enter the UEFA Women's Champions League;
- b) Recommendation by the licensor based on its assessment (including the dates and names of the persons having assessed the club);
- c) All documentary evidence provided by the club and the licensor as requested by UEFA;
- d) Any other documents requested by UEFA during the extraordinary application procedure.

⁵ UEFA bases its decision on the documentation received and grants special permission to enter the UEFA Women's Champions League if all the criteria are fulfilled and if the club ultimately qualifies on sporting merit. The decision will be communicated to the licensor, which must forward it to the club concerned.

⁶ If such a club is eliminated on sporting merit during the extraordinary application procedure, the licensor concerned has to notify UEFA immediately and the procedure is immediately terminated, without further decision. Such a terminated procedure cannot be restarted at a later stage.

⁷ Appeals can be lodged against final decisions made by UEFA in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions of the UEFA Statutes.

ANNEX E – DISCLOSURE REQUIREMENTS FOR THE FINANCIAL STATEMENTS

E 1 Principles

¹ Notwithstanding the requirements of national accounting practice, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, the financial criteria of these regulations require licence applicants/licensees to present a specific minimum level of financial information to the licensor as set out in Article 56.

² Each component of the financial statements must be identified clearly. The following information must be displayed prominently, and repeated where necessary within the financial statements, for a proper understanding of the information presented:

- a) Written request for special permission to enter the UEFA Women's Champions League; The name (and legal form), domicile and business address of the reporting entity/entities and any change in that information since the previous annual accounting reference date;
- b) Whether the financial information covers the individual licence applicant/ licensee, a group of entities or some other combination of entities, and a description of the structure and composition of any such group or combination;
- c) The annual accounting reference date and the period covered by the financial information (for both current and comparative information); and
- d) The presentation currency.

³ If the annual financial statements are not in compliance with the disclosure requirements set out in Annex E, then the licence applicant must also submit to the licensor:

- a) supplementary information to meet the disclosure requirements set out in Annex E;
- b) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor in respect of the completeness and accuracy of the restated financial statements.

E 2 Balance sheet

¹ The minimum disclosure requirements for balance sheet items are stated below.

Assets

- i. Cash and cash equivalents
- ii. Other current assets
- iii. Tangible & Intangible assets
- iv. Accounts receivable
- v. Other non-current assets
- vi. Total assets (sum of items I to v)

Liabilities

- vii. Bank and other loans
- viii. Other accounts payable
- ix. Other current liabilities

- x. Other non-current liabilities
- xi. Total liabilities (sum of items vii to x)

Equity

- xii. Total equity

E 3 Profit and loss account

¹ The minimum disclosure requirements for profit and loss account are stated below.

Revenue

- i. Gate receipts
- ii. Sponsorship and advertising
- iii. Broadcasting rights
- iv. Commercial activities
- v. UEFA solidarity and prize money
- vi. Subsidies, donations, contributions and other grants
- vii. Other operating income
- viii. Total revenue (sum of items i to vii)

Expenses

- ix. Employee benefit expenses
- x. Other operating expenses
- xi. Total operating expenses (excluding player registrations) (sum of items ix to x)
- xii. Net result from player transfers
- xiii. Net non-operating income/ (expense) – other
- xiv. Tax income/ (expense)
- xv. Dividends paid/ minority interests
- xvi. Total expenses (sum of items xi to xv)

E 4 Cash flow statement

¹ The cash flow statement must report cash flows for the financial period, classified separately as stated below:

Cash flow from operating activities

Operating activities are the principal revenue-producing activities of the reporting entity and other activities that are not investing or financing activities. Therefore, they generally result from the transactions and other events that enter into the determination of net result. The minimum disclosure requirements are stated below:

- i. Net cash inflow/outflow from operating activities

Cash flows from investing activities

Investing activities are the acquisition and disposal of long-term assets (including player registrations) and other investments not included in cash equivalents. The reporting entity must report separately report each major class of gross cash receipts and gross cash payments arising from investing activities. The minimum disclosure requirements are stated below:

- i. Net cash inflow/outflows from financing activities

Cash flows from financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity share capital and borrowings of the entity. The entity must report separately report major class of gross cash receipts and gross cash payments arising from financing activities. The minimum disclosure requirements are stated below:

- i. Net cash inflow/outflows from financing activities

Other cash flows

Cash flows from interest and dividends received and paid must each be disclosed separately. Each must be disclosed in a consistent manner from period to period as either operating, investing, or financing activities.

Cash flows arising from taxes on income must be disclosed separately and classified as cash flows from operating activities unless they can be appropriately and specifically identified as financing or investing activities.

² The components of cash and cash equivalents must be disclosed and a reconciliation of the amounts in the cash flow statement presented, with the equivalent items reported in the balance sheet.

ANNEX F – NOTION OF OVERDUE PAYABLES

F 1 Principles

- ¹ Payables are considered as overdue if they are not paid according to the contractual or legal terms.
- ² Payables are not considered as overdue, within the meaning of these regulations, if the licence applicant/licensee (i.e. debtor) is able to prove by the applicable deadline, i.e. 31 March in respect of Article 57, Article 58, Article 59 and Article 60 that:
- a) the relevant amount has been settled, i.e. either paid in full or offset against the creditor's obligations towards the debtor; or
 - b) the deadline for payment of the relevant amount has been deferred (referred to as "amounts deferred" in these regulations), i.e. an agreement has been concluded in writing with the creditor to extend the deadline for payment (a creditor not requesting payment of an amount does not constitute an extension of the deadline); or
 - c) the relevant amount is subject to a legal claim or open proceedings (referred to as "amounts disputed" in these regulations), meaning:
 - i) the debtor has brought a legal claim which has been deemed admissible by the competent authority under national law or has opened proceedings with the national or international football authorities or relevant arbitration tribunal contesting liability in relation to the overdue payable, knowing that if the decision-making bodies (licensor or CFCB) consider that such claim has been brought or such proceedings have been opened for the sole purpose of avoiding the applicable deadlines set out in these regulations (i.e. in order to buy time), the amount will still be considered as an overdue payable; or
 - ii) the debtor has brought a legal claim which has been deemed admissible the debtor has contested to the competent authority under national law, the national or international football authorities or the relevant arbitration tribunal, a claim which has been brought or proceedings which have been opened against it by a creditor in respect of overdue payables and is able to demonstrate to the comfortable satisfaction of the relevant decision-making bodies (licensor or CFCB) that it has established reasons for contesting the claim or proceedings which have been opened, knowing that if the decision-making bodies (licensor or CFCB) consider the reasons for contesting the claim or proceedings as manifestly unfounded the amount will still be considered as an overdue payable; or
 - d) the settlement of the relevant amount is pending (referred to as "amounts pending" in these regulations), meaning:
 - i) the debtor has requested a competent authority, in writing and in accordance with the applicable law, to extend the deadline for payment of payables to social/tax authorities (as defined by Article 59) and the competent authority has confirmed in writing that this request has been deemed admissible and still pending by 31 March (in respect of Article 59); or
 - ii) the debtor is able to demonstrate to the comfortable satisfaction of the relevant decision-making bodies (licensor or CFCB) that it has taken all reasonable measures to identify and pay the creditor(s) in respect of training compensation and solidarity contributions (as defined in the *FIFA Regulations on the Status and Transfer of Players*).

ANNEX G – LICENSOR’S ASSESSMENT PROCEDURES

G 1 Principles

¹ The licensor defines the assessment procedures, ensuring equal treatment of all clubs applying for a licence. It assesses the documentation submitted by the clubs, considers whether it is appropriate and determines to its comfortable satisfaction whether each criterion has been met and what further information, if any, is needed for each licence to be granted.

² The assessment processes to check compliance with the defined provisions set out in Article 11 comprise specific assessment steps that must be followed by the licensor as set out below.

G 2 Assessment of the auditor’s report on the financial statements

¹ In respect of the annual financial statements, the licensor must perform the following minimum assessment procedures:

- a) Assess whether the reporting perimeter is appropriate for club licensing purposes;
- b) Assess the information submitted to form a basis for the licensing decision;
- c) Read and consider the annual financial statements and the auditor’s report thereon;
- d) Address the consequences of any modifications to the auditor’s report (compared to the normal form of unqualified report) and/or deficiencies compared to the minimum disclosure and accounting requirements according to Annex G.2.2 below.

² Having assessed the reporting perimeter and read the auditor’s report on the annual financial statements, the licensor must assess these according to the items below:

- a) If the reporting perimeter does not meet the requirements of Article 55, the licence must be refused;
- b) If the auditor’s report has an unqualified opinion, without any modification, this provides a satisfactory basis for granting the licence;
- c) If the auditor’s report has a disclaimer of opinion or an adverse opinion, the licence must be refused, unless a subsequent audit opinion without disclaimer of opinion or adverse opinion is provided (in relation to another set of financial statements for the same financial year that meet the minimum requirements) and the licensor is satisfied with the subsequent audit opinion;
- d) If the auditor’s report has, in respect of going concern, an emphasis of matter, a key audit matter or a qualified ‘except for’ opinion, the licence must be refused, unless either:
 - i) a subsequent audit opinion without going concern, an emphasis of matter, a key audit matters or qualification is provided, in relation to the same financial year; or
 - ii) additional documentary evidence demonstrating the licence applicant’s ability to continue as a going concern until at least the end of the licence season has been provided to, and assessed by, the licensor to its satisfaction.
- e) If the auditor If the auditor’s report has, in respect of a matter other than going concern, an emphasis of matter, a key audit matter or a qualified ‘except for’ opinion, then the licensor must consider the implications of the modification for club licensing purposes. The licence may be refused unless additional documentary evidence is provided and assessed to the satisfaction of

the licensor. The additional evidence that may be requested by the licensor will be dependent on the reason for the modification to the audit report;

- f) If the auditor's report makes a reference to any situation defined in Article 54 the licence must be refused.

³ If the licence applicant provides supplementary information and/or restated financial statements, the licensor must additionally assess the auditor's report on the agreed-upon procedures in respect of the supplementary information and/or restated financial statements. The licence may be refused if the auditor's report is not to the satisfaction of the licensor and/or includes reference to errors and/or exceptions found.

G **3 Assessment of licensing documentation for no overdue payables**

¹ In respect of the "no overdue payables" criteria to football clubs, employees, and social/tax authorities, the licensor may decide:

- a) to assess itself the information submitted by the licence applicant, in which case it must perform the assessment as set out in Annex G.3.2; or
- b) to have independent auditors carry out the assessment procedures in accordance with ISRS 4400, in which case the licensor must assess the information submitted by the licence applicant (in particular the payables tables and corresponding supporting documents) and review the auditor's report. The licensor may carry out any additional assessment it believes necessary, including by extending the sample or requesting additional documentary evidence from the licence applicant.

² Notwithstanding whether the assessment is carried out by the licensor or an independent auditor in respect of the "no overdue payables" criteria to football clubs, employees and social/tax authorities, the following minimum procedures must be performed and described in the licensor's or auditor's report:

- a) Obtain the payables tables as at 31 March submitted by the licence applicant in respect of obligations due to be paid by 28 February (i.e. the transfers table, the employee table, the social/tax table and corresponding supporting documents);
- b) Perform the necessary steps (including determination of the sample size) to assess the completeness and accuracy of the reported balances and issue a conclusion with regard to each of the procedures performed;
- c) Check the completeness of any overdue balance reported by the licence applicant as at 28 February;
- d) Check the settlement of any overdue payables between 28 February and 31 March; and
- e) Identify any overdue balance as at 31 March.

³ In respect of the "no overdue payables" criterion in respect of UEFA and the licensor, the licensor must perform, as a minimum, the following assessment procedures:

- a) Review any information received from UEFA with regard to pending overdue amounts owed by the licensor's affiliated clubs and check the settlement of any overdue balance between 28 February and 31 March; and
- b) Carry out any additional assessment and request any additional documentary evidence from the licence applicant it believes necessary.

G 4 Assessment of the written representation prior to the licensing decision

¹ In respect of the written representation, the licensor must read and consider the impact of any significant change that has occurred in relation to the club licensing criteria.

² In respect of the written representation, the licensor must read and consider the impact of any significant change that has occurred in relation to the club licensing criteria. The licensor must also read and consider the information in respect of any event or condition of major economic importance, in combination with the financial statements, future financial information and any additional documentary evidence provided by the licence applicant. The licensor may decide to have this assessment carried out by an auditor.

³ The licensor must assess the club's ability to continue as a going concern until at least the end of the licence season. The licence must be refused if, based on the financial information that the licensor has assessed, in the licensor's judgement, the licence applicant may not be able to continue as a going concern until at least the end of the licence season.

⁴ If the licence applicant (or the registered member which has a contractual relationship with the licence applicant within the meaning of Article 14) or any parent company of the licence applicant included in the reporting perimeter is/was seeking protection or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season or is receiving protection at the time of the assessment then the licence must be refused. For the avoidance of doubt the licence must also be refused even if the concerned entity is no longer receiving protection from its creditors at the moment the licensing decision is taken.