



საქართველოს ფეხბურთის ფედერაცია
Georgian Football Federation

CLUB LICENSING REGULATIONS

FOR PARTICIPATION IN UEFA COMPETITIONS

2022



**GEORGIAN FOOTBALL FEDERATION
CLUB LICENSING REGULATIONS
FOR PARTICIPATION IN UEFA CLUB
COMPETITIONS**

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PREAMBLE

Based on Article 71 of the *GFF Statutes* and the *UEFA Club Licensing and Financial Fair Play Regulations*, the following regulations have been adopted:

I. GENERAL PROVISIONS

Article 1 – Scope of application

1. It is obligatory for all Georgian Top League (i.e. National League) football clubs as well as for the top three clubs of the Georgian Women's League to participate in the UEFA licensing process, which means that they will be evaluated as the UEFA Licence applicants. These regulations apply whenever expressly referred to by specific regulations governing men's and women's club competitions to be played under the auspices of UEFA (hereinafter: UEFA Club Competitions) and the UEFA Licence issued by GFF gives clubs the right to participate in UEFA Club Competitions.
2. It is not necessary for clubs to obtain the UEFA Licence for participation in National Championships (this is the subject of fulfilment of requirements set out in a separate regulations for National club licensing purposes), but in case of failure to meet these regulations by the National League clubs, respective sanctions will be applied against them.

3. These regulations govern the rights, duties and responsibilities of all parties involved in the GFF club licensing system for participation in the UEFA Club Competitions and define in particular:
- a) the minimum requirements to be fulfilled by GFF in order to act as the licensor for its clubs, as well as the minimum procedures to be followed by the licensor in its assessment of the club licensing criteria (section II);
 - b) the licence applicant as well as the licence required for entering the UEFA Club Competitions (UEFA Men's Licence and UEFA Women's Licence; both referred as UEFA Licence) (section III);
 - c) the minimum sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a club in order to be granted the UEFA Licence by GFF as part of the admission procedure to enter the UEFA club competitions (section IV).

Article 2 – Objectives

1. These regulations aim:
 - a) to further promote and continuously improve the standard of all aspects of football in Georgia and to give continued priority to the training and welfare of young players in every club;
 - b) to promote participation in football and contribute to the development of women's football;
 - c) to ensure that a clubs have an adequate level of management and organisation;
 - d) to adapt clubs' sporting infrastructure to provide players, spectators and media representatives with suitable, well-equipped and safe facilities;
 - e) to protect the integrity and smooth running of the UEFA Club Competitions and of the Georgian National Championship;
 - f) to safeguard each club's identity, history and legacy;
 - g) to encourage cooperation between licensors and clubs and enable the development of benchmarking for clubs in financial, sporting, legal, football social responsibility, personnel, administrative and infrastructure-related criteria throughout Georgia;
 - h) to embrace social responsibility in football;
 - i) to promote a healthy relationship between clubs and supporters and increase accessibility in football.
2. Furthermore, these regulations aim to promote more discipline and rationality in club football finances and in particular:
 - a) to improve the economic and financial sustainability of the clubs, increasing their transparency and credibility;
 - b) to place the necessary importance on the protection of creditors;
 - c) to promote better cost control;
 - d) to encourage clubs to operate on the basis of their own revenues;
 - e) to encourage responsible spending for the long-term benefit of football;
 - f) to protect the long-term viability and sustainability of European club football.

Article 3 – *Definition of terms*

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

Administration procedures	A voluntary or mandatory process that may be used as an alternative to the liquidation of an entity, 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/Intermediary	A natural or legal person who, for a fee or free of charges, represents players and/or clubs in negotiations with a view to concluding an employment contract or represents clubs in negotiations with a view to concluding a transfer agreement.
Agreed-upon procedures	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.
Arbitration	In these regulations the term Arbitration means the independent supreme dispute resolution body as defined by GFF Statutes (e.g. Arbitration court, tribunal or other).
Associate	An entity, including an unincorporated entity, which is neither a subsidiary nor an interest in a joint venture and over which the investor has significant influence.

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 the UEFA Licence.
Club Licensing Quality Standard	Document that defines the minimum requirements with which licensors must comply to operate the club licensing system.
Control	The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control may be gained by share ownership, statutes or agreement.
Costs of acquiring a player's registration	<p>Amounts paid and/or payable for the acquisition of a player's registration, excluding any internal development or other costs. They include:</p> <ul style="list-style-type: none"> • Transfer fee and released conditional transfer amounts, including training compensation and solidarity contributions paid and/or payable to another football club and/or third party to transfer-in the player's registration; • Agents/Intermediaries fees; and • Other direct costs of acquiring the player's registration e.g. transfer fee levy.
Deadline for submission of the application to the licensor	The date by which the licensor requires licence applicants to have submitted all relevant information for their application for the UEFA Licence.
Event or condition of major economic importance	An event or condition is considered material to the financial statements of the reporting entity/entities and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the reporting entity/entities if it occurred during the preceding reporting period.

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, T+1 and after).
Government	Any form of government, including government agencies, government departments and similar bodies, whether local or national
Group	A parent and all its subsidiaries. A parent is an entity that has one or more subsidiaries. A subsidiary is an entity, including an unincorporated entity that is controlled by another entity (known as the parent).
Image rights payments	Amounts due to employees (either directly or indirectly) as a result of contractual agreements with the licence applicant/licensee for the right to exploit their image or reputation in relation to football and/or non-football activities.
International Financial Reporting Standards (IFRS)	<p>Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise:</p> <ul style="list-style-type: none"> • 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).
Joint control	The contractually agreed sharing of control over an economic activity, which exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).
Joint venture	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Key management personnel	Persons having authority over and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including but not limited to any director (executive or otherwise) of the entity.
Licence applicant	Legal entity fully and solely responsible for the football team participating in national and international club competitions which applies for the UEFA Licence.
Licensee	Licence applicant that has been granted the UEFA Licence by the licensor.
Licence season	UEFA season for which a licence applicant has applied for/been granted the UEFA 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 for participation in the UEFA Club Competitions and grants the UEFA Licence. In Georgia the licensor is the Georgian Football Federation (GFF).
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 the UEFA Licence by the national decision-making bodies in the format established and communicated by the 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 licence applicant. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.

Minimum criteria	Criteria to be fulfilled by a licence applicant in order to be granted the UEFA Licence.
National accounting practice	The accounting and reporting practices and disclosures required of entities in Georgia.
Net debt	<p>The agreement of the following balances:</p> <ul style="list-style-type: none"> • net borrowings (i.e. the net of bank overdrafts, bank and other loans, accounts payable to group entities and other related parties less cash and cash equivalents); • net player transfers balance (i.e. the net of accounts receivable from players' transfers and accounts payable from players' transfers); • accounts payable to social/tax authorities (non-current)
Parties involved	Anyone involved in the UEFA club licensing system, including UEFA, the licensor, the licence applicant/licensee and any individual involved on their behalf.
Party	A person or a legal entity.
Protection from creditors	Procedures pursuant to laws or regulations whose objectives are to protect an entity from creditors, rescue insolvent entities and allow them to carry on running their business as a going concern. This process encompasses administration procedures and other insolvency proceedings (that might result in a compromise with creditors, bankruptcy or liquidation).
Reporting entity / entities	A registered member or group of entities or some other combination of entities which is included in the reporting perimeter and which must provide the licensor with information for club licensing purposes.
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.
Significant influence	Ability to influence but not control financial and operating policy decision-making. Significant influence may be gained by share ownership, statute or agreement. For the avoidance of doubt, a party or in aggregate parties with the same ultimate controlling party (excluding UEFA, a GFF and an affiliated league (if exists)) is deemed to have significant influence if it provides within a reporting period an amount equivalent to 30% or more of the licensee's total revenue.
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. For Georgian licence applicants, the statutory closing date is December 31 st .
Supplementary information	<p>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.</p> <p>The supplementary information must be prepared on a basis of accounting, and accounting policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the annual financial statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements.</p>

Training facilities	The venue(s) at which a club's registered players undertake football training and/or youth development activities on a regular basis.
UEFA Men's Licence	Certificate granted by GFF confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering UEFA Men's Club Competitions.
UEFA Women's Licence	Certificate granted by GFF confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering UEFA Women's Champions League.

- ² The use of the masculine form refers equally to the feminine.

II. Licensor

Article 4 – Responsibilities of the licensor

1. The licensor is the Georgian Football Federation (GFF). It governs the club licensing system for participation in the UEFA Men's and Women's Club Competitions.
2. In particular the licensor:
 - a) has established an appropriate club licensing and monitoring administration as defined in Article 5;
 - b) has established two decision-making bodies as defined in Article 6;
 - c) has set up a catalogue of sanctions as defined in Article 7;
 - d) defines the core process in accordance with Article 8;
 - e) assesses the documentation submitted by the licence applicants, considers whether this is appropriate and define the assessment procedures in accordance with Article 9;
 - f) ensures equal treatment of all licence applicants and guarantees them full confidentiality with regard to all information provided during the licensing process as defined in Article 10;
 - g) determines to its comfortable satisfaction whether each criterion has been met and what further information, if any, is needed for the UEFA Licence to be granted.

Article 5 – Club Licensing & Monitoring Administration (LMA)

1. GFF Club Licensing & Monitoring Administration (LMA) consists of Club Licensing & Monitoring Unit and Experts Panel. Representative of GFF Top Management as defined by GFF Structure is responsible for implementation of Club Licensing System in Georgia. LMA operates in a separate office

within GFF Headquarters in compliance with the present regulations and respective UEFA Club Licensing Quality Standard requirements.

2. GFF Club Licensing Unit, as minimum, consists of:
 - Head of the Unit, who acts as a Licensing Manager (LM) as defined in UEFA Club Licensing Quality Standard;
 - The Assistant.

Senior financial expert (see paragraph 3 below) of GFF assists LM in financial matters related to club licensing, and senior legal expert (see paragraph 3 below) in legal matters (legal documents, legal proceedings/procedures, etc.).

3. Experts Panel consists of competent internal staff of GFF or external qualified persons – at least one expert in each criteria (Sport, Infrastructure, Personnel and Administrative, Legal, Financial). Experts are responsible for evaluation of licensing documentations submitted by licence applicants on their completeness and content as well as perform other tasks given by Licensing Unit. Legal expert(s) must hold a qualification recognized by the Ministries of Education and/or Justice of Georgia and financial expert(s) must have a financial background and a diploma/certificate in accountancy / auditing recognised by the Ministry of Education of Georgia or by the Audit Activity Council under the Parliament of Georgia or by the Federation of Georgian Professional Accountants and Auditors.
4. LMA members are appointed by GFF top management. Members of the Licensing Unit may be appointed as experts. Besides, deputies to whom tasks may be delegated in case of absence (holidays, education, illness, etc.) are also appointed by GFF top management.
5. The tasks of the LMA include:
 - a) preparing, implementing and further developing the club licensing system for participation in the UEFA Club Competitions;
 - b) providing administrative support to the decision-making bodies;
 - c) assisting, advising and monitoring the licensees during the season;
 - d) informing UEFA of any event occurring after the licensing decision that constitutes a significant change to the information previously submitted to the licensor, including a change of legal form, legal group structure (including change of ownership) or identity;

- e) serving as the contact point for and sharing expertise with the licensing and monitoring departments of other UEFA member associations and with UEFA itself.
- 6. The members of the licensing administration must observe the Codes of Ethics of FIFA and/or GFF.

Article 6 – *Decision-making bodies*

- 1. The decision-making bodies are the Club Licensing Committee (LC), acting as the first instance body, and the Appeal Body for Club Licensing (ABL), acting as the appeals body. They must be independent of each other.
- 2. The LC decides on whether the UEFA Licence should be granted to an applicant on the basis of the documents provided by the submission deadline set by the licensor and on whether the UEFA Licence should be withdrawn. They also decide whether or not the criteria indicated in paragraphs 15.2 and 15.3 are breached, except Article 58, the breach of which is established by GFF Disciplinary Bodies (Disciplinary and Football Disputes Resolution Committee as well as Appeals Committee).
- 3. The ABL decides on appeals submitted in writing and makes a final decision on whether the UEFA Licence should be granted or withdrawn as well as the criteria indicated in paragraphs 15.2 and 15.3 were breached or not, except Article 58, the breach of which is established by GFF Disciplinary Bodies (Disciplinary and Football Disputes Resolution Committee as well as Appeals Committee).
- 4. Appeals may only be lodged by:
 - a) a licence applicant who received a refusal from the LC; and/or
 - b) a licensee whose UEFA Licence has been withdrawn by the LC; and/or
 - c) a licence applicant or licensee against which the LC established that secondary/sanctioned criteria indicated in Article 15 were breached; and/or
 - d) the licensor, acting by its Licensing Manager.

Decisions taken by LC may only be appealed before the ABL in the way of directly addressing this body. ABL will examine the complaint and establish if

it is justified in connection with the content and form of pleading according to paragraph 6.8.m) below.

5. The ABL makes its decision based on the decision of the LC and all the admissible evidence provided by the appellant with its written request for appeal and by the set deadline of the licensing timetable.

It is restricted to conduct an appeal hearing as a re-hearing of the case. ABL is responsible to assess the decision of LC which has been taken by the latter based on the information submitted by the set deadline according to the licensing timetable.

6. LC consist of seven members: a chairman, a deputy and five regular members and ABL consist of five members: a chairman, a deputy and three regular members, Members of the decision-making bodies are appointed by the GFF Executive Committee for a term of two club licensing cycles and must:

- a) act impartially in the discharge of their duties;
- b) abstain if there is any doubt as to their independence from the licence applicant or if there is a conflict of interest. In this connection, the independence of a member may not be guaranteed if he or any member of his family (spouse, child, parent or sibling) is a member, shareholder, business partner, sponsor or consultant of the licence applicant. The foregoing list is illustrative and not exhaustive;
- c) not act simultaneously as Licensing Manager or member of licensing administration;
- d) not belong simultaneously to a judicial statutory or to any other body of the GFF;
- e) not belong simultaneously to the GFF executive body or its affiliated league (if any);
- f) not belong simultaneously to the management and/or personnel of an affiliated club;
- g) include at least one qualified lawyer holding a qualification recognized by the Ministries of Education and/or Justice of Georgia and a financier holding a diploma in accountancy/auditing recognised by the Ministry of Education of Georgia or by the Audit Activity Council under the Parliament of Georgia or by the Federation of Georgian Professional Accountants and Auditors.

- h) observe the Codes of Ethics of FIFA and/or GFF.
- 7. The quorum of the decision-making bodies must be at least 50%+1 of members. The chair has the casting vote in case of a tie.
- 8. The decision-making bodies must operate according to the following procedural rules:

a) **Deadlines**

The deadlines for the whole licensing process are defined in a separate timetable which is worked out by the LMA and is communicated to all parties concerned (licence applicants, decision-making bodies, etc.) together with the package of the licensing documentation before the end of the month of November preceding the licence season.

b) **Guarantee of fundamental procedural rights**

Fundamental procedural rights are guaranteed to the parties, particularly the right to equal treatment and the right to be heard (including, but not limited to, the right to speak, the right to consult the case file, the right to have evidence produced and to participate in the production of evidence, and the right to a reasoned decision).

c) **Representation**

It is mandatory for all licence applicants / licensees to have their authorised person and/or Licensing manager and/or other official representative at the LC and ABL meetings who must produce a formal authorization issued by the club, evidence of personal identity card.

Non attendance of the abovementioned representative of the licence applicant / licensee is considered as a disciplinary offence, which will be dealt by GFF disciplinary bodies. In such case the licensing decision-making bodies are entitled to take a decision without club representatives.

d) **The right to an hearing**

All licence applicants have the right to a hearing before the decision-making bodies.

The decision-making body shall begin by verifying the identity of the persons entitled to represent the licence applicant before urging them to tell the truth. It shall inform them that disciplinary sanctions may be taken against them if they give false testimony.

e) **Official language**

The official language for licensing purposes is Georgian. But the information into the UEFA forms (printed or electronic) must be entered on the language defined by UEFA.

f) **Time limit to issue a request**

Time-limits which are triggered when a decision is officially notified shall begin on the day following notification. Saturdays, Sundays and public holidays in Georgia shall be included in the calculation.

Notifications sent via e-media (i.e. e-mails, extranet etc.) are considered as delivered to the addressee immediately as it has been sent / published as indicated to the records of the licensor. According to the present regulations, the licence applicant / licensee must ensure proper communication system and the licensor takes no responsibility of delays in opening / reading the e-notifications by addressee and/or any other technical problems on addressee side.

The time-limit shall expire at midnight on the final day if not otherwise stipulated in the notification. If the deadline falls on a Saturday, Sunday or a public holiday in Georgia, the time-limit shall expire on the first subsequent working day.

g) **Time limit to appeal**

Time limit to appeal with the ABL is 3 days after notification of the disputed decision but no later than the deadline for appeals set by LMA.

An appeal brought on account of an alleged denial of justice or an unjustified delay may be lodged at any time.

h) **Effects of appeal**

The appeal will have no delaying effect.

i) **Evidence requested**

The licence applicant / licensee may be asked by the licensing decision-making bodies to produce any written evidence in its possession that is relevant to the case.

The licence applicants / licensees have the right to solicit the licensing decision-making bodies to allow them to submit fresh evidences.

Taking into account the legal reasons, licensing decision-making bodies have the right not to accept the solicitation on submission of evidences.

j) **Burden of proof**

The licence applicant has the burden of proof.

k) **Decision**

The decision-making bodies shall issue a written decision which mentions:

- the place where it was issued;
- the date on which it was issued;
- the names of the members of the decision-making body;
- the names of the parties and their representatives;
- the pleadings of the parties;
- the reasons for the decision in fact and in law;
- the judgment, including the distribution of costs;
- the signature of the chairman of the decision-making body concerned and of the secretary;
- an indication, if appropriate, of the right of appeal (form, body and deadline for an appeal).

The decision shall be communicated to all parties concerned (licence applicant, licensee, LMA) directly by Decision-making Bodies via communication channels recognised in GFF (fax, mail, e-mail, extranet, etc.) within 3 days from the date it was taken.

l) **Ground for complaints**

An appeal shall be permitted only on one or more of the following grounds:

- The Decision-Making Body (DMB) violated the right to be heard of the appellant;
- The decision of the DMB was wrong in law, in breach of the rules of the present regulations;
- The DMB came to a decision which it should not have come to on the facts of the case.

m) **Content and form of pleading**

The pleading must be in writing and signed by authorised person.

The statement of appeal shall mention:

- the name and ID number of the legal entity of the licence applicant;
- the appellant representative: power of attorney (not necessary in case of the authorised person and licensing manager);
- the decision appealed against;
- the grounds of the appeal either partially or fully abolish the decision;
- the pleadings;
- the proof of paying of the appeal costs;
- in case of need: requested documentation;
- in case of need: solicitation to submit evidences together with the documents indicated in it.

n) **Deliberation / hearings**

Deliberation is held in secret; deliberation contains indication of members who took part in the decision and respect of quorum.

If the case does not require the production of any evidence, the decision-making body may decide unanimously to issue a decision after circulating the file, provided none of its members asks for a hearing.

o) **Licensing fee / Appeal's fee**

Licensing fee is:

- GEL 3'000 for UEFA Men's Licence;
- GEL 500 for UEFA Women's Licence.

If licensing fee is not paid within a set deadline, Licensing Committee will not review/consider the licence application, which is considered as a UEFA Licence refusal.

Appeal's fee on licensing decisions shall comprise of:

- GEL 1500 per each appealed infringement for UEFA Men's Licence;
- GEL 300 per each appealed infringement for UEFA Women's Licence (GFF is exempt from these fees);

Appeal's fee on decisions regarding the breach of secondary/sanctioned (i.e. B) category criteria indicated in paragraphs 15.2 and 15.3 shall comprise of:

- GEL 500 per each appealed infringement for UEFA Men's Licence (Article 15.2);

- GEL 100 per each appealed infringement for UEFA Women's Licence (Article 15.3)

(GFF is exempt from these fees);

If appeal's fee is not paid within a set deadline, AB will not review/consider the appeal.

The Appeal's fee is returned back to the appellant in full or partially proportionally to their successful appeal, on which ABL takes the final decision which can't be appealed.

Article 7 – Catalogue of sanctions

1. GFF has set up a catalogue of sanctions (Annex A) for the club licensing system for participation in the UEFA Club Competitions for the non-respect of the criteria referred to in paragraphs 15.2 and 15.3.
2. GFF refers to the Disciplinary Code of GFF in respect of all violations of the present regulations, except for the non-respect of the criteria referred to in paragraphs 15.2 and 15.3.

Article 8 – Core process

1. At the beginning of each licensing cycle the licensor defines the core process for the verification of the club licensing criteria and thus manages the issuing of UEFA Licences (Annex B).
2. The core process starts at a time defined by the licensor in a licensing timetable and ends on submission of the list of licensing decisions to UEFA by the deadline communicated by the latter.
3. The deadlines of the key process steps must be clearly defined and communicated to the clubs concerned by the licensor before the start of the core process.
4. The deadlines of the core process must allow appellants to appeal (in the last instance) before the Arbitration Court defined in GFF Statutes and to provide this arbitration court with enough time to issue its final and binding award

until the deadline set by UEFA. Decisions taken by ABL may only be appealed before the aforesaid arbitration court in the way of directly addressing the court and in relation to the complaints the same terms and principles apply as set for appeal to ABL (Article 6.8). The time limit to lodge such a claim in the Arbitration Court is 3 days and it begins on the day of the notification of ABL decision.

Article 9 – Assessment procedures

The assessment methods are defined by the GFF in the checklists and procedures which are part of the licensing package, which is provided to licence applicants at the beginning of the licensing cycle. However the assessment methods to verify compliance with the defined criteria for which specific processes must be followed are set out in Annex H.

Article 10 – *Equal treatment and confidentiality*

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

III. Licence Applicant and UEFA Licence

Article 11 – *Definition of licence applicant and three-year rule*

1. A licence applicant may only be a football club, which is a legal entity fully and solely responsible for a football team participating in national and international club competitions which is a registered member of the GFF or its Member Regional Football Federation (RFF) or Affiliated League or other member association of GFF (hereinafter: registered member).
2. By the start of the licence season, the membership must have lasted for at least three consecutive seasons. Furthermore, the licence applicant must have participated in the official competitions for at least three consecutive seasons (hereinafter: three-year rule).
3. Any change to the legal form, legal group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name or colours) of a licence applicant/licensee must be notified to the licensor and UEFA before the start of the licensing process.
4. Any change to the legal form, legal group structure (including, a merger with another entity or transfer of football activities to another entity) or identity (including, headquarters, name or colours) of a licence applicant/licensee that took place within the three seasons preceding the start of the licence season to the detriment of the integrity of a competition; or to facilitate the licence applicant's qualification for a competition on sporting merit; or to facilitate the licence applicant receipt of a licence is deemed as an interruption of membership¹.

¹ In respect of the UEFA Licence, an exception to this 'three-year-rule' may be granted by UEFA CFCB. For more details on the principle and process in respect of the exception policy, refer to Annex A of the UEFA Club Licensing and Financial Sustainability Regulations (www.uefa.com).

Article 12 – General responsibilities of the licence applicant

1. The licence applicant is solely fully responsible for meeting all requirements set in these regulations. They may not agree with the opinion/recommendations of GFF expert and must defend their own position in front of the decision making bodies for club licensing who only decide on the basis of these regulations.
2. The licence applicant must provide the licensor within the set licensing deadline with:
 - a) all necessary information and relevant documents to fully demonstrate that the licensing obligations are fulfilled; and
 - b) any other document relevant for decision-making by the licensor and which the licensor may require.
3. This includes information on the reporting entity/entities in respect of which sporting, football social responsibility, infrastructure, personnel and administrative, legal and financial information is required to be provided.
4. Any event that occurs after the submission of the licensing documentation to the licensor and represents a significant change to the information previously submitted must be promptly notified to the licensor in writing (including a change of the licence applicant's legal form, legal group structure including ownership, or identity).
5. The licence applicant / licensee must submit its licensing documentation through the GFF Club Licensing Extranet platform only. The exception can be granted only in case of malfunctioning of the Extranet platform in which case the licence applicant / licensee in question agrees with the licensor on the alternative method of submission of the licensing documentation/information.

Article 13 – UEFA Licence

1. Clubs which qualify for the UEFA Club Competitions on sporting merit must obtain the UEFA Licence issued by GFF according to these regulations, except where Article 14 applies.

UEFA Club Monitoring requirements, which are contained in the UEFA Club Licensing and Financial Fair Play Regulations, apply to all licensees that have qualified for a UEFA Club Competition.

2. The UEFA Licence expires without prior notice at the end of the season for which it was issued.
3. The UEFA Licence cannot be transferred.
4. The UEFA Licence may be withdrawn by the decision-making bodies if:
 - a) any of the conditions for the issuing of the UEFA Licence are no longer satisfied; or
 - b) the licensee violates any of its obligations under these regulations.
5. As soon as a UEFA Licence withdrawal is envisaged, the GFF must inform UEFA accordingly.

Article 14 – *Special permission to enter the UEFA Club Competitions*

1. If a club qualifies for a UEFA Club Competition on sporting merit, but has not undergone any licensing process at all or has undergone a licensing process which is lesser/not equivalent to the one applicable for top division clubs of the Georgian National Championship to enter the UEFA club competitions, because it belongs to a division other than the top division, GFF may – on behalf of such a club – request an extraordinary application of the club licensing system for participation in the UEFA Club Competitions in accordance with Annex C.

2. Based on such an extraordinary application, UEFA may grant special permission to the club to enter the corresponding UEFA Club Competition subject to the relevant UEFA club competition regulations. Such an extraordinary application only applies to the specific club and for the season in question.

IV. Club Licensing Criteria

Article 15 – General / mandatory (A) and secondary/sanctioned (B) category criteria

1. MANDATORY (Category A) criteria: the criteria defined in this chapter must be fulfilled by clubs in order for them to be granted the UEFA Licence to enter the UEFA Club Competitions, except for the criteria defined in paragraph 2 below for UEFA Men's Licence and paragraph 3 below for UEFA Women's Licence.
2. SECONDARY/SANCTIONED (Category B) criteria for UEFA Men's Licence: failure to fulfil the criteria defined in articles/paragraphs: 17.2, 18, 20.2, 22-30, 35.3, 36.2, 43, 45, 46, 50, 53, 55.1.b), 55.2, 56-58 does not lead to refusal of the UEFA Men's Licence but to a sanction defined by GFF according to GFF catalogue of sanctions (see Article 7 and Annex I).
3. SECONDARY/SANCTIONED (Category B) criteria for UEFA Women's Licence: failure to fulfil the criteria defined in articles/paragraphs for women's club licensing: 22-30, 35, 37, 39, 49, 55.1.b), 55.2, 56-58, 66.a) does not lead to refusal of the UEFA Women's Licence but to a sanction defined by GFF according to GFF catalogue of sanctions (see Article 7 and Annex A).
4. Scope of articles of this Chapter IV: criteria defined in articles 16 to 72 below apply for both Men's and Women's clubs/teams, if not otherwise specified in the specific articles/paragraphs

SPORTING CRITERIA

Article 16 – Youth development programme

1. The licence applicant must have a written youth development programme approved by the licensor.
2. The licensor must regularly verify the implementation of the approved youth development programme and evaluate its quality.

3. The programme must cover at least the following areas:
 - a) Youth development objectives and philosophy;
 - b) Youth sector organisation (organisational chart, bodies involved, relation to licence applicant, youth teams, etc.);
 - c) Personnel (technical, medical, administrative, etc.) and minimum qualifications required;
 - d) Infrastructure (training and match facilities, availability, other);
 - e) Financial resources (budget, contribution from licence applicant, players or local community, etc.), according to the requirements established by GFF (see Annex F.G below);
 - f) Football education for various age groups (playing skills, technical, tactical and physical);
 - g) Educational initiatives (Laws of the Game; anti-doping; sport Integrity; anti-racism);
 - h) Medical support for youth players (including maintaining medical records);
 - i) Review and feedback process to evaluate the results and achievements against the objectives;
 - j) Duration of the programme (at least 3 years but maximum 7 years);
 - k) For women's clubs/teams only, in addition to a)-j) above the programme must include the Promotion of women's game.
4. The licence applicant must further ensure that:
 - a) every youth player involved in its youth development programme can follow mandatory school education according to Georgian law; and
 - b) no youth player involved in its youth development programme is prevented from continuing his non-football education.

Article 17 – Youth teams

1. The licence applicant must have the following youth teams within its legal entity, another legal entity included in the reporting perimeter or a club affiliated to its legal entity (see paragraph 4 below):

For men's club licensing:

- a) At least four youth (male/boys) teams within the age range of 10 to 21 (i.e. U11-U21);
- b) At least one (male/boys) team below the age of 10 (i.e. U10 and below) or organised football activities for this category;

For women's club licensing:

- c) At least 2 youth (female/girls) teams within the age range of 12 to 21 (i.e. U13-U21);
2. In addition to this, in order to ensure proper youth structure in the club, licence applicants are required to have the following youth teams: U10, U11, U12, U13, U14, U15, U17, U19. ***[This paragraph 2 is not applicable for women's club licensing]***
3. Each youth team, except those below the age of 10, must take part in official competitions or programmes played at national, regional or local level and recognised by the GFF.
4. The affiliation to a club/team is given when the licence applicant / licensee provides full financial and technical support to the affiliated club/teams and these expenses are properly reflected in the accounts of the reporting perimeter of the licence applicant. Besides, these club/teams are geographically situated in the same city or region as the club of the licence applicant, subject to the integrity / fair competition rules.

Article 18 – Women's football activities

[This article 18 is not applicable for women's club licensing]

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

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

Article 19 – Medical care of players

1. The licence applicant must establish and apply a policy to ensure that all players eligible to play for its first squad² undergo a yearly medical examination in accordance with the relevant provisions of the UEFA Medical Regulations.
2. The licence applicant must establish and apply a policy to ensure that all youth players above the age of 12 undergo a yearly medical examination in accordance with the relevant provisions defined by GFF in line with its domestic legislation.

Article 20 – Registration of players / Club trained players

1. All licence applicants' players above the age of 10, must be registered with the GFF, Regional Football federation, the League or other GFF member association in accordance with the relevant provisions of the Regulations on the Status and Transfer of Players of FIFA and GFF.
2. At least 5 players trained by the club shall be registered in the first squad of the licence applicant. As a rule, the player is considered as a club trained if a he has been registered between the ages of 15 and 21 with his current club for a period of 36 months in total. ***[This paragraph 2 is not applicable for women's club licensing]***

Article 21 – Written contract with professional players

1. Each of the licence applicants' professional player must have a written contract with the licence applicant in accordance with the relevant provisions of the *FIFA and GFF Regulations on the Status and Transfer of Players*.
2. The licence applicant must ensure that its professional players' contracts are in line with the relevant provisions of the Agreement regarding the minimum

² Here and below the term "first squad" means the men's and/or women's first/main team whichever applies for UEFA Licence.

requirements for standard players contracts in the professional football sector in the European Union and the rest of the UEFA territory as well as the Professional Football Player Contract Minimum Requirements as defined by GFF. **[This paragraph 2 is not applicable for women's club licensing]**

Article 22 – Loan of professional players

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

Article 23 – Participation in seminars

The licence applicant must attend the following sessions or events provided by the GFF or with its collaboration during the 12 months prior to the licence season (if any):

1. on Laws of the Game and refereeing. All members of its first squad (players, coaches and other technical staff) must attend this session or event;
2. on Sports Integrity issues, where as a minimum, the first squad captain (or his replacement) and the first squad head coach (or the assistant head coach) as well as clubs technical and administrative staff (i.e. licensing personnel) must attend this session or event; **[This paragraph 2 is not applicable for women's club licensing]**
3. on Sports Medicine. The club medical doctor must successfully complete the seminar. **[This paragraph 3 is not applicable for women's club licensing]**

FOOTBALL SOCIAL RESPONSIBILITY CRITERIA

Article 24 – Football social responsibility strategy

The licence applicant must establish and implement a football social responsibility strategy in line with the UEFA Football Sustainability Strategy 2030

and relevant UEFA guidelines, for at least the areas of equality and inclusion, anti-racism, child and youth protection and welfare, football for all abilities, and environmental protection.

Article 25 – *Equality and inclusion*

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

Article 26 – *Anti-racism*

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

Article 27 – *Child and youth protection and welfare*

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

Article 28 – *Football for all abilities*

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

Article 29 – *Environmental protection*

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

Article 30 – Football social responsibility officer

The licence applicant must have appointed a football social responsibility officer who is responsible for the implementation of football social responsibility policies and measures in accordance with the UEFA Football Sustainability Strategy 2030 and relevant UEFA guidelines. Football social responsibility officer must liaise with GFF on the aforementioned matters and the contact information (as a minimum, email address) must be published on the official website of the club.

INFRASTRUCTURE CRITERIA

Article 31 – Stadium for UEFA Club Competitions

1. The licence applicant must have a stadium available for UEFA Club Competitions which must be based within the territory of the GFF and approved by the GFF in accordance with the *UEFA Stadium Infrastructure Regulations*.
2. If the licence applicant is not the owner of the stadium, it must provide a written contract with the owner(s) of the stadium(s) it will use as well as the legal documents endorsing the fact that the owner(s) actually owns the stadium in question.
3. It must be guaranteed that the stadium(s) can be used for the licence applicant's UEFA home matches during the licence season.
4. The stadium(s) must fulfil the minimum requirements defined in the *UEFA Stadium Infrastructure Regulations* and be classified at least as a:
 - UEFA category 2 stadium – for the 1st and 2nd qualifying rounds of all UEFA men's club competitions;
 - UEFA category 3 stadium – for the 3rd qualifying rounds of the UEFA Champions League competition as well as 3rd qualifying round and play-

offs of UEFA Europe League and UEFA Europa Conference League competitions;

- UEFA category 4 stadium – as from the play-offs of the UEFA Champions League competition as well as from the group stage of UEFA Europe League and UEFA Europa Conference League competitions;
- UEFA category 1 stadium – for UEFA Women's Champions League;

or in case if the stadium of the requested UEFA category doesn't exist within the GFF jurisdiction, the highest UEFA category stadium at the GFF territory shall be presented.

Article 32 – Ensuring the safety and security

[This article 32 is not applicable for women's club licensing]

1. The licence applicant must ensure safety and security for home matches at each stadium presented under Article 31 above by police/security company as well as by engaged qualified stewards in case of need.
2. For each stadium presented, the licence applicant must submit duly approved Safety and Security Plan, which is agreed with local authorities and in case of need/request. While assessing this criterion, GFF is authorised to request other documents related to the safety and security (e.g. Zoning Map, etc.).

Article 33 – Training facilities: availability and minimum infrastructure

1. The licence applicant must have training facilities available throughout the year, which, as a minimum, must fulfil the requirements defined by GFF, as communicated by the latter prior to the licence season.
2. If the licence applicant is not the owner of the training facilities, it must provide a written contract(s) with the owner(s) of the training facilities as well

as the legal documents endorsing the fact that the owner(s) actually owns the training facilities in question.

3. The available training infrastructure must be safe and accessible for all the licence applicant's teams for training purposes as well as for all youth teams of the licence applicant for hosting official youth competition matches during the licence season, taking into account its youth development programmes.
4. Presenting of a main stadium only (Article 31) as a training facility will not be considered as a fulfilment of this criterion.

Article 34 – Club office

1. The licence applicant must have an office space (either owned or rented) in which to run its administration.
2. If the licence applicant is not the owner of the office it must provide a leasing contract with the owner(s) of the office(s) as well as the legal documents endorsing the fact that the owner(s) actually owns the office in question.
3. The office must be equipped with the minimum necessary technical infrastructure: phone, e-mail and a computer with internet connection as well as a device for making copies of the documents.

PERSONNEL AND ADMINISTRATIVE CRITERIA

Article 35 – Club administration and organisational structure

1. The licence applicant must ensure that its office is open to communicate with the GFF and the public. As a minimum, the licence applicant must provide the following contact information:
 - a) address of its official headquarters;
 - b) official contact details (such as phone/fax number and email addresses);
 - c) Address of its official public website [This point c) is not applicable for women's club licensing];

2. Official email address of the licence applicant must be registered in the public register or its statutes (which is registered in the public register). The information sent from the official email address of the club is considered as equal to sending the document signed by the club, unless it refers to the document where the signature of the party other than club is required.
3. The domain of the official email address submitted in accordance of paragraphs 1 and 2 above, must correspond to the domain of the official website of the club. ***[This paragraph 3 is not applicable for women's club licensing]***
4. Official website of the licence applicant must include as a minimum:
 - a) club organisational chart (cf. paragraph 5 below), indicating the date of entering into force;
 - b) the names of all staff under the scope of these regulations, with photos and indicating all positions they occupy;
 - c) the main contact info of the licence applicant club (as a minimum, phone number, official email). The contact details (phone number and email) of Supporters Liaison Officer (SLO) should be stated separately.

The information on the website must be in accordance with the documentation/information submitted during the licensing process.

[This paragraph 4 is not applicable for women's club licensing]

5. The licence applicant must provide the licensor with an organisational chart clearly identifying the relevant personnel (at least the personnel on the positions defined in these regulations) and their positions as well as their hierarchical and functional responsibilities in its organisational structure.
6. As a minimum, the organisational chart should provide information on the key personnel defined in Article 30, and Articles 36 to 46.
7. The organisational chart must be approved by the management of the licence applicant, by way of the signature of the authorised person/representative of the body, and the date of approval.

Article 36 – Director – the authorised person

1. The licence applicant must have appointed a director who, according to the statutory documents of the licence applicant, is authorised to manage and represent the club, is personally and fully responsible for running the daily operative matters as well as directly and fully responsible for club licensing matters. The Director must attend respective club licensing events.
2. The director:
 - a) must hold a certificate in football and/or sports management after the successful completion of the course recognised by GFF;
 - or
 - b) must be formally registered on such course. In this case, the criterion will be reviewed once again once the course is finished. That time the person in question will be requested to submit the necessary certificate.
 - or
 - c) must hold a recognition of competence, issued by the GFF.

[This paragraph 2 is not applicable for women's club licensing]

3. For the date of approval of these regulations GFF recognises the following educational programmes:
 - UEFA educational programmes: UEFA CFM, UEFA DFM, UEFA DFLM, UEFA MESGO;
 - GFF educational programmes: GFF CFM;
 - Educational programmes in football club management run by the European Clubs Association (ECA);
 - FIFA educational programmes in Sports management – FIFA International Master in Management, Law and Humanities of Sport.

Other educational programmes in football and/or sports management will be reviewed individually. The decision of GFF Club Licensing & Monitoring Administration on the admissibility of such courses for club licensing purposes is final and not appealed.

4. The director must be duly registered with GFF, RFF, affiliated league or other member association of GFF.

Article 37 – Licensing manager

1. The licence applicant must have appointed a licensing manager, who is responsible for the communication on licensing matters between the licence applicant and the licensor. However, the director as defined in the Article 36 above is fully responsible for the implementation of the current GFF Club Licensing Regulations and fulfilment of the licensing criteria (as stated in paragraph 36.1).
2. Licensing manager must attend respective club licensing events. GFF reserves the right to hold the testing of the licensing managers, the results of which will be taken into account during the licensing process (e.g. refuse the club to register licensing manager, etc.).

Article 38 – Finance officer

[This article 38 is not applicable for women's club licensing]

1. The licence applicant must have appointed a qualified finance officer who is responsible for its financial matters.
2. The finance officer must hold as a minimum one of the following qualifications:
 - a) Professional Accountant or Chief Accountant certificate issued by the Georgian Federation of Professional Auditors and Accountants;
 - b) Diploma of qualified auditor;
 - c) Finance officer diploma issued by GFF or an organisation recognised by GFF (as communicated by the latter prior to the licence season).

Article 39 – Media officer

1. The licence applicant must have appointed a qualified media officer who is responsible for media matters as well as for public relations, and particularly for international matters (e.g. relationship with football governing bodies FIFA

and UEFA). Media officer must speak one of UEFA official languages: English, French or German.

2. The media officer must hold as a minimum one of the following qualifications:
 - a) Diploma in journalism;
 - b) Media officer diploma issued by GFF or an organisation recognised by GFF (as communicated by the latter prior to the licence season);
 - c) Recognition of competence, issued by the GFF, based on practical experience of at least three years in such matters.
3. The media officer must be duly registered with GFF, RFF, affiliated league or other member association of GFF.

Article 40 – *Medical doctor*

1. The licence applicant must have appointed at least one doctor who is responsible for the medical support during matches and training of the first squad as well as for doping prevention. Medical doctor mustn't hold any other licensing function, except youth team medic position as defined in Article 42 below.
2. The medical doctor must hold a medical certificate issued by the National Ministry of Health.
3. The medical doctor must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 41 – *Physiotherapist*

1. The licence applicant must have appointed at least one physiotherapist who is responsible for medical treatment and massages during training and matches of the first squad.
2. The physiotherapist's qualification must be recognised by the National Ministries of Education and/or Health.

3. The physiotherapist must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 42 – Youth teams medic

[This article 42 is not applicable for women's club licensing]

The licence applicant must have appointed at least one doctor or physiotherapist recognised as such by the appropriate national health authorities who is responsible for the medical care of the youth teams.

Article 43 – Match organisation manager

[This article 43 is not applicable for women's club licensing]

1. The licence applicant must have appointed a match manager who is responsible for the overall organisation of the first squad home matches.
2. The match manager shall undergo relevant courses / seminars organised by GFF or recognised by latter (if provided).
3. Match organisation manager must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 44 – Safety and Security officer

[This article 44 is not applicable for women's club licensing]

1. The licence applicant must have appointed a qualified security officer with the following responsibilities:
 - a) developing, implementing and reviewing safety and security policy and procedures, including risk management and planning;
 - b) being the main point of contact between the licence applicant and the public authorities and GFF on all safety and security matters;
 - c) managing match-related safety and security operations.

2. The safety and security officer must be qualified in accordance with the relevant national legal framework and should be trained and experienced in matters of crowd control and safety and security at football venues.
3. Safety and security officer must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 45 – *Supporter liaison officer*

[This article 45 is not applicable for women's club licensing]

1. The licence applicant must have appointed a supporter liaison officer (SLO) to act as the key contact point for supporters.
2. SLO will regularly meet and collaborate with the relevant club personnel on all related matters. SLO must really function and perform tasks and duties defined by GFF. These tasks and duties must be reflected in his job description.
3. Besides, the licence applicant must ensure the rights of SLO as defined by GFF.
4. Furthermore, the licence applicant must prove the fact of registration of at least 50 supporters (e.g. members of the licence applicant's official fan-club, etc.).

Article 46 – *Disability access officer*

[This article 46 is not applicable for women's club licensing]

1. The licence applicant must have appointed a disability access officer (DAO) to support the provision of inclusive, accessible facilities and services.
2. DAO will regularly meet and collaborate with the relevant club personnel on all related matters.

Article 47 – Head coach of the first squad

1. The licence applicant must have appointed a qualified head coach who is confirmed as the head coach by GFF and who is responsible for the following matters of the first squad:
 - a) players' selection;
 - b) tactics and training;
 - c) management of the players and technical staff in the dressing room and the technical area before, during and after the matches; and
 - d) duties regarding the media matters (press conferences, interviews, etc.).
2. The contract with the head coach must be valid at least until the end of the current football season.
3. The head coach must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:

For men's teams:

- a) valid UEFA-PRO coaching licence;
- b) valid UEFA recognition of competence equivalent to, minimum, the licence required under a) above.

For women's teams:

- c) valid UEFA-A coaching licence;
 - d) valid UEFA recognition of competence equivalent to the licence required under c) above.
4. Head coach of the first squad must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 48 – Assistant coach of the first squad

1. The licence applicant must have appointed a qualified coach who assists the head coach in all football matters of the first squad.

2. The assistant coach of the first squad must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:

For men's teams:

- a) valid UEFA-A coaching licence;
- b) valid UEFA recognition of competence equivalent to the licence required under a) above.

For women's teams:

- c) valid UEFA-B coaching licence;
 - d) valid UEFA recognition of competence equivalent to the licence required under c) above.
3. Assistant coach of the first squad must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 49 – Goalkeeper coach of the first squad

1. The licence applicant must have appointed a qualified goalkeeper coach who assists the head coach in goalkeeping matters of the first squad.
2. The goalkeeper coach of the first squad must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:

For men's teams:

- a) valid UEFA-A Goalkeeping coaching licence;
- b) valid UEFA recognition of competence equivalent to the licence required under a) above.

For women's teams:

- c) valid UEFA-B Goalkeeping coaching licence;
 - d) valid UEFA recognition of competence equivalent to the licence required under c) above.
3. Goalkeeper coach of the first squad must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 50 – Fitness coach of the first squad

[This article 50 is not applicable for women's club licensing]

1. The licence applicant must have appointed a qualified fitness coach who assists the head coach in physical training of the first squad players.
2. The fitness coach of the first squad must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:
 - a) valid UEFA-B coaching licence;
 - b) valid UEFA recognition of competence equivalent to the licence required under a) above.
3. Fitness coach of the first squad must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 51 – Head of the youth development programme

[This article 51 is not applicable for women's club licensing]

1. The licence applicant must have appointed a qualified head of the youth development programme who is responsible for running the daily business and the technical aspects of the youth sector.
2. The head of the youth development programme must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:
 - a) valid UEFA Elite Youth A coaching licence;
 - b) valid UEFA-A coaching licence;
 - c) valid UEFA recognition of competence equivalent to the licence required under a) or b) above, as applicable.
 - d) Head of the youth development programme must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 52 – Youth coaches

1. For each mandatory youth team (see paragraph 17.1 above), the licence applicant must have appointed at least one qualified coaches who are responsible for all football matters related to that team.

For men's club licensing:

- a) At least three youth (male/boys) team head coaches as well as head coaches of the U16-U21 youth teams³ must each hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the UEFA Coaching Convention:
- b) valid UEFA Elite Youth A coaching licence;
- c) valid UEFA-A coaching licence;
- d) valid UEFA recognition of competence equivalent to the licence required under a) or b) above, as applicable.

For women's club licensing:

At least one youth (female/girls) team⁴ head coach must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:

- e) valid UEFA Youth coaching licence;
 - f) valid UEFA-B coaching licence;
 - g) valid UEFA recognition of competence equivalent to the licence required under d) or e) above, as applicable.
2. The other youth (male/boys) team head coaches must⁵:
 - a) each hold one of the following minimum coaching qualifications issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:
 - valid UEFA-B coaching licence to coach U11 youth teams and above;

³ First of all, this is required for the coaches of those teams submitted in accordance of paragraph 17.1.a) of these regulations.

⁴ First of all, this is required for the coaches of those teams submitted in accordance of Article 17.1.c) of these regulations.

⁵ First of all, this is required for the coaches of those teams submitted in accordance of Article 17.1.a)-b) of these regulations.

- valid UEFA-C coaching licence to coach U10 youth teams and below;
or
 - b) valid UEFA recognition of competence equivalent to the licence required under a) or b) above, as applicable.
3. All youth coaches must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 53 – Goalkeeper coach of youth teams

[This article 53 is not applicable for women's club licensing]

1. The licence applicant must have appointed at least one qualified goalkeeper coach who assists the youth coaches in goalkeeping matters of the youth sector.
2. The goalkeeper coach of youth teams must hold one of the following minimum coaching qualifications, issued by a UEFA member association in accordance with the *UEFA Coaching Convention*:
 - a) valid UEFA-B Goalkeeping coaching licence;
 - b) valid domestic goalkeeper licence;
 - c) valid UEFA recognition of competence equivalent to the licence required under a) above.
3. Goalkeeper coach of youth teams must be duly registered with the GFF, RFF, affiliated league or other member association of GFF.

Article 54 – Common provisions applicable to UEFA coaching qualifications

A holder of the required UEFA coaching licence within the meaning of Articles 47 to 53 is considered a coach who, in accordance with the implementation provisions of the *UEFA Coaching Convention*, has:

- a) been issued a UEFA coaching licence by a UEFA member association which is valid on the assessment date for licensing decision-making; or

- b) at least started the required UEFA coaching licensing course. Registration for the required course is not sufficient to meet this criterion.

Article 55 – Written contracts, rights and duties

1. All administrative, technical, medical and security staff or service providers performing any of the functions referred to in Articles 30 and 36 to Article 53 must have:
 - a) written contracts with the licence applicant (or another entity within the legal group structure of the licence applicant) in accordance with the national legal framework.
 - b) The rights and duties defined in writing in a separate job description file irrespective of whether this information is contained or not in their contracts.
2. The licence applicant must ensure that each coach's contract is in line with the relevant provisions of the *FIFA and GFF Regulations on the Status and Transfer of Players*.

Article 56 – Service providers

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

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

Article 57 – Occupation of positions and performin the functions

1. The functions defined in Article 30, and Articles 36 to 53 represent the minimum organisational structure required of the licence applicant.
2. One person could occupy more than one function, provided the person has sufficient time, adequate competencies and the necessary qualifications for each function, and no conflict of interest. Besides, the limitations defined in paragraphs 3-5 below shall be respected.
3. One person is not allowed to hold more than two positions and the Head Coach (Article 47) is not allowed to hold any other position except the function of the fitness coach (Article 50). Also the main team Doctor (Article 40) or main team Physiotherapist (Article 41) may be appointed as a youth teams Doctor (Article 42).
4. Besides, it is restricted to appoint sporting personnel on administrative positions neither is allowed to appoint one person on two different positions which he is not able to execute in practice, and the licensors decision on this issue is considered competent.
5. Supporters liaison officer can be the Media Officer as defined in Article 39 or Disability Access Officer as defined in art 46. Furthermore, the taking of SLO position by DAO won't be taken into account when calculating the limits as defined in paragraph 2 above. Also the position of the Youth Teams Medic (art. 42) can be occupied by main team Doctor (art. 40) or Physiotherapist (art. 41).
6. All licensing staff referred to in Articles 30 and 36 to 53 must sign the Integrity Declaration in the form defined by GFF. During the registration period for a particular football club, it is enough to sign a declaration only once and it is not necessary to renew it if the same person changes his/her position within the same club. The document must be signed again if the person moves to another club, and/or the GFF changes the content of the declaration.
7. All licensing staff referred to in Articles 30 and 36 to 53 must have a personal e-mail address which should be communicated to the licensor. The use of

the general club e-mail address or the e-mail address of other staff in the club will be considered as a breach of this requirement.

Article 58 – *Duty of replacement during the season*

1. If a function defined in Articles 30 and 36 to 53 becomes vacant during the licence season, the licensee must ensure that, within a period of a maximum of 40 days, the function is taken over by someone who holds the required qualification.
2. In the event that a function becomes vacant due to illness or accident (e.g. car accident, etc.), the GFF may grant an extension to the 40-day period only if reasonably satisfied that the person concerned is still medically unfit to resume their duties.
3. If a function defined in Articles 30 and 36 to 53 repeatedly becomes vacant during the licence season and the licensor decides that this is done by the club to win the time, the licensor has the right to limit the aforementioned 40 days period and set the different time limit, at its own discretion.
4. The mitigating period described above is limited by a deadline for submission of respective licensing documentations as set in the licensing timetable.
5. The licensee must notify the GFF of any replacement and/or release of the personnel defined in Articles 30 and 36 to 53 and submit the complete documentation pack within 5 working days from the date of release / new appointment.

LEGAL CRITERIA

Article 59 – *Legal declarations*

1. The licence applicant must submit a legally valid declaration confirming the following:
 - a) it recognises as legally binding the statutes, regulations, directives and decisions of FIFA, UEFA and GFF as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant

articles of the *UEFA Statutes* and a supreme dispute resolution body provided in the relevant articles of the *GFF Statutes*;

- b) at national level it will play in competitions recognised and endorsed by the GFF;
 - c) at international level it will participate in competitions recognised by UEFA (to avoid any doubt, this provision does not relate to friendly matches);
 - d) it will promptly inform the GFF about any significant change or event as well as condition of major economic importance;
 - e) it will abide by and observe the GFF Club Licensing Regulations for UEFA Club Competitions;
 - f) it will abide by and observe the UEFA Club Licensing and Financial Sustainability Regulations;
 - g) its reporting perimeter is defined in accordance with Article 64;
 - h) all revenues and costs related to each of the football activities listed in paragraph 64.3 have been included in the reporting perimeter;
 - i) it will be accountable for any consequences of an entity included in the reporting perimeter not abiding by and observing items e) and f) above;
 - j) all relevant information related to any change of its legal form, legal group structure (including ownership) or identity from the three seasons preceding the start of the licence season have been reported to GFF and UEFA;
 - k) all submitted documents are complete and correct;
 - l) it authorises the GFF licensing administration and decision-making bodies, the UEFA Administration, and the UEFA and GFF Organs for the Administration of Justice to examine any relevant document and seek information from any relevant public authority or private body in accordance with Georgian law;
 - m) it acknowledges that UEFA and GFF reserve the right to execute compliance audits in accordance with Article 75 of the present regulations.
2. The licence applicant must submit a legally valid declaration confirming that all its staff members (including players) have signed Integrity Declarations as defined by GFF.

3. The declarations 1 and 2 above must be executed by an authorised signatory of the licence applicant no more than one month prior to the deadline for its submission to the GFF.

Article 60 – *Minimum legal information/documentation*

1. The licence applicant must submit at least the following minimum legal information/documentation about the licence applicant:
 - a) complete legal name on Georgian and English languages;
 - b) legal form;
 - c) copy of a current, valid statutes (e.g. company act) registered in the public register. According to the statutes, the main activity of the licence applicant must be football and its further development (e.g. professional and/or amateur football, youth football, football infrastructure, etc.). It must also include the official email address of the club.

Furthermore, any changes/additions in/to the statutory documents must be reflected in the main valid statutes of the club and submitted to the licensor in a form of a single document/file (and not as the initial or previous version of the club statutes and further changes and additions (orders, minutes, etc.) in separate documents/files);

- d) extract from a public register on Georgian and English languages, updated within one month prior to the deadline for its submission to the GFF;
 - e) list of authorised signatories;
 - f) type of signature required (e.g. individual, collective).
2. Any changes in / additions to the company statutes must be combined into the last valid version of the statutes and submitted to the licensor in a form of a single document (and not in a way of an initial statutes and changes/additions such as minutes, orders, etc. as separate documents).

Article 61 – Legal group structure

1. The licence applicant must provide the licensor with a document that presents its legal group structure at the annual accounting reference date prior to the deadline for the submission of its licence application to the licensor.
2. This document must clearly identify and include information on:
 - a) the licence applicant;
 - b) any subsidiary of the licence applicant;
 - c) any associate entity of the licence applicant;
 - d) any party that has 10% or greater direct or indirect ownership of the licence applicant, or 10% or greater voting rights;
 - e) any direct or indirect controlling entity of the licence applicant;
 - f) any other football club, in respect of which any of the parties identified in a) to e) or any of their key management personnel have any ownership interest or voting rights or membership or any other involvement or influence whatsoever in its management, administration or sporting performance; and.
 - g) the key management personnel of the licence applicant and, if different, the registered member.
3. The reporting perimeter as defined in Article 64 must also be clearly identified in the document.
4. The following information must be provided in relation to each of the parties included in the legal group structure:
 - a) name on Georgian and English languages and, if applicable, legal form;
 - b) main activity; and
 - c) percentage of ownership interest and, if different, percentage of voting rights.

For any subsidiary of the licence applicant the following information must also be provided:

- d) share capital;
- e) total assets;

- f) total revenues; and
 - g) total equity.
5. The licensor must be informed of any changes there may have been to the legal group structure during the period between the annual accounting reference date and the submission of this information to the licensor.
 6. If deemed relevant the licensor may request the licence applicant/licensee to provide additional information other than that listed above (e.g. information about any subsidiaries and/or associates of the ultimate controlling entity and/or direct controlling entity).
 7. The licence applicant must confirm that the information about the legal group structure is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/ authorised signatories of the licence applicant.

Article 62 – Ultimate controlling party, ultimate beneficiary and party with significant influence

1. The licence applicant must provide the licensor with a document which contains information on:
 - a) the ultimate controlling party of the licence applicant;
 - b) the ultimate beneficiary of the licence applicant, i.e. a natural person on whose behalf an entity or arrangement is owned or controlled or a transaction is conducted; and
 - c) any party with significant influence over the licence applicant.
2. The following information must be provided in relation to each of the parties identified in paragraph 1 above as at the date of submission of this information to the licensor:
 - a) name and, if applicable, legal form;
 - b) main activity;
 - c) percentage of ownership interest and, if different, percentage of voting rights in respect of the licence applicant;
 - d) if applicable, key management personnel; and

- e) any other football club in respect of which the party, or any of its key management personnel, has any ownership interest, voting rights or membership or any other involvement or influence whatsoever.
- 3. The licence applicant must confirm whether any change has occurred in relation to the information indicated in the paragraphs 1 and 2 above during the period covered by the annual financial statements up to the submission of the information to the licensor.
- 4. If a change has occurred as indicated in paragraph 3 above, it must be described in detail by the licence applicant in the information to the licensor. As a minimum the following information must be provided:
 - a) the date on which the change occurred;
 - b) a description of the purpose of and reasons for the change;
 - c) implications for the licence applicant's financial, operating and sporting policies; and
 - d) a description of any impact on the licence applicant's equity or debt situation.
- 5. If deemed relevant the licensor may request the licence applicant to provide additional information other than that listed above.
- 6. The licence applicant must confirm that the declaration on the ultimate controlling party, ultimate beneficiary and party with significant influence is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of both the licence applicant and the licence applicant's ultimate controlling party.

Article 63 – *Written representation prior to the licensing decision*

- 1. The licence applicant must submit written representation to the licensor within the seven days prior to the start of the period in which the licensing decision is to be made by the Club Licensing Committee, as defined by the licensor in accordance with Article 10.
- 2. The licence applicant must confirm:

- a) that all documents submitted to the licensor are complete, accurate and in compliance with these regulations;
- b) whether or not any significant change or similar event has occurred in relation to its licence application or any of the club licensing criteria;
- c) whether or not any event or condition of major economic importance has occurred that may have an adverse impact on the licence applicant's financial position since the balance sheet date of the preceding audited annual financial statements.

Examples of events or conditions which, individually or collectively, may be considered of major economic importance include:

- Fixed term borrowing approaching maturity without realistic prospects of renewal or repayment;
- Indications of withdrawal of financial support by financiers and other creditors;
- Substantial operating losses since the last submitted financial statements;
- Inability to pay creditors on due dates;
- Inability to comply with the terms of loan agreements with finance providers;
- Discovery and confirmation of material fraud or errors that show the financial statements are incorrect;
- Determination of pending legal proceedings against the applicant that result in claims that are unlikely to be satisfied;
- The executive responsibilities of the licence applicant are being undertaken by a person(s) under some external appointment, relating to legal or insolvency procedures, rather than by the management;
- A significant change of key management;
- Management determines that it intends to liquidate the entity, cease trading, or seek protection from creditors pursuant to laws or regulations, or that it has no realistic alternative but to do so.
- *etc.*

(If so, the management representations letter must include a description of the nature of the event or condition and an estimate of

- its financial effect, or a statement that such an estimate cannot be made);
- d) whether or not the licence applicant or any parent company of the licence applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season.
3. Approval by the licence applicant's management must be evidenced by way of a signature on behalf of the executive body of the licence applicant.

FINANCIAL CRITERIA

Article 64 – Reporting entity/entities and reporting perimeter

1. The licence applicant determines and provides to the licensor the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (single entity, consolidated or combined financial statements) has to be provided in accordance with Annex F B and assessed in accordance with Annex H.
2. The reporting perimeter must include:
 - a) the licence applicant;
 - b) any subsidiary of the licence applicant;
 - c) any other entity included in the legal group structure which generates revenues and/or performs services and/or incurs costs in respect of the football activities defined in paragraph 3 c) to k) below;
 - d) any entity, irrespective of whether it is included in the legal group structure, which generates revenues and/or performs services and/or incurs costs in respect of football activities as defined in paragraph 3 a) and b) below.
3. Football activities include:
 - a) employing/recruiting employees (as defined in Article 69) including payment of all forms of consideration to employees arising from contractual or legal obligations;
 - b) acquiring/selling players' registrations (including loans);

- c) ticketing;
 - d) sponsorship and advertising;
 - e) broadcasting;
 - f) merchandising and hospitality;
 - g) club operations (administration, matchday activities, travel, scouting, etc.);
 - h) use and management of stadium and training facilities;
 - i) women's football;
 - j) youth development; and
 - k) financing, including equity that results in obligations on the licence applicant, or debt directly or indirectly secured or pledged against the licence applicant's assets or revenues.
4. any entity may be excluded from the reporting perimeter only if the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter, and:
- a) its activities are entirely unrelated to the football activities defined in paragraph 3 above or the locations, assets or brand of the football club; or
 - b) it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph 3.a) and b) above; or
 - c) the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter.
5. the licence applicant must submit a declaration by an authorised signatory which confirms:
- a) that all revenues and costs related to each of the football activities indicated in paragraph 3 have been included in the reporting perimeter, providing a detailed explanation if this is not the case; and
 - b) whether any entity included in the legal group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to paragraph 4.

Article 65 – Annual financial statements

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

Apart from the GFF Club Licensing Extranet platform (as described in Article 12.5 above), clubs are obliged to submit annual financial statements via UEFA FFP IT solution as requested by UEFA.

2. Annual financial statements, including comparative amounts for the prior period, must be prepared in accordance with International Financial Reporting Standards or national accounting standards (as applicable) and must include:
 - a) a balance sheet as at the end of the reporting period;
 - b) a profit and loss account /income statement for the reporting period;
 - c) a cash flow statement for the reporting period;
 - d) notes, comprising a summary of significant accounting policies and other explanatory notes; and
 - e) a financial review by management.

For women's club licensing only: When the women's football teams and activities are part of the same legal entity/reporting perimeter as men's football teams and activities, the licence applicant must identify the revenues and expenses linked to women's football activities and prepare a profit and loss account in accordance with the requirements of Annex E.

3. Annual financial statements must be audited by an independent auditor as defined in Annex D.
4. If the annual financial statements do not meet the minimum disclosure requirements set out in Annex E, then the licence applicant must also submit to the licensor:
 - a) supplementary information to meet the minimum disclosure requirements set out in Annex E; and
 - b) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by

GFF to confirm the completeness and accuracy of the supplementary information.

5. If the annual financial statements do not comply with the accounting requirements set out in Annex F, then the licence applicant must also submit to the licensor:
 - a) restated financial statements that meet the accounting requirements set out in Annex F, covering the same reporting period and including comparative amounts for the previous comparative reporting period;
 - b) a declaration by the licence applicant's management that the restated financial statements are complete, accurate, and in compliance with the regulations; and
 - c) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by GFF in respect of the completeness and accuracy of the restated financial statements.

Article 66 – Publication of financial information

[The paragraph b) of this article 66 is not applicable for women's club licensing]

The licence applicant must publish on its website or on the website of GFF by the date (which cannot be later than the date of the submission of the list of licensing decision to UEFA) and in the form communicated by GFF:

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

Article 67 – Net equity rules

[This article 67 is not applicable for women's club licensing]

1. The licence applicant must report in its annual financial statements a net equity position which:
 - a) is positive; or
 - b) has improved by 10% or more since the previous 31 December.
2. Net equity means the residual interest in the assets of the entity after deducting all its liabilities as set out in its annual financial statements. If a licence applicant's assets exceed its liabilities, then the licence applicant has a net asset position, i.e. positive equity. If a licence applicant's liabilities exceed its assets, then the licence applicant has a net liability position, i.e. negative equity.
3. If a licence applicant does not comply with paragraph 1 above as at 31 December, the licence applicant can submit a new audited balance sheet by 31 March at the latest in order to demonstrate that one of the conditions in paragraph in 67.1 (a) or (b) has since been fulfilled.
4. For the purpose of compliance with this criterion, equity can include subordinated loans that are, for at least the following 12 months, subordinated to all other liabilities and non-interest-bearing.
5. The licensor's assessment must be in accordance with Annex H.

Article 68 – No overdue payables to football clubs

1. The licence applicant must prove that at the 31 March preceding the licence season it has no overdue payables (as defined in Annex G) to other football clubs as a result of obligations arising from transfers due to be paid by the 28 February preceding the licence season.
2. Payables are those amounts due to football clubs as a result of:
 - a) transfer of professional players (as defined in the FIFA and/or GFF Regulations on the Status and Transfer of Players), including any amount payable upon fulfilment of certain conditions;

- b) players registered for the first time as professionals, including any amount payable upon fulfilment of certain conditions;
 - c) training compensation and solidarity contributions as defined in the FIFA and/or GFF Regulations on the Status and Transfer of Players; and
 - d) any joint and several liability decided by a competent authority for the termination of a contract by a player.
3. The licence applicant must prepare and submit to the auditor and the licensor a transfers table. It must be prepared even if there have been no transfers/loans during the relevant period.
4. The licence applicant must disclose:
- a) all new player registrations (including loans) as a result of transfer agreements concluded in the 12 month period up to 28 February, irrespective of whether there is an amount outstanding as at 28 February;
 - b) all transfers for which a payable is outstanding as at 28 February (whether they relate to the release or registrations of players and irrespective of when the transfers were undertaken); and
 - c) all transfers subject to any amounts disputed as at 28 February (as defined in Annex G).
5. The transfers table must contain the following information as a minimum (in respect of each player transfer):
- a) player's name and date of birth;
 - b) date of the transfer agreement;
 - c) name of the football club that is the creditor;
 - d) transfer (or loan) fee paid or payable (including training compensation and solidarity contribution) even if the payment has not been requested by the creditor;
 - e) other direct costs of the player's registration paid or payable;
 - f) any other compensation paid or payable in the scope of a transfer agreement;
 - g) amounts settled (as defined in Annex G) before 28 February and payment days;
 - h) balance payable as at 28 February, including the due date(s) for each unpaid element;

- i) Amounts overdue as at 28 February, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February), together with explanatory comment;
 - j) Amounts deferred as at 28 February (as defined in Annex G), including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded;
 - k) Amounts disputed as at 28 February (as defined in Annex G), including the case references and a brief description of the positions of all involved parties; and
 - l) Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as at 28 February.
6. The licence applicant must reconcile its liabilities as per the transfers table to its underlying accounting records.
 7. The licence applicant must confirm that the transfers table is complete, accurate and in compliance with these regulations. This must be evidenced by way of a brief statement and signature by the executive body/authorised signatories of the licence applicant.

Article 69 – No overdue payables in respect of employees

1. The licence applicant must prove that as at 31 March preceding the licence season, it has no overdue payables (as defined in Annex G) in respect of its employees as a result of contractual or legal obligations due to be paid by the 28 February preceding the licence season.
2. Payables are all forms of consideration due in respect of employees as a result of contractual or legal obligations, including wages, salaries, image rights payments, bonuses and other benefits as specified in Annex K.1.2(c).
3. The term "employees" includes the following persons:
 - a) All professional players according to the applicable FIFA and/or GFF Regulations on the Status and Transfer of Players, and

- b) The administrative, technical, medical and security staff performing any of the functions referred to in Articles 30 and from 36 to 53;
 - c) Service providers performing any of the functions referred to in Article 30 and from 36 to 53.
4. If any of the “employees” is employed by, contracted to, a consultant of or otherwise provides services to an entity within the legal group structure or the reporting perimeter other than the licence applicant, these payables must be also included in the scope of paragraph 1 above.
 5. Amounts payable to persons who, for various reasons, are no longer employed or engaged by the applicant or an entity within the legal group structure of the licence applicant fall within the scope of this criterion and must be settled within the period stipulated in the contract or defined by law, regardless of how such payables are accounted for in the financial statements.
 6. The licence applicant must prepare and submit to the auditor and the licensor an employees table showing the following total balances in respect of the employees as at the 28 February preceding the licence season:
 - a) total balance payable;
 - b) total amount overdue as well as any remaining overdue amount as at 31 March (rolled forward from 28 February);
 - c) total amount deferred (as defined in Annex G); and
 - d) total amount disputed (as defined in Annex G).
 - e) all employees who were employed at any time during the year up to the 31 December; i.e. not just those who remain at 31 December.
 - f) all employees in respect of whom there is an amount outstanding to be paid as at 31 December, irrespective of whether they were employed during the year up to 31 December; and
 - g) all employees in respect of whom there is a claim pending before the competent authority under national law or proceedings pending before a national or international football authority or relevant arbitration tribunal.
 7. The following information must be given, as a minimum, in respect of each overdue, deferred or disputed amount as at 28 February, together with an explanatory comment:

- a) name and position/function of the employee (irrespective of whether the person was employed or engaged during the year up to 28 February);
 - b) start date and end date (if applicable);
 - c) amounts overdue, including the due date(s) for each unpaid element and, if applicable, amounts settled between 28 February and 31 March together with the settlement dates as well as any remaining overdue payable as at 31 March (rolled forward from 28 February);
 - d) Amounts deferred, including the original and new due date(s) for each deferred element, and the date when a written agreement between the parties was concluded; and
 - e) Amounts disputed, including the case references and a brief description of the positions of all involved parties.
8. The licence applicant must reconcile its liabilities as per the employees table to its underlying accounting records.
 9. The licence applicant must confirm that the employees table is complete, accurate and in compliance with this regulations. This must be evidenced by way of a brief statement and signature by the executive body/signatories of the licence applicant.

Article 70 – No overdue payables to tax authorities

1. The licence applicant must prove that as at the 31 March preceding the licence season it has no overdue payables (as defined in Annex G) to tax authorities as a result of contractual or legal obligations in respect of all employed individuals due to be paid by the 28 February preceding the licence season.
2. Payables are those amounts due to tax authorities as a result of contractual or legal obligations in respect of all employed individuals. Payables include, but are not limited to, personal income tax, pension fund payments, social security and similar payments.
3. The licence applicant must submit to the auditor and the licensor a tax table as at the 28 February preceding the licence season showing:
 - a) total balance payable to the social/tax authorities;

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

Article 71 – No overdue payables in respect of football governing bodies

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

Article 72 – Future financial information

[This article 72 is not applicable for women's club licensing]

1. The licence applicant must prepare and submit future financial information to demonstrate to the licensor its ability to continue as a going concern until the end of the licence season if the auditor's report in respect of the annual financial statements submitted in accordance with Article 65 includes, regarding the going concern, an emphasis of matter, a key audit matter or a qualified opinion/conclusion.
2. Future financial information must cover the period commencing immediately after the statutory closing date of the annual financial statements and it must cover at least the entire licence season.
 - a) The future financial information consists of:
 - b) a budgeted balance sheet, with comparative figures for the immediately preceding reporting period;

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

V. Final provisions

Article 73 – *Authoritative text and language of correspondence*

1. If there is any discrepancy in the interpretation of the English and Georgian versions of these regulations, the English version prevails.
2. All correspondence between UEFA and GFF and/or the licence applicant and/or the licensee must be in one of the three UEFA official languages (English, French and German) and UEFA may ask GFF and/or the licence applicant and/or the licensee for a certified translation of documents at their expense.

Article 74 – *Annexes*

All Annexes to the present regulations form an integral part thereof.

Article 75 – *Compliance audits*

1. UEFA and/or GFF and/or their nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of GFF and of the licence applicant/licensee.
2. Compliance audits aim to ensure that GFF and the licence applicant/licensee, have fulfilled their obligations as defined in these regulations and that the UEFA Licence was correctly awarded at the time of the final decision of GFF.
3. For the purpose of compliance audits, in the event of any discrepancy in the interpretation of the English and Georgian versions of these regulations, the English version prevails.

Article 76 – Implementing provisions

UEFA and/or the licensing and monitoring administration (LMA) will take the decisions and adopt, in the form of directives, circular letters or any other relevant documents, the detailed provisions necessary for implementing these regulations, which are obligatory for licence applicants and/or licensees. LMA is competent to make clarifications on the uncertainties of the text of these Regulations.

Article 77 – Adoption, abrogation, amendments and entry into force

1. These GFF Club Licensing Regulations for UEFA Club Competitions were adopted by the GFF and approved by its Executive Committee on 22 December, 2022 and with further minor corrections reflected therein as approved at its meeting on 23 February 2023.
2. These GFF Club Licensing Regulations for UEFA Club Competitions in its corrected form approved on 23 February 2023 come into force immediately after its approval by the GFF Executive Committee, with the exceptional and transitional provisions described in Article 78, and they replace all previous regulations/requirements on this matter.
3. These GFF Club Licensing Regulations for UEFA Club Competitions cannot be amended during the licensing process, unless duly approved by UEFA.

Article 78 – Exceptional and transitional provisions in respect of the club licensing requirements

1. For men's club licensing purposes:
 - a) Notwithstanding paragraph 77.2 above, Article 18 [Women's football activities] and Article 53 [Goalkeeper coach of youth teams] enter into force on 1 June 2023;

- b) By exception to paragraph 52.2 [Youth coaches], for the licence season 2023/24 at least two (instead of three) of the licence applicant's youth team coaches must each hold one of the defined minimum coaching qualifications as defined in this paragraph.
 - c) Notwithstanding paragraph 77.2 above, Article 67 [Net equity rule] enters into force on 1 June 2023. By exception to Article 67, for the licence season 2024/25 failure to fulfil the net equity rule will not lead to refusal of a licence but to a sanction defined by the licensor according to its catalogue of sanctions (i.e. it is considered as a secondary/sanctioned (B) category criterion).
2. For women's club licensing purposes:
- a) Notwithstanding paragraph 77.2 above, Article 48 [Assistant coach of women's first squad], and Article 49 [Goalkeeper coach of the first squad] enter into force on 1 June 2023.
 - b) By exception to paragraph 11.2 and paragraph 11.4 [Definition of licence applicant and three-year rule], enter into force on 1 June 2024.
 - c) By exception to Article 17 [Youth teams], for the licence season 2023/24 the licence applicant must at least have one youth (female/girls) team within the age range of 12 to 21 (i.e. U13-U21).
 - d) By exception to paragraph 52.1 [Youth coaches], for the licence season 2023/24 the licence applicant must have appointed at least one (instead of two) qualified coach with the minimum coaching qualification as defined in paragraph 52.2.
 - e) By exception to paragraph 65.2(c) [Cash flow statement], paragraph 65.2 [women's teams and activities part of men's football teams and activities] and paragraph 65.4 [minimum disclosure requirements], enter into force on 1 June 2023.

For the GFF Executive Committee:

Levan Kobiashvili
President

David Mujiri
General Secretary

Tbilisi, 23.02.2023

Annex A - Catalogue of sanctions (Article 7)

1. Referring to Article 7 of these regulations, this Annex defines the possibly applicable sanctions against licence applicants/and licensees in case of non-compliance with the criteria referred to in Articles 15.2 and 15.3 of the present regulations.
2. For the purposes of participation in UEFA club competitions, except of the participation in UEFA Women's Champions League, the following sanctions towards licence applicants/licensees may be applied for the breach of the criteria referred to in Article 15.2 of the present regulations:
 - Caution;
 - Fine – GEL 3'000 to 10'000 for each non-fulfilled criteria;
 - Obligation to submit additional documents;
 - Obligation to fulfil additional requirements;
 - Deduction up to 3 points in the National Championship for each non-fulfilled criteria;
 - Restriction/prohibition to perform player transfers.

These sanctions may be imposed separately or in combination.

3. For the purposes of participation in the UEFA Women's Champions League the following sanctions towards licence applicants/licensees may be applied for the breach of the criteria referred to in Article 15.3 of the present regulations:
 - Caution;
 - Fine – GEL 100 to 500 for each non-fulfilled criteria;
 - Obligation to submit additional documents;
 - Obligation to fulfil additional requirements;
 - Deduction up to 1 point in the National Women's Championship for each non-fulfilled criteria;
 - Restriction/prohibition to perform player transfers.

These sanctions may be imposed separately or in combination.

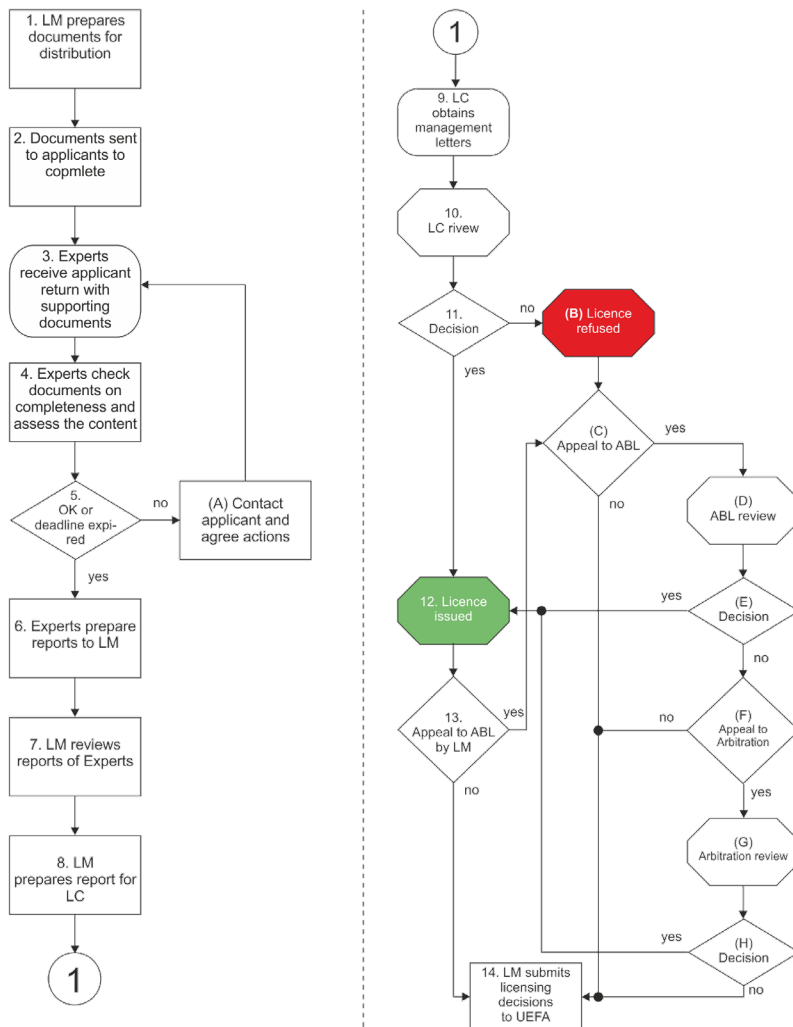
4. Any change in this Catalogue of sanctions is subject to the approval of the GFF Executive Committee.
5. The disciplinary sanctions defined in this Catalogue of sanctions only apply in respect of the non-compliance with the club licensing criteria referred to in Articles 15.2 and 15.3 of the present regulations.
6. Application of sanctions defined in this Catalogue towards the licence applicants / licensees can be imposed exclusively by the GFF club licensing decision-making bodies as defined in article 6.

Annex B - The core process

B.1 The Chart

1. The chart below provides the core process to be followed by the licensor.
2. The **numbers** in the chart detail in logical order refer to the steps to be taken in terms of processing the UEFA Licence on behalf of the licence applicants. The chart follows the sequence of numbers from 1 to 14 (left column). These steps will be the ones to follow where no issues arise in the process, i.e. a licence applicant meets all the requirements and the licensor's management proceeds according to the ideal plan.
3. The **letters** in the chart refer to the issues that may or are likely to arise in the process and which need to be dealt with appropriately. The chart follows the sequence of letters from (A) to (H).
4. **Shortenings:**
 - LM** – Licensing Manager
 - LMA** – Club Licensing and Monitoring Administration
 - LC** – Club Licensing Committee
 - ABL** – Appeals Body for Club Licensing
 - Arbitration** – Independent supreme dispute resolution body as defined by GFF Statutes

CORE PROCESS



B.2 – The description of the process

1. Before the end of the month of November of the year preceding the licence season, the Licensing Manager produces the documents on club licensing which will include the criteria, the instructions, the templates, the questionnaires and forms for return.
2. The Licensing Manager distributes the prepared pack of documents to the licence applicants including a detailed timetable of the whole core process and a copy of the present regulations. These can be handed over personally, posted by regular mail or e-mail, faxed, posted on the extranet or the web-page, etc. The Licensing Manager may request an acknowledgement of receipt.
3. The licence applicant completes the documents (forms, questionnaires, templates, etc.) and returns them to the respective criteria Experts within the agreed deadline. These documents must be posted on the extranet (par. 12.5) if not defined otherwise by the licensor. Supporting documents can be enclosed if required. Licence applicants are not obliged to send original copies of the documents unless otherwise stated in the present regulations and/or requested by the Licensor. Licence applicants **do not need** to include a signature of the authorised person in e-mails and documents such as electronic forms and questionnaires **if** they are sent from the official e-mail which is indicated in their extract of the Public Register **and/or** are placed on the extranet by the registered user of the club.
4. The respective criteria Experts check at the reception that the documents returned by the licence applicant are complete and that they are returned within the agreed deadline as well as they review the documents and check the fulfilment of the criteria (visit applicants if needed). Licensing manager supervises the compliance with the set deadlines by the licence applicants.
5. Decision.

Two alternatives: step 6 or step (A)
6. If the documents are complete and the applicant meets the criteria requirements or documentation submission deadline expired, the nominated experts report back to the Licensing Manager within the agreed deadline and according to prepared forms (checklists, reports, etc.). The checks have to

be justified by supporting documents (evidence that the criteria have been fulfilled or not).

7. The Licensing Manager verifies that the reports of the experts are complete and returned within the agreed deadline. The Licensing Manager reviews the reports and the opinion of the experts.
8. The Licensing Manager assesses the licence applicant and prepares the report for the consideration of the LC at least 3 days prior to the LC decision process starts.
9. LC obtains management representation letter from licence applicant according to the Article 63 of the present regulations.
10. The LC receives the report of the Licensing Manager, Experts conclusions and the full package of the licensing documentation of licence applicants within the agreed deadline, reviews it, asks the Licensing Manager, Experts and/or licence applicants for further explanations and documents if necessary.
11. Decision is taken by the Licensing Committee whether to grant the UEFA Licence or not as well as it establishes the facts of the breach of sanctioned criteria (paragraphs 15.2 and 15.3), if any. The decision is communicated to the parties concerned (licence applicant / licensee and Licensing Manager) by the Licensing Committee within 3 days from the decision was taken.

Two alternatives: step 12 or step (B).

12. After careful review of the licence applicant's documents, Experts' conclusions and of the report of the Licensing Manager, the decision-making body or the Arbitration Court defined in GFF Statutes issues the UEFA Licence. The issuance of the UEFA Licence is subject to the condition that the licence applicant fulfils all criteria defined in paragraph 15.1 of the present regulations. The issued UEFA Licence may or may not detail areas for future attention of the licence applicant. The decision-making bodies and the Arbitration Court defined in GFF Statutes are responsible to communicate their decisions to the parties concerned.
13. The Licensing Manager receives the reports/decisions of the decision-making bodies and decides whether to lodge an appeal with the ABL.

Two alternatives: step 14 or step (C).

14. On the basis of the decisions made by the decision-making bodies and aforementioned arbitration court, Licensing Manager prepares the list of the licence applicants authorised to enter in a UEFA Club Competition. The list of licensing decisions is sent to UEFA within the deadline fixed and communicated by UEFA by August 31st of the year preceding the licence season.

(A) From step 5:

If the documents are not complete or if the licence applicant don't meet the criteria, the respective experts contact the licence applicant (at least once) in order to agree on the next actions to be taken e.g.:

- request information, supporting documents, questionnaire or form that is missing;
- request further explanations or supporting documents;
- performs a site visit for the purposes of further investigation.

(B) After careful review of the licence applicant's documents, Experts' conclusions and of the report of the Licensing Manager, the LC, ABL or Arbitration Court refuses to grant the UEFA Licence. The refusal details the reasons for the refusal and the areas to be addressed and the licence applicant is given the possibility of lodging an appeal against the LC decision with the ABL as well as against the ABL decision in the Arbitration Court.

(C) The licence applicant / licensee or the Licensing Manager lodges an appeal directly with the ABL. The ABL sets a date for the meeting, which is communicated to parties involved (licence applicant / licensee, Licensing Manager, etc.).

(D) In case of need the Licensing Manager and/or LC produce a report and delivers it to the ABL at least 2 days prior to the meeting. The ABL meets and considers the licence applicant's /licensee's or LM appeal. The ABL may require further information and/or supporting documentation from them.

(E) Decision is taken by the Appeals Body for Licensing whether to grant the UEFA Licence or not as well as it establishes the facts of the breach of sanctioned criteria (paragraphs 15.2 and 15.3), if any. The decision is communicated to the parties concerned (licence applicant / licensee,

Licensing Manager) by the ABL within 3 days from the decision was taken.

Two alternatives:

- step 12; or
 - (B)
- (F) The licence applicant / licensee or the Licensing Manager lodges an appeal directly with the Arbitration Court defined in GFF Statutes. This court sets a date for the meeting, which is communicated to parties involved (licence applicant / licensee, Licensing Manager, etc.).
- (G) The aforesaid arbitration court meets and considers the licence applicant's / licensee's or the LM appeal.
- (H) Decision is taken by the aforesaid arbitration court and is communicated to the parties concerned (licence applicant / licensee, Licensing Manager) by this arbitration court within 3 days from the decision was taken.
- step 12; or
 - (B).

Annex C - Extraordinary application of the club licensing system for participation in the UEFA Club Competitions

1. UEFA defines the necessary deadlines and the minimum criteria for the extraordinary application of the club licensing system for participation in the UEFA Club Competitions as specified in Article 14.1 and communicates them to GFF at the latest by 31 August of the year preceding the licence season.
2. GFF must notify the UEFA of such extraordinary application requests in writing and stating the name(s) of the club(s) concerned by the deadline communicated by the UEFA.
3. GFF is responsible for submitting the criteria to the club(s) concerned for the assessment for the extraordinary procedure at national level. It must also take immediate action with the club(s) concerned to prepare for the extraordinary procedure.
4. The club(s) concerned must provide the necessary documentary proof to the licensor that will assess the club(s) against the fixed minimum standards and forward the following documentation in one of the UEFA official languages to the UEFA within the deadline communicated by the latter:
 - a) a written request to apply for special permission to enter the corresponding UEFA Club Competition;
 - b) a recommendation by the licensor based on its assessment (including the dates and names of the persons having assessed the club(s));
 - c) all documentary evidence provided by the club(s) and the licensor as requested by the UEFA;
 - d) any other documents requested by the UEFA during the extraordinary procedure.

Translation costs are borne by the licence applicant.

5. The UEFA bases its decision on the documentation received and grants special permission to enter the UEFA Club Competitions if all the set criteria are fulfilled and if the club(s) ultimately qualifies on sporting merit. The decision will be communicated to GFF, which has to forward it to the club(s) concerned.

6. If such a club is eliminated on sporting merit during this extraordinary procedure, GFF has to notify the UEFA immediately, and this procedure is immediately terminated, without further decision. Such a terminated procedure cannot be restarted at a later stage.
7. Appeals can be lodged against decisions made by the UEFA in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the *UEFA Statutes*.

Annex D - Determination of the auditor and auditor's assessment procedures

D.1 – Principles

1. The auditor must be independent and in compliance with the International Federation of Accountants (IFAC) *Code of Ethics for Professional Accountants* (see Article 65 and Annex F).
2. In addition, the auditor must be in compliance with the requirements set by LMA communicated to the licence applicants by 31 December of the year prior to the licensing season. Licence applicants must notify the name of the selected Auditor to GFF in advance within the set deadline.
3. The licensor may decide if the auditors are engaged either by the licensor or the licence applicant for the assessment of particular criteria. Besides, LMA has the right to shortlist auditors for the licensing purposes at its discretion any time. Such a decision is final and not appealed and no justifications are required. In such case licence applicants must choose another audit company according to paragraph 2 above.

D.2 – Assessment procedures

1. The auditor must audit the annual financial statements. The auditor's report must:
 - a) include a statement confirming that the audit was conducted in accordance with the International Standards on Auditing; and
 - b) be submitted to the licensor together with the annual financial statements to form a basis for the licensing decision.
2. The auditor must assess supplementary information and/or restated financial statements, if any. The auditor's report of factual findings must:
 - a) describe the procedures prescribed by the licensor and the findings in respect of each;
 - b) include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400; and

- c) be submitted to the licensor together with the supplementary information to form the basis for the licensing decision.
3. Financial information other than that defined in paragraphs B.1 and B.2 above must be assessed by an auditor, if not otherwise decided by the licensor. The auditor's report of factual findings must:
- a) include a statement confirming that the assessment was conducted either:
 - i) by way of agreed-upon procedures according to International Standard on Related Services (ISRS) 4400; or
 - ii) for the assessment of future financial information according to the International Standards for Assurance Engagements (ISAE) 3400; and
 - b) be submitted to the licensor together with the relevant documentation to form a basis for the licensing decision.

Annex E - Disclosure requirements for the financial statements

E.1 – Principles

1. Notwithstanding the requirements of IFRS or IFRS for Small and Medium-sized Entities, the financial criteria of these regulations require licence applicants to present a specific minimum level of financial information to the licensor as set out in Articles 65 and 72.
2. Each component of the financial statements must be identified clearly. The following information must be displayed prominently, and repeated where necessary within the financial statements, for a proper understanding of the information presented:
 - a) the name (and legal form), domicile and business address of the reporting entity/entities and any change in that information since the previous annual accounting reference date;
 - b) whether the financial information covers the individual licence applicant/licensee, a group of entities or some other combination of entities, and a description of the structure and composition of any such group or combination; and
 - c) The annual accounting reference closing date and the period covered by the financial information (for both current and comparative information).
3. If the annual financial statements are not in compliance with the disclosure requirements set out in Annex E, then the licence applicant must also submit to the licensor:
 - a) supplementary information to meet the disclosure requirements set out in Annex E;
 - b) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor in respect of the completeness and accuracy of the restated financial statements.
4. All financial documentation must be submitted in the local currency (in GEL).

E.2 – Balance sheet

For men's club licensing (paragraphs 1 and 2 below):

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

Assets

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

Liabilities

- xii) bank overdrafts
- xiii) bank and other loans (current and non-current)
- xiv) accounts payable to group entities and other related parties (current and non-current)
- xv) accounts payable relating to player transfers (current and non-current)
- xvi) accounts payable to employees (current and non-current)
- xvii) accounts payable to social/tax authorities (current and non-current)
- xviii) accruals and deferred income (current and non-current)
- xix) other tax liabilities (current and non-current)
- xx) other current accounts payable
- xxi) provisions (short-term and long-term)
- xxii) other liabilities (current and non-current)

Net assets/liabilities

xxiii) net assets/liabilities

Equity

xxiv) share/fund capital

xxv) revaluation reserve

xxvi) retained earnings

xxvii) other reserves

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

For women's club licensing (paragraph 3 below):

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

Assets

i) cash and cash equivalents

ii) other current assets

iii) tangible and intangible assets

iv) accounts receivable

v) other non-current assets

vi) total assets (sum of items i to v)

Liabilities

vii) bank and other loans

viii) other accounts payable

ix) other current liabilities

x) other non-current liabilities

xi) total liabilities (sum of items vii to x)

Equity

xii) total equity

E.3 – Profit and loss account

For men's club licensing (paragraphs 1 and 2 below):

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

Revenue

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

Expenses

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

Player registrations:

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

Non-operating items

- xix) profit/loss on disposal of tangible or intangible assets
- xx) finance income and expenses

- xxi) other non-operating income/expenses
 - xxii) tax income/expense
 - xxiii) net result (sum of items viii, xiv, xviii and xix to xxii)
2. Management may consider that line items (i) to (xxiii) are in addition better presented in the notes.

For women's club licensing (paragraph 3 below):

3. The minimum disclosure requirements for the profit and loss account are stated below.

Revenue

- i) gate receipts
- ii) sponsorship and advertising
- iii) broadcasting rights
- iv) commercial activities
- v) UEFA solidarity and prize money
- vi) subsidies, donations, contributions and other grants
- vii) other operating income
- viii) total revenue (sum of items i to vii)

Expenses

- ix) employee benefit expenses
- x) other operating expenses
- xi) total operating expenses (excluding player registrations) (sum of items ix to x)
- xii) net result from player transfers
- xiii) net non-operating income/(expense) – other
- xiv) tax income/(expense)
- xv) dividends paid / minority interests
- xvi) total expenses (sum of items ix to xv)

E.4 – Cash flow statement

1. The cash flow statement must report cash flows for the financial period classified separately as stated below.

Cash flow from operating activities

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

- i) net cash inflow/outflow from operating activities

Cash flows from investing activities

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

For men's club licensing:

- i) cash inflow/outflows from acquisition/disposal of player registrations
- ii) cash inflow/outflows from acquisition/disposal of tangible or intangible assets
- iii) other inflow/outflows from investing activities

For women's club licensing:

- iv) net cash inflow/outflows from investing activities

Cash flows from financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity share capital and borrowings of the reporting entity. For men's club licensing the entity must separately report each major classes of gross cash receipts and gross cash payments arising from financing activities. The minimum disclosure requirements are stated below:

For men's club licensing:

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

For women's club licensing:

- vi) net cash inflow/outflows from financing activities

Other cash flows

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

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

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

E.5 – Notes to the annual financial statements

[This part E is not applicable for women's club licensing]

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

a) Accounting policies

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

b) Tangible assets

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

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

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

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

c) *Intangible assets*

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

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

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

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

d) *Pledged revenues and assets*

The reporting entity must disclose:

- i) the existence and amounts of restrictions on title, and property, plant and equipment (such as the stadium and training facilities) pledged as security for liabilities or contingent liabilities;

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

e) *Investments*

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

- i) name;
- ii) country of incorporation or residence;
- iii) type of business/operations of the entity;
- iv) proportion of ownership interest;
- v) if different, proportion of voting power held; and
- vi) description of the method used to account for the investments.

f) *Bank overdrafts and loans*

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

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

g) *Provisions*

Provisions must be disclosed in separate classes. In determining which provisions may be aggregated to form a class, it is necessary to

consider whether the nature of the items is sufficiently similar to be combined in a statement of a single amount.

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

h) Issued capital and reserves

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

i) Share/fund capital

In relation to share capital issued during the reporting period, the following must be disclosed:

- number and type of shares issued;
- share premium (if applicable) arising on the shares issued;
- total amount raised as a result of the issuing of shares;
- reason for the issuing of new shares.

ii) Revaluation reserves

Where items of property, stadium, equipment and/or intangible assets are stated at revalued amounts, the revaluation surplus, indicating the change for the reporting period and any restrictions on the distribution of the balance to shareholders, must be disclosed.

iii) Other reserves

Any other form of reserves that is not contained in revaluation reserves, including any changes for the reporting period and any restrictions on the distribution of the balance to shareholders, must be disclosed.

iv) Retained earnings

The balance of retained earnings (i.e. accumulated profit or loss) at the beginning of the reporting period and at the balance sheet date, and changes during the reporting period, must be disclosed.

i) *Controlling party and ultimate controlling party*

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

j) *Related-party transactions*

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

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

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

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

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

- the parent;
- entities with joint control or significant influence over the reporting entity;
- subsidiaries;
- associates;
- joint ventures in which the reporting entity is a venturer;
- the entity or its parent's key management personnel; and
- other related parties

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

k) *Contingent liabilities*

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

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

l) *Events after the balance sheet date*

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

- i) fixed-term borrowing approaching maturity without realistic prospects of renewal or repayment;
- ii) substantial operating losses;
- iii) discovery of material fraud or errors that show the financial statements are incorrect;
- iv) management determining that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so;

- v) player transactions where the amounts paid or received are material;
- vi) transactions relating to property, e.g. in relation to the club's stadium.

m) Other disclosures

- i) Agents/intermediaries fees
- ii) The total amount incurred in the reporting period in respect of or for the benefit of agents/intermediaries must be disclosed.
- iii) Tax expense

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

iv) Miscellaneous

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

E.6 – Player identification table

[This part F is not applicable for women's club licensing]

1. All licence applicants/licensees are obliged to capitalise costs relating to the acquisition of a player's registration and they must prepare and submit to the licensor a player identification table.
2. The player identification table must be provided to the auditor, who must reconcile the aggregate figures in the player identification table to the relevant figures in the balance sheet and profit and loss account in the annual financial statements. The player identification table must be submitted to the licensor as well.
3. The minimum information to be included in the player identification table in respect of each relevant player is as follows:

- a) name and date of birth;
 - b) start date of original player contract and end date of current contract;
 - c) costs of the player's registration;
 - d) accumulated amortisation brought forward and as at the end of the period;
 - e) amortisation of the player's registration in the period;
 - f) impairment of the player's registration in the period;
 - g) disposal of the player's registration (cost and accumulated amortisation);
 - h) net book value (carrying amount);
 - i) profit/(loss) on disposal of the player's registration; and
 - j) sell-on rights (or similar), i.e. description and (if possible) qualification of any sell-on rights to a football club that formerly held the player's registration, excluding training compensation and/or solidarity contributions.
4. The relevant players about whom details are required in the player identification table are:
- a) all those players whose registration is held by the licence applicant/licensee at any time during the period and in respect of whom some direct acquisition cost has been incurred (at some point in time in the period or prior periods); and
 - b) all players in respect of whom some income/profit (or loss) has been recognised (at some point in time in the reporting period).
5. For licence applicants/licensees who have restated player accounting figures to meet the accounting requirements of these regulations, these aggregate figures from the player identification table must agree with/be reconciled to the restated financial statements.

E.7 – Financial review by management

[This part G is not applicable for women's club licensing]

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

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

Annex F - Accounting requirements for the preparation of financial statements

F.1 – Principles

1. Financial statements as defined in Article 65 must be based on IFRS or IFRS for Small and Medium-sized Entities – regardless of the legal structure of the licence applicant.
2. Financial statements must be prepared on the assumption that the licence applicant is a going concern, meaning it will continue in operation for the foreseeable future. It is assumed that the licence applicant has no intention or need to go into liquidation, cease trading or seek protection from creditors pursuant to laws or regulations.
3. The financial reporting framework, suitable as a basis for the preparation of financial statements, must contain certain underlying principles including:
 - a) fair presentation;
 - b) consistency of presentation;
 - c) accrual basis for accounting;
 - d) separate presentation of each material class of items;
 - e) no offsetting of assets and liabilities or income and expenses.
4. Notwithstanding that each licence applicant has to prepare annual financial statements under its own national accounting practice for incorporated companies, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, these regulations include specific accounting requirements to be complied with as set out in Annex F, B/2 to F/6.
5. If the annual financial statements are not in compliance with the accounting requirements set out in Annex F, then the licence applicant must also submit to the licensor:
 - a) restated financial statements to meet the accounting requirements set out in Annex F, covering the same period and including comparative amounts for the previous comparative period;

- b) a declaration by the licence applicant's management that the restated financial statements are complete, accurate and in compliance with the regulations; and
 - c) an assessment report provided by the same auditor that signs the annual financial statements by way of agreed-upon procedures prescribed by the licensor in respect of the completeness and accuracy of the restated financial statements.
6. Restated financial statements must include:
- a) a restated balance sheet as at the end of the period;
 - b) a restated profit and loss account/income statement for the period;
 - c) a restated statement of changes in equity for the period; and
 - d) notes, comprising a summary of significant accounting policies, other explanatory notes, and a note (or notes) reconciling the balance sheet and profit and loss account/income statement between the restated financial statements and the relevant annual financial statements.

F.2 – Consolidation/combination requirements

- 1. The financial information of all entities included in the reporting perimeter (as defined in Article 64) must be either consolidated or combined as if they were a single company.
- 2. Consolidated financial statements are the financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single company.
- 3. Combined financial statements are those that include information about two or more commonly controlled entities without information about the controlling entity.

F.3 – Accounting requirements for the permanent transfer of the player's registration

- 1. Licence applicants must capitalise the costs of acquiring a player's registration as an intangible asset. In this respect, the licence applicants must apply certain minimum accounting requirements as described in paragraph 2 of this part C.
- 2. The minimum accounting requirements are described as follows:

- a) The acquisition of a player's registration must be recognised in the financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional, which means that there must be a legally binding agreement between the two clubs and between the acquiring club and the player.
- b) The disposal of a player's registration must be recognised in the licence applicant's financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional and the risks and rewards have been transferred to the new club
- c) Only the directly attributable costs of a player's registration can be capitalised as an intangible asset. For accounting purposes, the carrying value of an individual player must not be revalued upwards, even though the licence applicant's management may believe market value is higher than carrying value. In addition, whilst it is acknowledged that a licence applicant may be able to generate some value from the use and/or transfer of locally trained players, for accounting purposes costs relating to a licence applicant's own youth sector must not be included in the balance sheet – as only the costs of a player's registration are to be capitalised. All forms of consideration to and/or benefit of players (such as sign-on fees) must be treated as employee benefits expenses and not costs of a player's registration. Finance costs arising in respect of borrowings are treated as finance costs and are not costs of a player's registration even if the borrowings were obtained to help finance the acquisition of player registrations.
- d) Amortisation of costs of a player's registration must begin when the player's registration is acquired. Amortisation ceases when the asset is fully amortised or derecognised (i.e. the registration is considered as being permanently transferred to another club) whichever comes first.
- e) In respect of each individual player's registration, the depreciable amount must be allocated on a systematic basis over its useful life. This is achieved by the systematic allocation of the cost of the asset as an expense from the date the player's registration is acquired and over the period of the player's contract. If the period of a player's contract with the club is extended, then the intangible asset carrying value of the player's registration plus any additional directly attributable contract negotiation costs (e.g. agent/intermediary fees) are to be amortised over the

extended period of the player's contract or over the remaining period of the original contract.

- f) All capitalised player values must be reviewed for impairment each year by the licence applicant's management. If the recoverable amount for an individual player is lower than the carrying amount on the balance sheet, the carrying amount must be adjusted to the recoverable amount and the adjustment charged to the profit and loss account as an impairment cost.

In exceptional circumstances when it becomes clear by the annual accounting reference date that:

- i. a player will not be able to play again with the club, for example if he suffers a career-threatening injury or is permanently unable to play professional football, then the net book value of the player's registration on the balance sheet must be fully impaired in that reporting period. The following events do not represent a cause for recognising impairment loss:

- A player suffers an injury in a reporting period and is temporarily unable to play professional football with the club, or
- A player suffers a decline in fitness or ability and is not selected for participation in first-team matches.

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

- ii. the management of the club is committed to permanently transfer the registration of a player and the transfer occurs just after the annual accounting reference date, then the net book value of the player's registration on the balance sheet can be impaired if the disposal proceeds for the permanent transfer of the player's registration to the new club is lower than his net book value. The accounting principle must be disclosed in the financial statements and applied consistently from one reporting period to another.
- g) The profit/(loss) on the disposal of a player's registration to another club to be recognised in the profit and loss account is the difference between the net disposal proceeds and the residual carrying value of the player's registration in the balance sheet as at the date of the transfer.

3. Profit/loss on disposal of a player's registration must be calculated net of any amounts paid and/or payable that are directly attributable to the disposal of the player's registration, comprising:
 - a) realised conditional transfer compensation for amounts which have become payable on the disposal of the player's registration (e.g. sell-on fee payable to another club);
 - b) any other directly attributable amounts paid and/or payable to another party such as another football club, agent/intermediary, or national football association/league.
4. The licence applicant must apply the following adjustments in respect of the permanent transfer of a player's registration between clubs that are related parties:
 - a) The club that has transferred in the player's registration must calculate the cost of acquiring the player's registration – for the calculation of an amortisation charge for the reporting period (for clubs using the capitalisation and amortisation method of accounting for player registrations) or for the costs of the player's registration (for clubs using the income and expense method of accounting for player registrations) – using the greater of the following amounts:
 - i. The actual transaction cost of acquiring the player's registration;
 - ii. The historical costs of the player's registration in the financial statements of the club that has transferred out the player. If the calculated amortisation charge is greater than the recorded amortisation charge or the calculated costs of the player's registration are greater than the recorded costs of the player's registration, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.
 - b) The club that has transferred out the player's registration must calculate the disposal proceeds of the player's registration – for the calculation of the profit on disposal of the player's registration (for clubs using the capitalisation and amortisation method of accounting for player registrations) or for the income from the player's registration (for clubs using the income and expense method of accounting for player registrations) – using the lower of the following amounts:
 - i. The actual transaction proceeds on disposal;

- ii. The net book value in respect of the costs of the player's registration in its financial statements.
- c) If the calculated profit on disposal is lower than the recorded profit on disposal or the calculated income from the player's registration is lower than the recorded income from the player's registration, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.
- 5. The above accounting requirements apply by analogy to any other personnel, e.g. head coach, and release income/costs or similar paid to another club.

F.4 – Accounting requirements for the temporary transfer of a player's registration

- 1. The minimum accounting requirements for licence applicants that have transactions in respect of the temporary transfer of a player's registration (loan) are as follows:
- 2. Loan fees received/paid must be reported as player transfer income/expense.
- 3. Loan of a player from the lender club to the new club with no obligation/option to buy
 - a) The loan fees received/receivable by the lender club, if any, must be recognised as income over the period of the loan arrangement. The lender club will continue to recognise the original costs of a player's registration as an intangible asset on its balance sheet and to systematically allocate the cost of the asset as an amortisation expense over the period of the player's contract.
 - b) The loan fees paid/payable by the new club, if any, must be recognised as an expense over the period of the loan arrangement. If the player's salary is taken over by the new club, it must be recognised as an employee benefit expense over the player's loan term.
- 4. Loan of a player from the lender club to the new club with an unconditional obligation to buy
 - a) The loan must be reflected by the lender club as a permanent transfer and the player's registration rights must be derecognised from its

intangible assets. The proceeds from the loan and from the future permanent transfer must be recognised from the inception of the loan agreement.

- b) The directly attributable costs of the loan and the future permanent transfer for the new club must be recognised by the new club in accordance with the accounting requirements for permanent acquisition of a player's registration.
5. Loan of a player from the lender club to the new club with an option to buy
- a) The transaction must be recorded as a loan by the lender club until the option is exercised by the new club. When the option is exercised, any remaining proceeds of the loan and proceeds of the future permanent transfer must be recognised in accordance with the accounting requirements for the permanent disposal of a player's registration.
 - b) When the option is exercised by the new club, any remaining costs of the loan and the costs of the future permanent transfer must be recognised by the new club in accordance with the accounting requirements for the permanent acquisition of a player's registration.
6. Loan of a player from the lender club to the new club with a conditional obligation to buy
- a) If a condition is considered to be virtually certain, then the player's registration must be recognised by both clubs as a permanent transfer from the inception of the loan agreement.
 - b) If the fulfilment of a condition cannot be assessed with sufficient certainty to trigger the permanent transfer from the inception of the loan, then the player's registration must be recognised first as a loan and then as a permanent transfer once the condition is met.
7. The licence applicant must apply the following adjustments in respect of the temporary transfer of a player's registration between clubs that are related parties:
- a) The club that has temporarily transferred in the player's registration must calculate an expense amount in respect of the player for the reporting period using the greater of the following amounts:
 - i. The actual transaction cost in the reporting period;

- ii. The aggregate amount of the amortisation charge in respect of the player's registration and the employee benefit expenses in respect of the player for the period of the loan as recorded in the financial statements of the club that has temporarily transferred out the player. If the calculated expense is greater than the recorded expense, then an appropriate adjustment must be made so that the difference is recognised in the restated financial statements.
- b) The club that has temporarily transferred out the player's registration must calculate an income amount in respect of the player for the reporting period using the lower of the following amounts:
- i. The actual transaction income in the reporting period;
 - ii. The aggregate amount of the amortisation charge in respect of the player's registration and the employee benefit expenses in respect of the player for the period of the loan as recorded in the financial statements of the club that has temporarily transferred out the player.

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

F.5 – Accounting requirements for specific expense items

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

- d) Incentive and/or bonus to players when entering and/or extending an employment agreement with any condition or service obligation must be recognised on a systematic basis over the relevant period.
- 2. Termination benefits to employees

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

F.6 – Accounting requirements for specific revenue items

1. *Season tickets and similar revenues*

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

2. *Broadcasting rights and/or prize money revenues*

- a) Revenue in respect of broadcasting rights and/or other consideration for participation in a competition which are fixed considerations must be recognised on a proportionate basis at the point in time when the relevant matches take place during the period.
- b) Revenue in respect of broadcasting rights and/or consideration for participation in a competition which are variable considerations depend on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.

3. *Sponsorship and advertising revenues*

- a) Revenue in respect of sponsorship rights and advertising which are fixed considerations must be recognised on a proportionate basis over the period covered by the sponsorship rights and/or advertising arrangements.
- b) Revenue in respect of sponsorship rights and advertising which are variable considerations that depend on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.
- c) Any non-cash consideration as part of a sponsorship and/or advertising arrangement must be measured at fair value.

4. Donations and grants/subsidies

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

F.7 – Financial information on youth development

- 1. Licence applicants must extract data from the annual financial statements regarding the implementation of their youth development programme (see Article 16 above) and present to the licensor the financial information on youth development validated by the auditor.
- 2. The financial information on youth development requested under paragraph 1 above must include at least the following expenditures:
 - a) Employee benefits / expenses for employees wholly involved in youth development activities;
 - b) Employee benefits / expenses for youth players (under the age 18);
 - c) Accommodation costs;
 - d) Medical costs;
 - e) Educational fees;
 - f) Travel;
 - g) Subsistence;
 - h) Kit, clothing and equipment;
 - i) Facility costs;

- j) Participation fees;
- k) Other costs directly attributable to youth development activities.

Annex G - Notion of overdue payables

G.1 – Principles

1. Payables are considered as overdue if they are not paid according to the contractual or legal terms.
2. Payables are not considered as overdue, within the meaning of these regulations, if the licence applicant/licensee (i.e. debtor) is able to prove by 31 March in respect of articles 68 to 71 that:
 - a) the relevant amount has been settled, i.e. either paid in full or offset against the creditor's obligations towards the debtor; or
 - b) the deadline for payment of the relevant amount has been deferred (referred to as "amounts deferred" in these regulations), i.e. an agreement has been concluded in writing with the creditor to extend the deadline for payment (a creditor not requesting payment of an amount does not constitute an extension of the deadline); or
 - c) the relevant amount is subject to a legal claim or open proceedings (referred to as "amounts disputed" in these regulations), meaning:
 - i. the debtor has brought a legal claim which has been deemed admissible by the competent authority under national law or has opened proceedings with the national or international football authorities or relevant arbitration tribunal contesting liability in relation to the overdue payable, knowing that if the decision-making bodies (licensor or CFCB) consider that such claim has been brought or such proceedings have been opened for the sole purpose of avoiding the applicable deadlines set out in these regulations (i.e. in order to buy time), the amount will still be considered as an overdue payable; or
 - ii. the debtor has contested to the competent authority under national law, the national or international football authorities or the relevant arbitration tribunal, a claim which has been brought or proceedings which have been opened against it by a creditor in respect of overdue payables and is able to demonstrate to the comfortable satisfaction of the decision-making bodies (GFF or CFCB) that it has established reasons for contesting the claim or proceedings which

have been opened, knowing that if the decision-making bodies (GFF or CFCB) consider the reasons for contesting the claim or proceedings as manifestly unfounded the amount will still be considered as an overdue payable; or

- d) the settlement of the relevant amount is pending (referred to as “amounts pending” in these regulations), meaning:
 - i. the debtor has requested a competent authority, in writing and in accordance with the applicable law, to extend the deadline for payment of payables to social/tax authorities (as defined by Articles 70), and the competent authority has confirmed in writing that this request has been deemed admissible and still pending by 31 March (in respect of Article 70); or
 - ii. the debtor is able to demonstrate to the comfortable satisfaction of the relevant decision-making bodies (GFF or CFCB) that it has taken all reasonable measures to identify and pay the creditor(s) in respect of training compensation and solidarity contributions (as defined in the FIFA and/or GFF Regulations on the Status and Transfer of Players).

Annex H - Licensor's assessment procedures

H.1 – Principles

1. The licensor defines the assessment procedures, ensuring equal treatment of all clubs applying for a licence. It assesses the documentation submitted by the clubs, considers whether it is appropriate and determines to its comfortable satisfaction whether each criterion has been met and what further information, if any, is needed for each licence to be granted.
2. The assessment processes to check compliance with the defined provisions set out in Article 9 comprise specific assessment steps that must be followed by the licensor as set out below.

H.2 – Assessment of the auditor's report on the financial statements

1. In respect of the annual financial statements, the licensor must perform the following minimum assessment procedures:
 - a) Assess whether the reporting perimeter is appropriate for club licensing purposes.
 - b) Assess the information submitted to form a basis for the licensing decision.
 - c) Read and consider the annual financial statements and the auditor's report thereon.
 - d) Address the consequences of any modifications to the auditor's report (compared to the normal form of unqualified report) and/or deficiencies compared to the minimum disclosure and accounting requirements according to paragraph 2 below.
2. Having assessed the reporting perimeter and read the auditor's report on the annual financial statements, the licensor must assess these according to the items below:
 - a) If the reporting perimeter does not meet the requirements of Article 64, the licence must be refused.
 - b) If the auditor's report has an unqualified opinion, without any modification, this provides a satisfactory basis for granting the UEFA Licence.

- c) If the auditor's report has a disclaimer of opinion or an adverse opinion, the UEFA Licence must be refused, unless a subsequent audit opinion without disclaimer of opinion or an adverse opinion is provided (in relation to another set of financial statements for the same financial year that meet the minimum requirements) and the licensor is satisfied with the subsequent audit opinion.
 - d) If the auditor's report has, in respect of going concern, an emphasis of matter, a key audit matter or a qualified 'except for' opinion, the UEFA Licence must be refused, unless either:
 - i. a subsequent audit opinion without going concern, an emphasis of matter, a key audit matters or qualification is provided, in relation to the same financial year; or
 - ii. additional documentary evidence demonstrating the licence applicant's ability to continue as a going concern until at least the end of the licence season has been provided to, and assessed by, the licensor to its satisfaction. The additional documentary evidence must include, but is not necessarily limited to, the information described in Article 72.
 - e) If the auditor's report has, in respect of a matter other than going concern, an emphasis of matter, a key audit matter or a qualified 'except for' opinion, then the licensor must consider the implications of the modification for club licensing purposes. The UEFA Licence may be refused unless additional documentary evidence is provided and assessed to the satisfaction of the licensor. The additional evidence that may be requested by the licensor will be dependent on the reason for the modification to the audit report.
 - f) If the auditor's report makes a reference to any situation defined in Article 63 the licence must be refused.
3. If the licence applicant provides supplementary information and/or restated financial statements, the licensor must additionally assess the auditor's report on the agreed-upon procedures in respect of the supplementary information and/or restated financial statements. The UEFA Licence may be refused if the auditor's report is not to the satisfaction of the licensor and/or includes reference to errors and/or exceptions found.

4. The licensor must check that the licence applicant has published the financial information in accordance with Article 66.

H.3 – Assessment of licensing documentation for the net equity rule

[This part C is not applicable for women's club licensing]

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

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

H.4 – Assessment licensing documentation for overdue payables

1. In respect of the “no overdue payables” criteria to football clubs, employees and tax authorities, independent auditors must carry out the assessment procedures in accordance with ISRS 4400, in which case the licensor must assess the information submitted by the licence applicant (in particular the payables tables and corresponding supporting documents) and review the auditor's report. The licensor may carry out any additional assessment it believes necessary, including by extending the sample or requesting additional documentary evidence from the licence applicant.

2. The following minimum procedures must be performed and described in the auditor's report:
 - a) obtain the payables tables as at 31 March submitted by the licence applicant in respect of obligations due to be paid by 28 February (i.e. the transfers table, the employee table, the social/tax table and corresponding supporting documents);
 - b) perform the necessary steps (including determination of the sample size) to assess the completeness and accuracy of the reported balances and issue a conclusion with regard to each of the procedures performed;
 - c) check the completeness of any overdue balance reported by the licence applicant as at 28 February;
 - d) check the settlement of any overdue payables between 28 February and 31 March; and
 - e) identify any overdue balance as at 31 March.
3. In respect of the "no overdue payables" criterion in respect of UEFA and the licensor, the licensor must perform, as a minimum, the following assessment procedures:
 - a) review any information received from UEFA with regard to pending overdue amounts owed by the licensor's affiliated clubs and check the settlement of any overdue balance between 28 February and 31 March; and
 - b) carry out any additional assessment and request any additional documentary evidence from the licence applicant it believes necessary.

H.5 – Assessment of the written representation prior to the licensing decision

1. In respect of the written representation, the licensor must read and consider the impact of any significant change that has occurred in relation to the club licensing criteria.
2. The licensor must also read and consider the information in respect of any event or condition of major economic importance, in combination with the financial statements, future financial information and any additional documentary evidence provided by the licence applicant.

3. The licensor must assess the club's ability to continue as a going concern until at least the end of the licence season. The UEFA Licence must be refused if, based on the financial information that the licensor has assessed, in the licensor's judgement, the licence applicant may not be able to continue as a going concern until at least the end of the licence season.
4. If the licence applicant or any parent company of the licence applicant included in the reporting perimeter is/was seeking protection or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season or is receiving protection at the time of the assessment then the licence must be refused. For the avoidance of doubt the licence must also be refused even if the concerned entity is no longer receiving protection from its creditors at the moment the licensing decision is taken.

H.6 – Assessment of future financial information

[This part is not applicable for women's club licensing]

1. the licensor must assess whether or not the licence applicant exhibits the condition as defined in Article 72. If the licence applicant is required to submit future financial information,
2. The independent auditor must carry out the assessment procedures in respect of future financial information in accordance with ISRS 4400, which must include, as a minimum, the following procedures:
 - a) check whether the future financial information is arithmetically accurate;
 - b) determine, through discussion with the licence applicant's management and review of the future financial information, whether the future financial information has been prepared using the disclosed assumptions and risks;
 - c) check that the opening balances contained within the future financial information are consistent with the balance sheet shown in the immediately preceding audited annual financial statements; and
 - d) check that the future financial information has been formally approved by the executive body of the licence applicant by way of a declaration by the licence applicant's management that the documents submitted are complete, accurate and in compliance with these regulations;

- e) If applicable, examine corresponding supporting documents, including agreements with sponsors, banking facilities, share capital increase, bank guarantees and minutes of board meetings.
3. The auditor must assess the liquidity of the licence applicant (i.e. the availability of cash after taking account of financial commitments) and its ability to continue as a going concern until at least the end of the licence season. The licensor must review the auditor's report. He may carry out additional assessment it believes necessary and/or request additional documentary evidence from the licence applicant. The licensor also assesses the club's ability to continue as a going concern until at least the end of the licence season.
 4. The UEFA Licence must be refused if, based on the assessed financial information, in the licensor's judgement, the licence applicant may not be able to meet its financial commitments as they fall due and continue as a going concern until at least the end of the licence season.

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