



RFEF
Club Licensing Regulations
for UEFA Competitions
2012 Edition

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Definition of terms

Administration procedures	Procedures pursuant to laws or regulations whose objectives are to rescue insolvent entities and allow them to carry on running their business. This process, which is an alternative to the liquidation of the entity, is 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	A natural person who, for a fee, introduces players to clubs with a view to negotiating or renegotiating an employment contract or introduces two clubs to one another with a view to concluding a transfer agreement.
Agreed-upon procedures	In an engagement to perform agreed-upon procedures, an auditor is engaged to carry out those procedures of an audit nature to which the auditor and the entity and any appropriate third parties have agreed and to report on factual findings. The recipients of the report must form their own conclusions from the report by the auditor. The report is restricted to those parties that have agreed to the procedures to be performed since others, unaware of the reasons for the procedures, may misinterpret the results.
Break-even information	Financial statements and underlying accounting records, to be submitted by a club to assess its compliance with the break-even requirement.
Club licensing criteria	Requirements, divided into five categories (sporting, infrastructure, personnel and administrative, legal and financial), to be fulfilled by a licence applicant for it to be granted a licence.
Club Licensing Quality Standard	Document that defines the minimum requirements with which licensors must comply to operate the club licensing system.
Club monitoring requirements	Requirements to be fulfilled by a licensee that has qualified for a UEFA club competition.
Costs of acquiring a player's registration	Payments to third parties for the acquisition of a player's registration, excluding any internal development or other costs. They include: <ul style="list-style-type: none">• transfer fee (including training compensation and solidarity contributions) payable for securing the player's registration; and• other direct costs of obtaining the player's registration (including transfer fee levy and fees to agents).
Current financial information	Information in respect of the financial performance and position of the club in the reporting period ending in the year that the UEFA club competitions commence (reporting period T).
Deadline for submission of the application to the	The date by which each licensor requires licence applicants to have submitted all relevant information for their applications for a licence.

licensor

Event or condition of major economic importance An event or condition that is considered material to the financial statements of the reporting entity and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the reporting entity if it occurred during the preceding financial reporting period or interim period.

Future financial information Information in respect of the financial performance and position of the club in the reporting periods ending in the years following commencement of the UEFA club competitions (reporting periods T+1 and later).

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).

Historic financial information Information in respect of the financial performance and position of the club in the reporting periods ending in the years prior to commencement of the UEFA club competitions (reporting periods T-1 and earlier).

Interim period A financial reporting period that is shorter than a full financial year. It does not necessarily have to be a six-month period.

International Financial Reporting Standards (IFRS) Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise:

- International Financial Reporting Standards;
- International Accounting Standards; and
- Interpretations originated by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).

International Standards on:

- Auditing (ISA)
- Review Engagements (ISRE)
- Related Services (ISRS)

The International Auditing and Assurance Standards Board (IAASB) issues International Standards on:

- Auditing (ISA) which are to be applied in audits of historical financial information.
- Review Engagements (ISRE) which are to be applied in reviews of historical financial information.
- Related Services (ISRS) which are to be applied to compilation engagements and engagements to apply agreed-upon procedures to information.

Additional information about the IAASB, ISA, ISRE and ISRS is available from www.ifac.org.

Licence Certificate granted by the licensor confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering UEFA club competitions.

Licence applicant Legal entity fully and solely responsible for the football team participating in

national and international club competitions which applies for a licence.

Licensee	Licence applicant that has been granted a licence by its licensor.
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.
Licensor	Body that operates the club licensing system, grants licences and undertakes certain tasks in respect of the club monitoring process.
List of licensing decisions	List submitted by the licensor to UEFA containing, among other things, information about the licence applicants that have undergone the licensing process and been granted or refused a licence by the national decision-making bodies in the format established and communicated by UEFA.
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 a licence.
National accounting practice	The accounting and reporting practices and disclosures required of entities in a particular country.
Net debt	A club's net player transfers balance (i.e. net of accounts receivable from players' transfers and accounts payable from players' transfers) and net borrowings (i.e. bank overdrafts and loans, owner and/or related party loans and finance leases less cash and cash equivalents). Net debt does not include trade or other payables.
Parties involved	Anyone involved in the UEFA club licensing system or monitoring process, including UEFA, the licensor, the licence applicant/licensee and any individual involved on their behalf.
Reporting period	A financial reporting period ending on a statutory closing date, whether this is a year or not.
Significant change	An event that is considered material to the documentation previously submitted to the licensor and that would require a different presentation if it occurred prior to submission of the documentation.
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).

Statutory closing date	The annual accounting reference date of a reporting entity.
Supplementary information	Financial information to be submitted to the licensor in addition to the financial statements if the minimum requirements for disclosure and accounting are not met. 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.
Training facilities	The venue(s) at which a club's registered players undertake football training and/or youth development activities on a regular basis.

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

PART I

Chapter I: General Provisions. Sphere of Application

Article 1.- The following are functions corresponding to the Royal Spanish Football Association (RFEF) in accordance with the provisions of its Statutes: the government, administration, management, organisation and regulation of football, and the representation of, among other organisations, the Union des Associations Européennes de Football (UEFA) in Spain in international activities and competitions.

These Regulations are based on:

- Article 1 Paragraph 4 c) and Article 13 Paragraph 4 of the *RFEF Statutes*;
- Article 193 of the *RFEF General Regulations*; and on the
- *UEFA Club Licensing and Financial Fair Play Regulations*.

Article 2.- In fulfilment of its statutory provisions, the RFEF establishes in these Regulations the requirements or club licensing criteria which Spanish football clubs must comply with in order to be able to participate in any club competition played under the auspices of UEFA (hereinafter, “UEFA club competitions”).

For the purposes of these Regulations, UEFA club competitions must be understood as the UEFA Champions League, the UEFA Europa League, and all those club competitions which may be organised by UEFA in the future.

The RFEF club licensing system, which is based on these Regulations, only applies to those clubs seeking to participate in the UEFA club competitions. It does not apply for the participation of clubs in the national club competitions organised and/or recognised by the RFEF.

Article 3.- In accordance with the provisions of these Regulations, all top division Spanish football clubs – and, where applicable, any other Spanish football club (see Part III - Chapter IV) – qualifying on the basis of their sporting results to play in any of the UEFA club competitions must apply for and be granted by RFEF the special national licence (hereinafter referred to as “the UEFA Licence”) which is a *sine qua non* condition to play in the said competitions. The UEFA Licence is the only club licence granted by RFEF for participation in the UEFA club competitions.

UEFA Club Monitoring requirements, as defined in the *UEFA Club Licensing and Financial Fair Play Regulations*, must be complied with by all licensees that have qualified for a UEFA club competition.

Article 4.- The failure to apply for or to be granted the UEFA Licence will mean the prohibition on participating in the UEFA club competitions, with the effects and other consequences provided for in these Regulations.

Article 5.- Taking into account Article 38 Paragraph 2 of these Regulations, the RFEF will exercise its sports disciplinary faculties for the purposes of upholding the provisions of these Regulations, empowering to that effect its competent bodies, and all of the foregoing is subject to the provisions of the *Spanish Sports Act 10/1990*, dated 15th December, *Spanish Royal Decree 1591/1992*, dated

23rd December, regarding *Sports Discipline*, the *Statutes of the RFEF* and its *General Regulations*, and any other regulations which might complement, derogate, replace, modify or extend them.

Article 6.- These Regulations also explain the procedure which licence applicants must follow in order to apply for and be granted the UEFA Licence. To that effect, and with regard to the documents which they must submit to the RFEF, it is the responsibility of the licence applicants to demonstrate by any means permitted by law that they comply with the club licensing criteria required in order to obtain the UEFA Licence (i.e. then licence applicant has burden of proof).

Article 7.- These Regulations govern the rights, obligations and responsibilities of all of the parties involved in the RFEF club licensing system and define in particular:

The minimum requirements to be fulfilled by RFEF in order to act as the licensor for its member clubs, as well as the minimum procedures to be followed by the licensor in the assessment of the club licensing criteria;

The licence applicant and the UEFA Licence;

The minimum sporting, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a club in order to be granted the UEFA Licence by RFEF.

Chapter II: Objectives

Article 8. – These Regulations aim:

- a) to promote and continuously improve the standard of all aspects of football in Spain and to give continued priority to the training and care of young players in every club;
- b) to ensure that clubs have an adequate level of management and organisation;
- c) to adapt clubs' sporting infrastructure to provide players, spectators and media representatives with suitable, well-equipped and safe facilities;
- d) to improve the economic and financial capability of the clubs, increasing their transparency and credibility;
- e) to place the necessary importance on the protection of creditors by ensuring that clubs settle their liabilities with players, social security/tax authorities and other clubs punctually;
- f) to protect the integrity and smooth running of the UEFA club competitions for one season;
- g) to permit the creation of a benchmarking system for clubs in sporting, infrastructure, personnel and administrative, legal and financial criteria throughout Europe.

PART II: THE LICENSOR - THE RFEF

Chapter I: General Provisions

Article 9.- The RFEF is the organisation charged with issuing the UEFA Licence and assumes with full powers the role of licensor for the purposes provided for in these Regulations. If investigations conducted by UEFA reveal that criteria were not fulfilled at the time a licensee entered a UEFA club competition or are no longer being met in the course of the competition, the concerned licensee is liable to disciplinary measures in accordance with the *UEFA Disciplinary Regulations*.

Article 10.- The RFEF (licensor) has a Club Licensing Department for UEFA Competitions made up of experts in the different areas related to the five club licensing criteria established in these Regulations, plus a General Coordinator. The licensor is also made of two decision-making bodies: the First Instance Body and the Appeals Body. These two decision-making bodies must be independent of each other. The General Coordinator will be responsible for liaising between the RFEF Club Licensing Department for UEFA Competitions and the licence applicants/licensees, and for providing support to the two decision-making bodies.

Article 11.- The RFEF governs the RFEF club licensing system and establishes the necessary procedures, including deadlines and sanctions.

Article 12.- The RFEF guarantees equal treatment between all the licence applicants as well as total confidentiality to all licence applicants in respect of the information provided during the UEFA Licence application process. To this effect, the RFEF undertakes to oblige all those involved in the said application process or, where appropriate, contracted by the RFEF, to sign a non-disclosure agreement before taking up their duties.

Chapter II: RFEF Club Licensing Department for UEFA Competitions

Article 13.- The RFEF Club Licensing Department for UEFA Competitions. The RFEF has a Club Licensing Department for UEFA Competitions which is responsible for managing, coordinating and supervising the licensing procedure. The RFEF Club Licensing Department for UEFA Competitions will be made up of various experts in the five club licensing criteria encompassed by these Regulations and by a General Coordinator.

Article 14.- Functions. The functions of this Department are to:

- prepare, implement and further develop the RFEF club licensing system;
- provide administrative support to the First Instance Body and the Appeals Body;
- assist, advise and monitor the licensees during the season;
- prepare a dossier with all of the documentation received from the licence applicants and submit this dossier to the First Instance Body;
- inform UEFA of any event occurring after the licensing decision which constitutes a significant change to the information previously submitted to the licensor; and
- serve as the contact point for, and share experiences and expertise with, the licensing departments of other UEFA member associations and with UEFA itself.

Article 15.- Staff. The RFEF Club Licensing Department for UEFA Competitions is staffed with the personnel as defined in Articles 10 and 13 and has the necessary infrastructure. The costs arising from these items will be met by the RFEF, who may charge the licence applicants an administrative fee to be approved by the Board of Directors of the RFEF.

Article 16.- Experts. At least the financial expert of the RFEF Club Licensing Department for UEFA Competitions must have a financial background and must be an auditor duly registered with the Spanish Official Register of Auditors (R.O.A.C). Furthermore, the RFEF Club Licensing

Department for UEFA Competitions must have among its members a qualified lawyer with a valid law degree recognised by the Spanish Bar Association.

Article 17.- Confidentiality. All of those involved in the licensing procedure must comply with strict rules of confidentiality regarding the information received during the said procedure. The RFEF must establish and supervise the necessary confidentiality mechanisms by having a confidentiality clause accepted in writing and signed by all of those involved in the licensing procedure in accordance with Article 12 of these Regulations.

Article 18.- Independence. The RFEF Club Licensing Department for UEFA Competitions must act independently of the licence applicants. A member of staff of the RFEF Club Licensing Department for UEFA Competitions must automatically abstain from involvement in the licensing procedure if there is any doubt regarding his independence in respect of any of the licence applicants, or in the event of a conflict of interests. The staff members of the RFEF Club Licensing Department for UEFA Competitions may not be shareholders, partners, sponsors, creditors, suppliers or advisors of any of the licence applicants. Should a member of staff be involved in an incompatible activity, he may form part of the RFEF Club Licensing Department for UEFA Competitions, but must refrain from participating, where applicable, in the licensing procedure relating to the licence applicant with which he is linked.

Chapter III: Decision-making bodies

Article 19.- Decision-making bodies and requirements for being a member.

19.1.- Decision-making bodies. The decision-making bodies are the First Instance Body and the Appeals Body, both of which report, for the purposes of internal operation and administration, to the General Secretariat via the RFEF Club Licensing Department for UEFA Competitions.

19.2.- Requirements for being a member. The requirements for being a member of the decision-making bodies are as follows:

- a) To be aged 18 or over;
- b) Not to be barred from holding a public post;
- c) To have full legal capacity;
- d) Not to incur a legally or statutorily established conflict of interests;
- e) The specific requirements established for each case by these Regulations;
- f) The same member may not belong to the two Bodies at the same time nor to any other committee or decision-making body of the RFEF or, in the case of members of the Appeals Body, of the National Professional Football League (LNFP);
- g) No member of the RFEF Club Licensing Department for UEFA Competitions may be simultaneously a member of the First Instance Body or of the Appeals Body referred to in Articles 21 and 22 of these Regulations.

Article 20.- Rights and obligations of the members of the decision-making bodies. The members of the decision-making bodies shall have the following rights:

- a) Take part in deliberations and freely express their opinions regarding the issues being discussed or debated by the body of which they are members and exercise their right to vote and have, where applicable and if they so wish, their individual reasons recorded;

- b) Participate in the federative tasks corresponding to the post or function which they hold and to the body of which they are a member;
- c) To know the contents of the minutes of the sessions of the body to which they belong; and
- d) Any others established in these Regulations.

The members of the decision-making bodies shall have the following obligations:

- a) To attend meetings when formally summoned to do so, unless prevented by reasons of force majeure;
- b) To diligently guard the documents which are given to them;
- c) To sign the impartiality and confidentiality commitment provided for in Article 17 of these Regulations before taking up their post;
- d) To maintain due independence as stipulated in Article 23 of these Regulations;
- e) To maintain due confidentiality with regard to the contents of documents and decisions taken throughout the whole of the licensing process;
- f) To abide by the regulations and directives of the RFEF and the international football organisations, including the *FIFA Code of Ethics*.

Article 21.- First Instance Body (FIB).- This Body decides on whether to issue, refuse or cancel¹ the UEFA Licence, basing its decision on the documentation transmitted by the RFEF Club Licensing Department for UEFA Competitions, in accordance with the procedure established in Part X of these Regulations.

To this effect, this Body is made up of five (5) members, of which one must be an auditor duly registered with the Spanish Official Register of Auditors (R.O.A.C), and another must be a qualified lawyer with a valid law degree recognised by the Spanish Bar Association. This Body elects its Chairman, its Deputy Chairman, where appropriate, and its Secretary. This Body will be considered validly constituted when it has a minimum quorum of four (4) members. The vote in favour of a majority equal to or greater than half plus one shall be necessary in order to adopt rulings. The Chairman has the casting vote in the circumstances provided for in Article 23 of these Regulations.

The members of this Body are appointed by the President of the RFEF and shall fulfil their mandate for a period of four (4) years, to coincide with the Olympic period in question, and may be re-appointed.

The members of the First Instance Body may be suspended or dismissed before the completion of their mandate by the President of the RFEF, who shall appoint a substitute member or members. The substitute shall perform his functions for the time which remained to the member whom he replaced.

Employees and in-house or external collaborators of the RFEF may be members of the First Instance Body, with the exception of the members of the RFEF Club Licensing Department for UEFA Competitions.

¹ See Article 100 bis of these Regulations

Article 22.- Appeals Body.- This Body rules on the appeals submitted in writing against FIB decisions and issues final rulings on whether the UEFA Licence should be issued, refused or cancelled² in accordance with the provisions of Part X of these Regulations.

To this effect, this Body is made up of seven (7) members, of which one must be an auditor duly registered with the Spanish Official Register of Auditors (R.O.A.C), and another one must be a qualified lawyer with a valid law degree recognised by the Spanish Bar Association. This Body elects its Chairman, its Deputy Chairman, where appropriate, and its Secretary. This Body is considered validly constituted when it has a minimum quorum of five (5) members. The vote in favour of a majority equal to or greater than half plus one shall be necessary in order to adopt rulings. The Chairman has the casting vote in the circumstances stipulated in Article 23 of these Regulations.

The members of this Body are appointed for a mandate of four (4) years, and may be re-appointed for periods of the same duration, in the following way: four (4) by the President of the RFEF and three (3) by the President of the National League of Professional Football (LNFP).

The members of the Appeals Body may be suspended or dismissed before the completion of their mandate by the President who appointed them (President of the RFEF or President of the National Professional Football League (LNFP)).

Likewise, in the event of a vacancy, whether permanent or temporary, the President of the RFEF or the President of the National Professional Football League (LNFP), depending on who appointed the member(s) who require(s) substituting, will appoint a substitute member or members. The substitute shall perform his functions for the time which remained to the member whom he replaced.

Neither employees of the RFEF nor those of the National Professional Football League (LNFP), nor any member of the First Instance Body, may be members of the Appeals Body.

Article 23.- Independence of the members of the decision-making bodies. The members of the decision-making bodies must be independent, must not be engaged in incompatible activities and must act impartially in the discharge of their duties. A member may not belong to the two decision-making bodies simultaneously, nor to any other decision-making committees, bodies or organs of the RFEF. The members of the decision-making bodies or any member of their family (spouse, child, parent or sibling) may not be shareholders, members, business partners, sponsors, creditors, suppliers or advisors of the licence applicant. Notwithstanding the above, should a member be engaged in an incompatible activity or should there be any doubt to his independence from the licence applicant or should there be a conflict of interest, the said member may form part of its decision-making body but must abstain from involvement in the licensing procedure regarding the licence applicant with which he is linked. To this effect, where such an abstention means that either of the decision-making bodies fails to achieve the majority required to issue a ruling, its Chairman will have the casting vote.

PART III: THE LICENCE APPLICANTS

² See Article 100 bis of these Regulations

Chapter I: General Provisions

Article 24.- For the purposes of these Regulations, a licence applicant can only be a football club, i.e. a sports entity constituted as a Limited Sports Company (“*Sociedad Anonima Deportiva*”)³ or Sports Club⁴, which has been fully responsible for the football team participating in national and international club competitions and registered, for at least three consecutive years at the beginning of the licence season, in the Spanish Register of Sports Associations and in the Register of the RFEF⁵, respectively, in accordance with the legislation applicable at all times.

Any alteration in the legal form or corporate structure⁶ of the licence applicant during this period which is aimed at facilitating its qualification on sporting merit and/or the granting to it of the UEFA Licence to the detriment of the integrity of a competition is considered an interruption of membership (i.e. registration in the above-mentioned Registers) for the purposes of this Article 24⁷.

Article 25.- Only licence applicants as defined in Article 24 which are members of the RFEF and which come under its disciplinary control, can apply for and receive, where appropriate, the UEFA Licence in accordance with the requirements and other conditions stipulated in these Regulations. They must further undertake:

- a) To hold at all times the right to use their company name and its corresponding brands, and undertake not to change the said name for purely promotional and advertising purposes.
- b) Not to enter into obligations arising from contracts with television, sponsors or other business partners which might limit the licence applicant in its decision-taking.
- c) To exercise control in general over all of the activities and assets of the licence applicant which are intrinsically related to football including, but not necessarily limited to, the following: the acquisition and transfer of players, management of the infrastructure, management of the club’s debtors and creditors, loans and pledges granted; revenues including, among others, those arising from gate receipts, sponsorship, advertising, marketing, merchandising, catering, donations and contributions; and costs including, among others, those arising from personnel, players, participation in competitions, depreciation and corresponding write-offs.
- d) Should the licence applicant have any subsidiary company⁸, it must notify the RFEF thereof and present, to that effect, the *consolidated Annual financial statements* and the *consolidated Directors’ Report* in accordance with the legislation applicable at any time. Furthermore, should the licence applicant be controlled by a holding company⁹ as defined in

³ Spanish Royal Decree 1251/1999, of 16th July, regarding Limited Sports Companies.

⁴ Spanish Sports Act 10/1990, of 15th October, and Spanish Royal Decree 177/1981, of 16th January, regarding Clubs and Sports Associations.

⁵ Article 13.2 and 13.4 of the Statutes of the RFEF.

⁶ This includes, by way of example, a change of headquarters, name or club colours or the transfer of shareholdings between different clubs

⁷ An exception to this ‘three-year-rule’ may be granted by UEFA. For more details on the principle and process in respect of the exception policy, refer to Annex I (in particular, § A 1 d), 2-4 and § B 1,2, 4-8) of the UEFA Club Licensing and Financial Fair Play Regulations.

⁸ Articles 42 to 49 of the Spanish Commercial Code and Article 4 of the Spanish Stock Market Act

⁹ Articles 42 to 49 of the Spanish Commercial Code and Article 4 of the Spanish Stock Market Act

the applicable regulations in force at all times, it must notify the RFEF to that effect and include in the Notes to the Annual Financial Statements all transactions carried out with entities belonging to the same group of companies.

Article 26.- Furthermore, for the purposes of these Regulations, the licence applicants are responsible for submitting to the RFEF all information and other relevant documents necessary to accredit the level of compliance with all of the club licensing criteria which are mandatory in respect of the application for and granting of the UEFA Licence stipulated in these Regulations.

Article 27.- General responsibilities of the licence applicant.- The licence applicant must submit to the RFEF (a) all necessary information and/or relevant documents to fully demonstrate its compliance with the licensing obligations; and (b) any other document relevant to decision-making by the RFEF. This includes information on the reporting entity/entities in respect of which it is necessary to provide sporting, infrastructure, personnel and administrative, legal and financial information.

Furthermore, the licence applicant/licensee must notify the RFEF of any event occurring after the submission of the licensing documentation to the RFEF which represents a significant change to the information previously submitted.

Article 28.- The National League of Professional Football (LNFP), in its capacity as representative of the football clubs, will cooperate with the RFEF by providing the latter with any information requested in order to cooperate with the licence applicant in the submission of documentation. Furthermore, and without prejudice to the right of the RFEF, in its capacity as licensor, to review all of the documentation relating to the UEFA Licence, it may submit to the RFEF and prepare for the benefit and at the request of the licence applicants all those documents and certificates expressly stipulated in these Regulations which are necessary in order to comply with the licensing procedure regulated in Part X.

Chapter II: Sphere of Application

Article 29.- These Regulations apply to all licence applicants which, having qualified on strictly sporting merit or through the UEFA fair play rankings, wish to enter and play in the UEFA club competitions. To do this, they must apply for and be granted the UEFA Licence according to these Regulations. The failure to obtain the UEFA Licence means it will be impossible for them to enter and play in the said club competitions.

Moreover, UEFA Club Monitoring requirements, as defined in the *UEFA Club Licensing and Financial Fair Play Regulations*, must be complied with by all licensees that have qualified for a UEFA club competition.

Article 30.- All top division Spanish football clubs wishing to participate in the UEFA club competitions are obliged to apply for the UEFA Licence. Besides, if one football club playing in a category lower than the top division were to qualify on sporting merit for a UEFA club competition, it should then request the extraordinary application of the UEFA club licensing system and be granted special permission to enter the UEFA club competitions in accordance with Articles 36 and 37 of these Regulations.

Article 31.- Any Spanish football club, irrespective of the category it plays in, may enter the UEFA club competitions as long as it complies with these Regulations.

Article 32.- The failure to apply for and be granted the UEFA Licence means the prohibition on participating in official club competitions organised by UEFA, with the effects and other consequences provided for in these Regulations.

Chapter III: The UEFA Licence

Article 33.- The UEFA Licence is one of the admission condition to participate in any of the official club competitions organised by UEFA. Clubs which qualify for the UEFA club competitions on sporting merit or through the UEFA fair play rankings must obtain the UEFA Licence issued by the RFEF in accordance with these Regulations, except where Articles 36 and 37 apply. The UEFA Licence is non-transferable and under no circumstances must the granting of the UEFA Licence denote the existence of a contractual relationship between the licence applicant and the RFEF and/or UEFA.

Article 34.- The licence applicant must apply for the UEFA Licence in writing and using the forms and licensing documentation provided to that effect by the RFEF at all times. This completed documentation must be sent directly to the RFEF, without prejudice to the right of the LNFP, where appropriate, to cooperate with the RFEF and with the licence applicants themselves in the coordination and preparation thereof in the terms and conditions stipulated in these Regulations or those which may be agreed with the RFEF in each case.

Article 35.- The UEFA Licence is issued on an annual basis and will be valid for the UEFA club competitions held during the licence season. Consequently, the UEFA Licence expires at the end of the season for which it was issued.

Chapter IV: Special permission to enter the UEFA club competitions for those clubs not belonging to the Spanish top division but which have qualified for a UEFA club competition on sporting merit

Extraordinary application of the UEFA club licensing system

Article 36.- If a club, which participates in a category lower than the Spanish top division, qualifies for a UEFA club competition on sporting merit but has not undergone any licensing process at all or has undergone a licensing process lesser/not equivalent to the one applicable to the UEFA Licence under these Regulations, because it belongs to a category lower than the Spanish top division, the RFEF, on behalf of such a club, may request the extraordinary application of the UEFA club licensing system in accordance with the provisions of this Chapter IV.

Based on such an extraordinary application, UEFA may grant special permission to the club to enter the UEFA club competitions. Such a special permission only applies to the applicant in question and is only valid for the season in question.

Article 37.- The exceptional procedure is subject to the following conditions:

- a) UEFA defines the minimum criteria for the extraordinary application of the UEFA club licensing system and communicates them to the RFEF Club Licensing Department for UEFA Competitions at the latest by 31st August of the year preceding the licence season.
- b) The RFEF must notify UEFA in writing, before 15th April of each year, of such extraordinary application requests, stating the name of the club concerned (i.e. the name of the club which, though not belonging to the Spanish top division, has a chance of qualifying for a UEFA club competition on sporting merit).
- c) UEFA will inform the RFEF Club Licensing Department for UEFA Competitions as to the minimum criteria and deadlines to be applied to the club. To this effect, UEFA will establish the minimum criteria which each club must fulfil. Once UEFA has informed the RFEF in this regard, the RFEF Club Licensing Department for UEFA Competitions will inform the club as to the criteria which it must fulfil in order to be granted special permission to enter the UEFA club competition for which it has qualified on sporting merit. The RFEF Club Licensing Department for UEFA Competitions must also take immediate action with the club concerned to prepare for the extraordinary procedure.
- d) The RFEF will assist the club in all matters relating to compliance with the exceptional procedure stipulated herein. The club which has qualified sportingly must submit all of the documentation and/or information requested below to the RFEF Club Licensing Department for UEFA Competitions. The RFEF will assess the club against the fixed minimum standards and will forward this documentation and/or information to UEFA.
- e) In order to be granted special permission to enter the UEFA club competitions, the following documentation must be sent to UEFA in one of the languages officially recognised by UEFA by the deadline communicated by the latter:
 - The written application to participate in the UEFA club competitions following the exceptional procedure and taking into consideration the special circumstances of the club;
 - A non-binding proposal by the RFEF Club Licensing Department for UEFA Competitions, based on its executed assessment (including the dates and names of the persons having assessed the club) indicating whether the club fulfils the minimum criteria required by UEFA for this procedure. To this effect, the said proposal must be signed by the General Coordinator of the RFEF Club Licensing Department for UEFA Competitions;
 - All documentation and/or information and/or evidence which UEFA has requested from the club and the RFEF for the application of the exceptional UEFA licensing procedure; and
 - Any additional document requested by UEFA during the exceptional procedure.
- f) UEFA will base its decision on the documentation received and permit the club to enter the UEFA club competition for which it has qualified on sporting merit if the said club fulfils the criteria imposed. This registration will be of an exceptional nature and will in any case be considered as a special UEFA permission to participate in the said competition. UEFA will inform the RFEF of its decision and the RFEF will inform the club of the decision of UEFA.
- g) Should UEFA finally decide not to permit the club to enter the UEFA club competitions, the club might then file an appeal against the said final decision before the Court of Arbitration

for Sport (CAS) in Lausanne (Switzerland). The appeal must be filed in writing within (10) days from the day of the receipt of the disputed UEFA decision.

- h) If a club is sportingly eliminated from the national competition during the processing of the exceptional UEFA licensing procedure, the RFEF will immediately inform UEFA to that effect and UEFA will terminate the procedure immediately, without further decision. The said procedure may not be reinitiated at a later date.

PART IV: CLUB LICENSING CRITERIA RELATING TO THE UEFA LICENCE

General Provisions

Article 38:- The requirements and club licensing criteria established in these Regulations which must be fulfilled by the licence applicants in order to obtain the UEFA Licence are classified in the following way:

- (a) Sporting (Part V)
- (b) Infrastructure (Part VI)
- (c) Personnel and Administrative (Part VII)
- (d) Legal (Part VIII)
- (e) Financial (Part IX)

All of the criteria established in these Regulations, except those mentioned in Articles 47, 48, 53, 54 a) to d), 62 and 69, are obligatory and must be fulfilled by licence applicants in order for them to be granted the UEFA Licence.

In case a licence applicant does not meet any of the club licensing criteria mentioned in Articles 47, 48, 53, 54 a) to d), 62 and 69 of these Regulations, the RFEF will still grant the UEFA Licence, but will impose a sanction on the licence applicant as well as the obligation to rectify the breach in question. This sanction will be applied in accordance with the provisions of the *RFEF Statutes* regarding its disciplinary regime¹⁰.

PART V: SPORTING CRITERIA

Chapter I: General Provisions

Article 39.- A licence applicant must qualify to play in a UEFA club competition on the basis of its sporting results, through the national competitions approved by the RFEF and in accordance with the qualifying rules established by UEFA.

Article 40.- The UEFA club competitions currently comprise the UEFA Champions League and the UEFA Europa League, without prejudice to any other competition which may be established in the future by the said organisation.

Article 41.- Subject to Article 38, licence applicants must comply with the sporting criteria stipulated in this Part V in order to obtain the UEFA Licence.

¹⁰ Art. 42 of the RFEF Statutes

Chapter II: Youth Development Programme

Article 42.- Youth Development Programme. Licence applicants must draw up in writing a youth development programme which must be approved by the RFEF and valid for a minimum of three (3) years and a maximum of eight (8) years. The licensor must verify and evaluate the implementation of the approved youth development programme.

In order for the said programme to be approved by the RFEF, it must contain at least the following elements:

- a) Objectives and philosophy of youth development;
- b) Criteria and other aspects relating to the organisation of the Youth Development Department, including, but not necessarily limited to, information regarding the organigram of the organisation, the bodies and personnel involved (technical, medical and administrative staff together with their required professional qualifications), the number of youth teams, relation to licence applicant;
- c) The infrastructure available for the youth teams (including training and match facilities and pitches);
- d) Financial resources allocated to youth development with information on the budget available, the contribution of the licence applicant itself, the players and that of any public institutions, where appropriate;
- e) Specific teaching programme (playing skills, technical, tactical and physical) for each age range and the content thereof together with a programme of education and training in respect of the *Laws of the Game*;
- f) Educational programme on anti-doping;
- g) Quality medical and health care for the purposes of optimising physical and sporting performance of the youth players, with regular medical check-ups; and
- h) The review and feedback procedure for evaluating results and achievements against the objectives established.

The licence applicant must also ensure that:

- a) all of the youth players participating in its youth development programme have the possibility of continuing their mandatory school studies in accordance with Spanish law; and
- b) none of the youth players participating in its youth development programme is prevented from continuing its non-football education.

Article 43.- Youth Teams. Licence applicants must have, at least, the following teams either within or affiliated to their legal entity, another legal entity included in the reporting perimeter or a club affiliated to its legal entity:

- a) Two (2) youth teams within the age range of 15 to 21;
- b) One (1) youth team within the age range of 10 to 14;
- c) One (1) youth team below the age of 10¹¹.

Teams within or affiliated to the licence applicant are understood as those which form part of its organisational structure and are registered to different and lower divisions and/or categories as established in the *Regulations of the RFEF*¹². Furthermore, licence applicants are also obliged to comply with the following requirement in respect of the teams mentioned above:

- the teams included in paragraphs a) and b) must participate in competitions or programmes recognised by the RFEF at national, regional and/or local level.

Article 44.- Medical Examination.- Licence applicants are obliged to carry out a full medical examination, including a cardiovascular screening, every year of all of their players eligible to play for their first squad, in accordance with the relevant provisions of the UEFA club competition regulations.

Article 45.- Registration of players.- All of the licence applicant's players, including youth players above the age of 10, must be registered with the RFEF in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article 46.- Written contract with professional players. All 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* and with the *Spanish Royal Decree 1006/1985*, dated 26th June, which regulates the special employment conditions of professional sportsmen.

Article 47.- Meetings about Refereeing Matters and the Laws of the Game. Licence applicants are obliged to ensure that their first squad captain (or his replacement) and the Head Coach (or the Assistant Coach) of their first squad have, during the year preceding the licence season, attended at least one of the meetings or workshops on refereeing matters organised by the RFEF.

Article 48.- Racial equality practice. The licence applicant must establish and apply a policy to tackle racism and discrimination in football in line with UEFA's 10-point plan on racism, as defined in the *UEFA Safety and Security Regulations*.

PART VI: INFRASTRUCTURE CRITERIA

General Provisions

Article 49.- This Part VI is supplemented by the *General Regulations of the RFEF*, the *Laws of the Game*, *Spanish General Audiovisual Communications Act 7/2010*, dated 31st March 2010, *Spanish Royal Decree 203/2010*, dated 26th February 2010, which approved the *Regulations Governing Violence, Racism, Xenophobia and Intolerance in Sport*, and the *General Police Regulations regarding Public Events and Recreational Events*¹³, all of the foregoing without prejudice to any

¹¹ Provided that this is permitted by the applicable regional legislation

¹² Articles 108, 109 and 110 of the General Regulations of the RFEF

¹³ Spanish Royal Decree 2816/1982, dated 27th August 1982, whereby the General Police Regulations regarding Public Events and Recreational Activities were approved

regulations which might replace, augment or regulate these matters at any time in the future, and any other specific legislation which may be in force and is based on similar principles and has similar aims.

Article 50.- In order to obtain the UEFA Licence, subject to Article 38, the licence applicants must fulfil the minimum infrastructure criteria established in this Part VI and especially have a stadium available for UEFA club competitions that meets the minimum requirements established in the *UEFA Stadium Infrastructure Regulations* and that is classified at least as a UEFA category 2 stadium.

Article 51.- Stadium. For the purposes of these Regulations, *stadium* must be understood as the venue where a competition match is played, including the pitch, the area around it, up to and including the fence surrounding it, the air space immediately above the stadium, if the owner of the stadium holds such rights, and the areas designated for the television, the press and VIP's. The stadium must be located on Spanish territory and be approved by the RFEF.

The stadium must belong to the licence applicant or, where applicable, the licence applicant must hold the right to use it, whether in the capacity of tenant, concessionary, lessee or any other legally recognised capacity. The right to use the stadium must be confirmed by a written contract with the owner of the stadium. This contract must guarantee the use and availability of the stadium for the UEFA club competition matches during the licence season.

Article 52.- Training facilities - Availability. Training facilities must be available to the licence applicant throughout the year. These must belong to the licence applicant or, where applicable, the licence applicant must hold the right to use them, whether in the capacity of tenant, concessionary, lessee or any other legally recognised capacity. The right to use the training facilities must be confirmed by a written contract with the owner of the training facilities. This contract must guarantee the use and availability of the said training facilities for all teams of the licence applicant during the licence season, taking into account its youth development programme.

Article 53.- Minimum infrastructure of the training facilities. The licence applicant's training facilities must permit regular training throughout the year for all of the teams forming part of the licence applicant in all categories. Furthermore, they must comply at all times with the requirements established by the RFEF, with the following considered as minimum requirements:

- Two natural grass pitches;
- A covered sports hall and a properly equipped gymnasium;
- Two dressing rooms for the teams with, at least, six (6) shower units with hot water, sufficient toilets, light, ventilation and optimum sanitary and hygiene conditions; and
- A dressing room for referees with at least one shower unit with hot water, sufficient toilets, light, ventilation and optimum sanitary and hygiene conditions.
- A sufficiently large medical attention room with, at least, three massage beds, and first-aid materials.

PART VII : PERSONNEL AND ADMINISTRATIVE CRITERIA

Article 54.- General Provisions. In order to obtain the UEFA Licence, the licence applicants must comply with the personnel and administrative criteria stipulated in this Part VII, subject to Article 38.

In addition, the following requirements or obligations also apply generally to all posts governed by this Part VII:

- a) The rights and obligations of the personnel defined in Articles 55, 57-63, 65 and 67- 69 must be defined in writing.
- b) Should a vacancy arise during the licence season among the people who carry out the functions of each of the posts defined in Articles 55 to 69, the licensee must ensure that the vacancy in question is covered, within a maximum of 60 days, by a person who holds the qualifications required by these Regulations.
- c) If the vacancy arises due to a unilateral decision by the licence applicant, the latter must ensure that the person taking over the post fulfils all of the requirements established in these Regulations for the discharge of that post.
- d) If the vacancy arises for reasons of illness or accident, the RFEF may grant an extension of the abovementioned period of 60 days in the event that it is reasonably convinced that the person in question remains incapacitated for medical reasons.
- e) The RFEF must be notified by the licensee of any such replacement within seven (7) working days.

Chapter I: Administration

Article 55.- General Manager. The licence applicant must have appointed a General Manager, who is responsible for the day-to-day management of the licence applicant. For the purposes of these Regulations, the General Manager is understood as the employee who exercise powers inherent to the legal ownership of the company and related to its general objectives, limited by the criteria and direct instructions emanating from the governing bodies (General Shareholders Meeting, Board of Directors, Administrators or similar) which govern and direct the entity. For the purposes of information, the functions of the General Manager include, but are not necessarily limited to, all those functions related to the day-to-day management of the licence applicant, with the sole exceptions which may be imposed in each case by the governing body and in fulfilment of the requirements of good faith.

Article 56.- Club Secretariat. The licence applicant must have an administrative department or secretariat to support the General Manager, the other organs of the club, the players and all other staff in administrative matters. In this respect, the licence applicant must have appointed an adequate number of skilled secretarial staff according to its needs.

The licence applicant must have an office space in which to run its administration. The Club Secretariat must be equipped with the technical infrastructure necessary to carry out its functions and its office space must be open to communicate with the RFEF and the public. It must also have at least a telephone, fax, IT equipment, access to internet and electronic mail.

Article 57.- Finance Officer. The licence applicant must have appointed a Finance Officer to manage its economic and financial affairs who has the necessary know-how and experience to carry out this task which will mainly consist of managing and coordinating the accounting and preparing all documents related to the financial aspects of the licence applicant.

The Finance Officer must fulfil one of the following two conditions:

- a) Being an auditor duly registered with the Spanish Official Register of Auditors (R.O.A.C);
or
- b) Having been issued the “Recognition of competence” issued by the RFEF based on practical experience in financial matters of at least three years..

The Finance Officer may be an individual employed by the licence applicant, or an individual or company who/which, while not employed by the licence applicant, has been appointed to this effect by means of a written contract. In the event that these functions are carried out by a company, it is recommended that the company in question is one which is recognised and prestigious in the sector.

Article 58.- IT Manager. The licence applicant must have appointed a specialist to carry out the functions corresponding to the development and day-to-day maintenance of its IT equipment and software (including Internet and the licence applicant’s website). This can be an individual with a contract of employment or an individual or company with a written service contract, and can be retained on a full-time or a part-time basis.

Chapter II : External Relations

Article 59.- Media Officer. The licence applicant must have appointed a full-time or part-time Media Officer responsible for media matters and who will be available for the media on the days when its first squad plays its home matches.

The Media Officer must have minimum training and be able to demonstrate that he complies with one of the following requirements :

- a) He holds a Degree in Journalism;
- b) He holds a certificate demonstrating that he has attended and successfully concluded a training course for this post organised and/or recognised by the RFEF or the RFEF Foundation.
- c) Should he fail to hold at least one of the diplomas specified in literas a) and b) above, his sufficient knowledge of the subject may be accredited by the RFEF (“Recognition of competence”) on the condition that he has at least one year’s practical experience in this sphere and submits to the RFEF any documents and/or evidence thereof which the latter deems appropriate at any time.

Chapter III: Football Staff

Article 60.- Head Coach of first squad. The licence applicant must have appointed a Head Coach, responsible for football matters of its first squad, who must have a written contract and must hold one of the following minimum coaching qualifications:

- a) National Level 3 Diploma or *Técnico Deportivo Superior* qualification (as established in Book II, Part VI of the General Regulations of the RFEF¹⁴);
- b) UEFA Pro coaching diploma;
- c) A valid non-UEFA coaching diploma which is equivalent to the one required under b) above and recognised by UEFA as such.

Article 61.- Assistant Coach of first squad. The licence applicant must have appointed at least one coach who assists the Head Coach of the first squad and who must have a written contract and must hold one of the following minimum coaching qualifications:

- a) Regional Level 2 Diploma or *Técnico Deportivo de Grado Medio* qualification (as established in Book II, Part III of the General Regulations of the RFEF¹⁵);
- b) UEFA A coaching diploma;
- c) A valid non-UEFA coaching diploma which is equivalent to the one required under b) above and recognised by UEFA as such.

Article 62.- Youth coaches. The licence applicant must have appointed at least one coach for each of its youth teams. The youth coaches are responsible for all football matters related to their team.

At least one youth team coach must hold one of the following minimum coaching qualifications:

- a) Regional Level 2 Diploma or *Técnico Deportivo de Grado Medio* qualification (as established in Book II, Part III of the General Regulations of the RFEF¹⁶);
- b) UEFA A coaching diploma;
- c) A valid non-UEFA coaching diploma which is equivalent to the one required under b) above and recognised by UEFA as such;
- d) UEFA Elite Youth A-Diploma issued by the RFEF and recognised by UEFA.

The other youth team coaches must hold:

- a) the corresponding Diploma/qualification and a valid RFEF licence (*Furthermore, the youth coaches are regulated by the provisions of Article 152 et seq. of Book II, Part III of the General Regulations of the RFEF¹⁷*) and one of the following Diplomas or UEFA coaching qualifications:

¹⁴ Article 152 et seq. of the General Regulations of the RFEF

¹⁵ Article 152 et seq. of the General Regulations of the RFEF

¹⁶ Article 152 et seq. of the General Regulations of the RFEF

¹⁷ Article 152 et seq. of the General Regulations of the RFEF

- b) At least the UEFA B coaching *diploma*; or
- c) UEFA Élite Youth A-Diploma issued by the RFEF and recognised by UEFA.

Article 63.- Head of the Youth Development Programme. The licence applicant must have appointed a Head of the Youth Development Programme, responsible for running the daily business and the technical aspects of the Youth Development Department. The Head of the Youth Development Programme must have a written contract and must hold one of the following coaching qualifications:

- a) *Instructor de Futbol Base* qualification (as established in the General Regulations of the RFEF);
- b) The UEFA Élite Youth A-Diploma issued by the RFEF and recognised by UEFA;
- c) UEFA A coaching diploma;
- d) A valid non-UEFA coaching diploma which is equivalent to the one required under c) above and recognised by UEFA as such;
- e) Regional Level 2 Diploma or *Técnico Deportivo de Grado Medio* qualification (as established in Book II, Part III of the General Regulations of the RFEF¹⁸).

Article 64.- Common provisions applicable to Articles 60 to 63.

- 1 A holder of the required UEFA coaching diploma within the meaning of Articles 60 to 63 is considered a coach who, in accordance with the UEFA implementation provisions of the *UEFA Coaching Convention*, has:
 - a) been issued a UEFA coaching diploma issued by a UEFA member association; or
 - b) at least started the required UEFA coaching diploma course. The simple fact of having registered for the required diploma course is not sufficient for the purposes of fulfilling this criterion.
- 2 All football staff and qualified coaches defined in Articles 60 to 63 must be duly registered with their UEFA member association and/or its affiliated league.

Article 65.- Medical Staff. The licence applicant must retain the services of a fully qualified medical team made up of, at least, a specialist doctor who is qualified in Medicine and Surgery, and a physiotherapist who is qualified in Nursing or Physiotherapy. The medical staff must provide medical care and support as well as massages and doping prevention during all matches and training sessions. All of the members of the medical team must be in possession of the corresponding official qualifications required at all times by national legislation and hold a valid RFEF licence in

¹⁸ Article 152 et seq. of the General Regulations of the RFEF

accordance with the provisions of the *General Regulations of the RFEF*¹⁹. The medical team must have contracts of employment or service contracts which must, in any case, be in writing.

Chapter IV: Safety, Security and Crowd Control

Article 66.- Applicable Regulations. The organisation of security in UEFA club competitions is governed by the provisions of these Regulations, by *Spanish Royal Decree 203/2010*, dated 26th February 2010, which approved the *Regulations Governing Violence, Racism, Xenophobia and Intolerance in Sport*, and other supplementary legislation, by any regulations which might wholly or partially complement, derogate, replace, modify or extend them, and by any others regulations issued by the competent bodies.

Article 67.- Security Officer. The licence applicant must have appointed a Security Officer who must carry out his duties while matches are being held and who comes under the supervision of the *Safety and Security Coordinator*²⁰. The Security Officer is responsible for safety and security matters.

The Security Officer may be an individual employed by the licence applicant, or an individual or company who/which, while not employed by the licence applicant, is appointed to this effect via a written service contract.

The Security Officer must have a minimum level of training and prove that he complies with one of the following requirements:

- a) Proof of membership of the Security/Police Forces in accordance with the applicable national legislation.
- b) A qualification awarded after attending and successfully concluding a training course for this post and organised and/or recognised by the RFEF, the RFEF Foundation or any other State body recognised to this effect by the RFEF.
- c) “Recognition of competence” issued by the RFEF, based on participation in a training course for this post and organised and/or recognised by the RFEF, the RFEF Foundation or any other State body recognised to this effect by the RFEF and have at least one year’s practical experience of stadium security matters.

Article 68.- Stewards. The licence applicant must have engaged the number of stewards or security guards required in each case in order to ensure safety and security during home matches. This number, and the qualifications or requirements with which stewards must comply, is established by the legislation applicable at all times²¹.

Article 69.- Supporter Liaison Officer.

¹⁹ Article 166 d) of the General Regulations of the RFEF

²⁰ Spanish Royal Decree 203/2010, dated 26th February 2010, which approved the Regulations Governing Violence, Racism, Xenophobia and Intolerance in Sport.

²¹ Spanish Royal Decree 203/2010, dated 26th February 2010, which approved the Regulations Governing Violence, Racism, Xenophobia and Intolerance in Sport; Spanish Private Security Act 23 of July 30th 1992.

- 1 The licence applicant must have appointed a liaison officer to act as the key contact point for supporters.
- 2 The supporter liaison officer must regularly attend meetings with the licence applicant's management and must collaborate with the Security Officer on safety and security-related matters.

PART VIII: LEGAL CRITERIA

Article 70.- In order to obtain the UEFA Licence, the licence applicants must comply with the legal criteria stipulated in this Part VIII.

Article 71 – Declaration in respect of participation in the UEFA club competitions- The licence applicant must provide the RFEF with a legally valid declaration signed by an authorised representative of the licence applicant with sufficient legal capacity to that effect, which states the following:

- a) That the licence applicant agrees to respect at all times and recognises as legally binding the statutes, regulations, directives and decisions of FIFA, UEFA, the RFEF, the Spanish National League of Professional Football (LNFP) and any other sports body which may come to replace or supplement them in the future, as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne (Switzerland) as provided for in the relevant articles of the *UEFA Statutes*.
- b) That the licence applicant undertakes to adhere to and observe the *RFEF Club Licensing Regulations for UEFA Competitions* and the *UEFA Club Licensing and Financial Fair Play Regulations*.
- c) That it will participate in the competitions recognised and approved, at all times, by the RFEF.
- d) That it will participate in the competitions recognised and approved, at all times, by UEFA and/or FIFA (this provision does not relate to friendly matches).
- e) That all related documentation submitted to the RFEF together with the application for the UEFA Licence is complete, truthful and correct.
- f) That the licence applicant authorises the RFEF, without any restriction whatsoever, to examine the documentation submitted and to compile all of the information which it considers necessary for the granting of the UEFA Licence.
- g) That it authorises the RFEF Club Licensing Department for UEFA Competitions and decision-making bodies, UEFA, the Club Financial Control Panel and the UEFA Organs for the Administration of Justice to review and audit the documentation submitted to the RFEF for the purposes of obtaining the UEFA Licence as well as any other relevant document and to request any information from any relevant public body or private institution in accordance with national legislation.
- h) That it will notify the RFEF in due time and form of any significant changes, events, conditions of major economic importance or modifications of a legal, economic or financial nature which may arise after it has submitted the licensing documentation.

- i) That it recognises that UEFA reserves the right to carry out compliance audits at national level in accordance with these Regulations.

For the purposes of this Article, no more than 90 calendar days must have passed between the date of the said declaration and its submission to the RFEF.

Article 72.- The licence applicant must be registered in the Spanish Registry of Sports Associations²² and with the RFEF and fulfil its conditions of membership, as defined in the *Statutes* and *General Regulations of the RFEF*.

Article 73.- The licence applicant must submit the following documentation to the RFEF:

- (a) A copy of its current valid statutes (or company act or articles of association);
- (b) an updated list of its legal representatives and authorised signatories, indicating their names, surnames, address and Spanish National Identification Number, or similar document, and the legal nature of their signature, whether individual or joint, together with certification by a public notary of the said signatures;
- (c) Certification from the corresponding Mercantile Register or, where appropriate, from the Register of Sports Associations containing, in respect of the licence applicant, the name, registered address, legal form, list of authorised signatories, current holders of posts, type of required signature, articles of association and other company matters of the licence applicant since its constitution as a sports association or transformation into a Limited Sports Company. To this effect, the RFEF Licensing Department will notify the licence applicants as to the type of certification required for each season and the content thereof.

Article 74.- Legal group structure and ultimate controlling party

1. The licence applicant must provide the licensor with the overall legal group structure, duly approved by the licence applicant's management and signed by the General Manager or by the person or people designated and with sufficient capacity to that effect.
2. The legal group structure must include information on any subsidiary, any associated entity and any controlling entity up to the ultimate parent company and ultimate controlling party. Any associated company or subsidiary of such parent must also be disclosed. Limited sports companies must identify in this document the individuals who hold a significant share in the share capital of the limited sports company and/or identify the ultimate controlling parties, including the names of individuals, of the companies with a significant share in the capital of the limited sports company.
3. The legal group structure must identify clearly the entity which is the member of the RFEF, which entity is the licence applicant, and provide, for each subsidiary of the licence applicant:
 - the name of the legal entity;
 - the type of legal entity;

²² Article 13 of the Statutes of the RFEF

- information about its main activity and football activity;
- percentage of ownership interest (and percentage of voting power, in the event that there is a difference between the two percentages);
- share capital;
- total assets;
- total revenues; and
- total equity.

PART IX: FINANCIAL CRITERIA

Chapter I: General Provisions

Article 75.- In order to obtain the UEFA Licence, the licence applicants must comply with the requirements and criteria contained in this Part IX. Given that the implementation of these Regulations will apply to the obtaining of the UEFA Licence from the 2013/2014 licence season onwards, the first financial information which must comply with the rules contained in this Part IX will be that which relates to the accounting period ending in 2012.

Article 75bis – Reporting entity and reporting perimeter

1. The licence applicant determines 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 Part IX.
2. The reporting perimeter must include all entities in whose books the following is accounted for:
 - a) compensation paid to employees (as defined in Article 80) arising from contractual or legal obligations; and
 - b) costs/proceeds of acquiring/selling a player's registration.
3. The reporting perimeter should include all entities included in the legal group structure and specified in Point 2 above, and in particular all entities which generate revenues and/or perform services and/or incur costs in respect of the following activities of the licence applicant:
 - a) ticketing;
 - b) sponsorship and advertising;
 - c) broadcasting;
 - d) merchandising and hospitality;
 - e) club operations (e.g. administration, matchday activities and travel);
 - f) financing (including financing secured or pledged against the assets of the licence applicant);
 - g) use and management of stadium and training facilities;
 - h) youth sector.
4. The financial information of all entities included in the reporting perimeter (as defined in this article) must be either combined or consolidated as if they were a single company and in accordance with the regulations for the preparation of consolidated financial accounts valid in the year about which the information is being provided.
5. An entity may be excluded from the reporting perimeter only if:

- a) it is immaterial compared with the overall group made by the licence applicant; or
- b) its main activity is not related to the activities, locations, assets or brand of the football club.

The licence applicant must:

- a) declare whether the activities indicated in paragraph 3 have been accounted for in the books of one of the entities included in the reporting perimeter and provide a detailed explanation should this not be the case; and
 - b) justify in detail the exclusion from the reporting perimeter of an entity included in the legal group structure.
6. If the licence applicant forms part of a group controlled by a parent company according to the regulations established in the Spanish Commercial Code and this parent company is obliged to prepare consolidated financial accounts which have included the licence applicant in the reporting perimeter in accordance with Point 1 above, the consolidated annual financial statements of the said group must be prepared and submitted, indicating the method of consolidation applied.
7. All references to the terms “group” and “reporting perimeter” have the meaning defined in these Regulations and in the regulations for the preparation of consolidated financial accounts valid in the year about which the information is being provided.

Article 76.- Accounting regulations applicable to the financial criteria of this Part IX

- 1. The accounting of the licence applicants, regardless of their legal structure, must be governed by the accounting regulations established in the Spanish Commercial Code, the Spanish Limited Companies Act (“*Ley de Sociedades de Capital*”) and other concordant legislation which is applicable at the time of presenting the application in question.
- 2. The financial statements (i.e. annual and interim financial statements as well as future financial information) must be prepared clearly and must accurately reflect the assets, the financial situation and the economic results of the licence applicant, in accordance with Spanish legislation. To this effect, the way in which transactions are entered into the accounts will reflect their economic reality and not merely their legal form.

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 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 statutory closing date and the period covered by the financial information (for both current and comparative information); and
- d) The presentation currency.

3. The accounts of the licence applicant and, especially, the recording and valuation of the elements included in the annual and interim financial statements must be prepared by applying the accounting principle of “going concern”, which means that the management of the licence applicant will continue in operation for the foreseeable future, which means that the application of the accounting principles and criteria are not aimed at determining the value of the net equity for the purposes of wholly or partially transferring ownership or the net value in the event of liquidation. It is likewise 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.
Any breach of this principle must be reflected in the auditor’s report as an emphasis of matter, stating that there is uncertainty regarding the capacity of the licence applicant to continue its activity in such a way as to realise its assets and settle its debts for the amounts and in the time stated in the annual financial statements.
4. The financial statements must be approved by the management of the licence applicant and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the reporting entity.
5. Notwithstanding the fact that each licence applicant is obliged to prepare its audited annual financial statements under the accounting regulations established in the Spanish Commercial Code, the Spanish Limited Companies Act (“*Ley de Sociedades de Capital*”) and other concordant legislation (see Article 77 Paragraph 1) which is applicable at the time of presenting the application in question, these Regulations include a specific accounting requirement for player registrations.

Licence applicants must capitalise the costs of acquiring a player’s registration.

6. As established in the accounting regulations pursuant to the Ministry of the Economy Order dated 27th June 2000 which approved the rules for adapting the General Accounting Plan to Limited Sports Companies, the costs of acquiring a player’s registration must be recorded as an intangible fixed asset as the said costs arise from an onerous transaction, and only for the amount of the costs of acquiring the player’s registration. The depreciation of that cost must be allocated as an expense over the period of the player’s contract from the moment the contract comes into force. Only direct costs of acquiring a player’s registration can be capitalised. Costs arising from the licence applicant’s own youth sector must not be included in the balance sheet – as only the costs of players purchased is to be capitalised. Amortisation must begin when the player’s registration is acquired. 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. Furthermore, all player values which are considered as fixed assets must be reviewed annually by the management of the licence applicant for impairment. Where appropriate, the amount of the possible impairment loss recognised at the moment of closing each accounting period must be calculated in respect of the cost of acquisition of each player, which is stated in the balance sheet, indicating the heading of the profit and loss account under which it is included. This information must be expressly stated in the notes to the financial statements. These fixed asset values may not be revalued upwards even if the market value is greater than the book value.

7. As established in the accounting regulations pursuant to Royal Decree 1514/2007, dated 16th November 2007, which approved the *General Accounting Plan*, the disposal of a player's registration to another club to be recognised in the profit and loss account is the difference between the disposal proceeds and the residual carrying value of the player's registration in the balance sheet as at the date of the transfer

Any profit in respect of a player for whom the licence applicant retains the registration must not be recognised in the profit and loss account. For the avoidance of doubt, any profit arising from the disposal of economic rights or similar of a player to any other party must be deferred, and a profit can only be recognised in the profit and loss account following the permanent transfer of a player's registration to another club.

8. The licence applicant must prepare a player identification table which must be submitted to the auditor charged with verifying the annual financial statements of the licence applicant. The player identification table must be prepared with reference to both the period of the annual financial statements and that of the interim financial statements.

The table must include the following information for each player's registration held up to the closing date of the last set of financial statements:

- 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 at the end of the period
- e) Costs of amortisation in the period
- f) Impairment costs in the period
- g) Disposals (cost and accumulated amortisation)
- h) Net book value; and
- i) Profit/Loss from disposal.

The said table must include all those players whose registration is held by the licence applicant at any time during the period of the financial statements in question and in respect of whom some direct acquisition cost has been incurred (at some point in time in that period or in prior periods).

In respect of the figures which must appear in the player identification table, licence applicants must reconcile the total figures from d), f), h) and i) with the relevant figures in the balance sheet, in the profit and loss account or in the notes to the financial statements.

Chapter II: Mandatory requirements

SECTION 1: Historic Financial Information

Article 77.- Preparation of Annual Financial Statements

1. The licence applicant must prepare its annual financial statements in respect of its statutory closing date prior to the deadline for submission of the list of licensing decisions to UEFA (31st May in principle).

The annual financial statements must be prepared in accordance with the regulations established in *Spanish Royal Decree 1514/2007*, dated 16th November 2007, which approved the *General Accounting Plan* or any legislation which replaces it at any time, or by the sectorial adaptations to the General Plan which may be approved at any time. Furthermore and notwithstanding the accounting regulations imposed by the Spanish legislation, the annual financial information to be submitted must consist of the annual accounts (normal model or abbreviated model) and at least the balance sheet, the profit and loss account, the cash flow statement, the notes to the annual financial statements and the Directors' report as stipulated in Appendices I, II, III and IV, respectively, of these Regulations.

The annual financial statements must meet the minimum disclosure requirements and the accounting principles as set out within this Paragraph 1 as well as within Article 75 Paragraphs 5-7 and Article 76. Comparative figures in respect of the prior statutory closing date must be provided.

2. The annual financial statements, which contain the balance sheet, profit and loss account, notes to the financial statements, cash flow statements and the Directors' report, must be prepared in either of the two models provided for under Spanish mercantile law (normal model or abbreviated model) and it is obligatory for them to be audited by an independent auditor in accordance with the Spanish legislation in force, at all times, regarding the Auditing of Financial Statements²³. In addition to this national legislation, the *International Standards on Auditing (ISA)* issued by the International Federation of Accountants (IFAC) will be applied. The auditor must be registered in the Spanish Official Registry of Auditors (R.O.A.C) and must comply with the rules of independence issued by the International Federation of Accountants (IFAC) in the *Code of Ethics for Professional Accountants*. The auditor's report must include a statement confirming that the audit was conducted in accordance with the Spanish legislation in force, at all times, regarding the Auditing of Financial Statements, i.e. the *Spanish Standards on Auditing (SSA)*.
3. In the event that the minimum requirements for accounting and content, as established in Paragraph 1 of this Article, are not fulfilled, the licence applicant must prepare supplementary information in order to fulfil the said minimum information requirements that must be assessed by the independent auditor (as defined in Paragraph 2) in accordance with the *International Standards on Related Services (ISRS 4400)* applicable to the carrying out of agreed-upon procedures regarding financial information. The auditor's report of factual findings must include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standards on Related Services (ISRS 4400) and must be submitted to the RFEF together with the supplementary information.
4. When the auditor's report contains an emphasis of matter or a qualified opinion in respect of going concern, the licence applicant must:
 - a. provide additional documentation which proves its capacity to comply with the principle of going concern until at least the end of the licence season. The additional documentation

²³ Spanish Act 12/, dated 30th June 2010, which modified Spanish Auditing Act 19/1988, dated 12th July 1988, Spanish Stock Market Act 24/1988, dated 28th July 1988, and the revised text of the Spanish Limited Companies Act passed by Spanish Legislative Royal Decree 1564/1989, of 22nd December 1989, to adapt it to EU Law.

must describe factors which mitigate the doubt as to the continuation of the licence applicant's activities in the future; or

- b. provide an additional auditor's report issued by an independent auditor (as defined in Paragraph 2) at a date later than the first report relating to the same accounting period, and which does not contain emphasis of matter or qualified opinion in respect of the principle of going concern, as a result of the auditor having seen evidence of new factors which mitigate his initial uncertainty.

Article 78.- Presentation of Interim Financial Statements

1. In the event that more than six months have passed between the statutory closing date of the annual financial statements of the licence applicant, as established in its statutes, and the deadline for submission of the list of licensing decisions to UEFA (31st May in principle), the licence applicant must prepare and submit additional financial statements for the interim period, which must consist of:
 - a balance sheet as of the end of the interim period and a comparative balance sheet as of the end of the immediately preceding full financial reporting period;
 - a profit and loss account for the interim period, with comparative profit and loss account for the comparable interim period of the immediately preceding financial reporting period;
 - a cash flow statement for the interim period, with a comparative statement for the comparable interim period of the immediately preceding reporting period;
 - a statement reflecting the changes in the net assets over the accounting period with the comparative figures for the previous reporting period; and
 - specific explanatory notes.

If the licence applicant did not have to prepare interim financial statements for the comparable interim period of the immediately preceding reporting period, comparative figures may refer to the figures from the financial statements of the immediately preceding full reporting period.

2. These interim financial statements must be submitted in the form, and in accordance with the criteria, established in Rule 14 regarding the preparation of financial statements of *Spanish Royal Decree 1514/2007* of 16th November 2007, which approved the *General Accounting Plan*, or any other legislation which comes to replace it at any time, or by any sectorial adaptations to the General Plan which may be approved at any time.

The interim financial statements must be reviewed by an independent auditor (as defined in Article 77 Paragraph 2) in accordance with *ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*.

The auditor's report must include a statement confirming that the review was conducted in accordance with *ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*.

Furthermore and notwithstanding Spanish law, including the *Spanish Royal Decree 1514/2007*, the balance sheet, the profit and loss account, the cash flow statements and the specific explanatory notes to the interim financial statements must provide a minimum level of

information which is detailed in Appendices I, II, III and IV, respectively, of these Regulations. Additional line items or notes must be included if their omission would make the interim financial statements misleading.

3. In the event that the minimum requirements for accounting and content, as established above, are not fulfilled, the licence applicant must prepare supplementary information in order to fulfil the said minimum information requirements that must be assessed by an independent auditor (as defined in Article 77 Paragraph 2) in accordance with the *International Standards on Related Services (ISRS 4400)* applicable to the carrying out of agreed-upon procedures regarding financial information. The auditor's report of factual findings must include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the *International Standards on Related Services (ISRS) 4400* and must be submitted to the RFEF together with the supplementary information.
4. The interim period will commence the day immediately after the statutory closing date of the licence applicant, as established in its statutes, and will end on any date freely decided by the licence applicant, but that must be within the six months preceding the deadline for submission of the list of licensing decisions to UEFA (31st May in principle). For reasons of economy and uniformity, it is recommended that the interim financial statements refer to 31st December of each year.
5. When the auditor's report on the interim financial statements contains an emphasis of matter or a qualified conclusion in respect of the principle of going concern, the licence applicant must:
 - e) provide additional documentation which demonstrates its ability to comply with the principle of going concern until at least the end of the licence season. The additional documentation must describe factors which mitigate the doubt as to the continuation of its activities in the future; or
 - f) provide an additional auditor's report issued by an independent auditor (as defined in Article 77 Paragraph 2) at a date later than the first report relating to the same accounting period, and which does not contain emphasis of matter or qualified opinion in respect of the principle of going concern, as a result of the auditor having seen evidence of new factors which mitigate his or her initial uncertainty.

Article 79.- No Overdue Payables towards Football Clubs arising from Transfer Activities

1. The licence applicant must prove, at 31st March of the year following the closing date of its annual financial statements for the period being used to study and, where appropriate, grant the UEFA Licence, that it has no overdue payables arising from transfer activities carried out up until the previous 31st December, i.e. the month of December preceding the licence season.
2. Payables are those amounts due to national or foreign football clubs arising from transfer activities, including training compensation and solidarity contributions as defined in the *FIFA Regulations on the Status and Transfer of Players*, and any other amount owed and subject to specific conditions.

3. For these purposes, a payable as defined in Paragraph 2 is considered as overdue when it becomes payable and has not been fully settled in accordance with a legal or contractual obligation. For the purposes of these Regulations, all payables pending at the date of acceptance by the Judge of a Limited Sports Company's application for Insolvency Proceedings must be considered overdue.
4. Payables are not considered as overdue if the licence applicant (i.e. debtor club) is able to prove at 31st March of the year following the closing of its annual financial statements of the period being used to study and, where appropriate, grant the UEFA Licence that:
 - a) it has paid the relevant amount in full; or
 - b) the deadline for payment has been deferred by means of a written agreement which has been signed by the creditor. The fact that a creditor may not have requested payment of an amount does not constitute an extension of the deadline; or
 - c) it 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 payables. In the event that the decision-making bodies consider that such claim has been brought or such proceedings have been opened for the sole purpose of creating a situation of conflict regarding the amounts owed and 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 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 reasonable satisfaction of the relevant decision-making bodies (RFEF and/or UEFA Club Financial Control Body) that it has established reasons for contesting the claim or proceedings which have been opened; however, if the decision-making bodies (RFEF and/or UEFA Club Financial Control Body) 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.
5. In order to comply with the provisions of this Article, licence applicants must submit:
 - a) A report established by an independent auditor (as defined in Article 77 Paragraph 2) containing objective conclusions about the agree-upon procedures regarding payment obligations arising from player transfer operations in accordance with the *International Standards on Related Services (ISRS 4400)* applicable to the carrying out of agreed upon procedures regarding financial information, contained in *Guide 03*, July 2006, issued by the Spanish Institute of Auditors. The auditor's report of factual findings must include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standards on Related Services (ISRS) 4400.

- b) The above report must include the transfer payables table – to be approved by the General Manager or by the authorised representative of the licence applicant with sufficient legal capacity to that effect by way of a brief statement and signature on behalf of the executive body of the licence applicant - according to the minimum requirements established below.
6. The licence applicant must prepare and submit to the RFEF the transfer payables table referred to in Article 79 Paragraph 5b) above even if there have been no transfers/loans during the relevant period.
7. 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 national law or proceedings pending before a national or international football authority or relevant arbitration tribunal.
8. 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);
 - 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 contribution);
 - 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 31st March (rolled forward from 31st December) including the due date for each unpaid element, together with explanatory comment; and
 - i) Conditional amounts (contingencies) not yet recognised in the balance sheet as of 31st December.
9. The licence applicant must reconcile the total liability as per the transfer payables table at 31st December to the figure in the financial statements balance sheet for ‘Debts through operations of players transfers’ at 31st December. The licence applicant is required to report in this table all payables even if payment has not been requested by the creditor.

Article 80.- No Overdue Payables towards Employees, Social Security and Tax Authorities

1. The licence applicant must prove, at 31st March of the year following the closing date of its annual financial statements for the period being used to study and, where appropriate, grant the UEFA Licence, that it has no overdue payables towards its employees or the social security and tax authorities as a result of contractual or legal obligations towards its employees entered into up until the previous 31st December, i.e. the month of December preceding the licence season.
2. Payables are those amounts due to employees or social security and tax authorities as a result of contractual or legal obligations towards employees. Those amounts 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. For the purposes of this Article 80, employees must be understood as all professional players in accordance with the applicable articles of the *FIFA Regulations on the Status and Transfer of Players* and other concordant legislation applicable at any time, and all members of the administrative, technical, medical and security staff governed by Part VII of these Regulations (i.e. Articles 55-63, 65 and 67-69). The consideration of employee must apply to those people who form part of the staff and those who, having previously held the same posts, have since ceased to work for the licence applicant.

3. For these purposes, a payable as defined in Paragraphs 1 and 2 is considered as overdue when it becomes payable and has not been fully settled in accordance with a legal or contractual obligation. For the purposes of these Regulations, all payables pending at the date of acceptance by the Insolvency Judge administering a Limited Sports Company must be considered overdue.
 4. Payables are not considered as overdue if the licence applicant (i.e. debtor club) is able to prove at 31st March of the year following the closing of its annual financial statements of the period being used to study and, where appropriate, grant the UEFA Licence that:
 - a) it has paid the relevant amount in full; or
 - b) the deadline for payment has been deferred by means of a written agreement which has been signed by the creditor. The fact that a creditor may not have requested payment of an amount does not constitute an extension of the deadline; or
 - c) it 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 payables. In the event that the decision-making bodies consider that such claim has been brought or such proceedings have been opened for the sole purpose of creating a situation of conflict regarding the amounts owed, the RFEF may request additional proofs to ensure that the dispute is not unfounded. If the decision-making bodies consider that the claim has been brought or the 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 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 reasonable satisfaction of the relevant decision-making bodies (RFEF and/or UEFA Club Financial Control Body) that it has established reasons for contesting the claim or proceedings which have been opened; however, if the decision-making bodies (RFEF and/or UEFA Club Financial Control Body) 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
- 4bis. In order to comply with the provisions of this Article, licence applicants must submit to the RFEF:

- a) A report established by an independent auditor (as defined in Article 77 Paragraph 2) containing objective conclusions about the agree-upon procedures regarding payment obligations arising from contractual and legal obligations towards employees in accordance with the *International Standards on Related Services (ISRS 4400)* applicable to the carrying out of agreed upon procedures regarding financial information, contained in *Guide 03*, July 2006, issued by the Spanish Institute of Auditors. The auditor's report of factual findings must include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standards on Related Services (ISRS) 4400.
 - b) The above report must include the employees schedule defined below – to be approved by the General Manager or by the authorised representative of the licence applicant, with sufficient legal capacity to that effect by way of a brief statement and signature on behalf of the executive body of the licence applicant - according to the minimum requirements established below.
5. 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 year end. This schedule must be submitted to the licensor.
 6. 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 31st March (rolled forward from 31st December), including the due date for each unpaid element, together with explanatory comment.
 7. The following information must be given, as a minimum, in respect of each payable towards social/tax authorities, together with explanatory comment:
 - a) Name of the creditor;
 - b) Any payable as at 31 December, including the due date for each unpaid element;
 - c) Any payable as at 31 March (rolled forward from 31 December), including the due date for each unpaid element;
 - d) All supporting evidence in respect of the above payables.
 8. The licence applicant must reconcile the total liability as per the employees schedule to the figure in the financial statements balance sheet for 'Trade and other payables – Personnel'.
 9. The licence applicant must submit to the auditor and the RFEF the necessary documentary evidence showing the amount payable (if any), as at 31st December of the year preceding the licence season as well as any payable as at 31st March (rolled forward from 31st December), to the competent social security and tax authorities as a result of contractual and legal obligations towards its employees.

Article 81.- Written Representations.

1. Within the seven days prior to the start of the period in which the licensing decisions are made by the First Instance Body, the licence applicant must present to the RFEF written representations, to be duly approved by the General Manager or by the person or people designated of the licence applicant with sufficient capacity to that effect by way of a signature on behalf of the executive body of the licence applicant.
- 2 In this document the licence applicant must confirm the following:
 - a) That all of the documentation submitted to the RFEF is complete and correct;
 - b) Whether or not any significant change has occurred with regard to all of the UEFA Licensing criteria;
 - c) Whether or not any events or conditions of major economic importance, that may have an adverse impact on the licence applicant's financial position, have arisen since the closing date of its last audited annual financial statements or of the last reviewed interim financial statements. In the event that events or conditions of major economic importance have arisen, the written representations must include a description of the nature of the event or condition in question together with an assessment of its financial impact or, where appropriate, of the impossibility of making such an assessment.
 - d) Whether or not the licence applicant (within the meaning of Article 23) 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 (including voluntary or mandated administration procedures) within the 12 months preceding the licence season.
3. In respect of the assessment of the written representations, the RFEF must 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 RFEF must assess the licence applicant's ability to continue as a going concern until at least the end of the licence season.

SECTION 2: Future Financial Information

Article 82.- Future Financial Information

1. In order to demonstrate that they are able to comply with the principle of going concern at least until the end of the licence season, licence applicants must prepare and submit future financial information only in the event that they find themselves in either of the situations described in the indicators defined below:
 - a. **Indicator 1.- Principle of going concern:** The auditor's report on the annual financial statements and/or the interim financial statements submitted in accordance with Articles 77 and 78 for the purposes of obtaining, where appropriate, the UEFA Licence, contains a qualified opinion or emphasis of matter regarding the principle of going concern.

- b. **Indicator 2.- *Negative Equity*:** The annual financial statements (including, where required, the supplementary information) submitted in accordance with Article 77 for the purposes of obtaining, where appropriate, the UEFA Licence, disclose a net liabilities position which has deteriorated in comparison with the figure submitted in the previous year's annual financial statements; or the interim financial statements submitted in accordance with Article 78 (including, where required, the supplementary information) likewise disclose a net liabilities position which has deteriorated in comparison with the figure submitted at the preceding statutory closing date.
2. It falls to the RFEF to determine whether or not the licence applicant finds itself in one of the situations described in Paragraph 1 above.
 3. Future financial information must be based on reasonable assumptions, must be prepared on a consistent basis with the audited annual financial statements and must 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.
 4. The future financial information must cover the period commencing immediately after the later of the statutory closing date of the annual financial statements or, if applicable, the balance sheet date of the interim financial statements, and it must cover at least the entire licence season (i.e. a minimum of 18 months). Future financial information must be prepared on a quarterly basis.
 5. In the event of finding itself in the situation described by either of the indicators defined in Paragraph 1 of this Article 82, a licence applicant must prepare and submit the following future financial information (with the assumptions upon which they are based), to be duly approved by the General Manager or by the person or people designated and with sufficient capacity to that effect by way of a brief statement and signature on behalf of the executive body of the licence applicant:
 - a) Budgeted profit and loss account, which must be prepared in accordance with the rules established in the Spanish mercantile law in force at any time and which must include comparative data with the immediately preceding financial period and, where appropriate, with the interim period.
 - b) Budgeted cash flow statement with a breakdown by operating, investing and financing activities. The items in the budgeted cash flow statement must match those in the balance sheet and include comparative data with the immediately preceding financial period and, where appropriate, with the interim period.
 - c) Explanatory notes which must include a description of each of the significant assumptions (and references to the historical financial and other information) used for the preparation, comprehension and interpretation of the budgeted Profit and Loss Account and the budgeted Cash Flow Statement, and a description of the main risks which may affect future financial results.

Furthermore and notwithstanding the requirements of Spanish law, the budgeted profit and loss account and the budgeted cash flow statement must provide a minimum level of information which is detailed in Appendices II and III respectively of these Regulations. Additional line items or notes must be included if they provide clarification or if their omission would make the future financial information misleading.

If any indicator has been breached, the licensor must assess the future financial information. The assessment procedures must include, as a minimum, the following:

- a) Check whether the future financial information is arithmetically accurate;
- b) Through discussion with management and review of the future financial information, determination of 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); and
- d) Check that the future financial information has been formally approved by the executive body of the licence applicant.

The RFEF must assess the licence applicant's ability to continue as a going concern until at least the end of the licence season.

Chapter III: Financial Documentation Required

Article 83.- Presentation of the Financial Documentation

The licence applicants must present, in the form and within the deadlines established in these Regulations, the following financial documents:

- a) The overall legal structure of the group, duly approved by management in accordance with Article 75 of these Regulations.
- b) The annual financial statements, in accordance with Articles 76 and 77 of these Regulations, together with the auditor's report.
- c) The interim financial statements (if it is obligatory to present them), in accordance with Articles 76 and 78 of these Regulations, together with the auditor's review report.
- d) The documentation required in Article 79 of these Regulations to demonstrate compliance with the obligation to have no overdue payables towards football clubs arising from transfer activities.
- e) The documentation required in Article 80 of these Regulations to demonstrate compliance with the obligation to have no overdue payables towards employees and social security and tax authorities.

- f) The written representations referred to in Article 81 of these Regulations.
- g) The future financial information when the licence applicant finds itself in either of the circumstances established in Article 82 Paragraph 1 of these Regulations.

Article 84.- Determination of the Auditor

1. The auditor's reports submitted in accordance with the stipulations of Article 83 of these Regulations must be issued by an auditor belonging to a corporation which represents auditors in Spain and belongs to the International Federation of Accountants (IFAC). The auditor must also meet the requirements defined in Article 77 Paragraph 2 of these Regulations.
2. The auditor charged with carrying out the auditing work referred to in Article 83 Paragraph 1 literas c), d), e) must be the same which audited the annual financial statements with the exception of a change justified in accordance with the specific technical rule relating to the auditing contract.

Article 85.- Agreed-Upon Procedures regarding Compliance with Payment Obligations

1. In accordance with the provisions of Article 79 of these Regulations regarding obligations relating to payables towards football clubs arising from transfer activities, the licence applicant's auditor must carry out the following specific agreed-upon procedures:
 - a) Obtain the transfer payables table prepared and submitted in accordance with the terms of Article 79 of these Regulations.
 - b) Reconcile at 31st December of each year, the total of the balances in the transfer payables table corresponding to payables arising from transfer activities with the relevant figures in the balance sheet at that date.
 - c) Check the arithmetical accuracy of the transfer payables table.
 - d) Compare the information contained in the transfer payables table with the player transfer agreements selected to provide a sample which covers 85% of the balance of payables arising from transfer activities and 85% of the total number of players transferred.
 - e) Direct confirmation in writing from all creditor football clubs included in the transfer payables table of the transfer payments.
 - f) Verification of the responses received. For the amounts which do not coincide or responses which have not been received, or for those amounts which it has not been possible to confirm in writing for specific reasons, alternative methods of confirming the amounts in question must be carried out, such as obtaining evidence of payments effected up until 31st March in favour of the creditor club which write off partly or in full the amounts owing at that date, documentary proof of the composition and origin of each debt, and other necessary proofs according to the circumstances.

- g) Verification, for the balance of the debt corresponding to the player sample specified in paragraph d) above, of the payment of any amounts of that debt which become payable between 1st January and 31st March.

The RFEF must review the auditor's report and, in particular, verify that the sample selected by the auditor is satisfactory, and it may carry out any additional assessment it believes necessary, i.e. extend the sample and/or request additional documentary evidence from the licence applicant.

- 2. In respect of the provisions of Article 80 of these Regulations concerning obligations relating to payables to employees of the licence applicant and to social security and tax authorities, the licence applicant's auditor must carry out the following specific agreed-upon procedures:
 - a) Obtain the list of payables to employees and to social security and tax authorities, prepared by the management of the licence applicant in accordance with the terms of Article 80 of these Regulations.
 - b) Reconcile at 31st December of each year, the total of the balances in the list of payables to employees and to social security and tax authorities with the relevant figures in the balance sheet at that date.
 - c) Prepare the composition of each of the balances, indicating the age of each item, for all balances owing to the social security and tax authorities and for a sample which covers 85% of the balance of payables to employees of the licence applicant and 85% of the total number of employees.
 - d) Request direct confirmations in writing from all employees of the licence applicant selected for the sample regarding the figure stated as the balance in their favour, or owing to the licence applicant, in the balance sheet at 31st December.
 - e) Verify the responses received. For the amounts which do not coincide or responses which have not been received, or for those amounts which it has not been possible to confirm in writing for specific reasons, the auditor must employ alternative methods of confirming the amounts in question, such as obtaining evidence of payments effected up until 31st March of the following year in favour of the creditor which write off partly or in full the amounts owing at that date, documentary proof of the composition and origin of each debt, or other proofs which the auditor deems necessary according to the circumstances.
 - f) Request and examine the relevant bank statements in support of payments.
 - g) Reconcile the recorded balance of payroll taxes as at 31st December with the payroll records of the licence applicant.
 - h) Obtain directly and in writing certificates which confirm that the licence applicant is up to date with its social security and tax payments.

- i) Obtain direct confirmation in writing from the licence applicant's tax adviser of its tax situation in respect of inspections, tax obligations which have expired, legal notifications, legal proceedings initiated, requests for repayment, deferrals, etc.
- j) Obtain documentary evidence of payments made to employees and the social security and tax authorities in respect of amounts payable at 31st March including the balance at 31st December of each year.
- k) Obtain documentary evidence of any deferral agreements, disputes or legal proceedings initiated with employees or the social security and tax authorities in respect of amounts payable at 31st March including the balance at 31st December of each year.
- l) Verify, for the balance of the payables contained in the employee sample specified in paragraph b) above, the payment of any payables which have become overdue between 1st January and 31st March of the following year.

The RFEF must review the auditor's report and, in particular, verify that the sample selected by the auditor is satisfactory, and it may carry out any additional assessment it believes necessary, i.e. extend the sample and/or request additional documentary evidence from the licence applicant.

3. The auditor must carry out the following common agreed procedures in respect of obligations related to payables arising from transfer activities and towards employees and the social security and tax authorities:
 - a) Where appropriate, check the existence of written agreements to defer payment as per Articles 79.4 and 80.4 Paragraph b).
 - b) Where appropriate check the existence of a dispute in respect of that overdue payable which has been submitted to the competent body or authority in accordance with the provisions of Article 79.4 Paragraphs c) and d) and Article 80.4 Paragraphs c) and d).
 - c) Apply any additional procedures according to the circumstances at each moment and the professional criteria of the auditor.

Article 85bis.- Assessment of the auditor's report on the annual and interim financial statements

1. In respect of the annual and interim financial statements, the licensor must perform the following minimum assessment procedures:
 - a) assess whether the selected reporting entity/entities is appropriate for club licensing purposes;
 - b) assess the information (annual and interim financial statements which may also include supplementary information) submitted to form a basis for its licensing decision;
 - c) read and consider the annual and interim financial statements and the auditor's report thereon; and
 - d) address the consequences of any modifications to the audit and/or review report (compared to the normal form of unqualified report) and/or deficiencies compared to the

minimum disclosure and accounting requirements according to the provisions of Articles 86.1 and 86.2 of these Regulations.

Chapter IV: Refusal of the UEFA Licence

Article 86.- Grounds for refusal

1. In respect of the annual financial statements, the following are grounds for the refusal of the UEFA Licence:
 - a) When the licence applicant has not submitted the financial documentation required in Article 83 Paragraphs a) and b) in due time and in compliance with the minimum requirements for the content and accounting.
 - b) When the opinion of the auditor's report on the annual financial statements is adverse or the auditor has issued a disclaimer of opinion, unless the auditor issues a new report in respect of the same accounting period, free from an adverse opinion or disclaimer of opinion, on the annual financial statements as reformulated by the Board of Directors or the governing body of the licence applicant.
 - c) When the auditor's report on the annual financial statements contains an emphasis of matter or a qualified opinion regarding the accounting principle of going concern, (unless, as stipulated in Article 77.4:
 - additional documentation is submitted which demonstrates the capacity of the licence applicant to comply with the principle of going concern until at least the end of the licence season (the additional documentation includes, but is not necessarily limited to, the future financial information described in Article 82); or
 - the auditor issues a second report in respect of the same accounting period, at a date later than the first report, free from qualification or emphasis regarding this principle on the basis of new factors which mitigate the earlier lack of compliance and which became known after the date of the first report.
 - d. Furthermore, the UEFA Licence may be refused when the auditor's report on the annual financial statements contains an emphasis of matter or a qualified opinion in respect of issues other than the accounting principle of going concern and which are significant for the presentation of a faithful reflection of the licence applicant's financial and economic situation and results, unless the licence applicant presents additional information which is assessed by the RFEF to its satisfaction. The additional information that may be requested by the RFEF will be dependent on the reason for the modification to the audit report.
 - e. If the auditor's report contains an emphasis of matter or qualified opinion regarding any situation defined in Article 81.2.d.
2. In respect of the interim financial statements, the following are grounds for the refusal of the UEFA Licence:

- a) When the licence applicant has not submitted the financial documentation required in Article 83 Paragraph c) in due time and in compliance with the minimum requirements for the content and accounting.
 - b) When the opinion of the auditor's report on the interim financial statements is adverse or the auditor has issued a disclaimer of opinion, unless the auditor issues a new report in respect of the same accounting period, free from an adverse opinion or disclaimer of opinion, on the interim financial statements as reformulated by the Board of Directors or the governing body of the licence applicant.
 - c) When the auditor's report on the interim financial statements contains an emphasis of matter or a qualified opinion regarding the accounting principle of going concern, unless, as provided for in Article 78.5:
 - additional documentation is submitted which demonstrates the capacity of the licence applicant to comply with the principle of going concern until at least the end of the licence season (the additional documentation includes, but is not necessarily limited to, the future financial information described in Article 82); or
 - the auditor issues a second report in respect of the same accounting period, at a date later than the first report, free from qualification or emphasis regarding this principle on the basis of new factors which mitigate the earlier lack of compliance and which became known after the date of the first report.
 - d) Furthermore, the UEFA Licence may be refused when the auditor's report on the interim financial statements contains an emphasis of matter or a qualified opinion in respect of issues other than the accounting principle of going concern and which are significant for the presentation of a faithful reflection of the licence applicant's financial and economic situation and results, unless the licence applicant presents additional information which is assessed by the RFEF to its satisfaction. The additional information that may be requested by the RFEF will be dependent on the reason for the modification to the audit report.
 - e) If the auditor's report contains an emphasis of matter or qualified opinion regarding any situation defined in Article 81.2.d.
3. In respect of payables arising from transfer activities and towards employees and social security and tax authorities, the following are grounds for the refusal of the UEFA Licence:
- a) When the licence applicant has not submitted, in due time and form, the financial documentation required in Article 83 Paragraphs d) and e).
 - b) When the licence applicant has failed to demonstrate that it has no overdue payables arising from transfer activities in the terms stated in Article 79 of these Regulations.

- c) When the licence applicant has failed to demonstrate that it has no overdue payables towards its employees and the social security and tax authorities in the terms stated in Article 80 of these Regulations.
4. In respect of the written representations, the following are grounds for the refusal of the UEFA Licence:
- a) When the licence applicant has not submitted, in due time and form, the financial documentation required in Article 83 Paragraph f).
 - b) When, based on the financial documentation required in Article 83 Paragraph f), together with historic financial information and, where appropriate, the future financial information and any additional information, the RFEF concludes that the licence applicant lacks the capacity to continue its activities as a going concern until at least the end of the licence season.
 - c) If the licence applicant (within the meaning of Article 23) 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 (including voluntary or mandated administration procedures) 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. **For the purposes of these Regulations, the applicant Club is considered to be no longer receiving protection from its creditors from the moment at which the court officially approves the agreement reached by the club with its creditors.**
5. In respect of the future financial information, the following are grounds for the refusal of the UEFA Licence:
- a) When the licence applicant is obliged to present the financial documentation required in Article 83 Paragraph g) and has failed to do so in due time and form.
 - b) When, based on the future financial documentation required in Article 83 Paragraph g), on the historic financial information submitted and any additional information, the RFEF concludes that the licence applicant lacks the capacity to continue its activities as a going concern until at least the end of the licence season.

PART X: LICENSING PROCEDURE

Chapter I: RFEF Licensing Department

Article 87.- Delivery of the licensing documentation to the licence applicants. The RFEF Club Licensing Department for UEFA Competitions must, *before the 31st December* of each year, provide the licence applicants with all of the forms, instructions, recommendations, questionnaires, models and other information/documents which it considers necessary in order for the licence applicants to carry out the licensing procedure. This documentation, which also includes a copy of these Regulations, must be sent to the licence applicants by post, fax, internet, or any other evidencing manner, with the licence applicants under the obligation to acknowledge receipt thereof.

Article 88.- Submission of the licensing documentation to the RFEF. Subject to the second paragraph of this Article 88, the licence applicants must complete and submit their application to the RFEF Club Licensing Department for UEFA Competitions with all of the documentation stipulated in these Regulations, in the period *between the 1st February and 1st March* each year. The said application, accompanied by all of the mandatory documentation, may be sent by post, fax, internet or any other means, provided these have been agreed between the licence applicant and the RFEF Club Licensing Department for UEFA Competitions.

The financial documentation stipulated in Article 83 Paragraph c) of these Regulations must be submitted to the RFEF Club Licensing Department for UEFA Competitions in the period *from 1st February to 1st April* of every year and the financial documentation stipulated in Article 83 Paragraphs d), e), f) and g) must be submitted *between 01st April and 10th April* of each year.

All documentation relating to the application for the UEFA Licence must be submitted and/or delivered in Spanish. If, for any reason, all or part of the documentation were originally in a language other than Spanish, the licence applicant must provide an official translation together with the original documents. Furthermore, all communications addressed to the RFEF, whether in writing or orally, must be effected in Spanish.

Notwithstanding the above paragraph, in those cases where the licence applicant must address UEFA, it shall effect communications in any of the UEFA official languages (English/French/German). To this effect, the RFEF may provide the licence applicant with the services of a sworn translator or interpreter should the licence applicant so request. The cost of the said services shall be met by the licence applicant.

Article 89.- Mandatory licensing documentation. For the purposes of these Regulations, the documents which are mandatory for the completion of the application for the UEFA Licence are understood to include, but not necessarily be limited to, the following:

- Documents stipulated in Part V relating to Sporting Criteria.
- Documents stipulated in Part VI relating to Infrastructure Criteria.
- Documents stipulated in Part VII relating to Personnel and Administrative Criteria.
- Documents stipulated in Part VIII relating to Legal Criteria.

- Documents stipulated in Part IX relating to Financial Criteria.

If the RFEF Club Licensing Department for UEFA Competitions were to so require at any time, all of the documents stipulated in the above-mentioned Parts and submitted to the RFEF Club Licensing Department for UEFA Competitions must be originals or duly certified copies.

Furthermore, it is possible for the financial documents (Part IX), the stadium certificate (Part VI; Infrastructure Criteria) and the Legal Criteria (Part VIII), to be validated by the National League of Professional Football (LNFP), by means of a certificate(s) issued to that effect by its General Secretary, without prejudice to the power of the RFEF to verify the validity of the said documents in its capacity as licensor.

Article 90.- Verification of the licensing documentation. Upon receiving the documents sent by the licence applicants, the General Coordinator of the RFEF Club Licensing Department for UEFA Competitions must verify that all of the licensing documentation is complete and that it has been submitted by the deadline laid down. In this respect, the RFEF Club Licensing Department for UEFA Competitions must send an acknowledgement of receipt to the licence applicants, which must in no event constitute evidence of the submission of all of the documents or their veracity and/or authenticity.

The burden of proof always falls on the licence applicant, which must demonstrate that it complies with all of the club licensing criteria established in these Regulations for obtaining the UEFA Licence by submitting the documentation and information required at all times by the RFEF Club Licensing Department for UEFA Competitions or by either the First Instance Body or the Appeals Body.

Article 91.- Examination and Assessment. If the licensing documentation is submitted by the licence applicant in due time and form, the experts of the RFEF Club Licensing Department for UEFA Competitions must classify the information received, register it and carry out an assessment to determine if the licensing documentation submitted is complete, accurate and complies with the provisions of these Regulations. They will then inform the General Coordinator of the results of the final assessment.

Article 92.- Proposal to the First Instance Body. The General Coordinator of the RFEF Club Licensing Department for UEFA Competitions must inform the First Instance Body in respect of the licensing documentation reviewed and send it a proposal indicating if the licensing documentation submitted by each of the licence applicants is complete and complies with the requirements laid down in these Regulations, without assessing the content thereof.

Article 93.- Rectification. If the RFEF Club Licensing Department for UEFA Competitions has requested any of the licence applicants to rectify, complete or provide any additional requirement or document, by the deadline for rectification stipulated in the following Article, the RFEF Club Licensing Department for UEFA Competitions must indicate the same in the proposal sent to the First Instance Body referred to in the previous Article, indicating the areas pending rectification, where applicable.

Article 94.- Deadline for Rectification. Should the documentation prove incomplete, fail to comply with the requirements, or if it was not received by the stipulated deadline, the RFEF Club Licensing Department for UEFA Competitions must reliably inform the licence applicant(s) in question to that effect, and of the deadline for rectification which is available to them, which must in

no case be more than fifteen calendar days. This deadline may be extended in exceptional cases, if the RFEF Club Licensing Department for UEFA Competitions considers this necessary due to the nature of the breach requiring rectification.

Article 95.- Additional information. The RFEF Club Licensing Department for UEFA Competitions may ask the licence applicants for additional information on any matter, request additional clarification or supporting documents, or visit the installations for further investigation, and to verify personally that all of the requirements are complied with and that the information is reliable. If a visit to the installations of a licence applicant is intended, the General Coordinator or any of the experts of the RFEF Club Licensing Department for UEFA Competitions or, where appropriate, of UEFA itself, will meet the people designated by the licence applicant in question in order to address the problem areas.

Article 96.- Post-Rectification Assessment. If the licence applicant required to rectify complies with the instructions of the RFEF Club Licensing Department for UEFA Competitions regarding the said rectification, the latter will reassess the information once the said rectification has been carried out, and inform the First Instance Body regarding the conclusions of that reassessment. If, on the other hand, the licence applicant shows itself to be in disagreement with the rectification required and refuses to provide additional information or to adopt the pertinent measures for the rectification, the RFEF Club Licensing Department for UEFA Competitions must inform the First Instance Body of the negative response to the said request for rectification.

Chapter II: Grounds for Refusal of the UEFA Licence

Article 97.- In accordance with the provisions of these Regulations, the following are grounds for the refusal of the UEFA Licence:

- a) The submission of documentation to the RFEF after the deadlines stipulated in these Regulations, subject to Article 38.
- b) The submission of additional documentation and/or documentation required by the RFEF Club Licensing Department for UEFA Competitions or the First Instance or the Appeals Body for the purposes of rectification after the deadlines stipulated in these Regulations, subject to Article 38.
- c) A breach of the requirements contained in Parts V, VI, VII and VIII of these Regulations, subject to Article 38.
- d) Any of the causes provided for in Article 86 of these Regulations in respect of the financial criteria.

Article 98.- The refusal of the UEFA Licence will mean the prohibition on participating in the UEFA club competitions, with the effects and other consequences provided for in these Regulations.

Chapter III: First Instance Body - Ruling

Article 99.- Submission of Documentation to the First Instance Body. The First Instance Body will receive from the RFEF Club Licensing Department for UEFA Competitions, *before 15th April* of each year, all of the documentation relating to each of the licence applicants, and proceed to

examine and study it. It may likewise request any further clarification which it considers opportune, either from the RFEF Club Licensing Department for UEFA Competitions or directly from the licence applicants themselves, before proceeding to rule on the granting or, if applicable, the refusal of the UEFA Licence.

At all times during the licensing procedure the licence applicant has the right to be heard by the RFEF Club Licensing Department for UEFA Competitions or by either the First Instance Body or the Appeals Body. In order to be heard, the licence applicant must send a document to the General Coordinator of the RFEF Club Licensing Department for UEFA Competitions requesting a hearing or a meeting and giving the reasons for this request, the body it wishes to hold the meeting with (RFEF Club Licensing Department for UEFA Competitions or either the First Instance Body or the Appeals Body), the people who will attend on behalf of the licence applicant, and the possible dates. To this purpose, the General Coordinator must ensure that the meeting requested by the licence applicant is held.

All of the meetings (including hearings) as well as the deliberations of the First Instance Body shall be held behind closed doors.

Article 100.- Ruling on the Granting of the UEFA Licence. The granting of the UEFA Licence is subject to the compliance by the licence applicants with all of the mandatory minimum criteria established in these Regulations. The First Instance Body must rule on the granting of the UEFA Licence, or, where applicable, the refusal thereof, *before 15th May* of each year, and the said rulings must be notified in writing with the reasoning and conditions for lodging an appeal before the Appeals Body.

Article 100bis. – Cancellation of the UEFA Licence. The RFEF may cancel the valid UEFA Licence during the course of the UEFA club competitions:

- (i) when the licensee ceases to comply with, or breaches, certain minimum criteria or its obligations established in these Regulations;
- (ii) has acted in bad faith or fraudulently or deceptively during the process of applying for the UEFA Licence; or

UEFA must be notified immediately by the RFEF when the cancellation of the UEFA Licence is envisaged and it is UEFA which will decide, in the last instance and in accordance with the circumstances applying to each case, whether or not the licensee is eliminated from the UEFA club competition in which it is participating.

In respect of this Article, the licensee may file an appeal before the Appeals Body against the decision of the FIB to cancel the UEFA Licence in accordance with the procedure stipulated in Part X of these Regulations.

Article 101.- Appeal before the Appeals Body. An appeal against the ruling of the First Instance Body may be filed before the Appeals Body within a maximum of five (5) working days²⁴

²⁴ In accordance with the provisions of Art. 182 of Organic Law 6/1985, dated 1st July, relating to the Judicial Power, amended by Organic Law 19/2003, dated 23rd December

following the day on which a possible appellant was notified of the said ruling. The appeal may be filed by:

- (i) a licence applicant who received the refusal from the First Instance Body;
- (ii) a licensee whose UEFA Licence has been withdrawn by the First Instance Body; or
- (iii) the General Coordinator of the RFEF Club Licensing Department for UEFA Competitions, on behalf of the licensor, if he considers the ruling of the First Instance Body to be inappropriate.

The appeal before the Appeals Body must be submitted in a written document which contains at least the following information:

- (a) the factual and legal grounds on which the appellant is basing its case.
- (b) the appropriate documentation and/or information which supports the appeal.
- (c) the request, where appropriate, for a hearing before the Appeals Body in which the appellant can defend its claims orally.

No additional evidence can be adduced before the club licensing appeals body after the deadline determined in the appeal proceedings.

The appeal against the decision granting or refusing a licence has no delaying effect.

All of the costs incurred or arising as a result of the filing of an appeal before the Appeals Body must be met by the appellant.

All of the meetings (including hearings) as well as the deliberations of the Appeals Body shall be held behind closed doors.

Chapter IV: Appeals Body - Ruling

Article 102.- Examination by, and Ruling of, the Appeals Body. If the Appeals Body enters into the merits of an appeal on the grounds that it has been submitted in due form and within the above-mentioned deadline, it will examine the appeal, and may request any additional information and/or supporting documentation from the RFEF Club Licensing Department for UEFA Competitions, and/or from the appellant itself, which it considers opportune. The Appeals Body makes its decision based on the decision of the First Instance Body and all the admissible evidence provided by the appellant with its written request for appeal and by the set deadline. The Appeals Body will rule on the appeal, in any case, *before 30th May*, and the said rulings must be communicated in writing with the reasoning.

Up until the moment in which the Appeals Body issues a final ruling on the appeal which has been filed, the decision of the First Instance Body has full effect for all legal purposes.

To this effect, and within the period specified by UEFA (31st May in principle) on an annual basis, the RFEF must send UEFA the list of licensing decisions in accordance with the provisions of these Regulations.

Chapter V: Compliance Audits Carried Out by UEFA on the RFEF and its Clubs

Article 103.- UEFA, or persons/bodies/agencies designated by it, can, at any moment, carry out compliance audits on

- (i) the licence applicants/licensees in the presence of the RFEF; and/or
- (ii) the RFEF as the licensor

for the purposes of verifying that the licence applicants/licensees and the RFEF have fulfilled their obligations and that the UEFA Licences granted by the RFEF were correctly awarded at the time of the final decision of the RFEF.

In respect of the above-mentioned compliance audits, in the event of discrepancies with regard to the interpretation of these Regulations between the English and Spanish versions thereof, the English version, duly validated and authorized by UEFA, prevails.

Should UEFA detect irregularities in the granting of the UEFA Licence, on the part of either the licence applicant/licensee or the RFEF, it may initiate a sanctioning procedure in accordance with its specific regulations.

Chapter VI: Applicable Regulations

Article 104.- Without prejudice to the provisions of these Regulations or to the granting, where appropriate, of the UEFA Licence to the licence applicants by the RFEF, it is UEFA itself which, in the last instance, has exclusive competence in respect of the regulating, organisation, running of, and jurisdiction over, UEFA club competitions and therefore the following regulatory criteria apply:

- (a) UEFA may penalise a licensee and/or eliminate it from a UEFA club competition where such a decision is in accordance with the competition regulations applied by UEFA, at all times, to each of its club competitions.
- (b) In addition to the provisions established in these Regulations, the licensee must comply with the admission criteria which UEFA establishes or may establish at any time for each UEFA club competition.
- (c) The ultimate process in respect of the admission of licensees to a UEFA club competition is the exclusive competence of UEFA and its competent bodies on the basis of its own regulations. Last-instance decisions taken by UEFA in this respect can be appealed against before the Court of Arbitration for Sport in Lausanne (Switzerland)²⁵.

CLOSING PROVISIONS

Authoritative text and equality of gender. – If there is any discrepancy in the interpretation of the English and Spanish versions of these Regulations, the English version prevails.

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

Language of correspondence. – All correspondence between UEFA and the RFEF and/or the licensees must be in one of the three UEFA official languages (English, French and German) and

²⁵ Article 61 et seq. of the UEFA Statutes

UEFA may ask the RFEF and/or the licensees for a certified translation of documents at their expense.

Appendices. – All Appendices to these Regulations form an integral part thereof.

Implementing provisions/Licensing documentation. – The RFEF Club Licensing Department for UEFA Competitions will adopt, in the form of directives, circular letters or any other relevant documents, the detailed provisions and the licensing documentation necessary for implementing these Regulations.

Approval. – “The 2012 version of the RFEF Club Licensing Regulations for UEFA Competitions was approved by the Committee of Delegates of the RFEF General Assembly in its session of 18th February 2013 and ratified by the Management Commission of the Spanish National Sports Council (CSD) on 26th April 2013, the date on which they effectively came into force”.

Abrogation. – These Regulations replace the *UEFA Licensing and Financial Fair Play Regulations (Edition 2010)* adopted by the RFEF.

Amendments. – These Regulations cannot be amended during the licensing process, unless duly approved by UEFA.

Entry into force. – These Regulations will enter into force on the day after they are passed by the competent body of the RFEF.

OUTLINE OF THE LICENSING PROCEDURE

DESCRIPTION	ARTICLES	EXPLANATION
1. The LD* prepares licensing documentation and sends it to the licence applicants	Art. 87	1. The LD will send the licence applicants, before 31st December of each year , the documentation relating to the licensing procedure.
2. The LD receives the completed documentation from the licence applicants, together with attached documents	Art. 88	2. This documentation must be submitted by the licence applicants to the LD between 1st February and 1st March of each year . The financial documentation stipulated in Paragraphs c), d), e), f) and g) of Article 83 must be submitted between 1st February and 10th April of each year .
3. The LD verifies that the documentation is complete	Art. 90	3. The General Coordinator (LD) verifies that all of the documentation has been submitted and sends an acknowledgement of receipt to the licence applicants
4. Examination and assessment by the experts of the LD	Art. 91	4. The LD classifies the information received, records it and carries out an assessment to determine whether the documentation submitted is complete and accurate.
5. The assigned experts review the documentation and report to the General Coordinator	Art. 91	5. The General Coordinator receives from the experts all of the reports concerning the applications.
6. The General Coordinator of the LD reports to the First Instance Body	Art. 92 Art. 93	6. The General Coordinator submits a proposal to the First Instance Body indicating whether the documentation is complete without assessing the content. In the event that there is a fault requiring rectification, this must be indicated.
7. Rectification: If the documentation is incomplete or faulty	Art. 93 Art. 94	7. The LD notifies the licence applicants of the period of time available to them for rectification. The deadline may not be greater than fifteen (15) calendar days , save in exceptional circumstances.
8. Post-rectification assessment:	Art. 96	8. If the licence applicant in question rectifies the fault, the LD will report favourably to the First Instance Body. If it does not rectify the fault in due time and manner, the LD will report unfavourably to the First Instance Body.
9. The LD can ask the licence applicants for additional information and visit their installations.	Art. 95	9. Once the documentation has been submitted, the LD may ask the licence applicants for additional information, clarification or supporting documents. The members of the LD, or UEFA itself, may visit the installations and meet the person designated by the licence applicant in order to investigate further.
10. The LD submits all of the documentation received to the First Instance Body.	Art. 99	10. The LD will submit all of the documentation received from the licence applicants, before 15th April of each year , to the First Instance Body for assessment and for a decision to be taken on whether to grant or refuse the UEFA Licence. The First Instance Body will take into account the proposal put forward by the LD and may ask the LD or the licence applicant itself for further clarification regarding the documentation submitted.
11. The First Instance Body will decide whether to grant or refuse the UEFA Licence	Art. 100	11. The First Instance Body will rule on the granting or refusal of the UEFA Licence before 15th May of each year . The licence applicants will be notified in writing. The LD will send UEFA the list of licensing decisions by the deadline established by UEFA (31st May in principle).
12. Appeal before the Appeals Body.	Art. 101 Art. 102	12. The ruling of the First Instance Body can be appealed against before the Appeals Body within a maximum of five (5) working days of the refusal. The Appeals Body will rule on the matter before 30th May of the same year, giving reasons for its decision.
13. The RFEF will provide UEFA with the list of licensing decisions	Art. 102	13. The RFEF will send UEFA the list of licensing decisions within the deadline specified by UEFA (31 May in principle).

*LD: RFEF Club Licensing Department for UEFA Competitions

APPENDIX I – MINIMUM CONTENT OF THE FINANCIAL STATEMENTS. BALANCE SHEET

1. The minimum reporting requirements to be shown on the balance sheet of the annual and interim financial statements are as follows:

ASSETS

Non-current assets

- i. Intangible fixed assets-players
- ii. Intangible fixed assets-others
- iii. Tangible fixed assets
- iv. Property investments
- v. Long-term investments in group companies and associates
- vi. Long-term investments
- vii. Deferred tax assets

Current assets

- i. Non-current assets held for sale
- ii. Inventories
- iii. Accounts receivable through transfers of players
- iv. Short-term investments in group companies and associates
- v. Short-term investments
- vi. Short-term prepayments and accruals
- vii. Cash and other cash equivalents

LIABILITIES

Non-current liabilities

- i. Long-term provisions
- ii. Long-term borrowing with banks through leasing and others
 - a) accounts payable relating to player transfers
 - b) accounts payable to social/tax authorities
- iii. Debts with group companies and associates
- iv. Deferred tax liabilities
- v. Long-term prepayments and accruals

Current liabilities

- i. Liabilities linked to non-current assets held for sale
- ii. Short-term provisions
- iii. Short-term debts
 - a. Bank borrowing
 - b. Lease payables
 - c. Other short-term debts
- iv. Debts with group companies and associates
- v. Trade and other payables

- a. Suppliers
 - b. Debts through operations of players transfers
 - c. Personnel
 - d. Current tax liabilities
 - e. Other debts with Public Authorities
 - f. Other payables
- vi. Short-term prepayments and accruals

NETS ASSETS/LIABILITES

Net assets/liabilities

- i. Net assets/liabilities (see Paragraph 3)

EQUITY

Equity

- i. Shareholders' equity and reserves
 - ii. Treasury shares
 - iii. Adjustments for changes in value
 - iv. Grants, gifts and bequests received
2. The foregoing supplementary information of the different entries of the Balance Sheet may be presented in the notes to the financial statements for better understanding.
3. The net assets/liabilities figure, being the aggregate of total assets less total liabilities, is used to determine whether or not the licence applicant is in breach of indicator 2 described in Article 82.

**APPENDIX II – MINIMUM CONTENT OF THE FINANCIAL STATEMENTS.
PROFIT&LOSS ACCOUNT**

1. The minimum reporting requirements to be contained in the profit and loss account of the annual and interim financial statements as well as of the future financial information are as follows:

INCOME

1. Net turnover.
 - a. Gate receipts
 - b. Advertising and sponsorship
 - c. Broadcasting rights
 - d. Sales revenue/commercial
2. Work performed by the company for its assets
3. Other operating income
4. Allocation of non-financial fixed asset grants and others
5. Surplus provisions

COSTS

1. Supplies (costs of sales/materials)
2. Other operating expenses
3. Depreciation and amortisation
4. Impairment of fixed assets
5. Personnel expenses

OTHERS

1. Losses/profits through disposals of assets
 - a) profit/loss on disposal of intangible assets – players
2. Financial income/expenditure
3. Changes to inventories
4. Variation of fair value in financial instruments
5. Corporate tax
6. Profit or loss after taxation

2. The foregoing supplementary information of the different entries of the Profit and Loss Account may be included in the notes to the financial statements for better understanding.

APPENDIX III – MINIMUM CONTENT OF THE FINANCIAL STATEMENTS. CASH FLOW STATEMENT

1. The cash flow statement will provide information on the source and use of monetary flows of cash and other cash equivalents, classifying movements by activity and indicating the net variation of this amount over the financial year. Comparative figures will be given for the previous year and classification will be as follows:
 - a. Cash flows from operating activities: These are from activities that represent the main source of corporate revenue, as well as for other activities that cannot be classified as investment or financing. They generally result from the transactions and other events that enter into the determination of net profit or loss.
 - b. Cash flows through investing activities: These are payments as a result of the purchase of non-current assets (including player registrations) and other assets not included in cash and cash equivalents, such as intangible fixed assets, material fixed assets, property investments or financial investments, as well as proceeds from their disposal or depreciation on maturity. The variation of cash and other cash equivalents caused through the purchase or disposal of a set of assets and liabilities that make up a business or business line will be included as a single entry under investment activities, under the investment or disinvestment heading as appropriate.
 - c. Cash flows through financing activities: These are proceeds from the purchase by third parties of securities issued by the company or funds granted by banks or third parties, in the form of loans or other funding instruments, as well as payments made through repayments or reimbursement of the amounts given. Dividend payments to shareholders are also included as cash flow through financing activities. Major classes of gross cash receipts and gross cash payments arising from financing activities must be reported separately.
 - d. Other cash flows : Cash flows from interest received must be disclosed separately. They 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. The cash or cash equivalent figure at the end of the period shown on the cash flow statement must match the figure from the corresponding heading of the Balance Sheet for the same period.

APPENDIX IV – MINIMUM CONTENT OF THE FINANCIAL STATEMENTS. NOTES TO THE FINANCIAL STATEMENTS AND DIRECTORS’ REPORT

1. The notes to the annual financial statements, that must be presented in a systematic manner, must complete, extend and report the information contained in the remaining documents that make up the financial statements and the intermediate financial statements. The entries on the balance sheet, on the profit and loss statement and the cash flow statement must contain the corresponding mention referring to the notes to the financial statements for these entries. The minimum content of the notes to the annual financial statements must be as follows:

- a. Accounting principles applied (i.e. the basis of preparation of the financial statements) and reasons that justify application of a mandatory accounting principle, specifying the impact on equity, the financial situation and profits (losses).
- b. Tangible fixed assets. Analysis of the movement over the financial year of each heading of the balance sheet (to be disclosed separately) included under this heading and the accumulated depreciation and measurement corrections through accumulated impairment; indicating the following:
 - i. Opening balance
 - ii. Additions and allocations
 - iii. Reversion of measurement corrections through impairment
 - iv. Increases/decreases through transfers
 - v. Write-offs, removals or reductions
 - vi. Measurement corrections through impairment
 - vii. Depreciation, distinguishing between those recognised over the financial year and the accumulated ones
 - viii. Closing balance

Details must be given on the useful lifespan or the rates of depreciation used by types of elements, as well as the depreciation methods used.

- c. Intangible fixed assets: Analysis of the movement over the financial year of each heading of the balance sheet (to be disclosed separately) included under this heading and the accumulated depreciation and measurement corrections through accumulated impairment; indicating the following:
 - i. Opening balance
 - ii. Additions and allocations
 - iii. Reversion of measurement corrections through impairment
 - iv. Increases/decreases through transfers
 - v. Write-offs, removals or reductions
 - vi. Measurement corrections through impairment
 - vii. Depreciation, distinguishing between those recognised over the financial year and the accumulated ones
 - viii. Closing balance

Details must be given on the useful lifespan or the rates of depreciation used by types of elements, as well as the depreciation methods used.

Article 76.4 of these Regulations will govern with regard to the purchase cost of players.

- d. Information on pledged assets and assets tied to guarantees and reversion, as well as the existence and amount of restrictions on ownership and any other circumstance of a

substantive nature that affects the tangible fixed assets, such as: lease, insurance policies, litigation, attachments and similar situations.

The existence and carrying amounts of intangible assets whose title is restricted and the carrying amount of intangible assets pledged as security for liabilities/guarantees must be disclosed.

- e. Investments in group companies and associates: with regard to these investments, the following information must be given for each one:
 - i. Name of the company
 - ii. Corporate headquarters and legal personality of the company
 - iii. Nature of operation as well as a description of its main activities
 - iv. Percentage of stake or percentage of voting power in the event that there is a difference between the two percentages
 - v. Description of the method used for qualification and measurement of these investments.
- f. Bank borrowing and other loans. The following information must be given for these kinds of liabilities:
 - i. Maturity, amount, nature and any significant information on the conditions laid down for these liabilities that could affect the amount, maturities and certainty of future cash flows; and
 - ii. Rules of registration and measurement criteria applied.
- g. Provisions and contingencies. The following information must be recognised on the balance sheet for each provision:
 - i. Opening balance
 - ii. Allocations
 - iii. Applications
 - iv. Other adjustments made (business combinations, etc.)
 - v. Closing balance.

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.

Unless the outflow of funds is remote, a brief description of the nature of each kind of contingency will be given at the statutory closing date as well as :

- i. A quantified estimate of the possible effects on financial statements and, if this is not possible, information on this impossibility or uncertainties behind this, specifying the maximum and minimum risks.
 - ii. The existence of any reimbursement right.
- h. Shareholders' equity and reserves.
Shareholders' equity, reserves and retained earnings must be disclosed separately.
The following information must be given:
 - i. Number and type of shares or equity units in capital and the individual face value of these, broken down by classes.
 - ii. Information, if appropriate, of share capital increases in progress (share premium arising on the shares issued, total amount raised as a result of the issuing of shares and reason for the issuing of new shares).
 - iii. Rights vested in the deferred shares, founder's bonds, convertible bonds and the like, specifying the number and the extent of the vested rights.

- iv. Information on the proposed application of the year's profits, specifying the base used for distribution (balance of the profit and loss statement, surplus, voluntary reserves, other freely available reserves) and their allocation (to legal reserve, to the goodwill reserve, to special reserves, to voluntary reserves, to dividends, to offsetting losses from previous years, etc.).

In respect of 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.

In respect of retained earnings, their balance (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. Transactions with related parties: The information on transactions with related parties will be reported separately for each of the following categories:
 - i. Controlling company
 - ii. Other group companies
 - iii. Joint businesses in which the company is one of the participants
 - iv. Affiliated companies
 - v. Companies with joint control or a significant influence over the company
 - vi. Key management personnel of the company or of the controlling enterprise
 - vii. Other related parties

Sufficient information (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) will be provided to understand transactions with related parties that have taken place during the periods covered by the financial statements and the effect of these on the financial statements, including the following elements:

- i. Identification of the persons or companies with which related party transactions have taken place, specifying the nature of the relationship with each party involved
- ii. Detail/nature of the transaction and the amount
- iii. Corporate profit or loss of the transaction and a description of the duties and risks assumed by each related party with regard to the transaction
- iv. The amount of outstanding balances, both assets and liabilities, their maturities and conditions (including whether or not they are secured), the nature of the balancing entry established for settlement, pooling of assets and liabilities by type of financial instrument and guarantees given or received
- v. Measurement corrections for debts where there are doubts as to the recovery concerning the aforementioned outstanding balances

- vi. Expenditure recognised over the year as a consequence of bad debts or debts of 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. Events after closing: The notes to the financial statements must report on:

- i. Material non-adjusting events that arise after the date of closing the accounts that have not involved, in accordance with their nature, the inclusion of an adjustment of figures contained in the financial statements, but the information contained in the notes to the financial statements has to be modified in accordance with the subsequent event.
- ii. Subsequent events that reveal conditions that did not exist at the close of the financial year and which are of such importance, that if no information was given in this regard it could affect the assessment capacity of those using the financial statements.

The nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made, must be disclosed.

Examples of such events are :

- Fixed term borrowing approaching maturity without realistic prospects of renewal or repayment;
- Substantial operating losses;
- Discovery of material fraud or errors that show the financial statements are incorrect;
- Management determining that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so;
- Player transactions where the amounts paid or received are significant;
- Transactions relating to property – for example, in relation to the club's stadium.

l. Other information:

- i. Players' agents: Total amount paid to players' agents.
- ii. 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.
- iii. Tax situation: Breakdown of the expenditure or income through taxes on profits, distinguishing between current tax and the variation of deferred taxes, which is charged to the profits (losses) of the profit and loss income, as well as directly charged to equity, distinguishing between those that affect each heading of the recognised income and expenditure statement.
- ii. Miscellaneous: Any additional information not included on the balance sheet, the profit and loss account or the cash flow statement, but which may be relevant in understanding any of the statements or which is required simply to comply with the minimum reporting requirements.

2. Notes to the interim financial statements consist of at least:

- a) A statement that the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed, a description of the nature and effect of the change; and b) Disclosure of any events or transactions that are material to an understanding of the current interim period.
3. With regard to the **directors' report** which must be included with the annual financial statements, this must contain a true description of the evolution of the company's activities, status and financial performance and position, and must report on the main risks and uncertainties that the company faces, important events for the company that took place once the financial statements had closed, the company's outlook and the purchase of treasury stock.

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.