MEMORANDUM OF UNDERSTANDING

Between

THE UNION DES ASSOCIATIONS EUROPEENNES DE FOOTBALL
(HEREAFTER UEFA)

And

THE EUROPEAN CLUB ASSOCIATION
(HEREAFTER ECA)

Whereas:

- UEFA is the governing body for football at European level in accordance with FIFA and UEFA Statutes;

- ECA is the association representing the interests of football clubs at European level in accordance with its Statutes;

- UEFA wishes to promote unity among all stakeholders in European football and take care of specific matters of concern to club football;

- The Statutes of UEFA foresee that UEFA may recognise groups representing the interests of stakeholders in European football, provided they are constituted in a democratic, open and transparent manner and share UEFA values;

- The Statutes of the ECA envisage an ongoing cooperation and dialogue between the ECA and UEFA for the purpose of reaching common agreement in relation to matters of concern to European professional club football;

- It is the common wish of UEFA and ECA to formalise their cooperation to contribute to the establishment of the most effective and stable framework for the future of European football;

- it is the common wish of UEFA and ECA that FIFA is fully supportive of this framework whilst also protecting the worldwide interests of football.

NOW THEREFORE, UEFA and ECA (hereinafter: “the Parties”) agree to enter into this Memorandum of Understanding (hereinafter "MoU").

A BASIS OF COOPERATION

The basis for this agreement is as follows:
A.1 UEFA recognises the ECA as the sole body representing the interests of clubs at European level and ECA recognises (i) UEFA as the governing body of football at European level and (ii) FIFA as the governing body of football at Worldwide level;

A.2 UEFA and the ECA undertake to strengthen their cooperation and dialogue as regards matters of importance to European club football;

A.3 UEFA and the ECA share the following values and principles, which are also the values of FIFA:

- a commitment to the principle of solidarity as a key element necessary for the healthy and balanced development of football;

- a commitment to democracy and transparency in football governance structures;

- a commitment to open and balanced sporting competitions;

- the recognition of the specific nature of sport and therefore the proper autonomy of its governing bodies as generally recognised;

- a commitment to protect and develop a large and healthy professional football sector;

- a commitment to fair play and to the fight against racism, doping, violence and corruption in football.

A.4 More specifically, the Parties recognise that

- both national team and club football provide substantial benefits to players, clubs, leagues and associations;

- full and loyal participation of players and clubs in national, and international competitions is essential to support the existence of a large and healthy professional football sector;

- it is important to promote the training and development of players and to maintain competitive balance in the interests of the sport and the public;

- there is a need to preserve the values of sport and, in particular, to protect its integrity;

- there is a need to find the right balance between labour legislation and the specific characteristics of football, for example through the vehicle of social dialogue and/or collective bargaining agreements;

- sports related disputes shall be resolved within appropriate sports and dispute resolution structures.
strong national championships as well as the international
competitions organised by UEFA and/or FIFA are vital for the on-
going and healthy development of football;

- national and UEFA club competitions are integrally linked to one
  another;

- it is desirable to develop a European Professional Football
  Charter involving UEFA and the relevant stakeholders in order to
  find common solutions to important matters relating to European
  football.

B OBJECTIVES OF COOPERATION

To protect and promote these values and principles the Parties agree:

B.1 to promote cooperation, friendly relations and unity between UEFA and
the ECA in the interests of European football and in accordance with the
existing framework of UEFA and FIFA;

B.2 to safeguard the balanced evolution of European football, both
domestically and internationally, in accordance with the principles of solidarity
and integrity of competition;

B.3 to ensure that the views of the clubs are properly represented in the
decision-making process in European football structures.

C UNDERTAKINGS OF UEFA

To facilitate cooperation and achieve the shared objectives set out in this
MoU, UEFA undertakes as follows:

C.1 to recognise the ECA as an established employers organisation in
European club football and the sole body representing the interests of club
football at European level on the basis of its Statutes of 21 January 2008
(including any future amendment that UEFA considers consistent with the
objectives and principles of this MoU) and so to disband the ECF;

C.2 to involve the ECA in UEFA’s decision making process by formalising
ECA participation in the Professional Football Strategy Council (hereinafter
“PFSC”) (whereas the ECA shall appoint the 4 members of the PFSC
representing the clubs) and the Club Competitions Committee (hereinafter
“CCC”) (whereas half of the members of the CCC will be appointed by the
ECA) and to ensure that any proposed change to the current format of UEFA
club competitions shall be submitted to, and reviewed by, the CCC, which
shall then present its conclusions/findings/position to the UEFA Executive
Committee for a final decision in accordance with the UEFA Statutes; further,
two ECA Board members shall be invited to make direct representations to
the UEFA Executive Committee on club matters and to attend the respective meetings (excluding the voting) regarding such matters;

C.3 to distribute every four years an amount (hereinafter the “Distribution Amount”) from the UEFA European Football Championship (hereinafter the “UEFA EURO™”) benefits to national associations for them to pass on to their clubs who have contributed to the successful staging of a UEFA EURO™. The Distribution Amount shall be calculated by reference to the number of players of a club that participate with a national team in the Final Stage of a UEFA EURO™. An appropriate percentage of the Distribution Amount shall also be passed on to the club(s) with which any relevant player was registered in the previous two years (24 months). For the avoidance of doubt, the Distribution Amount covers any and all claims of a club, including insurance and any other matter related to the participation of players in UEFA national team competitions. UEFA will use best endeavours to persuade FIFA to follow a similar policy for the FIFA World Cup.

For the avoidance of doubt, there will be no additional payments from UEFA or any National Association (the latter does not concern purely domestic relations between National Associations and their clubs) in recognition of the contribution by the clubs to the successful staging of the UEFA EURO™ or in relation to the cost of insurance of players or any other matter relating to the release or participation of players to national teams in general.

For the UEFA EURO 2008™ the Distribution Amount will be EUR 43.5 million.

The Parties envisage a target Distribution Amount regarding UEFA EURO 2012™ of EUR 55 million, provided the final financial results (hereafter the “Final Financial Results”) of the UEFA EURO 2012™ are substantially similar to those of the UEFA EURO 2008™. If the Final Financial Results of the UEFA EURO 2012™ are not substantially similar to those of the UEFA EURO 2008™, the Distribution Amount shall be adjusted accordingly.

The calculation and allocation of the Distribution Amount shall be made in accordance with the rules specified in Annex 1 to this MoU. A series of examples of calculation and allocation are contained in Annex 2 to this MoU.

C.4 to use best endeavours to persuade FIFA to schedule the second match on “double-headers” on a Tuesday rather than a Wednesday and to follow this policy for UEFA competitions;

C.5 to use best endeavours to persuade FIFA to amend its regulations so clubs need only release players for one friendly match per year outside the continent of the club concerned. The release of players shall remain compulsory for friendly matches included in the international match calendar and that are scheduled to take place in the same continent as the club concerned;

C.6 to use best endeavours to persuade the African Football Confederation (hereinafter “CAF”) to schedule the African Cup of Nations every second time
in the summer (as from 2016) and/or in any case as early as possible in January;

C.7 to ensure, also with the involvement of FIFA where appropriate, that National Associations will comply with the FIFA and UEFA rules regarding club matters and player release;

C.8 to schedule qualifying matches for the UEFA EURO™, whenever possible, in maximum groups of 6 (corresponding over a 2 year period to 10 group matches and potentially 2 play-off matches) and use best endeavours to persuade FIFA to follow a similar policy for the FIFA World Cup;

C.9 to safeguard the principle of central marketing by UEFA and redistribution of club competition revenues to the participating clubs as currently practised and as stated in Circular Letters No. 070/2005, No. 059/2006 and No. 068/2007.

C.10 to offer administrative and logistical support for the administration of ECA and its office in Nyon subject to the acceptance of ECA; and to acknowledge that ECA will be financed with the surplus from the UEFA Champions League (hereinafter “UCL”).

C.11 To consider inviting representatives of the ECA to UEFA’s Congress as observers if deemed appropriate.

D UNDERTAKINGS OF THE ECA

To facilitate cooperation and to achieve the shared objectives set out in this Memorandum, the ECA undertakes as follows:

D.1 to recognise UEFA as the governing body of football at European level and FIFA as the governing body of football at Worldwide level in accordance with their Statutes;

D.2 to organise itself as an association which is open (i.e. to clubs of all UEFA member associations), democratic (i.e. following a similar model to the one of the European Club Forum, “ECF”, with higher representation of “top-ranked” clubs in the Board) and transparent (i.e. clear and non-confrontational objectives in its Statutes) and to inform UEFA in advance with respect to any amendment to the ECA Statutes in order to ensure and maintain consistency with the objectives and principles established under this MoU;

D.3 to ensure that none of its member clubs participate in any competition that is not organised or recognised by UEFA/FIFA;

D.4 to ensure that its member clubs are not members of any other association or grouping involving clubs from more than one country (i.e. one National Association) and for its member clubs consequently to step out of any such association or grouping that currently exists and take the necessary statutory steps for such association or grouping to be wound up and to
provide UEFA with the necessary guarantees (e.g. unilateral declaration by the relevant clubs) in this respect, a copy of which will then be provided to FIFA for its information;

D.5 to ensure that its member clubs withdraw support and cease to be party to any existing legal proceedings, and not to support or be party itself to any existing legal proceedings, against UEFA and/or FIFA and/or any other National Associations (the latter does not concern purely domestic relations between National Associations and their clubs) brought by themselves or any association or grouping as mentioned in point D.4 above, in particular as regards the player release rule and to use best endeavours to persuade others (e.g. Charleroi, Atletico Madrid, Lyon) to do likewise and/or take the necessary statutory steps for such association or grouping to withdraw from any such legal proceeding and to provide UEFA with the necessary guarantees (e.g. unilateral declaration by the relevant clubs) in this respect, a copy of which will then be provided to FIFA for its information;

D.6 to ensure that its member clubs and itself support national team competitions and comply with the FIFA Regulations on release of players and make no further claims in relation to the cost of insurance of players or any other matter relating to the release or participation of players to national teams in general against UEFA and/or FIFA and/or any other National Associations (the latter does not concern purely domestic relations between National Associations and their clubs);

D.7 to respect the International Match calendar as drawn up by FIFA following consultation with Confederations, National Associations, Clubs, Leagues and Players;

D.8 to accept the principle of central marketing by UEFA and redistribution of club competition revenues to the participating clubs as currently practised and as stated in Circular Letters No. 070/2005, No. 059/2006 and No. 068/2007;

D.9 to adhere to the UEFA and the FIFA Statutes and regulations and to recognise the Court of Arbitration for Sport (hereinafter “CAS”) as the sole competent body to decide on sports related disputes between the ECA, its members and UEFA or FIFA (and their members);

D.10 to acknowledge that compliance with all these conditions is necessary for the ECA to be recognised as the sole body representing club interests at European level and therefore as qualified to participate in the UEFA decision-making process and accordingly to ensure that all members of the ECA comply with all the conditions contained in this MoU;

D.11 to consider inviting representatives of UEFA to its General Assembly as observers if deemed appropriate.

E ENTRY INTO FORCE, AMENDMENTS AND DURATION
E.1 This Memorandum of Understanding shall enter into force at the date it is validly signed by the Parties.

E.2 Amendments to this MoU shall be agreed by both Parties and shall be in writing.

E.3 For the avoidance of doubt, none of the above undertakings, acknowledgements or any other provision of this MoU will enter into force before the signature nor exceed the duration of the MoU.

E.4 The first term of the MoU will run until 31.7.2014 and cover in particular the UEFA EURO 2008™, the FIFA World Cup 2010™, the UEFA EURO 2012™ and the FIFA World Cup 2014™. In due time prior to the end of that first term, the Parties will decide on an extension for the period after 31.7.2014.

E.5 The Parties have the right to terminate the MoU between 1 June and 31 December 2011 to the end of the UEFA club competition season 2011/2012, in case the Executive Committee of UEFA introduces a considerable change of the then valid format of a club competition against a conclusion/finding/position of the CCC presented by the CCC to the Executive Committee of UEFA in accordance with clause C.2 above. For the avoidance of doubt in such a case the payment foreseen in clause C.3 above regarding the UEFA EURO 2012™ will not be due.

E.6 In principle, following the first term, 3-year extensions to this MoU should be foreseen in a manner similar to the “UCL Cycles” (i.e. three football seasons, currently 2006-09, subsequently 2009-12, etc.).

E.7 The Parties agree that, following the first term, they generally intend to continue their cooperation on the basis of this MoU, unless there are considerable changes in circumstances or the Parties decide otherwise.

E.8 It is the common understanding of the Parties that in order to benefit from the provisions of this MoU, in particular as regards the payments set out in clause C.3 above and as further detailed in Annex 1, any club (whether or not a member of the ECA) must comply with the conditions contained in this MoU. In this respect, any club wishing to receive payments for its contribution to the success of international competitions, and in particular the successful staging of the UEFA EURO or the FIFA World Cup, may be required to confirm to UEFA or to FIFA that it accepts and complies with the principles established in this MoU.
F AUTHORITATIVE LANGUAGE

This Memorandum of Understanding has been drawn up in English, French and German. The English text shall be authoritative.

G APPLICABLE LAW AND JURISDICTION

This MoU is a binding agreement and shall be governed by substantive Swiss law. Disputes arising out of this MoU shall exclusively be decided by the CAS, Court of Arbitration for Sport, in Lausanne (Switzerland).

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Place, date

For UEFA: .......................................................... For ECA: ..........................................................

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Michel Platini, President Karl-Heinz Rummenigge, Chairman

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Senes Erzik, Vice-President Joan Laporta, Vice-Chairman

Annex 1: Calculation and Allocation of the Distribution Amount
Annex 2: Examples of Calculation of the Distribution Amount
Annex 1: Calculation and Allocation of the Distribution Amount

A) Definitions:

“Final Financial Results” is defined as: the UEFA EURO™ competition Net Result as published by UEFA in its relevant yearly accounts submitted to and approved by the respective UEFA Congress and as prepared in accordance with UEFA’s accounting practice.

“Relevant Period” means the period during the final round of the UEFA EURO™ and the two years (24 months) prior to the start of the final round of the UEFA EURO™.

B) General Principles:

- The allocation of the relevant parts of the Distribution Amount will be conducted as follows:

  • The amount to be paid shall be calculated on a “per day per player” basis for the following period:
    - Start: two weeks before the first match of the relevant national team in the final round of the UEFA EURO™;
    - End: day following the last match of the relevant national team in the final round of the UEFA EURO™.

  • The payments will be distributed via the national associations (“NA”) to which the relevant clubs are affiliated following the same mechanism that applies to the payments made by UEFA to the clubs (via the NAs) in connection with UEFA club competitions.

  • The payments shall be made to the clubs with which the player has been registered during the Relevant Period, provided each recipient club confirms in advance and in writing its acceptance of, and compliance with, the principles established in this MoU. All the details regarding the payments, based on the above principles, will be finalised prior to the start of each relevant UEFA EURO™.

C) Payment and allocation calculation:

The payment for the UEFA EURO 2008™ shall be calculated as follows.

  1) The total number of players selected for all the national teams participating in the UEFA EURO 2008™ is 368 (i.e. 16 [national teams] x 23 [players each]). On a cumulative basis, the players will participate in the UEFA EURO 2008™ for a total of approximately 10,810 days (i.e. starting two weeks before the first match of each national team until the day a national team is eliminated).
2) The Distribution Amount (EUR 43.5 million) is divided by the total number of days (10,810) which gives an amount “per player per day” of approximately EUR 4,000.

3) This amount of approximately EUR 4’000 is multiplied by the number of days each player is at the UEFA EURO 2008™, starting two weeks before the 1st match of his national team until the day following the elimination of his national team (the “Total per Player”).

4) As a general rule, the “Total per Player” is then divided by 3:
   
   a. 1/3 is paid (if necessary on a pro rata basis) to the club(s) with which the player is registered during the UEFA EURO 2008™ (i.e. during the period starting two weeks before the first match of his national team until his national team is eliminated);
   
   b. 1/3 is paid (if necessary on a pro rata basis) to the club(s) with which the player was registered in the year before the UEFA EURO 2008™ (i.e. corresponding in principle to the football season 2007/08);
   
   c. 1/3 is paid (if necessary on a pro rata basis) to the club(s) with which the player was registered between one and two years before the UEFA EURO 2008™ (i.e. corresponding in principle to the football season 2006/07).

5) In case of doubt or ambiguity regarding the above calculation and in any unusual, specific or special cases, UEFA shall decide on the payment and allocation on a case by case basis after due consultation with the ECA.

The payment for the next UEFA EURO™ shall be calculated following the same methodology as above.
Annex 2: Examples of Calculation of the Distribution Amount:

Example 1:

Player X is selected to play for France in the final round of UEFA EURO 2008™.

Player X is registered with a club in England at the time of the UEFA EURO 2008™.

Player X was transferred from a club in France to the club in England during the summer of 2007.

France reaches the semi-finals of the UEFA EURO 2008™ and therefore the Total per Player for the Player X would be EUR 136,000 (34 days x EUR 4000).

For this player, 2/3 of EUR 136,000 (i.e. EUR 90,666) is paid to the English club with which Player X is registered at the time of the EURO and since the player was playing for the English club during season 2007/08.

1/3 of EUR 136,000, i.e. EUR 45,333 is paid to the French club with which Player X was registered during the season 2006/07 before being transferred in the summer of 2007.

Example 2:

Player Y is selected to play for Spain in the final round of the UEFA EURO 2008™.

Player Y is registered with a club in Spain at the time of the UEFA EURO 2008™ and has been with that same club for the past two years.

Spain reaches the final of the UEFA EURO 2008™ and therefore the Total per Player for the Player Y would be EUR 140,000 (35 days x EUR 4000).

For this player, the entire sum of EUR 140,000 is paid to the Spanish club with which the player has been registered for the past two years.

Example 3:

Player Z is selected to play for Germany in the final round of the UEFA EURO 2008™.

Player Z is registered with club A in Germany at the time of the UEFA EURO 2008™.
Player Z was transferred from club B in Germany to club A in Germany during the summer of 2007.

Germany reaches the quarter-finals of the UEFA EURO 2008™ and therefore the Total per Player for the Player Z would be EUR 112,000 (28 days x EUR 4000).

For this player, 2/3 of EUR 112,000 (i.e. EUR 74,666) is paid to club A in Germany with which player Z is registered at the time of the EURO and since the player was playing for club A during season 2007/08.

1/3 of EUR 112,000 (i.e. 37,333) is paid to club B in Germany with which Player Z was registered during the season 2006/07 before being transferred to club A in the summer of 2007.