Summary of
the Settlement Agreement with
Aston Villa FC (ENG)
(3-year period)

1. Background

- The Club did not comply with the stability requirements as set out in Articles 85 to 92 of the UEFA Club Licensing and Financial Sustainability Regulations ("CLFS") – Edition 2024.
- In particular, the Club failed to fulfill the Football Earnings rule as a result of having an aggregate Football Earnings deficit above acceptable deviation in the 2024/25 season (i.e., for the reporting periods ending in 2023 and 2024).
- In September 2024, proceedings against the Club were opened by the First Chamber of the UEFA Club Financial Control Body ("CFCB").
- In assessing the clubs' compliance with the football earnings rule, the CFCB placed particular attention on transactions involving the exchange of players (so called "swaps") and required specific adjustments to the Club's financial result.
- On 27 June 2025, the Club agreed to a 3-year period settlement agreement (the "Settlement Agreement" or the "Settlement") with the CFCB, which is based on the elements listed below as proposed by the CFCB.

2. Duration

- The Settlement Regime shall cover:
    - The **three reporting periods** ending in 2025, 2026, and 2027; and
    - The **three sporting seasons** 2025/26, 2026/27, and 2027/28.

3. Final and Intermediate Targets

- The Club commits to the following Targets:
    - In the 2025/26 season, the Club will have a maximum Football Earnings deficit of EUR 5 million for the reporting period ending in 2025 **("2025 Target")**

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- In the 2026/27 season, the Club will have a maximum Football Earnings deficit of EUR 0 million for the reporting period ending in 2026 **("2026 Target")**
- In the 2027/28 season, the Club will comply with the stability requirements (i.e., the Football Earnings rule), having an aggregate Football Earnings surplus, or an aggregate Football Earnings deficit within the acceptable deviation with regard to the reporting periods ending in 2025, 2026 and 2027 **("Final Target")**

- The 2025 Target can be increased up to a maximum of EUR 60 million if such an increase is entirely covered by either contribution or equity in reporting period ending in 2025.
- The 2026 Target can be increased in the event the Club over-performs with regard to the 2025 Target. In that case, the sum of the 2025 Target and the 2026 Target cannot exceed an aggregate Football Earnings deficit of EUR 60 million.

4. Covenants

- The Club undertakes and agrees to comply with the following Covenants, during the Settlement Regime:
  - To comply with the club licensing criteria set out in Article 18.01 of the CLFS;
  - To demonstrate its ability to continue as a going concern by providing auditors' reports with respect to its annual and interim financial statements which do not contain any disclaimers or qualified opinions in respect of going concern;
  - To submit true, complete and accurate legal and/or financial information, as well as information pertaining to its Transfer Balance.

5. Obligations

- The Club undertakes and agrees to comply with the following obligations during the Settlement Regime:
  - To provide financial information based on an appropriate reporting perimeter, in accordance with the CLFS;
  - To submit financial information which comply with all accounting requirements set in the CLFS when preparing its financial information, including – but not limited to – the minimum accounting requirements set out in the Annex G of the CLFS;

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- To submit progress reports to the CFCB First Chamber on a 6-month basis by the deadlines and in the form communicated by the UEFA administration. The progress reports must contain clear information pertaining to the fulfilment of the Club's obligations under this Settlement Agreement;
- To comply with the obligations and process related to the Sporting Disciplinary Measures;
- To fully cooperate with the CFCB First Chamber, the UEFA administration and, if applicable, with external auditors mandated by UEFA, regarding the compliance with, and the monitoring of, this Settlement;
- To proactively submit without delay any information to the CFCB First Chamber and to the UEFA administration that is likely to have a significant impact on the Club's compliance with the Settlement Agreement, irrespective of any periods or deadlines provided for in this Settlement

6. Financial Disciplinary Measures

- The Club agrees to the following Financial Disciplinary Measures, which have been established by the CFCB, taking into consideration the size of the breach, i.e. the aggregate Football Earnings deficit above the applicable acceptable deviation.
- The total fine amounts to EUR 20 million and shall be paid in the manner set out below:
  - An unconditional amount of EUR 5 million; and
  - A conditional amount up to EUR 15 million if the Club exceeds the Targets set out in Section 3 by EUR 20 million or less, as follows:
    - EUR 5 million if the Club exceeds the 2025 Target;
    - EUR 5 million if the Club exceeds the 2026 Target; and
    - EUR 5 million if the Club exceeds the Final Target.
- Should the Club exceed any of the above Target by less than EUR 20 million, the conditional fine will be calculated in proportion to the target deviation.
- Any calculated conditional amount will be doubled in case the Football Earnings result submitted by the Club is not based on the appropriate reporting perimeter or if the financial information does not comply with the accounting requirements set out in the CLFS.

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7. Sporting Disciplinary Measures

- The Club agrees to be subject to a sporting restriction and, as a consequence, may not register any new player on its List A to UEFA club competitions unless the List A Transfer Balance is positive.
- The List A Transfer Balance is defined as the difference between the cost savings from outgoing players ("Cost savings") and the new costs from incoming players ("New costs") at any applicable deadline for the Club's submission of its List A.
- The sporting restriction is foreseen as follows:
    - It unconditionally applies in the 2025/26 season;
    - It conditionally applies in the 2026/27 season, if the Club has a Football Earnings deficit in the reporting period 2025;
    - It conditionally applies in the 2027/28 season, if the Club exceeds the 2026 Target; and
    - It conditionally applies in the 2028/29 season if the Club exceeds the Final Target by less than EUR 20 million.
- Should the Club exceed any Target of the Settlement by more than EUR 10 million, but less than EUR 20 million, the limitation shall be more restrictive, as the calculated Cost savings from outgoing players shall be reduced by 50% (i.e., the New costs from incoming players will have to be less than 50% of the Cost savings from outgoing players).

8. Compliance with the Settlement Agreement

- The Settlement Agreement shall expire when the CFCB confirms that the Club has reached compliance with the Football Earnings rule, at the latest at the end of the Settlement Regime.
- Where the Club complies with the Final Target of the Settlement, the Club will be able to exit the Settlement Regime.
- If the Club demonstrates, to the satisfaction of the CFCB, compliance with Football Earnings rule on an aggregate basis for the reporting periods ending in 2024, 2025 and 2026, the Club will be granted an "early" exit from the Settlement Regime and any Sporting Disciplinary Measures shall cease to apply starting from 2027/28 season.

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9. Non-compliance with the Settlement Agreement

- Where the Club exceeds the Final Target by less than EUR 20 million, The CFCB First Chamber will apply Financial and Sporting Disciplinary Measures as described respectively in Section 6 and 7.
- The Club will be in breach of the Settlement Agreement in the following cases:
    - If the Club exceeds the 2025, 2026 or Final Target by more than EUR 20 million; or
    - If the Club fails to comply with any of the abovementioned Covenants.
- In case of breach of Settlement, the CFCB shall terminate the Settlement Agreement, and the Club agrees on an exclusion from the next one applicable UEFA club competition for which it would otherwise qualify in the following three seasons.

10. Final provisions

- The Club remains subject to the solvency and the cost control requirements as provided for under the CLFS during the lifetime of the Settlement Agreement. Any breach of those requirements will lead to separate proceedings before the CFCB.

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