

**The AFC Cup Club Licensing Regulations 2020 for
AFC Cup 2021**

AFC Cup Club Licensing Regulations

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SECTION A: CLUB LICENSING PROCESS

1. Introduction

- A “Club License”, shall be granted by the Licensor if the applicant club fulfills the requirements specified below in these regulations.
- The “Club License” shall be a requirement to be eligible to participate in the AFC Club Competitions and/or National League as decided by the Licensor or AFC.

2. Objectives

- Establish reliability, credibility and integrity of the National League and AFC Club Competitions along with the clubs participating in those competitions.
- Promotion and continuous improvement of standards of all the aspects of football.
- Ensure qualified coaches are engaged in training of the players in each participating club with the overall aim to improve the standard and quality of the matches.
- Ensure development of youth teams.
- Ensure adequate and good quality match and training facilities for the clubs participating in those competitions.
- Improve the overall administration and management organisation of the clubs and make them more efficient, productive and transparent.
- Improve the economic and financial standings of clubs and generate revenues through effective marketing and commercial exploitation by the clubs.

3. LICENSOR

A. WHO IS THE LICENSOR?

- The National Football Association or its affiliated Football league is the Licensor.
- The National Football Association or its affiliated Football league as the licensor is legally authorised to draft, finalise and issue the license to any applicant that seeks to get the license.
- The National Football Association or its affiliated Football league governs the licensing system, appoints the corresponding licensing bodies and determines the necessary processes.
- The National Football Association or its affiliated Football league guarantees the license applicant (club) full confidentiality with regards to information given by the license applicant during the licensing process.
- Anyone involved in the licensing process or appointed by the Football Association or its affiliated Football league will ensure confidentiality of the tasks undertaken.

B. DECISION MAKING BODIES

The Licensor shall have two decision making bodies to decide on the application and hearing appeals on the granting of a license to the applicants. The two decision making bodies shall be independent of each other and the members shall not have any conflict of interest. Members of the decision making bodies shall have relevant knowledge of professional football and one or more of the criteria mentioned in these regulations. The quorum for the decision making bodies shall be three and all decisions made shall be in writing. The decision making bodies are:

- i. First Instance Body (FIB)
- ii. Appeals Body (AB)

i. First Instance Body (FIB)

- a. The FIB decides on whether a license should be granted to an applicant club on the basis of the documents provided and in accordance with these Club Licensing Regulations. Members of the FIB shall include a qualified lawyer and a qualified accountant/auditor.

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- ii. Appeals Body (AB)
 - a. The AB decides on appeals submitted in writing and makes a final and binding decision on whether a license should be granted or revoked based on the documents submitted by the deadline. Members of the AB shall include a qualified lawyer and a qualified accountant/auditor.
 - b. Appeals may be lodged by:
 - i. The license applicant club, who received the refusal of the FIB
 - ii. The licensee club, whose license has been withdrawn by the FIB
 - iii. The Licensing manager of National Football Association or its affiliated Football league
 - c. The AB makes its decision based on the documents submitted before the FIB. No new documents or evidence shall be admitted.

C. LICENSING ADMINISTRATION

- a. The Licensing Administration of the National Football Association or its affiliated football league is responsible for all the administrative matters relating to the Club Licensing Regulations.
- b. The Licensing Administration is responsible for:
 - i. Preparing, implementing and further developing the Club Licensing Regulations
 - ii. Providing administrative support to the decision making bodies
 - iii. Assisting, advising and monitoring the licensed clubs during the season
- c. All persons involved in the licensing process must comply with strict confidentiality rules regarding information received during licensing procedure.
- d. The Licensing Administration will not be influenced or affected by the decision making bodies in any aspects.

4. LICENCE APPLICANT AND LICENCE

A. DEFINITION OF LICENSE APPLICANT

1. A license applicant is defined as a legal entity fully and solely responsible for the football team participating in national and international club competitions which either:
 - a. is a registered member of an AFC Member Association and/or participates in its affiliated league (hereinafter: registered member); or
 - b. has a contractual relationship with a registered member (hereinafter: football company).
2. An individual or a natural person cannot apply for a license.
3. The membership and/or the contractual relationship must have lasted at the start of the Licensing process at least two consecutive years. Any alteration to club's legal form or company structure (including, changing its headquarters, name, club colours, or transferring stake holdings between different clubs/entities) in order to facilitate its qualification on sporting merit and/or its receipt of a licence is deemed as an interruption of membership or contractual relationship (if any) within the meaning of this provision.

B. RESPONSIBILITIES OF THE LICENSE APPLICANT

The license applicant is responsible for ensuring that the Licensor is provided with all necessary information and/or documents relevant to proving that the licensing obligations are fulfilled, as these obligations relate to the criteria set out under the club licensing regulations.

C. LICENSE

A license is a right given by the Licensor to the football club to participate in the National Football League and the relevant AFC Club Competitions for the upcoming season. Clubs which qualify for the AFC Club Competitions on sporting merit must obtain a licence issued by their licensor, except where Article 4.D below applies.

The principles governing the License are:

- a. Only clubs which fulfil the criteria set out in these Club Licensing Regulations at the deadlines may be granted a license to enter the AFC Club Competition and/or

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- National Football League. Clubs which fail to get a license will not be allowed to participate in the National Football League unless an exception is granted by AFC. A license shall be mandatory to participate in AFC Club Competitions.
- b. A license expires without prior notice:
 - i. at the end of the League season for which it was issued, or
 - ii. on dissolution of the League.
 - c. License may be withdrawn during a season if:
 - i. for any reason a licensee becomes insolvent and enters into liquidation during the season, as determined by the National Law: or
 - ii. any of the conditions for the issuing of a license are no longer satisfied; or
 - iii. the licensee violates any of its obligations under these Club Licensing Regulations.
 - d. A license cannot be transferred.

D. EXTRAORDINARY APPLICATION

1. If a club qualifies for an AFC 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, because it belongs to a division other than the top division, the AFC Member Association of the club concerned may on behalf of the club request an extraordinary application of the Club Licensing System in accordance with Annex 1.
2. Based on such an extraordinary application, AFC may grant special permission to the club to enter the corresponding AFC Club Competition subject to the relevant AFC Club Competition Regulations. Such an extraordinary application applies only to the specific club and for the season in question.

5. CORE PROCESS & TIMELINE

The Licensor defines the timeline and the processes that the Licensor undertakes to decide if a license applicant can be granted a license or not.

A. PRINCIPLE

- The Licensor defines the core process for the verification of the criteria described in these regulations. The core process shall include the timeline assigned to fulfil each criteria.
- The core process starts at a time defined by the licensor and ends on submission of the list of licensing decisions to the AFC CL Administration by the deadline fixed by AFC.
- The Licensor defines the timeline within which the applicant clubs must submit documents to prove the compliance of various criteria.
- The core process consists of the following minimum key steps:
 - distribution of the licensing documentation to the licence applicants;
 - return of the licensing documentation to the licensor;
 - assessment of the documentation by the Licensing Administration;
 - assessment and decision by the decision-making bodies;
 - submission of list of licensing decision to the AFC CL Administration.

B. PROCESS

The core process of licensing implementations is as follows:

- i. The Licensor invites clubs who wishes to participate in the National Football League and will provide the circular, application manual and other licensing documents and checklist to the clubs.
- ii. License Applicants should start the process of fulfilling and implementing the criteria in their respective clubs immediately after the Licensor has explained the terms, criteria and the requirements they need to fulfill and has provided the circular, application manual and other licensing documents and checklist.
- iii. The Licensing Administration will closely monitor and follow up on the License Applicants in fulfilling the criteria. If needed the Licensing Administration will visit the License Applicants and provide them with any information or assistance that the License Applicant needs.
- iv. License Applicants need to submit the required supporting documents to the Licensor to prove compliance with the licensing criteria. The last date for submission of the supporting documents for participating in the upcoming season of the National Football League shall be determined by the Licensor.

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- v. The Licensing Administration will assess the documents submitted by the license applicant clubs to verify their compliance with the criteria once the License Applicants submit the application along with supporting documents. The assessment may include site visits.
- vi. The Licensing Administration will present the license application along with the supporting documents to the FIB.
- vii. The First Instance Body (FIB) will decide on whether a license should be granted to the applicant club on the basis of the documents provided and in accordance with these Club Licensing Regulations.
- viii. On refusal of the license, the applicant club can lodge an appeal to General Secretary of the Licensor against the refusal. The appeal should be made in writing within 15 days of the receipt of refusal. It shall be compiled by Licensing Administration and forwarded to the AB.
- ix. The AB will examine the application, supporting documents and submitted evidence to take a decision on the refusing of license and the decision shall be informed to the license applicant as soon as it is taken.
- x. The Licensor will communicate to AFC regarding the final decision on granting of license before 31 October of every year.
- xi. The Licensor shall ensure equal treatment to all license applicant clubs during the core process.

Date	Action	Action By
dd/mm/yyyy	Club Licensing Administration (CLA) distributes the circulars & Licensing Packs to License Applicant (LA) / Club	CLA
dd/mm/yyyy	<u>Submission Date</u> - LA / Club to submit completed License Applications to CLA (deadlines may vary for each Criteria and for each document type)	LA / Club
dd/mm/yyyy	Assessment on the License Applications (inspection, site visit, etc) and to present report to the Decision Making Bodies – First Instance Body (FIB)	CLA

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dd/mm/yyyy	Decision making for granting of license by the First Instance Body	FIB
dd/mm/yyyy	<u>Appeal Date</u> – LA / Club may file request for appeal against the determination of the FIB (refusal license cases)	LA / Clubs
dd/mm/yyyy	Decision making for granting of license by the Appeals Body (AB)	AB
31 Oct. yyyy	CL Administration (CLA) to inform the Clubs and AFC of the Club(s) which is/are issued with license, license issued with sanctions and license not issued	CLA

SECTION B: CLUB LICENSING CRITERIA

6. CRITERIA

6.1 SPORTING CRITERIA

The purpose of having sporting criteria is to encourage the clubs to produce and continuously develop good quality players for the first team.

Also, the players need to be provided with effective and quality coaching to develop themselves and achieve positive results for the club.

If a club wants to improve its elite team/first team, it needs to focus on its youth teams. It takes a lot of effort and time to develop young talent and make them technically good.

The objectives of the sporting criteria are:

- i. Provide efficient coaching and support to the players on the field
- ii. Continuous production and development of skilled players for the club
- iii. Investment of clubs into youth development
- iv. Encourage education (football and non-football) among the youth players
- v. Encourage youth players to adopt a fair play policy on and off the pitch

6.1.1 HEAD COACH OF THE FIRST TEAM

The license applicant club must have appointed a Head Coach for its first team, who is responsible for all the sporting matters of the first team.

The Head Coach must:

- i. Hold at least a valid AFC 'A' Certificate or any valid coaching qualification that is equivalent to AFC 'A' recognized by the Licensor and AFC
- ii. Be appointed by the executive body or the club secretariat of the license applicant club through a written agreement endorsed by the head of club administration

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Submission to the Licensor

The club must submit to the Licensor the name and CV of the Head Coach. The club must also submit a copy of his/her coaching qualification/coaching certificate along with an appointment letter or an employment contract stating the appointment of the person as the head coach of the first team of the club.

The Licensor shall verify the documents to confirm the appointment.

6.1.2 YOUTH TEAMS AND PARTICIPATION IN YOUTH COMPETITION(S)

The license applicant club must have at least two (2) youth teams within the age range of U15 and U18.

The youth teams in the above mentioned age range should have regular training and must be coached by at least an AFC “C” licensed certified coach.

The youth teams shall participate in all the relevant youth competition(s) organised by the Licensor and such other bodies at the national, regional or local level. The youth team should also participate in any youth development activities organised by the Licensor.

Submission to the Licensor

The club needs to provide the details of all the youth team players including name, address, date of birth etc. and proof of participation in the youth competitions. The club must also submit a copy of the youth coach's coaching qualification/coaching certificate along with an appointment letter or an employment contract stating the appointment of the person as the coach of the youth teams of the club.

6.1.3 TEAM DOCTOR OR PHYSIOTHERAPIST FOR THE FIRST TEAM

The license applicant club must have appointed a Team Doctor or a Physiotherapist who is responsible for medical support during matches and training as well as for doping prevention.

The qualifications of the Team Doctor or Physiotherapist must be recognized by the appropriate national health authorities.

The Team Doctor or Physiotherapist must be duly registered with the member association and/or the affiliated league.

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Submission to the Licensor

The club must submit the name of a Team Doctor or a Physiotherapist to the Licensor along with his/her CV and an appointment letter or employment contract stating his/her appointment as a Team Doctor or a Physiotherapist of the club

6.1.4 WRITTEN CONTRACT WITH PLAYERS

All the players of the license applicant club's top team must have a written contract with the license applicant in accordance with the relevant provisions of the FIFA Regulations for the Status and Transfer of Players and shall incorporate all key provisions required by National Law, Licensor, FIFA and AFC.

Submission to Licensor

The club needs to provide the contract of each player of the top team.

6.1.5 MEDICAL SUPPORT SERVICES FOR PLAYERS

The license applicant club must provide all the players registered in the club with full access to medical support services. The players must undergo an yearly medical examination. The license applicant club must provide medical treatment to all its players in case of any injuries.

Submission to the Licensor

The club needs to provide certificate for each top team player to the Licensor stating that the player has undergone a medical check and is fit to play.

6.1.6 APPROVED YOUTH DEVELOPMENT PROGRAMME

The license applicant must have a written youth development programme approved by the licensor.

Submission to the Licensor

The club needs to provide the approved youth development program which includes as a minimum the organisation chart, annual training plans and personnel involved.

6.2 INFRASTRUCTURE CRITERIA

Infrastructure should be seen as a long term investment whereby a club can attract more fans to the stadium, create a better atmosphere and generate revenue. Therefore, clubs should ensure that they have an access to a stadium that is attractive, safe, secured, hygienic and easy to access for the fans.

The objectives of the infrastructure criteria are:

- i. Clubs have access to a stadium that is approved by Licensor that provides necessary and adequate facilities for the players, officials and spectators.
- ii. Clubs have suitable training facilities for their players to help them improve their technical skills

6.2.1 STADIUM/HOME PLAYING FIELD

The club must either own or have a guaranteed access to a Playing Field that is considered as its home venue for National Football League matches and AFC competitions.

The playing field must be of minimum size as indicated in the FIFA Laws of the Game.

The stadia must meet the requirements expressly referred to by the:

- a) AFC Stadia Regulations; and respective
- b) AFC Club Competition Regulations/Manual.

Submission to the Licensor

The club must submit to the Licensor the name and address of the Home Playing Field along with the ownership document or agreement with the owner of the Home Playing Field stating guaranteed access to the club as its

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Home Playing Field for the National Football League matches. If the Club owns the Home Playing Field, it must submit the documents proving its ownership.

The Licensor shall verify the documents and visit the field to confirm the venues.

6.2.2 TRAINING FACILITIES

The club must either own or have a guaranteed access to Training Field/ Training Facilities that is available throughout the year where the players of the club can train on a regular basis.

The Training Field must have:

- i. A full size football pitch of good quality
- ii. Goal posts

Necessary training equipments such as balls, cones, bibs, etc should be provided to the players.

Submission to the Licensor

The club must submit to the Licensor the name and address of the Training Field along with the ownership document or agreement with the owner of the Training Field stating guaranteed access to the club as its Training Field for the entire year. If the Club owns the Training Field, it must submit to the Licensor the documents proving its ownership

The Licensor shall verify the documents and visit the field to confirm the venue of the training field.

6.2.3 CLUB SECRETARIAT

The club must either own or have a guaranteed access to an office space to conduct its administration. The club administration must be based in this office space.

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The administrative office must be equipped with all the necessary communication facilities such as telephone, fax, computer, internet, email, etc.

Submission to the Licensor

The club must submit to the Licensor the name and address of the club secretariat along with the ownership document or agreement with the owner of the office space stating guaranteed access to the club as its secretariat to conduct all its administrative tasks. The club must submit all the relevant contact details of the club secretariat.

If the Club owns the office space, it must submit to the Licensor the documents proving its ownership

The Licensor shall verify the documents and visit the office space to confirm the facility.

6.3 PERSONNEL AND ADMINISTRATIVE CRITERIA

Having professional, well-educated and experienced people in the administration of the club is the key in running any professional club in an efficient and effective manner. The license applicant club is responsible for identifying and recruiting people who meet the set requirements and comply with the defined profile either full time or part time.

The objectives of the personnel and administrative criteria are:

- i. Clubs have well-educated, qualified and skilled specialists with specific know how and experience
- ii. Clubs are in a position to exploit the commercial and marketing opportunities prevailing in the commercial environment of the country
- iii. It helps the league to become more professional and commercially beneficial over a period of time

6.3.1 GENERAL MANAGER/GENERAL SECRETARY

The club must have appointed a full time CEO or General Manager or General Secretary who is the head of the administration of the club. He/she is responsible for managing and supervising the administrative matters of the club.

The CEO/General Manager/General Secretary should have adequate academic qualifications and must have experience of administration of a football club. He/she should have the necessary knowledge and communication skills required in club management.

He/she shall:

- i. Be responsible for executing the decisions of the Executive Body of the club.
- ii. Be responsible for the administration of the club secretariat and appointment and supervision of the administrative staff.
- iii. Assist and participate in the Congress and Executive Committee meetings of the club as an ex-officio.
- iv. Be responsible for all the official correspondence and communications with the Licensor, government, other clubs and any other stakeholders involved.

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- v. Attend all the club management and club development seminars organised by the Licensor, MA or any other governing bodies for the development of the club.

The appointment of the full time CEO/General Manager/General Secretary should be done by the appropriate body (e.g. Executive Board) of the club.

Submission to the Licensor

The club must submit the name and CV of the full time CEO/General Manager/General Secretary to Licensor along with an appointment letter or an employment contract stating his/her appointment as a full time head of club administration.

The Licensor shall verify the documents and confirm the appointment.

6.3.2 FULL TIME/PART TIME FINANCE OFFICER

The club must have appointed a full time or part time Finance Officer who is responsible for its financial and accounting matters. He/she is responsible for managing and supervising all the financial matters of the club.

The Finance Officer should have adequate financial, accounting and book keeping academic qualifications and experience in these aspects of football industry/football club.

He/she shall:

- i. Be responsible to manage and oversee all aspects of club's financial functions and financial risks.
- ii. Be responsible for monitoring, management and reporting of all financial and accounting aspects of the club including: budgeting, accounting, banking, payroll, overhead costs, salaries, expenses and revenues.
- iii. Be responsible for preparing financial statements including profit and loss account and balance sheet.
- iv. Be responsible for preparing the annual budget.

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- v. Be responsible for monitoring and control of cash flow and bank accounts.
- vi. Attend all the seminars and workshops organised by the Licensor or any other governing body for the development of the club in financial, accounting and governance aspects.

The appointment of full time/part time Finance Officer should be done by the head of the club administration, i.e the CEO/General Manager/General Secretary through a written contract.

Submission to the Licensor

The club must submit the name of the full time/part time Finance Officer to the Licensor along with his/her CV and an appointment letter or employment contract stating his/her appointment as the head of all the financial matters relating to the club.

The Licensor shall verify the documents and confirm the appointment.

6.3.3 SECURITY OFFICER OR SECURITY ADVISOR

The license applicant club must have an appointed part time or full time security officer or a security advisor who is responsible for safety and security matters.

The appointment of full time/part time Security Officer or Security Advisor should be done by the head of the club administration, i.e the CEO/General Manager/Club Secretary through a written contract.

Submission to Licensor

The club must submit the name of the security officer or security advisor to Licensor along with his CV and all his contact details. The club must submit an appointment letter or an employment contract stating the appointment of the official as the security officer or security advisor.

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The Licensor will verify the documents and confirm the appointment.

6.3.4 FULL TIME/PART TIME MEDIA OFFICER

The club must have appointed a part time or full time Media Officer being responsible for all media matters.

The Media Officer should have adequate academic qualifications and experience in media aspects of football industry/football club.

He/she shall:

- i. Be responsible to manage and oversee all aspects of club's media management.
- ii. Be responsible for communicating and interacting with mass media and external media/newspaper to provide all relevant information on club matters.
- iii. Be responsible for communicating with AFC and the Licensor for all media related matters of the club
- iv. Be responsible for handling media operations including press conference, flash interviews, media briefing, etc. during match days and non match days
- v. Be responsible for all the Public Relations (PR) and Promotional aspects of the club (in coordination with Marketing Manager)

The appointment of full time/part time Media Officer should be done by the head of the club administration, i.e. the CEO/General Manager/General Secretary through a written contract.

Submission to the Licensor

The club must submit the name of the full time/part time Media Officer to the Licensor along with his/her CV and an appointment letter or employment contract stating his/her appointment as the head of all the media commercial matters relating to the club.

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The Licensor shall verify the documents and confirm the appointment.

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6.4 LEGAL CRITERIA

It is necessary that the club has an appropriate legal personality as per the legal principles in the country. The benefit of having legal criteria is encouraging the clubs to be stable over the long run.

The objectives of the legal criteria are:

- i. Establishing a stable and sustainable entity
- ii. Compliance of the rules and regulations of the national association
- iii. Increased protection for club, players and officials through compliance of contractual obligations
- iv. Increased efficiency in player transfer procedures
- v. Transparency in financial management
- vi. Ability to secure contracts with sponsors and commercial partners
- vii. Streamlining of approvals from government bodies for construction/ownership of club infrastructure

6.4.1 LEGAL ENTITY

The license applicant must be registered with an appropriate authority as a legal entity as per the law prevailing in the country. The license applicant must be in possession of legally valid documents confirming the following:

- i. It is a legal entity registered with a recognised legal authority
- ii. It holds a certificate/document stating its legal entity status

Submission to the Licensor

The club needs to provide the necessary documents and certificates that prove that the club is a legal entity that is registered with the appropriate authority in the country.

6.4.2 OWNERSHIP AND CONTROL OF CLUBS

The Licence Applicant must submit a legally-valid declaration outlining the ownership structure and control mechanism of the Club. Such declaration should ensure conformity with the conditions set out below.

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No natural or legal person involved in the management, administration and/or sporting performance of the club, either directly or indirectly:

- a) holds or deals in the securities or shares that allows such person to exercise decisive influence in the activities of any other club participating in the same competition;
- b) holds a majority of the shareholders' voting rights of any other club participating in the same competition;
- c) has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of any other club participating in the same competition;
- d) is a shareholder and alone controls a majority of the shareholders' voting rights of any other club participating in the same competition pursuant to an agreement entered into with other shareholders of the club in question;
- e) is a member of any other club participating in the same competition;
- f) is involved in any capacity whatsoever in the management, administration and/or sporting performance of any other club participating in the same competition;
- g) has any power whatsoever over the management, administration and/or sporting performance of any other club participating in the same club competition.

These declarations must be executed by an authorised signatory no more than three (3) months prior to the corresponding deadline for its submission to the licensor.

6.5 FINANCIAL CRITERIA

For any organisation to sustain and grow, it is of utmost importance that it has a healthy and sound financial position. It not only includes higher revenues but also includes proper maintenance of financial statements and accounts. The financial criteria will help deliver both short and long term improvements for clubs, and football in general.

The financial criteria should help to:

- i. Improve their understanding of the financial position and prospects of their member clubs;
- ii. Enhance their ability to be proactive in assisting clubs with financial issues

For the clubs, the financial criteria should help to:

- i. Improve standards and quality of financial management and planning activities;
- ii. Enable better management decision-making;
- iii. Enhance clubs' financial and business credibility with stakeholders;
- iv. Improve financial stability; and
- v. Enhance revenue generating ability and cost management.

The objectives of the financial criteria are:

- i. Improve the economic and financial capability of the clubs;
- ii. Increase clubs' transparency and credibility;
- iii. Place the necessary importance on the protection of creditors;
- iv. Safeguard the continuity of competitions.

6.5.1 ANNUAL BUDGET

The club must submit its annual budget before the start of the season. It should state the following:

- a) projected income for the coming financial year
- b) projected expenditure for the coming financial year
- c) all the sources of revenues and income projected for the financial year along with the amount
- d) all the sources of expenditures projected for the financial year along with the amount

Submission to the Licensor

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The club needs to provide the budget with the above details which will be verified by the Licensor.

6.5.2 AUDITED ANNUAL FINANCIAL STATEMENTS

The club must submit its audited annual financial statements for the previous financial year.

The financial statements should include the following –

- ✓ Balance Sheet
 - i. Current Assets
 - ii. Fixed Assets
 - iii. Current Liabilities
 - iv. Non Current Liabilities
 - v. Net assets/liabilities
- ✓ Profit and Loss Account
 - i. Revenue
 - ii. Expenses
 - iii. Other

Submission to the Licensor

The club needs to provide the audited annual financial statements with the above details which will be verified by the Licensor.

6.5.3 NO PAYABLES OVERDUE TOWARDS EMPLOYEES AND SOCIAL / TAX AUTHORITIES

The licence applicant must prove that, it has no payable overdue towards its current or former employees and social/tax authorities in respect of its contractual or legal obligations.

The term “employees” shall include but not limited to:

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- a) all professional players according to the applicable FIFA Regulations on the Status and Transfer of Players; and
- b) the administrative, technical, medical and security staff specified in these Regulations.

Submission to the Licensor

The club needs to provide a legally valid declaration that there are no payable overdue towards its current or former employees and social/tax authorities.

This declaration must be executed by the General Manager/General Secretary/CEO no more than thirty (30) days prior to the corresponding deadline for its submission to the licensor.

6.6 SUMMARY OF THE CRITERIA

Following is a summary of the licensing criteria for the clubs to get a license:

SPORTING CRITERIA

License Applicant Club to have-

1. Head Coach for its first team, with an AFC 'A' Coaching Certificate
2. 2 Youth Teams, participation in youth competitions, AFC C Licensed Coach.
3. Team Doctor or Physiotherapist.
4. Written contract with all its players in top team.
5. All its registered players provided with medical check up and treatment.
6. Approved Youth Development Programme.

INFRASTRUCTURE CRITERIA

License Applicant Club to either own or have a guaranteed access to-

1. a Home Playing Field to play its National Football League matches.
2. to Training Field/ Training Facilities throughout the year.
3. an office space to conduct its administrative task.

PERSONNEL AND ADMINISTRATIVE CRITERIA

License Applicant Club to appoint a

1. full time CEO/GM/GS as the head of club administration.
2. full time or part time Finance Officer.
3. full time or part time Security Officer.
4. full time or part time Media Officer.

LEGAL CRITERIA

1. Legal entity registered with the appropriate authority.
2. Declaration regarding Ownership and Control of Club.

FINANCIAL CRITERIA

1. Annual budget.
2. Annual audited financial statements from the previous financial year.
3. No payables overdue towards employees and social / tax authorities.

7. EXCEPTIONS POLICY

The AFC administration may grant an exception to any provisions in this Club Licensing Regulations as set out in Annex 2.

These regulations were adopted by the AFC Executive Committee on 19 August 2016 and came into force the next day onwards.

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ANNEX 1 - EXTRAORDINARY APPLICATION OF THE CLUB LICENSING SYSTEM

1. The minimum criteria applicable for the extraordinary application of the Club Licensing System as specified in Article 4.D shall be the same as in Section B of these regulations. The AFC Member Association shall notify the AFC as soon as a possibility for invoking Art 4.D arises.
2. AFC Member Associations must notify the AFC CL Administration of such extraordinary application requests in writing stating the name of the club concerned latest by 31 August of the year preceding the season to be licensed.
3. The AFC Member Association shall be responsible for providing the criteria to the club concerned for the assessment for the extraordinary procedure at national level. They must also take immediate action with the club concerned to prepare for the extraordinary procedure.
4. The club concerned must provide the necessary documentary proof to the Member Association that will assess the club against the fixed minimum standards and forward the following documentation in English to the AFC CL Administration by the 30 September of the year preceding the season to be licensed:
 - a) a written request to apply for special permission to enter the corresponding AFC Club Competition;
 - b) a recommendation by the licensor based on its assessment (including the dates and names of the persons having assessed the club);
 - c) all documentary evidence provided by the club and the licensor as requested by the AFC CL Administration;
 - d) any other documents requested by the AFC CL Administration during the extraordinary procedure.
5. The AFC CL Administration bases its decision on the documentation received and grants special permission to enter the AFC Club Competitions if all the set criteria are fulfilled and if the club ultimately qualifies on sporting merit. The decision will be communicated to the AFC Member Association, which has to forward it to the club concerned.
6. If such a club is eliminated on sporting merit during this extraordinary procedure, the AFC Member Association concerned has to notify the AFC CL Administration 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 AFC CL Administration in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions

laid down in the AFC Statutes.

ANNEX 2 - EXCEPTIONS POLICY

A. PRINCIPLE

1. The AFC CL Administration may, in accordance with Article 6.7, grant exceptions on the following matters:
 - a) non-applicability of a minimum requirement concerning the decision-making bodies or process due to national law or any other reason;
 - b) non-applicability of a minimum requirement concerning the core process due to national law or any other reason;
 - c) non-applicability of a minimum assessment procedure due to national law or any other reason;
 - d) non-applicability of the two-year rule defined in Article 4.A.3 in case of change of legal form or company structure of the Licence Applicant on a case by case basis;
 - e) non-applicability of a certain criterion defined in Section B, due to national law or any other reason;
 - f) non applicability of a license requirement for any club to participate in the National Football League of any National Association.
2. Exceptions related to items a), b), c) and e) are granted to an AFC Member Association and may apply to all clubs which are registered with the AFC Member Association and which submit a licensing application to enter the AFC Club Competitions. Exceptions related to item d) and f) are granted to individual clubs that applies for a licence.
3. In principle an exception is granted for a period of one season. Under specific circumstances this period may be extended and the AFC Member Association may be placed on an improvement plan.
4. A renewal of the exception is possible upon a new request.

B. THE PROCESS

1. The AFC CL Administration acts as the first instance decision making body on exception requests.
2. An exception request must be in writing, clear and well founded.

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3. Exceptions related to items defined under A (1) (a, b, c, e and f) must be submitted by the AFC Member Association to the AFC CL Administration ten (10) days prior to the start of the core process.
4. Exceptions related to the item defined under A (1) (d) can be submitted at any time. A licensor notified of the reorganisation or restructuring of an affiliated club (e.g. change of legal form, merger of clubs, split of club, liquidation or bankruptcy) is responsible for notifying the AFC CL Administration accordingly as soon as it becomes aware of it.
5. The AFC CL Administration uses the necessary discretion to grant any exception within the limits of these regulations.
6. The status and situation of football within the territory of the AFC Member Association will be taken into account when granting an exception. This encompasses, for example:
 - a) size of the territory, population, geography, economic background;
 - b) size of the AFC Member Association (number of clubs, number of registered players and teams, size and quality of the administration of the association, etc.);
 - c) the level of football (professional, semi-professional or amateur clubs);
 - d) status of football as a sport within the territory and its market potential (average attendance, TV market, sponsorship, revenue potential, etc.);
 - e) AFC and FIFA ranking;
 - f) stadium ownership situation (club, city/community, etc.) within the association;
 - g) support (financial and other) from the national, regional and local authorities, including the national sports ministry.
7. The decision will be communicated to the AFC Member Association. The decision shall be in writing and state the reasoning. The AFC Member Association shall then communicate it to all Licence Applicants concerned.
8. Appeals can be lodged against decisions made by the AFC CL Administration in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the AFC Statutes.