

Settlement Agreement

This Settlement Agreement is made between:

The Chief Investigator of the UEFA Club Financial Control Body
(the "Chief Investigator")

and

The Hellenic Football Federation
(“HFF” or the “Licensor”),

each a “Party” and together the “Parties”.

On 29 October 2020, the Hellenic Football Federation underwent the 2020 *UEFA Club Licensing Quality Standard* certification audit performed by Société Générale de Surveillance (SGS). The main objective of this audit was the certification of the Hellenic Football Federation against the *UEFA Club Licensing Quality Standard – Edition 2012*.

On 2 February 2021, SGS notified its non-certification letter to HFF, following the above-mentioned certification audit. This SGS letter highlighted the non-certification of HFF against the *UEFA Club Licensing Quality Standard – Edition 2012* for the 2020/21 season and the breach of certain requirements of the *UEFA Club Licensing and Financial Fair Play Regulations – Edition 2018*.

The findings of the certification audit have been provided to the Licensor.

In connection with the certification audit and in accordance with Articles 14 (1) (b) and 15 of the *Procedural Rules governing the UEFA Club Financial Control Body – Edition 2019* (“Procedural Rules”), the Parties have agreed to enter into this Settlement Agreement on the terms set out below.

With regard to Article 15 (1) of the Procedural Rules, the Chief Investigator, having consulted with the other members of the CFCB Investigatory Chamber, considers that the circumstances of the present case justify the conclusion of a settlement because:

- Requirements and obligations can be included in a settlement that will impose specific measures and put the Licensor under a special regime in order to ensure proper licensing processes and correct granting of licences in compliance with the *UEFA Club Licensing and Financial Fair Play Regulations* (“CL&FFP”).
- The Licensor has taken steps to bring itself into compliance with the CL&FFP and a number of corrective actions have already been implemented by the Licensor, i.e.

- The Licensor is aware that the process regarding the matter of signing the confidentiality and non-disclosure agreements must be changed and is planning to do so during the upcoming appointment of the members of the decision-making bodies;
- The Licensor has planned to move the Club Licensing Administration to closed space offices;
- The Licensor has started the process regarding filing of confidential information and archiving of documents;
- The Licensor has defined a procedure regarding the annual review meeting in order to meet the requirements of the UEFA Club Licensing Quality Standard ("CLQS");
- The Licensor has expressed its support for the Club Licensing System.

Further, in light of these circumstances, the Chief Investigator considers this Settlement Agreement to be effective, equitable and dissuasive for the purposes of Article 15 (1) of the Procedural Rules because:

- The Licensor's satisfaction of the requirements and obligations voluntarily accepted by it in this Settlement Agreement will be "effective" in ensuring that, within the next seasons, the Licensor, fulfils its obligations as defined in the CL&FFP, thereby pursuing the objectives of the CL&FFP without referring the case to the CFCB Adjudicatory Chamber.
- Moreover, this Settlement Agreement gives the Licensor the opportunity to comply with the CL&FFP by following a structured set of specific obligations which have been individually tailored to the situation of the Licensor and which will be monitored by UEFA.
- In particular, the obligations set out in Article 3.2 of this Settlement Agreement require the Licensor to amend its relevant rules, regulations and guidelines to ensure that all requirements in respect of the CLQS and the CL&FFP are reflected in the applicable national regulations of the Licensor, especially in the national club licensing regulations.
- The obligations set out in Article 3.3 require the Licensor to review and amend its structures regarding the HFF top management representative responsible for club licensing and club monitoring and the collaboration with the HFF licensing department.
- Further, the obligations set out in Article 3.4 require the Licensor to amend its procedures regarding the club licensing administration in order to ensure the adequate running of the club licensing and club monitoring system.
- The obligations set out in Article 3.5 of this Settlement Agreement require the Licensor to review and amend its procedures regarding the proper functioning of the club licensing decision-making bodies and to ensure confidentiality and independence.

- The obligations set out in Article 3.6 require the Licensor to receive the UEFA Club Licensing Quality Standard certification by SGS in each season under the Settlement Regime.
- The obligations and requirements set out in this Settlement Agreement are “equitable” and consistent with the objectives of the CL&FFP.
- Further, this Settlement Agreement recognises that the Licensor did not comply with the UEFA Club Licensing and Financial Fair Play Regulations – Edition 2018, in contrast to the vast majority of the other licensors. In this regard, the obligation set out in Article 4 of this Settlement Agreement requires the Licensor to pay a financial contribution.
- In addition, the obligation set out in Article 5 of this Settlement Agreement, which requires the Licensor to submit progress reports, allows UEFA to regularly monitor the Licensor’s performance.
- This Settlement Agreement is “dissuasive” in that it can reasonably be expected to deter the Licensor from failing to comply with the CL&FFP in the future.

By entering into this Settlement Agreement, the Licensor acknowledges and agrees that it is providing its “consent” for the purposes of Article 14 (1) (b) of the Procedural Rules.

Therefore, the Parties agree upon the following provisions:

1. Subject and Purpose of this Settlement Agreement

- 1.1. The present Settlement Agreement sets out the specific rules that the Licensor has to implement in order to ensure proper licensing processes. The activities of the Licensor will be strictly monitored for a probationary period (“Settlement Regime”). The Settlement Regime shall cover two seasons, i.e. 2021/22 and 2022/23.
- 1.2. The overall objective of the Settlement Agreement is to ensure that the Licensor fulfils its obligations as defined in the applicable CL&FFP in each of the seasons under the Settlement Agreement, and that the licences necessary to enter the UEFA club competitions (“UEFA Licences”) are correctly granted by the Licensor.
- 1.3. Moreover, the Settlement Agreement includes specific obligations covering the areas of the UEFA Club Licensing and Club Monitoring System, including the CLQS, to be fulfilled by the Licensor as defined in Article 3.

2. The Licensor and the UEFA Club Licensing System

- 2.1. The Licensor acknowledges that it failed to have its club licensing’s core process certified against the UEFA Club Licensing Quality Standard on an annual basis by an independent body approved by UEFA (i.e. SGS).
- 2.2. As such, the Licensor did not properly apply the requirements of the UEFA Club Licensing System for three years in a row.

3. Specific obligations

3.1 The Licensor undertakes and agrees to implement the following activities during the whole duration of the Settlement Regime:

3.2 Amendments to the Licensor's rules and regulations as defined in Article 5 (3) of the CL&FFP:

- i. For each season of the Settlement Regime, the Licensor must ensure that all applicable provisions defined in the CL&FFP are fully integrated into its national club licensing regulations.
- ii. For each season of the Settlement Regime, the Licensor must ensure that all applicable provisions defined in the CLQS are fully integrated into its applicable regulations and guidelines.

3.3 Licensor's structure in respect of the Top Management responsible for club licensing:

At the latest by 30 September 2021, the Licensor must specify, within its rules and regulations, all matters and processes regarding the top management responsible for club licensing and club monitoring, which include:

- i. The appointment as well as the definition and written formalisation within the Licensor's rules and regulations of the responsibilities of the top management in charge of club licensing and club monitoring,
- ii. The definition and written formalisation within the Licensor's rules and regulations of the organisation of the annual review meeting,
- iii. The communication to the HFF Executive Committee regarding club licensing and club monitoring matters,
- iv. The allocation of the necessary funding for the adequate running of the club licensing and club monitoring at HFF.

3.4 Licensor's procedures in respect of the HFF Club Licensing Administration structure:

At the latest by 30 September 2021, the Licensor must ensure and where applicable specify, within its rules and regulations:

- i. The availability of appropriate resources and facilities for the club licensing administration in line with the CLQS,
- ii. A process regarding filing of confidential information and archiving of documents in line with national law,
- iii. That club licensing and club monitoring deadlines for the submission of information by clubs to HFF and UEFA are set and communicated in a way that allows HFF sufficient time for their assessment procedures in line with the CL&FFP,

iv. A data collection/benchmarking process established in line with the CLQS.

3.5 At the latest by 30 September 2021, the Licensor must amend its applicable HFF regulatory framework to ensure that matters and processes regarding the functioning of the decision-making bodies are in compliance with the CL&FFP and the CLQS:

- i. The process to ensure the proper election or appointment and functioning of the decision-making bodies.
- ii. The process to ensure confidentiality and independence of all persons involved in the licensing process or appointed by the licensor (including substitute members of the decision-making bodies).

3.6 The Licensor must receive the Club Licensing Quality Standard certification by SGS in each of the seasons under the Settlement Regime as specified:

- i. No major non-conformities in the season 2021/22;
- ii. No non-conformities in the season 2022/23.

4. Financial contribution

4.1 The Licensor agrees to pay a financial contribution of up to € 250'000 (equal to a maximum annual incentive payment allocated to each UEFA member association for implementing and applying the CL&FFP) in the manner set out below:

- i. Fixed financial contribution of € 50'000 will be permanently withheld from the incentive payments allocated to the Licensor for the implementation and application of the CL&FFP in the following way:
 - €50'000 from payments to be made in the 2021/22 season.
- ii. Furthermore, in case of failure to comply with any of the five specific obligations set out in Article 3 (more particularly Articles 3.2, 3.3, 3.4, 3.5 and 3.6), additional conditional financial contributions of up to €40'000 for each unfulfilled obligation will also be permanently withheld from the incentive payments due for the 2022/23 season. The total amount of the conditional financial contribution during the Settlement Regime cannot exceed € 200'000.

5. Progress Reports and continuous assessment

5.1 The Licensor commits to submit progress reports to the competent Chamber of the CFCB (within the deadlines set by the UEFA Administration) concerning its compliance with the overall objective and all relevant specific obligations as defined in Articles 1.2 and 3.2-3.6.

- 5.2 In its progress reports, the Licensor undertakes to provide clear information concerning the fulfilment of its obligations pursuant to this Settlement Agreement.
- 5.3 The Licensor also commits to perform self-assessments by completing the relevant club licensing checklists with regard to its clubs qualified for the UEFA club competitions. The checklists have to be completed on the basis of the club licensing documentation upon termination of the licensing process.
- 5.4 The Licensor will be subject to assessment visits (e.g. compliance audits) and in-depth annual reviews on an annual basis covering the two seasons of the Settlement Regime.

6. Consequence of Coming into Compliance with the Settlement Agreement

- 6.1 Compliance with the Settlement Agreement will be subject to on-going monitoring in accordance with the applicable rules.
- 6.2 The Licensor shall exit the Settlement Regime by the end of the 2022/23 season if the overall objective is met during the whole duration of the Settlement Regime. The fulfilment of the overall objective will have to be assessed by the competent Chamber of the CFCB.

7. Consequences of Non-compliance with the Settlement Agreement

- 7.1 If the Licensor fails to comply with the overall objective of this Settlement Agreement, the competent Chamber of the CFCB will then have to apply disciplinary measure(s) in accordance with the applicable Procedural rules governing the UEFA Club Financial Control Body.
- 7.2 Moreover, disciplinary measure(s) will be applied if the Licensor does not provide on time the necessary documentary evidence enabling the competent Chamber of the CFCB to assess the compliance of the Licensor and its affiliated clubs with the overall objective of this Settlement Agreement.
- 7.3 The competent Chamber of the CFCB may take any of the decisions and measures indicated in the applicable Procedural rules governing the UEFA Club Financial Control Body.

8. Varia

- 8.1 All terms used in this Settlement Agreement shall have the same meaning as defined in the applicable UEFA rules, in particular the applicable CL&FFP and CLQS.
- 8.2 This Settlement Agreement is primarily governed by the applicable UEFA Statutes, UEFA's rules and regulations and, subsidiarily, Swiss law.
- 8.3 The Licensor remains subject to the club licensing requirements set out in the applicable CL&FFP throughout the Settlement Period.

- 8.4 This Settlement Agreement shall expire when the competent Chamber of the CFCB confirms that the Licensor has fulfilled the overall objective of this Settlement Agreement (as per Article 5) or if the competent Chamber of the CFCB specifically decides to terminate the Settlement Regime and to impose disciplinary measure(s) because of a breach by the Licensor of this Settlement Agreement (as per Article 6).
- 8.5 The Licensor is aware that the decision of the Chief Investigator to conclude this Settlement Agreement may be reviewed by the CFCB Adjudicatory Chamber in accordance with Article 16 of the Procedural Rules.
- 8.6 The Licensor is further aware that final decisions of the CFCB may be appealed only before the Court of Arbitration for Sport ("CAS"), in Lausanne (Switzerland), in accordance with the relevant provisions of the applicable UEFA Statutes, pursuant to the relevant provision of the applicable Procedural rules governing the UEFA Club Financial Control Body.
- 8.7 Any dispute relating to this Settlement Agreement, including to its validity, its compliance and its interpretation shall be decided by the CFCB. When all legal remedies within UEFA have been exhausted, CAS has exclusive jurisdiction to decide.
- 8.8 Publication of this Settlement Agreement is regulated in accordance with the Procedural Rules with due respect for confidentiality of information.