



LIGA NACIONAL DE FÚTBOL PROFESIONAL

**STANDARDS FOR THE PREPARATION OF THE
BUDGETS OF CLUBS AND SADs**

FULL TEXT AND ANNEXES

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STANDARD MODELS



PREAMBLE

I

Article 41.4.b) of Law 10/1990 of 15 October 1990 on Sport granted the professional leagues exclusive competence to carry out the functions of guardianship, control and economic supervision of their members, subsequently extended by Article 25 of Royal Decree 1835/1991 of 20 December 1991 on Spanish sports federations.

This legal attribution has been reinforced and split in the new Law 39/2022, of 30 December, on Sport, now specifically as section b) of article 95, without prejudice to the fact that section c) of this precept maintains the general powers of tutelage, control and supervision.

In particular, National Professional Football League ("LALIGA") is responsible for regulating the drawing up of budgets by Sports Limited Companies and Clubs participating in the competitions it organises, with the aim of verifying - *a priori* - their compliance with the requirements established in the economic control system, without prejudice to their additional verification *a posteriori*.

In line with the above, the preparation - in accordance with the criteria approved by LALIGA and with others that the due legal authorisation may make imperative - of the budgets and their presentation for review and approval has as its fundamental objective the verification of compliance with the budget balance by Clubs/SADs and the possible application of adjustments to the budgets presented, as well as, if necessary, the establishment of a certain maximum limit to the cost of the sports staff for the season in question, even lower than that proposed by LALIGA, LALIGA, of adjustments to the budgets presented, as well as, if necessary, the establishment of a certain maximum limit to the squad cost for the season in question, even lower than that proposed by the Club/SAD in the budget presented to LALIGA.

II

LALIGA exercises the aforementioned functions through its governing and administrative bodies, in general, and the Economic Control Committee and the Budget Validation Body in particular.

It does so in accordance with the provisions of its Articles of Association, Book X of its General Regulations and the present Rules for the Preparation of Budgets of Clubs and SADs (the "NEP"), the approval and modification of which is the responsibility of the Delegated Commission.

These Rules, which are inserted below (and which are made up of the Articulated Text, its Annexes and Standard Models), are part of the regulatory system of economic control of LALIGA, aimed at its members and of mandatory compliance, together with the content of its Articles of Association and of the aforementioned Book X of its General Regulations, which shares these objectives, without prejudice to the possible impact of other legal or regulatory provisions.

On the other hand, it should be noted that the General Chart of Accounts and the NEP share the same substrate of financial information for Clubs and SADs, although there are important differences in many of the essential characteristics of both standards, which justifies a differentiated treatment in certain transactions, with the PGC being configured as a supplementary accounting standard to



the NEP.

In order to adapt their content to the changing reality, and to the unique legal, financial and economic sporting framework in which they must be applied, these Regulations may be modified and updated by the Delegate Commission, after appropriate economic study and reasoned justification. In this way, economic control is rigorous, fair and with sufficient flexibility, in the interests of a sustainable competition, made up of solvent Clubs and SADs on an equal footing, while also respecting the so-called "Financial Sustainability Rules" which are also implemented by UEFA and other leagues and federations.

TITLE I GENERAL PROVISIONS

ARTICLE 1. NATURE AND BINDING NATURE OF THE RULES.

1. The present Rules for the Preparation of Budgets of Clubs and Supporters' Clubs (hereinafter, the "Rules" or the "NEP") form part of the legal regime regulating the operation of the National Professional Football League, in development of its Articles of Association and Book X of the General Regulations.
2. The Rules are issued within the framework of the functions and powers attributed to LALIGA by the legislation in force and the Articles of Association, in matters of guardianship, control and supervision of its affiliated members, and in particular the setting of economic conditions for participation and maintenance in the competition and the prevention of insolvency of the participating entities, established article 95, sections b) and c) of the Sports Law.
3. The process of elaboration and application of the Rules is governed by the principles of transparency, objectivity, proportionality and non-discrimination
4. The Rules are binding on all Clubs and Sports Associations covered by Articles 2 and 3.
5. The Budget Validation Body of LALIGA (hereinafter, the "Validation Body" or "BVO") and, where appropriate, the Economic Control Committee (hereinafter, the "ECC"), shall apply the NEPs, within their scope of competence and in accordance with the applicable legislation and regulations, with special attention to acts carried out in fraud of law, adopting the appropriate measures to prevent the result that the rule seeks to avoid being obtained and through the denunciation and imposition of disciplinary sanctions, within the framework of their competences.
6. It is the obligation of the Clubs/SADs to provide the OVP with all the information necessary for it to carry out the functions entrusted to it.

ARTICLE 2. SUBJECTIVE SCOPE OF APPLICATION OF THE RULES.

The Rules apply to all Clubs/SADs affiliated to LALIGA, irrespective of the Sporting Category of the Competition organised by LALIGA in which their teams participate, in the respective current denominations of "First Division" and "Second Division".

ARTICLE 3. CLUBS/SADs PROMOTING FROM NON-PROFESSIONAL CATEGORY TO SECOND DIVISION.

The Rules apply equally to Clubs/SADs which are entitled to promotion from the non-professional category to the Second Division, under the specific terms and conditions set out in the Rules.

ARTICLE 4. OBJECTIVES OF THE RULES.

1. The present Rules share the general objectives set out in Book X of the LALIGA General Regulations and aim at the financial sustainability of its associated Clubs/SADs.
2. In particular, the objectives of the Standards are:
 - a) Establish the rules, criteria and procedure for the elaboration of the specific budgets of the Clubs/SADs for the *a priori* verification of the compliance with the Breakeven Point in their annual Budgets elaborated in accordance with these rules and criteria (League Budgets).
 - b) Determine the rules according to which the Breakeven Point is met in the League Budgets.
 - c) The review, verification, adjustment and validation of the League Budgets by the OVP.
 - d) The allocation of a certain Limit on the Squad Cost (hereinafter also the "LCPD"), in order to ensure that the aforementioned Budget Break Even Point is met.
 - e) Determine the general and special rules for the authorisation of player registration.
 - f) The specification of additional reporting and verification obligations.
 - g) The specification of the composition and functions of the Validation Body.
3. The principles set out in Article 1.3, as well as the aims and objectives referred to in this Article, justify that in certain cases, as set out in different provisions contained in these Rules, a treatment for the purposes of these Rules is established, different from that which corresponds to mere accounting purposes, as well as the power of the Validation Body to make, in the light of these principles, the adjustments that are necessary to achieve these aims and objectives. In this respect, the principle of proportionality of the rule will be applied in particular in relation to the exposure to a possible future financial imbalance.

ARTICLE 5. CONFIDENTIALITY.

The information, data and documents that Clubs/SADs provide to



LALIGA in compliance with these Rules shall be confidential and shall be subject to data protection regulations, without prejudice to the obligations arising from the information requirements of judicial and administrative bodies.

ARTICLE 6. DEFINITIONS OF TERMS AND EXPRESSIONS.

Terms and expressions used in these Standards shall have the meaning and content set out in *Annex of Definitions of Terms and Expressions* which forms an integral part of these Standards.

It is further clarified that the term "Player" or "Players" in these Regulations shall be understood to refer to both Players and members of the Coaching Staff, except where expressly provided otherwise.

For Clubs/SADs that in T-1 play in the First Division and are relegated to play in the Second Division in T, all references to the Net Turnover contained in these Regulations shall be applied by adding the amount corresponding to the relegation aid that has been computed for the purposes of the Squad Cost Limit, in accordance with the provisions of article 63.

ARTICLE 7. ANNEXES.

The Annexes and Standard Formats form an integral part of the Standards and have the same normative value

TITLE II

ON THE DRAWING UP AND SUBMISSION OF LEAGUE BUDGETS AND OTHER INFORMATION TO BE DRAWN UP AND SUBMITTED BY CLUBS AND SADs

CHAPTER ONE: BUDGETS AND OTHER INFORMATION TO BE PREPARED AND SUBMITTED BY CLUBS AND SADs

Section One

On the Obligation to Prepare and Submit League Budgets, Supplementary Information and Explanatory Memorandum

ARTICLE 8. OBLIGATION OF CLUBS/SADs: LEAGUE BUDGETS, ADDITIONAL INFORMATION, EXPLANATORY MEMORANDUM AND RESPONSIBLE DECLARATION

1. Clubs and Sports Limited Companies affiliated to LALIGA are obliged to draw up and submit to LALIGA - within the deadlines indicated in articles 27, 28, 29 and 30 - and in each T Season the following documents:
 - a) different League Budgets outlined below, with the specific structures, contents, formats and requirements established for each of them.
 - b) the Supplementary Information and the Explanatory Memorandum.



- c) the Responsible Declaration.
2. The League Budgets that Clubs/SADs are obliged to prepare and present are as follows:
 - a) The Budget Income and Expenditure League (which shall also contain an explanatory note justifying the amount of each Item).
 - b) The Investment and Divestment League Budget.
 - c) The Funding League Budget
 - d) The Treasury League Budget.
3. The Supplementary Information and the Explanatory Memorandum shall have the content and scope set out in Section Three of this Chapter One.

ARTICLE 9. CONSOLIDATION AND INTEGRATION OF INFORMATION AND ESTIMATION CRITERIA

1. In order to avoid that the differences between the corporate structures of the different Clubs/SADs could lead to unequal treatment between all Clubs/SADs, the League Budgets, the Supplementary Information, the Explanatory Report and the Responsible Declaration will be prepared integrating entire Consolidated Group -defined according to commercial and accounting legislation- of which the Club/SAD is the parent company
2. To the extent that an entity is excluded from the scope of consolidation by any of the exemptions established in commercial or accounting legislation, the Club/SAD shall not be obliged to submit the information referred to in the previous point, in respect of the excluded entity.
3. A budgeted amount that implies a contribution to the Group, by companies other than the parent company and that form part of the Consolidated Group, of an operating result greater than the Estimated Amount of the Season T-1, or, as the case may be, that resulting from the audited Financial Statements or Annual Accounts of said Season T-1, shall not be admitted. For these purposes, the Profit and Loss Account of each entity forming part of the Consolidated Group must be sent separately, once the intra-group eliminations have been made.

The League Budgets shall in any case include the Sports Sections of sports or forms of football other than 11-a-side football.

4. On the same basis as indicated in section 1 of this article, for the determination of the LCPD of T of the Club/SAD, the losses incurred or estimated by the Validation Body in accordance with the provisions of section 5 below, by entities defined below, in the said period of T-1, will be integrated in the Consolidated Group Result of T-1, replicating same amount for period T.

If the OVP does not have clear, reliable, relevant, comparable and timely information on the losses incurred in order to estimate them in accordance with the provisions of the previous paragraph, at least the balance of the financing and/or contributions of funds in the form of capital or other legal form, made from the Consolidation Group in respect of which the information required



in point 1 of this article is presented towards said entities and which has not been included in the Income Statement of said Consolidation Group, shall be taken as losses in the periods indicated.

Entities referred to in the preceding paragraphs:

- (i) Those entities that can be consolidated by any consolidation method, and which are not in the Consolidation Group referred to in point 1 of this article. Consolidations carried out by a method other than Full or Proportional Consolidation shall not be considered to be included in the Consolidation Group.
- (ii) Any entity, regardless of whether or not it is included in the legal structure of the Group defined in accordance with Book X of the General Regulations of LALIGA, with which it has not been consolidated, i.e. not included in the Consolidation Group referred to in section 1 of this article or in section "i" above, which carries out football activities of the Club/SAD as defined in Book X of the General Regulations of LALIGA and whose effect has not been included in the Consolidated Group's Income Statement or which, without carrying out such football activities, have incurred losses in T-1, borne and/or financed by the Consolidated Group, determined in accordance with the preceding paragraphs.

For the purposes of the application of this paragraph, the Validation Body may request from the Club/SAD the necessary data for an adequate homogenisation of the financial information.

5. In making estimates and determining the treatment and valuation of any transactions for the purposes of these Standards, the Validation Authority shall take into consideration - in addition to the rules specifically provided for in these Standards - the most reliable information available, in accordance with the following order of priority:
 - Annual Accounts, preferably audited, of the entity in question.
 - Closing estimate prepared by the Club/SAD in accordance with these Standards, supported by relevant documents.
 - Explanations and estimates proposed by the Club/SAD, supported by relevant documents.
 - Other explanations proposed by the Club/SAD, other historical data of the entity in question, data from comparable entities, applicable statistics and information published in the media.

For the purposes of such estimates and determination of treatment and valuation, the information requirements of the Validation Body shall be within the limits defined in accordance with the provisions of Article 112.1.b. For their part, estimates shall be made by applying methodology and financial modelling techniques in accordance with the best practices existing at any



given time.

6. In application of the previous sections, it is specified that the financing provided by a Club or Supporters' Club to the Foundations promoted by them, with which they have the closest links and identification, will be considered expenditure for the purposes of calculating the Staffing Cost Limit. The amount of expenditure to be taken into account will be the sum of the total amounts paid by the Club/SAD to the Foundation in concept of any type of financing, deducting the amounts returned for the same concepts. The period of time to which this expenditure will refer will be the 12 months prior to the maximum date set for the presentation of the League budgets. The amount will be the amount certified by the Club/SAD according to the MN 26 model. The amount guaranteed by the Club/SAD for this type of operation will be included as an expense, even if it does not involve an outflow of funds from the Club or SAD initially. Excepted from this treatment are operations expressly authorised by the Validation Body, in relation to projects in which it can be deduced that they do not involve the financing of current management operations of these Foundations on a permanent and structural basis by the Club/SAD.

Likewise, the aforementioned financing shall be exempted from such treatment, insofar as the Club/SAD demonstrates to the Validation Body that it is not obtaining an increased registration capacity of players with such operations.

7. In accordance with the provisions of articles 1.6 and 32, Clubs/SADs will be obliged to provide the OVP with all information necessary for the effective achievement of the purpose of these Regulations, in relation to all operations carried out by any of the entities referred to in this article, as well as, where applicable, with the parent company of the Group to which they belong. In particular, relevant information in this regard is considered to be that relating to the contracting of players whose registration is requested by the Club/SAD registered in LALIGA, as well as that relating to the expenses and income corresponding to its activity, regardless of whether these are totally or partially assigned or registrable in any of said entities.

ARTICLE 10. PERIODICITY OF LEAGUE BUDGETS.

The League Budgets that the Clubs/SADs are obliged to draw up and present shall be annual, covering a complete football season (12 months), i.e. between the first (1st) of July and the thirtieth (30th) of June of the following year.

ARTICLE 11. NATURE OF LEAGUE BUDGETS.

The League Budgets must be prepared in accordance with their own respective structures and rules established in these Rules, thus achieving the necessary homogenisation of the information of each and every Club/SAD, so that the functions of economic control can be exercised equally by LALIGA and are independent of those which, where appropriate, the Clubs/SADs must prepare in accordance with the Sports Law or other legal regulations or to comply with statutory or contractual requirements.



In any case, the League Budgets and complementary information must be prepared and updated by the Clubs/SADs and will be validated by the Validation Body in such a way that they reflect the effective inflow of net resources to the Club/SAD and, where applicable, to the Consolidated Group of which it is the parent company or of which it forms part, where applicable, and to the set of companies and/or individuals described in article 9, applying - under the provisions of article 31.3 - the adjustments, both to the accounting information and to the League Budgets themselves, that may be necessary for this purpose. In relation to the above, it is specified that for the purposes of calculating said effective inflow of net resources, the value of the resources that the Club/SAD transfers or is obliged to transfer to another natural person or entity that forms part of its consolidation perimeter or whose Result must be taken into account for the determination of the LCPD in accordance with article 9, in relation to said transaction, shall be subtracted from the income or profit of a transaction.

ARTICLE 12. STRUCTURE AND FORMAT OF LEAGUE BUDGETS.

1. The different League Budgets to be drawn up and presented by the Clubs/SADs shall be adjusted in their structure, content, format and detail of the corresponding Budgetary Items to the provisions contained in the following Annexes to these Rules:
 - a) Annex I: The League Budget of Income and Expenditure.
 - b) Annex II: The Investment and Divestment League Budget.
 - c) Annex III: The Financing League Budget.
 - d) Annex IV: The Treasury League Budget.
2. Annexes I to IV referred to above constitute the Standard Formats for the presentation of the respective League Budgets
3. Clubs/SADs that present acceptable Economic-Financial Ratios in the terms and under the conditions established in Section Five of this Chapter, to the extent that said financial position shows a greater solidity in the solvency and sustainability of said Clubs/SADs, will only be obliged to prepare and present the League Budget of Income and Expenses and not the rest of the League Budgets, in addition to Explanatory Report and the Responsible Declaration.

ARTICLE 13. BASIS FOR DRAWING UP LEAGUE BUDGETS ACCORDING TO THE CATEGORY IN THE LEAGUE COMPETITION AND PARTICIPATION IN EUROPEAN COMPETITION.

1. Clubs/SADs shall prepare League Budgets with the assumption that in Season T they will participate in the same Division of the League Competition in which they are participating in Season T-1.
2. The Clubs/SADs that at the date of presentation of the League Budgets are mathematically qualified for participation in one of the different European Competitions on sporting merit, must present the version of the League Budgets with the hypothesis of playing in the specific European Competition for which they have qualified.
3. Clubs/SADs that at the end of the League Competition do not know definitively the European Competition in which they eventually participate in the T Season shall prepare their League Budgets on the basis of the participation in the specific European



Competition decided by the Club/SAD itself provided that:

- a) The Club/SAD describes the adjustment measures to be adopted and their justification and reasonableness, in the event that it finally participates in a European Competition which means a lower positive contribution to its operating results for Season T in relation to those contemplated in the League Income and Expenditure Budget,
 - b) expressly state its commitment to implement such measures, and
 - c) In any case, the proposed measures are accepted as justified and reasonable by the Validation Body, which will decide, within the deadlines established in Chapter Five of Title II of these Rules, in a reasoned manner, based on the information and documentation provided by the Club/SAD, its historical data, comparable data and applicable statistics.
4. Clubs/SADs in the situation referred to in this article shall submit the measures and the commitment to implement them referred to in paragraph 3 above in the Standard Form MN 1.
 5. The foregoing provisions are without prejudice to the submission Updated League Budgets in cases where there is a change of Category in the League Competition in Season T with respect to Season T-1, in accordance with the provisions of Section Six of this Chapter.

Section Two

Additional rules on the structure and content of the different Budgets League

ARTICLE 14. INCOME AND EXPENDITURE LEAGUE BUDGET (ANNEX I).

1. The different Items and Sub-items that make up the Income and Expenditure Budget League are described in the *BUDGET ITEM DESCRIPTIONS AND VALUATION RULES AND CRITERIA ANNEX*.
2. The aforementioned Annex also includes the Rules and Criteria for Valuation of the aforementioned Items and Sub-items, with the quantitative limits - minimum or maximum - established in each case for some of them

ARTICLE 15. INVESTMENT AND DIVESTMENT LEAGUE BUDGET (ANNEX II).

1. The Investment and Divestment League Budget will distinguish the Investments that, by their respective amount, are estimated to be made in the acquisition :
 - a) Federative rights of players registrable in LALIGA.
 - b) Federative Rights of Players not registrable in LALIGA.
 - c) Other fixed assets:
 - (i) Immaterial.
 - (ii) Sports equipment (Stadium, Sports City, etc.).
 - (iii) Other tangible fixed assets.
 - (iv) Group Financial Investments.
 - (v) Non-Group Financial Investments.



- (vi) Other financial fixed assets.
- 2. As a general rule, the amount of the Investment Item budgeted for the acquisition of Federative Rights in Players registrable in LALIGA may not be less than the lower of the following two values:
 - a) The amount of the Investments made or to be made Estimated by the Club/SAD in the T-1 season for the aforementioned concept, and
 - b) EIGHTY PERCENT (80%) of the average amount of the Investments made or to be made by the Club/SAD in the T-3, T-2 and T-1 seasons, although with a minimum of 80% of the value of section "a" above.

Likewise, once the Investment Budget has been presented, the effects on the rest of the League Budgets derived from the operations actually carried out will be updated

- 3. As an exception to the provisions of section 2 above, Clubs/SADs that for Season T move up to a different Sporting Category, must reflect in the Item Investment in Federative Rights of Players registrable for the aforementioned Season T, at least an amount equal to three times the Investments made or Estimated to be made for the same concept in Season T-1.
- 4. Clubs/SADs that during Season T plan investments for an amount that exceeds by more than THIRTY PERCENT (30%) the amount of the Budgeted Investments in the validated League Budget of Investments and Divestments, must communicate this prior to its implementation to the LALIGA Validation Body and accompanying a League Budget of Updated Treasury in accordance with the projected investment. This prior communication and the attached presentation of the said Budget constitute reporting obligations for the Clubs/SADs.

ARTICLE 16. THE BUDGET FINANCING LEAGUE (ANNEX III).

- 1. The Financing League Budget shall detail, both in the raising of funding and in the repayment of funding, the corresponding sources according to the following categories, indicating the respective amount:
 - a) Credit institutions.
 - b) Person natural persons o legal persons who are Parties Parties to Club/SAD or belonging to the same Group of Companies or consolidation perimeter.
 - c) Other sources of funding other than the above.
- 2. Likewise, the Financing League Budget must detail the specific nature or modality of the different financing operations from Credit Entities: loans, credit policies, line of guarantees, commercial or financial discounting, *factoring*, etc.
- 3. The Validation Body will only accept and validate financings and refinancings budgeted by the Club/SAD, under the principle of prudence, according to objective data relating to the history and evolution of the Club/SAD in obtaining refinancings and financings in the Three Seasons prior to Season T, the amount thereof and the guarantees that would have been granted, as well as the evolution of its solvency ratios



In financings that accumulate, in a manner that is not proportional to the number of years of duration of the same, the total or partial repayment of the principal received, amount resulting from dividing said accumulated amount by the number of years existing from the signing of the financing until the moment of repayment of the same, insofar as it exceeds 5% of the turnover accepted by the Validation Body for season T or 3 million, whichever is less, shall be computed as repayment of debt for the purposes of the League Treasury budget. The provisions of this paragraph shall apply to season T and, if applicable, to subsequent seasons, if the Club submits a cash flow plan in accordance with article 93.7 of these Rules

ARTICLE 17. TREASURY LEAGUE BUDGET (ANNEX IV).¹

1. The Treasury Budget shall be presented on a monthly basis, starting on 1 January T-1 and ending on 30 June T. The Validation Body shall determine and update - in accordance with the provisions of articles 9.5 and 31.3 - the criteria to be applied and the information to be presented, in addition to that referred to in this article, for the preparation of the Treasury Budget, both for the second half of T-1 and for the entire T season.
2. The Treasury Budget shall include separately derived receipts and payments:
 - a) Of the income and expenditure provided for in the Budget Income and Expenditure League.
 - b) Of the operations foreseen in the Budget Investment and Divestment League, as well as the taxes levied as a taxable person on the Club/SAD accrued as a consequence of the carrying out and execution of the investment or divestment operations (personal income tax, VAT...).
 - c) From the Financing League Budget
 - d) Of the realisation of the collection rights and of the fulfilment of the obligations recognised or to be recognised in the Balance Sheet closing at the end of the Season T-1, with the exception of the items included in the Financing League Budget and of the operations foreseen in the Investment and Divestment League Budget, referred to in sections b)" and c) above.
3. The payments for Investments in Economic Rights derived from the Players' Rights shall be computed in any case for an amount of at least THIRTY PERCENT (30%) of the total amounts foreseen for Investments in the said Rights.
4. Divestment of Economic Rights collections derived from the Players' Proprietary Rights shall be computed in the League Treasury Budget at a maximum of THIRTY PERCENT (30%) of the amount budgeted in the League Investment and Divestment Budget.
5. The limit stated in section 4 above may be increased when the Club/SAD accredits to the LALIGA Validation Body that in each of

¹ The provisions of Circular no. 17 - Season 2022/2023, dated 23 February 2023, as agreed by the Validation Body on 22 February 2023, on the criteria to be applied for the preparation of the Cash Budget for the season 2023/2024 and following seasons, forming an integral part of these Regulations, are applicable to article 17.



the T-1 and T-2 Seasons it has effectively received an amount greater than the aforementioned percentage of 30% of the Divestments that may have been made in said Seasons by transfer of Economic Rights derived from the Federative Rights of Players and prior to the conclusion of the corresponding Season in which the divestment was made. In this case, the Treasury League Budget may consider collections in excess of the aforementioned 30% in the percentage that the Club/SAD has sufficiently accredited to the Validation Body of effective collections in the Seasons T-1 and T-2 for the divestments made in the same

6. In any case, the Clubs/SADs whose Divestments for Economic Rights derived from the Federation Rights in Seasons T-1 and T-2 have not exceeded an average of TEN PERCENT (10%) of the Net Turnover Amount budgeted for T, may not consider in the League Cash Budget collections derived from the Divestments for the concept expressed as higher than the indicated THIRTY PERCENT (30%).

Section Three

Complementary Information and Explanatory Memorandum Responsible Declaration

ARTICLE 18. SUPPLEMENTARY INFORMATION TO ACCOMPANY LEAGUE BUDGETS.

1. In addition to the League Budgets, Clubs/SADs shall prepare and submit the following Supplementary Information:
 - a) An Estimate of the Profit and Loss Account for Season T-1 prepared with the same structure, content, consolidation perimeter, and in accordance with all applicable rules of preparation according to these Regulations (by way of example and not exhaustively, articles 31 and 39) and as a supplementary accounting standard exclusively the Spanish General Accounting Plan, for the Income and Expenditure Budget of Season T, adding the information corresponding to Seasons T-3 and T-2 (to be included in the Model in Annex I.1)
 - b) The estimated Balance Sheet as of 30 June Q-1, with the comparative figures of the Balance Sheets corresponding to 30 June of Seasons Q-2 and Q-3 (to be included in the Model of Annex I.2).
 - c) Information on charges and encumbrances:
 - (i) The Club's/AD Club's Player's Federative Rights or the Economic Rights derived from the Federative Rights of any Player of the Club/SAD
 - (ii) Credit Rights deriving from the exploitation of audiovisual rights
 - (iii) Any other goods and rights (real estate, season tickets, box office, etc.)The information referred to in this point (c) shall be provided with the content and detail set out in Standard Form MN 2.
 - d) Information on the payment obligations of credits recognised in the Creditors' Agreement that are payable to the Club/SAD in accordance with the terms of the aforementioned Creditors'



Agreement based on the Club/SAD obtaining certain income or benefits, with the content and details set out in Standard Form MN 3.

- e) The profits and/or losses from operations of Transfer of Federative Rights included in the Annual Accounts of the Seasons T-3, T-2 and T-1 with the details and information included in Standard Form MN 4.
2. In the information relating to the profits and/or losses from operations of Transfer of Federative Rights included in the Annual Accounts of the T-3, T-2 and T-1 seasons referred to in section 1.e) above:
 - a) The following shall be broken down for each of the indicated Seasons:
 - (i) the price of transfer of the Federative Rights.
 - (ii) the costs associated with the transfer (including implicit interest), and
 - (iii) the Net Book Value of the Federative Rights transferred,
 - y
 - b) shall be presented in such a way that the subtraction of the agreed Transfer Price of the Transfer of the Player's Rights, the amount of expenses associated with it and the Net Book Value, results in the amount of the profit and loss shown in the aforementioned profit and loss accounts for the Transfer of Players' Rights.

ARTICLE 19. EXPLANATORY MEMORANDUM.

1. League Budgets submitted to LALIGA shall be accompanied by an Explanatory Memorandum setting out the fundamental bases and assumptions underpinning such League Budgets, and setting out and describing the risks that may affect the future performance of the Club/SAD.

Once these bases and assumptions have been established, they may only be modified with the prior authorisation of the Validation Body, in a reasoned manner and exclusively in the event of new information that, in accordance with the provisions of articles 9.5 and 31.3, in the opinion of the Validation Body, significantly affects the League Budgets presented. Notwithstanding the above, under no circumstances shall a modification of a scenario that aims to achieve a significant increase in the registration capacity of Players and/or Coaches be authorised when the scenario to be modified would have allowed the club to have a greater registration capacity than would have been the case under the new proposed scenario.

2. By way of example and merely by way of illustration, the following circumstances are considered to have a significant impact on the League Budget:
 - a) Category of the LALIGA Competition in which participation is envisaged.
 - b) European competition in which participation is contemplated.
 - c) Situations of risk of debt collection in favour of the Club/SAD.



- d) Judicial or extrajudicial claims made against the Club/SAD.
3. The budgeted amount of each item of income, expenditure, profit and loss shall contain the corresponding explanation for the determination, in accordance with the provisions of these Rules.
4. The Explanatory Memorandum shall be presented in the Standard Model MN 5.

ARTICLE 20. RESPONSIBLE DECLARATION.

1. Together with the Explanatory Memorandum, a Declaration of Responsibility signed by the Authorised Representative of the Club/SAD shall be submitted, stating the following:
 - a) That the League Budgets presented have been drawn up in accordance with the rules and principles set out in these Rules.
 - b) To the best of his knowledge and belief, the transactions, acts and legal transactions that make up the League Budgets comply with the legal regulations in force.
 - c) That the information provided is complete and that the Club/SAD is not aware of circumstances of any nature (economic, legal or sporting) that would imply a significant modification of the bases and hypotheses taken into consideration for the preparation of the League Budgets.
2. That the League Budgets presented have been approved by the Executive President, Chief Executive Officer, General Manager or similar position of the Club/SAD, (identifying him/her by name).

The Responsible Declaration shall be formulated on Standard Form
MN 6

Section Four

Periodic information for the verification of the League Budgets

ARTICLE 21. VERIFICATION PROCEDURES.

1. For the purpose of verifying the accuracy of the information submitted in compliance with the provisions of these Rules, Clubs/SADs shall provide the Validation Body with the periodic information referred to in the following paragraphs.
2. Together with the audited Annual Accounts for each Season, Clubs/SADs shall submit the following information relating to that Season:
 - a) Differences between the squad cost for the Season for all concepts communicated to LALIGA and accepted by the Validation Body and the cost actually incurred in that Season,
 - (i) Distinguishing between those differences which correspond to the Registrable Squad and those which correspond to the Non-Registrable Squad.
 - (ii) Pointing out possible differences in the proportionality between the respective Costs on the figure allocated by the Validation Body, and



- (iii) Indicating what was the amount of the Collective Premiums that was accepted by the Validation Body for the Season and the basis on which the Collective Premiums were calculated.
 - b) Differences between the profits from the Transfer of Players' Federative Rights, exceptional profits, increases in contracts for the transfer of audiovisual rights, Contributions made, increases in commercial contracts and other increases in income presented by the Club/SAD in accordance with these Regulations that have served to increase the registrable squad cost limit for the Season, in accordance with Title III thereof, and the figures that have actually been produced for the aforementioned concepts.
 - c) Documentary evidence that the amounts of revenue included in the T-Season League Budgets by the Clubs/SADs as a result of contracts they claimed to have entered into have actually been obtained, including broadcasting, advertising, marketing, marketing related operating subsidy and capital subsidy contracts.
 - d) Audited Profit and Loss Accounts for Seasons T-1 and T, in accordance with the breakdown presented in Annex I.
3. The information referred to in paragraph 2 above (with the exception of (c) and (d)) shall be submitted in accordance with the Standard Form MN 7, and shall be verified by the Auditor of the Club/SAD in an Agreed Procedures Report, together with the MN 23 referred to in Article 95, which shall at least indicate the differences, if any, between the amount estimated by the Club/SAD and accepted by the Validation Body as Premiums and the actual amount of Premiums for the Season and the amount of differences.

The breakdown of the different Collective Bonuses accrued in the Season must be broken down by concepts according to the objectives that they remunerate or reward, for example: bonuses for promotion, bonuses for permanence, bonuses for participation in European competitions or passing different qualifying rounds thereof, bonuses for winning titles in certain official competitions, etc.-.

4. Likewise, and together with the audited Annual Accounts for each Season, the Clubs/SADs shall submit the information that includes the differences produced between the Squad Cost Limit, - distinguishing between those corresponding to the Registrable and Non-Registrable - of the Season in progress and accepted by the Validation Body, updated where appropriate to the date of the close of the summer player registration period, and the Registrable and Non-Registrable Squad Costs that are foreseen for said Season.
5. The information referred to in paragraph 4 above shall be submitted in accordance with the Standard Form MN 8, and shall be verified by the Club/SAD Auditor in an Agreed Procedures Report, together with the MN 23 referred to in Article 95.

Likewise, when Clubs/SADs request, under the provisions of Title III, increases in the Staff Cost Limit for season T, they must submit the individualised breakdown of the amounts that support the Profits and Losses due to Transfer and/or termination of contracts



with Players or Technicians that according to these Rules are being applied to budget heading identified in Annex I of these Rules as "Impairment and Result from Disposals" for season T.

6. Clubs/SADs that present Acceptable Economic-Financial Ratios in accordance with the provisions of Section Five of Chapter One of Title II shall be exempt from complying with the periodic verification reporting obligations specifically referred to in paragraphs 2.a)iii), 3 and 5 of this article.

Section Five

Acceptable Economic and Financial Ratios

ARTICLE 22. PREREQUISITES FOR THE APPLICATION OF ACCEPTABLE ECONOMIC AND FINANCIAL RATIOS.

1. In order for a Club/SAD to qualify for the Acceptable Economic-Financial Ratios, each and every one of the following conditions must be fulfilled as a prerequisite:
 - a) Is not subject to monitoring measures in accordance with the LALIGA's Economic Control regulations - by way of example and not exhaustively, Article 93.7 - of these Rules, and
 - b) It is not in insolvency proceedings and has not applied for insolvency proceedings, or having approved an arrangement with creditors in insolvency proceedings, the following circumstances are present at the date of allocation of the Squad Cost Limit:
 - (i) has paid at least SEVENTY-FIVE (75%) PERCENT of its bankruptcy debts,
 - (ii) the total amount of outstanding bankruptcy debts does not exceed FIFTEEN (15%) PERCENT of the Net Turnover accepted by the Validation Body for the purposes of the Squad Cost Limit for the T Season.
 - c) These conditions must be fulfilled at the time of submission of the League Budgets. However, with a deadline of 30 April T-1, the Club/SAD which, without having been in T-1, intends to avail itself in T of the special rules contained in this Section, must present an estimate of the Net Turnover of T, which must be accepted - after the corresponding adjustments, if applicable, in accordance with the provisions of articles 9.5 and 31.3 - by the Validation Body, for these purposes and on a provisional basis.
2. For the purposes of the provisions of these Rules:
 - a) Insolvency Debt is considered to be new debt derived from financing provided to the Club/SAD to cancel Insolvency Debt.
 - b) The Insolvency proceedings of the Club/SAD shall not be deemed to be terminated until the new debt derived from the financing received by the Club/SAD for the cancellation of the Insolvency Debt has been cancelled.

The provisions of this paragraph 2 shall not apply when the financing provided to the Club/SAD comes from shareholders or

associates and is articulated as a participating loan which:

- (i) It meets the requirements established in Article 20 of Royal Decree-Law 7/1996 of 7 June 1996 on urgent measures of a fiscal nature and to promote and liberalise economic activity, and in particular its consideration as subordinated debt.
- (ii) In any case, it has been agreed in the corresponding contract that the amount to be repaid by the Club/SAD of the loan in each season may not exceed the positive difference resulting from subtracting the amount of the insolvency debt to be repaid in accordance with the corresponding Creditors' Agreement in the Season from the figure for Resources Generated (as defined in the Definitions Annex) in the previous Season.

ARTICLE 23 OBLIGATIONS OF CLUBS/SADs WHICH PRESENT ACCEPTABLE ECONOMIC-FINANCIAL RATIOS.

1. Clubs/SADs that, while complying with the prerequisites set out in the previous article, also meet the Acceptable Economic-Financial Ratios defined in the following article, to the extent that such financial position shows a greater solidity in the solvency and sustainability of such Clubs/SADs, it is justified that they be exempted from certain obligations, limitations and rules, as set out in different provisions contained in Rules.

Thus, they shall only be obliged to draw up and submit the Revenue and Expenditure League Budgets referred to in Article 14, and shall not be obliged to submit the rest of the League Budgets or the Supplementary Information.

2. In any case these Clubs/SADs must present:
 - a) The Explanatory Report and the Responsible Declaration, and
 - b) Within the deadline established in Article 30.1, an Estimate of the Profit and Loss Account for Season T-1, with the same format and rules established in these Rules for the League Budget of Income and Expenditure for Season T, adding, with the aforementioned level of development, the information corresponding to Seasons T-3 and T-2.
 - c) In addition, Clubs/SADs that meet the requirements of the preceding article and the Acceptable Economic-Financial Ratios shall not be bound or limited by the rules contained in paragraphs 2, 3 and 4 of article 15 regarding Investments in Players' Rights and Excess of Budgeted Investments.

The exemptions from the submission of certain League Budgets and from the reporting and obligations and limitations set out in paragraphs 1, 2.a), 2.b) and 2.c) above, shall not apply if the Validation Body deduces, in accordance with the provisions of articles 9.5 and 31.3, that at the end of Season T it will not comply with the Acceptable Economic-Financial Ratios from the League Budget of Income and Expenditure submitted by the Club/SAD that meets the Economic-Financial Ratios.

3. Without prejudice to what is established in sections 1 and 2, as a special rule, Clubs/SADs that play in the First Division in T-1 and are relegated at the end of that Season, playing in the Second Division

in Season T, given the greater need for information that this circumstance merits, will not enjoy the exemptions and rules contained in articles 12.3; 15.2, 3 and 4; 21.6; 30.1; 39.11; 93.7 and 8 and 94.4.6; 30.1; 39.11; 93.7 and 8 and 94.4. However, they may apply the provisions contained in articles 39.3.c)i) and e); and 89. All this except in the event that they comply with the Acceptable Economic-Financial Ratios considering the conditions of the First Division, except for the Net Turnover, which would be calculated for the Second Division

ARTICLE 24. ACCEPTABLE ECONOMIC-FINANCIAL RATIOS.

1. A Club/SAD is considered to meet Acceptable Economic-Financial Ratios when, in addition to meeting the prerequisites as set out in article 23, it meets the following two Ratios:

- a) Ratio A.

- A. Clubs/SADs planning to participate in the First Division in Season

Its Net Worth at the end of the T-2 Season is greater than FORTY PERCENT (40%) of the figure resulting from subtracting from its Total Exigible Liabilities at thirty (30) June T-2 that have a maturity equal to or less than FIVE (5) years, the amounts corresponding to the following concepts:

- The deferred tax liability arising from the adjustments to equity referred to in section 2 below.
- Claims against other Clubs/SADs and sports entities arising from definitive or temporary transfer operations of players' and coaches' federative rights.
- Treasury as at thirty (30) June T-2.
- Equivalent liquid assets at thirty (30) June Q-2
- Short-term financial investments at thirty (30) June T-2.

And in any case, in addition, that the Net Worth is equal to or greater than TWENTY-FIVE MILLION euros (25.000.000 €)

- B. Clubs/SADs planning to participate in the Second Division in Season T.

The percentage indicated in section A. above is set at SIXTY (60) PERCENT and the Net Assets must be equal to or greater than FOUR MILLION euros (4,000,000 euros)

- b) Ratio B.

The Adjusted Liabilities of the Club/SAD as at 31 December of Season T-1, as defined in these Rules, are lower in amount than the Net Turnover of Season T corrected by the following coefficients according to Sporting Category:

First Division	Second Division
0,80	0,40

For these purposes, the Net Turnover Amount shall be that accepted by the Validation Body for the purposes of the Squad



Cost Limit for Season T, although provisionally the estimate provided for in article 22.1.c) shall be used, until the allocation of the said Limit.

The Adjusted Liability shall be required to be substantiated by a Limited Auditor's Review Report on the Interim Financial Statements.

2. For the purposes of calculating the aforementioned Ratios, the computable Net Equity figure shall be adjusted in accordance with the following rules:
 - a) Reduced by the amount of the qualifications quantified in the Audit Report relating to this concept.
 - b) No account shall be taken of the effect thereon of having accounted, at any time whatsoever, for the Right of Use (as defined in the Definitions Annex) in favour of the Club/SAD of sports facilities.
 - c) It will be reduced in any case by the amount of balances of receivables in favour of the Club/SAD owed by the Contributors or other Shareholders (or related to one or the other) holding an interest in the SAD equal to or greater than THREE PERCENT (3%) of its share capital, which appear or should appear on the Assets side of the Club/SAD's Balance Sheet. Exceptions are the collection rights derived from services rendered with related parties that do not exceed ONE PERCENT (1%) of the Net Turnover of the last audited season of the SADs that participate in the First Division and FIVE PERCENT (5%) of SADs that participate in the Second Division.
 - d) It will be adjusted, if positive by adding and if negative by subtracting, by the amount of the results net of taxes that are forecast, in accordance with the criteria and hypotheses accepted by the Validation Body in Season T-1. Additionally, the losses foreseen for Season T will be subtracted, in accordance with said criteria and hypotheses, and taking into account as a loss the increase in the Squad Cost Limit requested, if applicable, by the Club/SAD in accordance with article 89. All of the above also according to the case, estimated in accordance with the provisions of articles 9.5 and 18.1. The same mechanism will be applied to the variations that for accounting purposes would be directly attributed to Net Equity in the aforementioned seasons...

The Net Assets shall be further reduced dividends recognised or expected to be recognised or repayments of contributions in cash or in kind, recorded or known from 1 July T-1 to 30 June T

With regard to Current, Adjusted and Current Liabilities, for the purposes of applying this article, the adjustment described in the first paragraph of this section shall be computed but with opposite signs, on the one hand in Current Liabilities and therefore in Adjusted Liabilities for the amount of the referred adjustment corresponding to the second half of the season T-1 and the total of Season T and, on the other hand, in Total Liabilities, for the total amount of the same.

Thus, the amount of the reduction described in the second

paragraph of this section will increase the Total Liabilities at 30 June T-2 for the calculation -and the forecast at the end of T- of Ratio A and the Current Liabilities and Adjusted Liabilities at 31 December T-1, for what was recorded or known from 1 January T-1 to 30 June T-1, for the calculation - and the forecast at the end of T - of Ratio B, provided that such dividends or refunds of contributions were not already recognised at 30 June T-2 and/or 31 December T-1 respectively.

Following this process, the figures for Equity, Liabilities, Adjusted Liabilities and Current Liabilities at 30 June T will be obtained, from which the ratios A and B will be obtained, without prejudice to the provisions of the following sections of this article.

- e) It shall be reduced by the portion corresponding to capital increases paid up in T-2 or, as the case may be, in T-1, which have enabled the Club to comply with the requirements of this article, without prejudice to the possibility of their use to increase the Staffing Cost Limit in accordance with the provisions of Title III
 - f) The negative effect of the loss or lower profit, or its subsequent reversal, for an amount equivalent to the Registrable Squad Cost consumed by the club under the provisions of article 101, shall not be computed.
3. Special rules for the calculation of Total Liabilities and Adjusted Liabilities in cases where the Club/SAD has made investments in fixed assets for the construction, refurbishment, renovation or improvement of its sports facilities (Stadium or Sports City).
- 3.1. Definition of the Assumption.
- a) The Club/SAD has made investments in tangible or intangible fixed assets for the purpose of constructing, improving or renovating its sports facilities, including the stadium or the sports city or training facilities, provided that the Club/SAD owns them or can dispose of their long-term use by virtue of any valid title (the Investments).
 - b) For the purposes of calculating the adjustment for investments, the proportion of equity or borrowed funds used to finance these investments is irrelevant, except as specifically regulated for this purpose.
 - c) In any case and for the purposes regulated in this section 3, the amounts received or committed as public subsidies for the purpose of financing the investments, or the cost of the investments that can be recovered from the owner of the stadium or sports facility, shall be deducted from the amount of the investments.
 - d) Investments are deemed to have entered into operation when the tangible fixed assets which are the object of the investments are in a condition to be fully used for their intended purpose in the sports facilities and the amount has been duly recorded in the accounts by the Club/SAD.
 - e) In any case, Investments whose execution has been paralysed for any reason for a period of more than twelve



(12) months immediately prior to 31 December T-1 are excluded from the case contemplated in this section 3.1.

It is understood that the Investments are at a standstill when they have not continued with the progress and execution of reasonable works or installations for their entry into operation, and even if maintenance work or investments have been carried out that are not significant in relation to the volume of the total investment initially planned and necessary for their entry into operation.

In any case, it shall be understood that the Investments are at a standstill when in the aforementioned twelve-month period the amount invested does not reach twenty (20) percent of the total budget of the Investments.

3.2. Calculation of the amount of Investments for the purposes of this Article 24.

- a) The amount of the Investments for the purposes of this Article 24 is understood to be the sum of the investments made in the assets described in section 3.1. above, which the Club/SAD certifies to the Validation Body to have effectively executed for the specific purpose indicated by the Club/SAD and has been recorded as a fixed asset in the accounts and balance sheet of the Club/SAD, reduced by an amount equal to the amount of the total price obtained and effectively received on the disposal by the Club/SAD of the fixed assets which are or are to be replaced ("Replaced Assets") by the Investments, or by their market value, when such assets have not been disposed of within the period indicated below.

In the event that the Replaced Assets have not been effectively disposed of and received their price within the period ending twenty-four (24) months from the date of entry into operation of the assets subject to the Investments, a reduction in the Investments in an amount equal to the market value of the Replaced Assets in the Season in which the said twenty-four (24) month period has ended shall in any event be applied.

The market value of the Replaced Assets will be determined by the Validation Body based on objective data such as comparable transactions, statistical data and valuation reports, and the Club/SAD may provide any information and evidence it deems appropriate for such determination.

The latter reduction shall apply for the first calculation of the Acceptable Economic and Financial Ratios to be made after the disposal of the Replaced Assets or the end of the said twenty-four (24) month period in the Season in which the disposal of the Replaced Assets has taken place, and provided that the Investments have become operational.

- b) For the adjustments regulated by this article, the amount of the Investments shall be taken as the amount recorded and accounted for in the Interim Financial Statements of the Season T-1, that is to say on 31 December of T-1, with the appropriate reductions. For the purposes of this article,

T-1 is understood to be the season immediately prior to that for which the calculation of Acceptable Economic-Financial Ratios is made.

- c) When the entry into operation of the Investment has not occurred on the first day of a Season, the computable amount of the Investments shall be reduced proportionally to the time of operation of the same in relation to the total duration of the Season. The coefficients in table 24.3.3.a shall be adjusted proportionally by difference with the coefficient that comes out in the following bracket, depending on the time of entry into operation of the investments. By way of example: if the investments come into operation within the 12-month period prior to 31 December of T-1, specifically on 31 May, the coefficient to be applied will be 0.9417.

If, on the other hand, the entry into operation were on 01 January, this coefficient would be 0.9.

- d) In the event that on the aforementioned date of 31 December T-1 the Investments have not yet come into operation, the amount of the Investments shall be equal to the amounts actually invested for the ongoing execution of the Investments and accumulated within the period comprising the thirty-six (36) months prior to the aforementioned date of 31 December T-1 and provided that the event of standstill of the Investments referred to in section 3.1.d) does not occur.

However, the period referred to in the previous paragraph may be extended for an additional 12 months, by reasoned and justified request from the Club to the LALIGA Validation Body, which must assess and, where appropriate, accept or reject the request in accordance with the principles and criteria set out in this section 3.

3.3. T-2 Season Total Liabilities Adjustment Rules.

- a) Assuming that the Investments have already entered into operation in the 12 months prior to 31 December T-1.

The amount of the Total Expendable Liabilities (calculated in accordance with the provisions of section 1.a) of this article and which computes for the calculation of the Ratios), shall be reduced by an amount equal to the result of applying to the amount of Investments (as defined in section 3.2.) made up to 31 December T-1 and reduced by the amount of debt maturing in more than 5 years, coefficients specified in the following table, adjusted in accordance with 24.3.2.c and varying according to when the Investments first came into operation, up to a maximum of ten seasons. In the event that this reduction gives a negative result, zero shall be taken.

Time of entry into operation of the Investments and following	Weighting to be applied to Investments
From 01-01 T-2 to 31-12 of	1
From 01-01 T-3 to 31-12 of	0,9
From 01-01 T-4 to 31-12 of	0,8

From 01-01 T-5 to 31-12 of T-4	0,7
From 01-01 T-6 to 31-12 of T-5	0,6
From 01-01 T-7 to 31-12 of T-6	0,5
From 01-01 T-8 to 31-12 T-7	0,4
From 01-01 T-9 to 31-12 T-8	0,3
From 01-01 T-10 to 31-12 of T-9	0,2
From 01-01 T-11 to 31-12 of T-10	0,1

- b) Assuming that the Investments have not come into operation on or before 31 December T-1 and are in the process of implementation at the latter date.

In the event that on or before 31 December T-1 the Investments have not yet come into operation, the adjustments under a) above shall be applied to the Investments calculated in accordance with section 3.2.d).

3.4. Adjusted Liability Adjustment Rule at T-1 that computes for the calculation of Ratio B

In the event that the Investments have already come into operation, or if they have not come into operation and the provisions of section 3.2.d above are met, the Adjusted Liabilities at T-1 that computes for the calculation of Ratio B will be reduced by an amount equal to the result of applying the following correction coefficients to the amount of the Investments made up to 31 December T-1 (calculated in accordance with 3.2.a) and reduced by the amount of the debt with a maturity of more than 5 years

Time of entry into operation	Correction coefficient
From 01-01 T-2 to 31-12 T-1	0,6
From 01-01 T-3 to 31-12 T-2	0,4
From 01-01 T-10 to 31-12 T-3	0,2
From 01-01 Q-11 to 31-12 Q-10	0,1

As from and including the eleventh Season of the Investments' entry into operation, the adjusted Liabilities shall not be subject to any reduction.

3.5. Information Obligations

Without prejudice to the other reporting obligations provided for in these Rules, the Club/SAD requesting the application of the adjustments for the execution of Investments regulated in this section 3. shall provide the following information to the Validation Body together with the request:

- The description of the Investments
- The amount of investments made or in progress
- The date on which the Investments have become operational, if any
- The date on which it is expected to come into operation
- Description of the assets to be replaced by the



Investments

- f) The valuation attributed by the Club/SAD to the Replaced Assets

ARTICLE 25. CLAIMING AND VERIFYING ACCEPTABLE ECONOMIC AND FINANCIAL RATIOS

1. Clubs/SADs claiming compliance with the Acceptable Economic-Financial Ratios must complete and submit the Standard Form MN 9, with the information and details contained therein, by 30 April of the T-1 Season.
2. Clubs/SADs claiming compliance with the Acceptable Economic-Financial Ratios and if such compliance is not apparent from their Annual Accounts for the T-2 Season and/or their Interim Financial Statements for the T-1 Season must submit by 30 April of the T-1 Season the corresponding Limited Review Report prepared by the Auditor attesting to such compliance.
3. At the time of presentation of the Audited Annual Accounts for the Season T-1, it will be checked again whether or not the Club/SAD complies with the Acceptable Economic-Financial Ratios, in accordance with the data in the aforementioned Annual Accounts.

In the event that the Club/SAD does not present the Annual Accounts within the deadline contemplated in the LALIGA regulations, the Club/SAD will be considered for all purposes as not complying with the Acceptable Economic-Financial Ratios.

Section Six

Updated League Budgets

ARTICLE 26. UPDATED LEAGUE BUDGETS DUE TO CHANGE OF CATEGORY IN SPORTING COMPETITIONS.

1. Clubs/SADs that have prepared their League Budgets, Explanatory Memorandum, Complementary Information and Responsible Declaration in the hypothesis of their participation in Season T in a certain Category of the League Competition and/or European Competition in which they are not going to participate, must prepare and present updated League Budgets and Explanatory Memorandum, Complementary Information and Responsible Declaration that reflect the effects derived from the change of Category of the League Competition or European Competition over those initially foreseen as the basis of the League Budgets presented.
2. Accordingly, they shall prepare and submit updated League Budgets:
 - a) Clubs/SADs promoted to the First Division.
 - b) Clubs/SADs relegated to the Second Division.
 - c) Clubs/SADs that have presented their League Budgets in the hypothesis of their participation in a European Competition and finally do not participate in the one they have planned or in any of .



3. The provisions of the previous section shall also apply to Clubs/SADs that qualify to play in Season T in the competition known as the "*Supercopa de España*", organised by the Royal Spanish Football Federation.
4. These Updated League Budgets shall be presented, in the same format and applying the same rules and criteria as for League Budgets in these Rules, and within the deadlines indicated in Article 29.
5. In any case, the provisions of Article 15.3 of the Rules in relation to the Investment and Disinvestment League Budget shall be taken into account.

CHAPTER TWO: DEADLINES FOR THE SUBMISSION OF BUDGETS, EXPLANATORY MEMORANDUM, ADDITIONAL INFORMATION AND RESPONSIBLE STATEMENT.

ARTICLE 27. GENERAL DEADLINE FOR THE SUBMISSION OF BUDGETS, EXPLANATORY MEMORANDUM, ADDITIONAL INFORMATION AND RESPONSIBLE STATEMENT.

1. The League Budgets, the Explanatory Memorandum, the Supplementary Information and the Responsible Declaration for the T-Season shall be submitted to LALIGA by the Thirty (30) April of the T-1 Season.
2. In the cases referred to in Articles 28 to 30 of this Chapter, the special deadlines for the presentation of the League Budget provided for therein shall apply.
3. The filing deadlines specifically set out in these Rules for other reporting obligations and formalities shall apply.

ARTICLE 28. SPECIAL PERIOD FOR PROMOTION TO THE SECOND DIVISION.

Clubs/SADs promoted to the Second Division for Season T will have until 15 July of Season T to submit their League Budgets.

ARTICLE 29. DEADLINE FOR SUBMISSION OF UPDATED LEAGUE BUDGETS.

1. The Clubs/SADs of the Second Division Category that are promoted to the First Division Category will have a deadline for the submission of the Updated League Budgets and other documentation that will end on 20 June of the T-1 Season.
2. The Clubs/SADs that are relegated to the Second Division shall have a period of 15 days from the day following the last day of the Championship match day of the T-1 Season in which the relegation has been mathematically established, and in any case always within a period that will end on 20 June of the T-1 Season.
3. The Clubs/SADs that have not qualified for the European Competition that they contemplated as a hypothesis in the League



Budgets, shall submit the updated League Budgets to the new circumstance within 10 days from the day following the end of the Sporting Day in which, according to their sporting classification, they know that they will not participate in the European Competition that was taken as a hypothesis in the referred League Budgets.

deadline for submission of league income and expenditure budgets by clubs/sads meeting the acceptable economic and financial ratios.

1. Clubs/SADs that comply with the Acceptable Economic-Financial Ratios provided for in Section Five of Chapter One of this Title will have a period ending on 31 May of the Season T-1 for the presentation of the League Income and Expenditure Budget and other complementary documentation, without prejudice to the obligation of information provided for in article 22.1.c).
2. The referred Clubs/SADs shall also have a period ending on 31 July of the Season T for the submission of the Updated Income and Expenditure Budget, for the reasons specifically regulated in article 29 above.

CHAPTER THREE: VALUATION OF THE VARIOUS ITEMS MAKING UP THE BUDGETS LEAGUE AND SUPPLEMENTARY INFORMATION

Section One

Principles, Criteria and Rules of Valuation

ARTICLE 31. CRITERIA AND RULES FOR THE VALUATION OF THE DIFFERENT ITEMS THAT MAKE UP THE BUDGETS AND COMPLEMENTARY INFORMATION.

1. The recording, valuation and limits of the different Items that make up the Income and Expenditure League Budget shall be carried out in accordance with the specific treatment established for each of them in the *ANNEX OF DESCRIPTION OF BUDGET ITEMS AND VALUATION RULES AND CRITERIA*, applying the rules and criteria established in said Annex, and with the quantitative limitations resulting from the aforementioned description, rules and criteria, as well as in the other provisions contained in these Regulations, by way of example and not exhaustively, articles 31, 9 and 39.9 and 39. Notwithstanding the quantitative limitations of the relevant items, the figure entered by the Club/SAD shall prevail in each of them, provided that it is not less than the minimum limit or does not exceed the maximum limit, as applicable
2. As a supplementary measure, and in the event that the treatment of a transaction or economic event to be reflected in any of the Budgetary Items is not expressly regulated in the aforementioned *ANNEX OF DESCRIPTION OF BUDGETARY ITEMS AND VALUATION RULES AND* or in any other provision contained in these Rules, the treatment of such transaction or economic event and its valuation shall be adjusted in accordance with the rules of the Spanish National Chart of Accounts.
3. In any case, accordance with the provisions of article 4.3 and prevailing over the provisions of paragraphs 1 and 2 above, the

Validation Body is empowered to make - in the light of the principles governing these Rules - any adjustments that may be necessary to achieve the aims and objectives of these Rules.

4. The specific Criteria and Rules for determining the valuation of the Budgetary Item "Squad Cost" in the Income and Expenditure League Budget, which are regulated in Section Three of this Chapter, shall be applied in all cases.
5. The information relating to the estimates and projections for the Season T-1 shall be consistent with that contained in the Interim Financial Statements as at 31 December T-1, including any adjustments resulting from the mandatory Auditor's Limited Review Report.
6. Accordingly, where reference is made in these Rules to estimated or projected income and/or expenditure, profit or loss, or any other item, for the T-1 Season ("Estimated Amount T-1 Season"), the items and amounts for this T-1 Season shall be calculated taking into account:
 - a) The items and amounts disclosed in the Interim Financial Statements subject to a Limited Auditor's Review Report.
 - b) Deducting any quantified qualifications included in the Limited Review report of such Interim Financial Statements.
 - c) And the projection and estimate of the items and amounts for the period of the second half of the Season T-1, i.e. between 1 January and 30 June of said Season, which - in addition to being consistent with the information in section a) above, shall correspond to the operations and economic events actually occurring at the date of presentation of the League Budgets, and also be recorded and valued - for the whole of that period, from 1 July T-1 until the presentation of the Budgets, and from that presentation until 30 June T-1 - in a manner consistent with the rules applicable to the Income and Expenditure Budget of Season T.
7. Budget lines and economic supplementary information shall be expressed in thousands of euros.
8. The numbering of the budget items entered, where appropriate, in the various annexes to the structure of the League Budgets is for identification and reference purposes.
9. Transactions, of whatever nature, with third parties, whether Related Parties or not to the Club/SAD, shall be valued at fair value and market price, in accordance with the following rules:
 - a) These rules shall apply to all Clubs/SADs affiliated to LALIGA.
 - b) Fair value is defined as the value that would be agreed at arm's length and between knowledgeable parties acting in good faith, without the terms of the transaction being more favourable to one party than would have been agreed at arm's length.
 - c) The Validation Body may make a reasoned adjustment to the valuation budgeted by the Club/SAD in accordance with the criteria expressed in the previous section - as well as that established in articles 9.5 and 31.3 - and may, if necessary,



require an independent expert's report to carry out the valuation in accordance with the above criteria. The Club/SAD shall be responsible for the cost of this external service if the valuation carried out by the expert is more than FIFTEEN PERCENT (15%) lower or higher than that which has been nominally stipulated in the corresponding legal transaction, depending on whether it is, respectively, income or expenses (including remuneration of Players or Technicians) or divestments or investments

- d) Transactions, operations and legal transactions must meet a real economic need and therefore make economic sense, especially in the case of commercial, advertising, sponsorship or similar agreements, and their fair value and market prices must be taken into account in the valuation of income. Economic sense is deemed to be present if, in similar circumstances, another entity operating in the same sector and of a comparable size operating under normal market economy conditions could have been induced to enter into the transaction in question. In this regard, it must be demonstrated that the decision to enter into the transaction was taken on the basis of economic evaluations comparable to those which, in similar circumstances, a rational market economy operator would have made in order to determine the profitability or economic advantage of the transaction.
- e) In sponsorship contracts, for the purposes of calculating the Squad Cost Limit, the amount of the net monetary benefit in favour of the Club/SAD will be computed. In other words, from the total amount in favour of the club, the amount of the consideration to be paid, if any, by the Club/SAD, as well as the costs directly attributable to the contract, will be deducted. The Validation Body will determine - in accordance with the provisions of articles 9.5 and 31.3 - the criteria to be applied and the information to be submitted by the Club/SAD to verify the effective fulfilment of the sponsorship contracts and their compliance with the rules established in these Standards.
- f) Exceptional or non-recurring positive results in T-1 and/or T derived from the sale of assets or rights of the Club/SAD, except for Players' Federative Rights, with subsequent repurchase or lease, whether initially agreed or in the event that the Validation Body - in a reasoned manner and in accordance with the provisions of articles 9.5 and 31.3 - concludes that the asset transferred or another substitute for the same is necessary for the normal activity of the Club, will not be computed for the purposes of calculating the Squad Cost Limit. For clarification, the computation of the results derived from operations on the Players' Federative Rights shall be governed by the provisions established for budget item 10.1 of the Annex to the Valuation Rules and Criteria, as well as articles 67 to 69 and concordant articles of these Regulations
- g) In order for an operation that includes transactions between entities of the Consolidated Group or other of those described in article 9 to be included for the purposes of calculating the Squad Cost Limit, it will be a necessary condition, although not sufficient, for the Club to provide written communication issued by its auditor, containing the information required by the Validation Body in accordance with the provisions of article 9.5.



In the event that the Club does not provide such written communication from the auditor, the Validation Body may require a technical report from an independent expert, the cost of which will be borne by the Club/SAD.

- h) The Validation Body will have a period of 15 calendar days to determine the impact on the Squad Cost Limit of the operations, with the exception of player transfers and any other within the normal operations of a club, whose valuation exceeds TEN PERCENT (10%) of the Net Turnover or TEN MILLION euros (10.10,000,000 euros (€10,000,000)), requiring in any case the provision of all information required by the aforementioned Body in accordance with the provisions of article 9.5, in order to obtain an understanding of its structure, as well as for its correct quantification in accordance with these Regulations, from which time said period shall commence to run. For this purpose, the Validation Body may require the technical assistance of independent experts, the cost of which will be borne by the Club/SAD
- i) As a general rule, the result derived from operations that:
- correspond to the assignment or transfer of assets or rights of the Club/SAD and
 - by their nature and structure generate an exceptional or non-recurrent result in T-1 and/or T
 - and involve the assignment to third parties of future income which:
 - the Club or any of its subsidiaries, irrespective of the applicable method of consolidation, have already recorded in their Profit and Loss Account and
 - would have accrued to the Club/SAD or one of its subsidiaries in the absence of such assignment or transfer,

shall be integrated - in accordance with the provisions of article 31.3 - into the Squad Cost Limit proportionally season by season as if the transfer had not taken place. If the transfer is for a specific period of time, the quantification of such integration shall be made by dividing the net amount received in the transfer by the number of seasons of transfer and if the transfer period is not determined or cannot be determined, a rational method of integration approved by the Validation Body shall be applied.

Notwithstanding the above, in terms of its amount, the exceptional or non-recurring result in T-1 and/or T accepted by the Validation Body will count towards the Squad Cost Limit of T proportionally to a maximum amount of the value for each season of the asset or right assigned, equivalent to FIVE PERCENT (5%) of the Net Amount of the average Turnover validated by the Validation Body for the T-2, T-1 and T seasons, or that of T, if this is greater than the aforementioned average.

For clarification, this maximum amount refers to the value per season of the asset or right assigned or transferred in the transaction in question. If this value is not explicitly calculated according to the terms of the transaction as a whole, the



Validation Body will establish - in accordance with the provisions of Articles 9.5 and 31.3 - this value per season by applying rational criteria of temporal distribution.

The calculation of this maximum amount shall be made cumulatively by the sum of the value per season transferred or transferred in all operations carried out by the Club/SAD throughout its history, including those carried out prior to 24 November 2022 but which have an effect on subsequent seasons.

The amounts accepted by the UO that were not computed for the purposes of calculating the Squad Cost Limit because they exceed the maximum fixed in this section, may be taken into account to reduce the losses by COVID-19, applying this reduction to recalculate the amounts to be temporarily distributed according to the rules of article 62.6.g), at the free choice of the Club/SAD, with the Club/SAD being able to choose the order and amount to be applied in the calculation of the Squad Cost Limit for T and subsequent seasons, with regard to the amounts of the referred losses pending to be applied or effectively reduced, in accordance with the aforementioned article, corresponding to seasons prior to T, to T itself and, where applicable, to T+1. They may also be taken into account to reduce losses of another nature, as well as to compensate for the deductions foreseen in article 101, from seasons prior to T that were pending being effectively applied or reduced, in accordance with the rules contained in these Regulations, from the Available Balance of the Squad Cost Limit of the Club/SAD of the season T and subsequent seasons. All of the above without prejudice to the sanctioning consequences that, where applicable, may arise if it is found that such losses are the result of conduct that may constitute a breach of these Regulations, the General Regulations and/or the LALIGA Statutes.

Furthermore, with regard to the purpose and structure of the transaction, for the purposes of assessing the impact and recording of such transactions in the Financial Statements of the Club/SAD and/or in the Consolidated Group to which it belongs or is the parent company and/or in the consolidation perimeter of which it forms part, in the event that the Club/SAD does not provide a written communication from its auditor regarding the said impact and reflection in the aforementioned Financial Statements, the Validation Body may request a technical report from an independent expert for this purpose, the cost of which shall be borne by Club/SAD.

In addition, the following minimum requirements for admissibility by the Validation Body are established for the terms of the transaction:

a.- In the case of a partially deferred price, the accumulated collection percentages must be at least the following: 20% in cash, 40% in six months, 55% in nine months, 70% in twelve months and 85% in fifteen months. The part of the price deferred for more than 18 months from the signing of the corresponding contract and which gave rise to an increase in the Squad Cost Limit shall not be taken into account in the calculation of the Squad Cost Limit or to reduce losses.

b.- Establishment of interest for late payment in the event of



delay in payment to be paid by the buyer, under market conditions.

c.- Establishment of security rights or reservations of title over the goods or rights sold in the event of total or partial non-compliance with payment deadlines or other obligations to be met by the purchaser, under market conditions.

d.- Establishment of penalty or indemnity clauses in favour of the seller in the event of non-fulfilment of obligations or total or partial termination of the contract by either party, under market conditions.

- j) The repurchase of assets or rights or termination of contracts or any agreement that totally or partially invalidates legal business, except for those related to Players' Federative Rights, which have led to an increase in the Squad Cost Limit, shall be integrated -under the provisions of article 31.3- by the amount of the repurchase or by the amount of the aforementioned increase (in the case of termination of contracts or agreements that totally or partially render legal business ineffective), in the calculation of the Squad Cost Limit in the season in which this occurs, reducing the same, regardless of its accounting treatment, without prejudice to the provisions of article 62.6 of this regulation with regard to these same legal business. For clarification, the computation of the results derived from operations on the Players' Federative Rights shall be governed by the provisions established for budget item 10.1 of the Annex to the Rules and Criteria for Valuation, as well as articles 67 to 69 and concordant articles of these Regulations.
- k) The operations regulated in sub-sections g), h) and i) of the present section 9, shall require in any case for their consideration for the purposes of the Squad Cost Limit or registration capacity, the acceptance of the Validation Body, as provided for in article 57.3, in relation to the solvency and regularity of the activity of the entity with which the Club/SAD carries out the corresponding operation.
10. The benefits generated by the transfer of Economic Rights derived from the Federative Rights, in cases where the Player's Federative Rights are not transferred and the Player remains registered as a player of the transferring Club/SAD, shall be considered for the calculation of the Registrable Squad Cost Limit or registration capacity - under the provisions of article 31.3 - subject to and in compliance with each and every one of the following conditions, rules and criteria (in addition to the general ones set forth in these Regulations)
- (i) Only a profit of the above nature up to a maximum amount not exceeding TEN PERCENT (10%) of the Net Turnover of the Club/SAD may be taken into account for the calculation of the Squad Cost Limit or registration capacity.
- (ii) The transfer price of the Economic Rights must be paid by the acquiring Club/SAD in the minimum amounts and maximum terms indicated below:
- FIFTY PERCENT (50%) at the time of signing the corresponding contract for the transfer of the Economic Rights.



Seventy-five percent (75%) cumulatively, within three months of such signature, and

One HUNDRED PERCENT (100%) cumulatively, within 6 months of signing the contract.

- (iii) The contract of transfer of the Economic Rights may not establish any condition or limitation on the working conditions of the Player concerned (Clubs where he should play, categories, remuneration, etc.) or any restriction on the powers of the transferee Club/SAD to use the Player's services.
 - (iv) The acquirer of the Economic Rights must necessarily be another Club/SAD affiliated to LALIGA.
 - (v) The transfer of the Economic Rights may not be subject to any suspensive or resolutive condition, with the exception of that which may be agreed for non-fulfilment.
 - (vi) In the event that, at any time prior to or after the next transfer of the Player's Entry Rights, the contract of transfer of the Economic Rights is terminated, in whole or in part, both the transferring Club/SAD and the acquiring Club/SAD may not count, for the calculation of the Squad Cost Limit or registration capacity, benefits derived from any other subsequent transaction of the same nature carried out during two consecutive player registration periods. The Validation Body will determine whether the measure applies in the same registration period in which the initial transfer was terminated, or from the following one, taking into account the registration capacity achieved by the Club/SAD resulting from the initial transfer.
 - (vii) The Squad Cost Limit or registration capacity shall be adjusted at the earliest possible time after the termination of such contract by the same amount as would have been taken into account to increase the Squad Cost Limit of the transferring Club/SAD.
 - (viii) A market valuation of the aforementioned Economic Rights must be provided, carried out by the LALIGA Valuation Committee made up of independent experts, the cost of which will be borne by the Club/SAD transferring the Rights.
11. Clubs/SADs that undertake renovations to their Stadiums and that, as a result, temporarily cease to obtain certain revenues from ticket sales, season ticket holders and the operation of the Stadium undergoing renovation, may apply to the Validation Body - under the provisions of article 31.3 - for an increase in the Squad Cost Limit for season T, in accordance with the following conditions, rules and criteria:
- (i) The Club/SAD must submit, together with the application, a technical report detailing the expected loss of revenue in season T and the corresponding justification. It shall also provide the corresponding business plan, where it is clear that this is a transitory loss of revenue and that it will be recovered in the seasons immediately following the completion of the aforementioned reform, in no more than five seasons, with the incremental revenue derived from the

same.

- (ii) The Validation Body will take as a basis for comparison to set the referred increase of the Squad Cost Limit, the income from the Stadium foreseen by the Club/SAD in its closing estimate - or Annual Accounts if available - submitted to the Validation Body, referring to the season prior to the start of the reform, adapting to the season T the sporting assumptions that apply with respect to the previous season.

The increase of the Squad Cost Limit to be applied in season T will be the amount of the income of the type described in section "i" above that the Club/SAD expects to lose as a consequence of such reform and has been accepted by the Validation Body - in accordance with the provisions of article 9.5 - according to the information submitted by the Club/SAD.

- (iii) In no case shall the increase in the Squad Cost Limit referred to in this paragraph 11 be more than 5% of the Club/SAD Business figure accepted by the Validation Body for the said season T, prior to the increase referred to herein.
- (iv) Such increases may only be requested and shall only apply for a maximum of the season T when the stadium refurbishment starts and the following two seasons, i.e. T+1 and T+2.
- (v) The aforementioned revenues described in section "i" above that have allowed an increase in the Club/SAD's Squad Cost Limit, will be reduced from its Squad Cost Limit in equal parts in four seasons. Specifically, in the season in which the refurbishment affecting the elements of the Stadium, related to the generation of box office, subscriber and facility operating revenues, is completed and the following three seasons. All of the above is subject to the limitation established in article 62.6.g)iii)
- (vi) All that is regulated in the previous sections shall be applied proportionally, in the seasons in which the refurbishment of the Stadium begins and ends within a Season, according to the exact dates of said events.

The losses caused by the increase in the Squad Cost Limit resulting from the application of this section 11 shall be adjusted for the purposes of the calculation rules of article 44 and following, and shall be recovered in future seasons, as established in the previous sections, by means of a reduction in the Squad Cost Limit. a) That the amount of the loss corresponds to expenditure arising from clauses, agreements or contracts previously and expressly authorised by the Validation Body. b) That, in the opinion of the Validation Body - in accordance with the provisions of

article 9.5 -, the reversal of the effect of said expenditure can be reliably foreseen through the reduction of the Squad Cost Limit or registration capacity of the Club/SAD in the corresponding seasons.

- (vii) What is specified in this section 11 can only be applied provided that the Club/SAD sends the Validation Body all the information necessary to estimate the Squad Cost Limit corresponding to Season T+1, in accordance with the provisions of article 93.8, proceeding to the registration of players in Season T, provided that there is an Available Balance with respect to the Squad Cost Limit or registration capacity generated, both for Season T and, where appropriate, for Season T+1.

12. In no case shall the transactions referred to in Note 5 of the Annex to the Valuation Rules and Criteria be counted for the purposes of the Staff Cost Limit or registration capacity.

ARTICLE 32. PRINCIPLES OF APPLICATION TO ECONOMIC-FINANCIAL INFORMATION SUBMITTED BY CLUBS/SADs.

All economic-financial information, including prospective information, presented by Clubs/SADs in their League Budgets, Explanatory Report and Supplementary Information - and in general any information that may be requested by LALIGA in application of the present Rules - must comply with the following principles:

- a) Truthfulness, prudence and reasonableness.
- b) Accrual.
- c) concern.
- d) Uniformity over time, justifying changes in criteria where appropriate.
- e) Completeness, so that the information is complete and no circumstance is omitted that could distort the information provided.
- f) Legality, in such a way that all acts and legal business contemplated by the Club/SAD for the preparation of its League Budgets, Explanatory Report and Complementary Information comply with the applicable legal regulations of any nature, including those of a commercial, civil, tax, accounting, sporting, etc. nature.

ARTICLE 33. VALUATION ALTERNATIVES.

1. Clubs/SADs may exceptionally propose to the Validation Body valuations of Matches according to rules or criteria other than those provided for in these Rules, which the Validation Body may accept by express agreement and subject to the limitations set out in the following paragraphs.
2. Valuation alternatives must be accompanied by justification - in accordance with the provisions of Articles 9.5 and 31.3 - that is sufficient and reasonable in the opinion of the Validation Body, in order to be accepted.



3. Proposals for alternatives for the valuation of budget items shall be formulated in accordance with the Standard Model MN 10.
4. Valuation Alternatives may not be proposed or accepted in any of the following transactions:
 - a) Provision of sports *scouting* and similar services.
 - b) Remuneration of Club/SAD administrators.
 - c) In any transaction with Related Parties.
 - d) In transactions between Clubs and or SADs of any nationality, league or association.
5. In any case, the specific criteria and rules on Valuation Alternatives set out for certain items or sub-items in *the ANNEX DESCRIPTION OF BUDGET ITEMS AND VALUATION RULES AND CRITERIA* must be complied with.

Section Two

Squad Cost, Breakeven Point, Proportionality and Limitations

ARTICLE 34. SQUAD COST AND BREAK-EVEN POINT.

1. The Squad Cost, - configured and calculated according to the criteria and rules set out in the following Sections - of each Club/SAD and Season determines the fulfilment of the Breakeven Point, as defined in Chapter Four of this Title.
2. In this regard, the Clubs/SADs shall adjust and limit this Squad Cost in order to reach the Break-even Point, without prejudice to the Validation Body's powers to assign a Limit to the Squad Cost, in accordance with the provisions of article 31.3.
3. Notwithstanding the above, as an exception to the general principle and justified by the need not to prejudice a minimally competitive sporting level, Clubs/SADs participating in Season T in the First Division Sport Category shall, subject to the specific rules and conditions set out in the final paragraph, be allocated, in any case (i.e. even if this does not meet the Budget Break-even Point), a Staffing Cost Limit of at least THIRTY PERCENT (30%) of their Sporting Staff, in any case (i.e. even if this does not meet the Budget Break Even Point) a Squad Cost Limit of at least THIRTY PERCENT (30%) of the Net Turnover Amount budgeted and accepted by the Validation Body for Season T, with the adjustments and corrections set out below. This percentage may be higher provided that the Budget Break Even Point is met. The referred percentage will be FORTY PERCENT (40%) for Second Division Clubs/SADs.

Given its nature as an exception to the general principle, the following additional specific rules shall apply in this case, taking into account the principle of proportionality of the rule:

- a) For the purposes of this section 3, for the determination of the budgeted Net Turnover, no account shall be taken of Income deriving from transactions which, regardless of their form, have in the opinion of the Validation Body an exchange or swap basis, and which therefore involve an associated expense, unless it is less than the Income and in this case for the difference.
- b) The amount of outstanding remuneration due to first team



Players and Coaches accrued in Season T-1, even if as a result of deferral agreements with creditors, shall reduce the Squad Cost Limit resulting from the application of the percentage of 30% or 40% referred to above by the same amount.

- c) Clubs/SADs to which this paragraph 3 applies shall not be eligible for or apply the provisions of Article 100 which contains the special rule for Clubs/SADs exceeding the Registrable Squad Cost Limit that fulfil certain conditions.
- d) In the event that the application of the general rules established in these Regulations mathematically results in a negative Squad Limit, the aforementioned percentage in the First Division of THIRTY PERCENT (30%) shall be reduced to TWENTY PERCENT (20%). In the Second Division, the 40% will be reduced to 30%
- e) This rule contained in the present paragraph 3 shall not apply to Clubs/SADs with debts due, payable and enforceable to which are owed by Public Administrations and/or Clubs/SADs.
- f) Clubs/SADs to which this paragraph 3 applies shall prepare in the format of the Standard Form MN 23 the Actual Staffing Cost for their Non-Registrable Staff and the following additional rules shall apply:
 - (i) The amount of the total Cost, including the aforementioned Standard Model MN23, may at no time exceed the amount resulting from the application of the valuation rules for Season T, applying the provisions of article 41 for the calculation of the Cost of newly contracted Players or Players received on temporary loan.
 - (ii) The Standard Form MN 23 must be submitted for the dates 30 June of the T-1 season and 1 July of the T season, with a deadline of 10 July of the T season.
 - (iii) For Clubs/SADs promoted to the Second Division, the deadline will be two days from the date of registration of the Club/SAD in LALIGA.
 - (iv) The presentation of the aforementioned Standard Form MN 23 will be essential in order to be able to make registrations in LALIGA of Players of the Club/SAD concerned.
 - (v) The Model MN 23 shall be kept up to date throughout the Season. As changes occur in the Cost of the Non-Registrable Template.

ARTICLE 35. REGISTRABLE SQUAD COST AND NON-REGISTRABLE SQUAD COST. PROPORTIONALITY.

1. For the purposes of the Rules, within the Squad Cost a distinction is made between Registrable Squad Cost and Non-Registrable Squad Cost in accordance with the criteria set out in Article 38.
2. Clubs/SADs in their League Budgets for Income and Expenditure shall differentiate - as indicated in Annex I, - the Cost of Registrable Squads and the Cost of Non-Registrable Squads.
3. The Cost of the Non-Registrable Squad Cost also includes the Cost of the Squad Cost of the Club/SAD Sports Sections other than eleven-a-side football, as well as the Cost of the Women's Football Squad.



4. The proportion between the Registrable Squad Cost and the total Squad Cost shall be assigned by the Validation Body on an individual basis to each Club/SAD and for each Season, in accordance with the rules contained in these Regulations, including but not limited to article 36.
5. The Cost of the Non-Registrable Squad Cost comprises the same items as those referred to in Article 39.

ARTICLE 36. COST LIMITS REGISTRABLE SQUAD COST BUDGETED ACCORDING TO THE PROPORTION OF THE TOTAL COST OF THE SQUAD.

1. As a general rule, the proportion that the budgeted Registrable Squad Cost for Season T represents of the Total Squad Cost may not exceed the proportion actually incurred in Season T-2.
2. After the end of the T-1 Season, the proportion of the Total Squad Cost represented by the Registrable Squad Cost shall be calculated on the basis of the information to be submitted by the Club/SAD in accordance with the provisions of Article 95.
3. If the indicated ratio for Season T-1 is higher than that produced in Season T-2, the Club/SAD may request the modification of the ratio budgeted for Season T. On the other hand, if in absolute value the Non-Registrable Squad Cost in T-1 is higher than that which would result from applying the proportion of T-2 to the total Squad Cost Limit of T, this absolute value shall be considered as a minimum for Season T, without prejudice to the special rules of article 59 that may be applicable.
4. For this purpose, the Club/SAD shall submit a request to that effect, with the Authorised Representative certifying the proportion produced in the T-1 Season.
5. The Validation Body will review the application in order to - in accordance with the provisions of articles 9.5 and 31.3 - if necessary agree or deny the modification of the requested proportionality. In any case and in accordance with its powers, the Validation Body may, in order to avoid a possible situation of future financial imbalance, require from the Club/SAD all information regarding the Non-Registrable Squad (composition, salaries, etc.) as well as the verification of the proportion by Auditor by means of an Agreed Procedures Report, before or after the approval of the application.
6. In the event that in the T-2 or T-1 Season the Club/SAD has participated in a different Sport Category from the one in the T-Season, the Non-Registrable Squad Cost will be taken as that produced in the T-2 or T-1 Season, whichever is greater.
7. In any case, the provisions of Article 59 on the adjustment of proportionality by the Validation Body shall apply.

ARTICLE 37. ADJUSTMENT OF THE SQUAD COST NOT REGISTRABLE DUE TO THE PROMOTION OF A DEPENDENT TEAM.

1. As a special rule, the Validation Body, upon submission of the corresponding information by the Club/SAD, shall adjust the amount and Proportion of the Non-Registrable Squad Cost when its subsidiary eleven-a-side football team is expected to participate in Season T in a higher Division than it did in Season T-1 and provided that the latter Division does not correspond to the



First Division or Second Division.

2. The purpose of the aforementioned adjustment shall be to take into account the increase in the Non-Registrable Squad Cost Limit that the aforementioned promotion of the dependent team may entail, maintaining in any case the Total Squad Cost Limit assigned.

Section Three

Specific criteria and rules for determining the valuation of the Budget Line "Squad Cost".

DEFINITION OF A SQUAD REGISTRABLE IN THE LEAGUE AND A SQUAD NOT REGISTRABLE IN THE LEAGUE.²

1. For the purposes of these Regulations, the Registrable Squad of each Club/SAD is understood to be that made up, in accordance with the contracts and their clauses in force at the date of application of these Regulations, by:
 - a) Players who are intended to be registered or, where applicable, are registered, for Season T in the squads of the Club/SAD teams participating in the First Division or Second Division League Competition.
 - b) The Coach, Assistant Coach, Physical Trainer and Technicians with similar functions, who are expected to provide or, where appropriate, provide their services for the team of the Club/SAD that is registrable in LALIGA. It shall be referred to as the "Technical Staff" for the purposes of these Regulations.
 - c) Players and Technicians who have an employment contract and/or formalised contract of any nature with the Club/SAD, regardless of the payment dates included in the same, or whether it has been fully or partially effective, or simply because other related costs (e.g. intermediation costs) are derived from the same for any season, and who, without being registered in LALIGA, are not registered in the federative registers corresponding to any other squad or team of the same Club/SAD. The Cost corresponding to these Players will be called "CPD Inscribable, non-registrants", while the remaining Cost of the Inscribable Squad Cost will be called "CPD Inscribable, registrants".
 - d) Players who, at the date of submission of the registrable squad information, initial or any update, and who, although not bound by an employment contract in force with the Club/SAD at that date, have received or are expected receive in season T and/or following seasons, they or the companies holding their Image Rights, any type of consideration for any reason or title and/or have entailed the recording of any cost or loss in the Club/SAD's Profit and Loss Account.
2. Therefore, a Non-Registrable Squad shall be deemed to be the Squad comprising all other Players and Coaches who are not covered by paragraph 1 above.

² The provisions of Circular no. 43 - Season 2021/2022, dated 09 June 2022, according to the agreement of the Delegate Commission of 02 June 2022, on the modification of the Rules for the Preparation of Budgets of Clubs and SADs of LALIGA, forming an integral part of said Rules, are applicable to article 38.



ARTICLE 39. DETERMINATION OF THE REGISTRABLE SQUAD COST.

1. For the purposes of these Regulations, the Squad Cost or Individual Cost of a Player or Coach is calculated and computed as comprising the entire Season or, where applicable, the part of the Season for which a contract has been concluded with such Player or Coach, irrespective of the payment dates contained therein, or whether it has taken effect in whole or in part, or simply because other related costs (e.g. intermediary costs) arise for a particular season.
2. The Registrable Squad Cost shall be made up of the sum of the amounts of the different concepts described in section 3 of this article, calculated according to the criteria and rules also established, and from the result of which the price or consideration received by the Club/SAD for the temporary transfer of the Federative Rights of its Players shall be subtracted.
3. The concepts and items that make up the registrable squad cost are as follows:

- a) The salary payments, in cash or in kind (housing, vehicles, travel, etc.), regular or irregular, fixed or variable according to any criteria, including those of a sporting nature, of each and every one of the Players and Coaches of the Registrable Squad.

Clauses on remuneration items that are notoriously irregular in time (irregular) and whose right to payment is initially certain, although their date of accrual is not determined, shall be computed from the beginning of the contract, applying a linear time imputation criterion according to the years of duration of the contract.

Notwithstanding the foregoing, those remuneration items irregular in time that are agreed simultaneously with a reduction of pre-existing regular remuneration shall be fully imputed on the date of their formalisation up to the amount of such reduction

The same treatment set out in the previous paragraph shall apply, in any case, to such irregular remuneration items, for the difference between the average regular remuneration of the seasons of duration of a contract other than the first - or other than the season in which a contractual renewal takes place - reduced by 15% and the amount of the regular remuneration agreed for the first season of a contract - or of its renewal - provided that it is positive. The aforementioned regular or irregular remuneration and/or remuneration concepts include both the fixed parts and the high probability variable parts referred to in this Section Three

- b) Remuneration for the assignment of the individual or collective image rights of Players and Coaches received by them or by companies or assignees and holders of the aforementioned image rights.
- c) The amount of the annual amortisation of the cost of Acquisition of the Federative Rights of Players and, if applicable, Technicians, in accordance with the following rules:



- (i) Except - for the reasons set out in article 23.1 - for Clubs/SADs that comply with the Acceptable Economic-Financial Ratios and accordance with the provisions of article 31.3, the reduction of the annual amortisation in Season T, derived from the accounting in T-1 of an impairment of the value of the Federative Rights, shall not be computed as a lower Cost, when from this accounting record a greater registration capacity for Players or Technicians in Season T can be derived.
- (ii) In the event of contractual termination or transfer of a Player or Coach that generates an accounting loss in T, the calculation of the amortisation for the purposes of calculating the Squad Cost for Season T shall be updated, following a linear and proportional time imputation criterion. For its part, the accounting loss shall be computed (subtracted) for the purposes of calculating the budget item Net Profits from Transfers of Federative Rights, in accordance with Items 10.1 and 10.2. of the ANNEX TO THE DESCRIPTION OF BUDGET ITEMS AND VALUATION RULES AND CRITERIA of the Income and Expenditure League Budget and articles 64, 65, 67 and concordant articles of these Regulations

For the purpose of calculating the amortisation, in case of termination or cancellation clauses, agreements on compensation amounts, mutually agreed termination or the possibility of unilateral termination by the Club/SAD and/or the Player/Manager the Validation Body shall - in accordance with the provisions of Articles 9.5 and 31.3 - determine the duration of the useful life taking into account the reasonableness and likelihood of materialisation of such clauses.
- (iii) The maximum repayment period shall be FIVE (5) seasons, without prejudice to the special rule set out in Article 100.6.
- d) Social Security or Pension Plan contributions or other forms of social welfare supported by the Club/SAD of which the Players and Coaches are beneficiaries.
- e) Indemnities or compensation payable by the Club/SAD for the termination of employment contracts or transfer of image rights of Players and Coaches, or as a consequence of such termination, for any reason, including mutual agreement and dismissal. If the amount of the indemnity or compensation added to the remuneration accrued by the Player or Coach up to the time of such contractual termination is greater than the remuneration initially planned for Season T, in accordance with the provisions of article 31.3, only the latter amount shall be allowed to be computed in T, and the excess may be deferred proportionally between the remaining seasons of the contract, albeit at most between T+1 and T+2.

Except - for the reasons set out in article 23.1 - for Clubs/SADs that comply with the Acceptable Economic-Financial Ratios and in accordance with the provisions of article 31.3, the accounting of a lower indemnity expense in Season T, derived from the accounting in T-1 of a provision for the possible indemnity, shall not be computed as a lower Cost, when from this accounting record a greater capacity for registration



capacity of Players or Technicians in Season T can be derived.

- f) The cost borne by the Club/SAD of the remuneration or otherwise of a Player whose Federative Rights have been temporarily transferred to another Club/SAD.
- g) In accordance with rule 3.4 of the Annex to the Rules and Valuation Criteria, income from the temporary loan of first team players shall be considered as a minor registrable squad cost.
- h) h.1.- Collective bonuses for the achievement of sporting objectives, including those accrued for remaining in a specific Category in any Competition.

The budgeted amount of these collective bonuses for Season T, and with regard to the registrable squad, shall be based on the hypotheses that support the League Budget, and may not be less than NINETY PERCENT (90%) of the highest amounts that have been negotiated, recognised and/or accrued in any of the THREE (3) seasons prior to Season T for the same concept; in no case shall the bonuses accrued for promotion be included in this calculation.

The amount of the Collective Premiums corresponding to the Season T-1, will be estimated in accordance with article 9.5, according to the certifications and information provided by the Club/SAD.

h.2.- The resulting figure according to the above rules may be reduced by up to a maximum of FIFTY PERCENT (50%), provided that it is sufficiently justified in accordance with article 9.5 by the Club/SAD and accepted by the Validation Body.

h.3.- Clubs/SADs that have been promoted in Category for Season T will be able to compute for the purposes of determining the Squad Cost, the amount of the Collective Premiums accrued as a consequence of said promotion in the same Season of promotion or in the following one.

In any case, the Clubs/SADs included in the circumstance expressed in the previous paragraph, must communicate to the Validation Body the amount of the Collective Premiums accrued for promotion, within the same period established for the presentation of the Updated Budget foreseen in article 29.

- i) At least TWENTY-FIVE (25) PERCENT per annum of the consideration for the Club's/SAD's acquisition price of a Player's Pro Player Rights that is agreed to in a contract granting the Club/SAD an option right to purchase those Pro Player Rights, and the Player will not be registrable with the Club/SAD during the T-Season.

The Validation Body may decide to increase or decrease the percentage referred to, accordance with Articles 9.5 and 31.3, on the basis of an analysis of the circumstances and available information on the transaction or related transactions as a whole.

- j) At least TWENTY-FIVE PERCENT (25%) per annum of the acquisition price of the Managerial Rights subject to an Option Right to Purchase in the event that the Club/SAD agrees or subscribes as assignee a contract for the Temporary



Assignment of Managerial Rights of a Player, together with an option right or conditional clause to purchase said Managerial Rights and/or Economic Rights derived therefrom, and in accordance with the provisions of articles 9.5 and 31.3, from the analysis of the circumstances and information available on the whole of the aforementioned operation carried out by the Validation Body, it can be concluded that when formalising the transfer the assignee Club/SAD has already materialised or there is a very high probability that the purchase of the Federative Rights subject to the same will materialise, even in the event that it is conditional on maintaining the Sporting Category, it will be integrated into the Cost of the Inscriptible Squad Cost for Season T.

The factors leading to the conclusion referred to in this point (j) may be appreciable by the Validation Body in the T-Season itself or in the following seasons, imposing the corresponding regularisations on the Club/SAD concerned.

The Validation Body may decide, under the principle of proportionality, to increase or decrease the percentage referred to in points i) and j) of this paragraph 3, in accordance with the provisions of Articles 9.5 and 31.3, on the basis of an analysis of the circumstances and information available on the transaction or related transactions as a whole.

In accordance with the provisions of letters i) and j) of this paragraph 3, it shall be the obligation of the Clubs/SADs to inform the Validation Body of any Player's Rights of Option to Purchase as opt-in or opt-out parties which, in accordance with the agreed contractual conditions, imply for the opt-in party the obligation to exercise that Right in any case and therefore the perfection of the contract for the Transfer of the Players' Rights with the consequent obligations of payment of the price. This information obligation shall be in accordance with the Standard Form MN 11.

As a clarification, the allocation of Cost made in application of this subparagraph j), will allow, for the purposes of the application of these Rules, the allocation of the corresponding transfer result for the transferor Club/SAD, in relation to the same transaction.

Due to their greater vulnerability and with the aim of avoiding supervening excesses, in the case of Clubs/SADs that have an available balance of registrable squad cost limit less than 5% of the Turnover approved by the Validation Body in the First Division and 10% in the Second Division for season T, including as established in article 38.1.c for this calculation the amounts of contracts of players or coaches of the registrable squad that are not registered, or Clubs/SADs that are applying article 100 because they are in excess, will be computed the amortisation of at least 75% of the total price of the Economic Rights derived from the Federative Rights of a player, either through a purchase option or through a definitive purchase, even if the percentage of Economic Rights derived from the Federative Rights acquired is less than the aforementioned percentage. And in the event that the Club/SAD acquires new percentages in the following season after the initial acquisition, in addition to the remaining amortisation corresponding to the new

percentage of Economic Rights acquired, another amount equal to this imputation will be imputed as Registrable Squad Cost.

Notwithstanding the above, if the Validation Body in accordance with the provisions of Articles 9.5 and 31.3 analyses the circumstances and elements involved in such transactions and concludes that such transaction does not have as its main objective or as one of its main objectives to benefit from the Club/SAD obtaining more player registration capacity, it may not make the adjustments as prescribed in the preceding paragraph.

- k) Any other consideration earned by Players and Coaches for any item that directly and indirectly remunerates their professional services or the assignment of their Rights and Image.
 - l) Player Acquisition Expenses. This includes all transaction costs related to the acquisition of the Federative Rights or to the contracting of the services of a Player or Coach for the Squad, such as commissions from agents, representatives and intermediaries, natural or legal persons, whatever the form and denomination of the agreement from which such costs derive, and which are not activated for accounting purposes. The Validation Body may, in accordance with the provisions of Articles 9.5 and 31.3, estimate the possible expenses of agents, representatives and intermediaries when, after analysing the circumstances of a transaction, or based on public information or other indications, the existence of such expenses can be derived
 - m) The amount of the remuneration unpaid by the Club/SAD, denounced and upheld by the Joint Committee provided for in the Professional Football Collective Bargaining Agreement, without any allegation by the Club/SAD having been upheld and even if such remuneration has finally been settled or a deferred form of payment has been agreed.
 - n) The amount of the fees corresponding to the mandatory federation licences of players, coaches and other personnel who must obtain them. In the event that the employment contract with the Player or Coach has been signed for a duration of more than one Season, the amount of the fees shall be considered an eligible expense.
- 4. In any case, in the case of salary payments, amounts lower than those laid down in the applicable Collective Labour Agreement for professional football may not be computed or budgeted.
 - 5. In the case of dismissal or termination of the employment contract or assignment of Image Rights of a Player or Coach by the Club/SAD, when the determination of the appropriateness of compensation or its amount is pending a judicial, administrative, sporting or arbitration decision, the Validation Body, in accordance with the provisions of articles 9.5 and 31.3 and taking into account the circumstances of the specific case, shall determine the amount for this concept to be computed as part of the Registrable Squad Cost.
 - 6. When the employment contract with the Player or Coach provides for consideration or remuneration net of tax, the gross amount - which, in order to apply equal treatment, shall be the amount



attributable as Registrable Squad Cost - shall be calculated by grossing up the net amount by applying the corresponding tax rates or withholding tax rates in accordance with the rules governing the respective Income Taxes.

For the grossing up of the above remuneration received by Players who are to be considered as "non-resident" taxpayers for income tax purposes as at 31 December of the Season, the following rules shall apply:

- a) Only the tax rate applicable to earned income of non-resident taxpayers will be applied.
 - b) This tax rate shall be applied to a maximum of Seventy Percent (70%) of the remuneration expected to accrue for the entire Season, irrespective of the dates of payment of such remuneration.
 - c) The tax rates applicable to employment income of taxpayers resident in Spain shall be applied to the rest of the remuneration, except in those cases where the Player is a non-resident in Spain at the time of signing the employment contract and such employment contract ends before 1 July of the following Season, in which case the Club/SAD may apply the tax rate referred to in paragraph a) above for the grossing up of the Player's remuneration.
7. Temporary Assignment or Transfer with Right of Option to Repurchase of the Federative Rights of two or more Players by the same Club/SAD, when assignor and assignee, and/or transferor and acquirer are Related Parties.

Pursuant to the provisions of article 31.3 and order to minimise the number of possible adjustments that (due to lack of reasonableness, economic sense or market value) could arise from the valuation of each specific transaction, a special rule is established for the valuation of this case according to objective criteria.

- a) This rule shall apply to cases in which the transferor and transferee Clubs/SADs, and/or transferors and acquirers are Related or Related Parties, or with significant influence, or are considered between them to be any of the entities referred to in article 9.4.
- b) When a Club/SAD is the assignee by Temporary Assignment and/or acquirer by Transfer of Federative Rights linked to an Option Right to Repurchase said Federative Rights, of TWO (2) or more Players assigned and/or transferred by the same Club/SAD, under the principle of proportionality of the rule, for the purposes of valuation, the sum of fixed salary plus assignment cost of each of the players will be computed as the sum of fixed salary plus assignment cost of each of the players, at least the amount resulting from applying the percentages indicated below to the higher of the initial Registrable Squad Cost Limit assigned to the Club/SAD for Season T or the initial Registrable Squad Cost Limit for the said Season T, and according to the number of Players loaned out

Number of Players on Loan and/or Transfer with the Right of Option to Buy Back	Applicable percentage for calculating the Individual Player Costs
TWO (2)	3,5 %
THREE (3)	4,0 %
FOUR (4)	5,0%
FIVE (5)	6,0%
SIX (6) or more	7.0%

- c) No content.
- d) Players in any of the following circumstances shall not be taken into account in determining the number of loaned and/or transferred Players for the purposes of this article:
 - (i) If they are loaned/transferred to a Club/SAD that in Season T is going to participate in the First Division or Second Division, who have not played more than FOUR (4) official matches in any of the Seasons T-2, T-1 or T in the highest sporting categories of the Professional Leagues of Spain, England, Italy, Germany, France, Holland, Turkey, Argentina, Belgium, Portugal, United States of America, Brazil or Mexico nor have they made their debut in an official match in the senior national team of any of the aforementioned countries. An official match will be counted as having been played when at least 45 minutes of the match have been played.
 - (ii) For the purposes of this paragraph d), "top sporting categories" means the First and Second Divisions of the Professional Leagues of Spain, England, Italy, Germany, as well as Professional Leagues where Clubs/SADs that are within the consolidation perimeter which a Club/SAD forms part or is a linked, or related, or with significant influence or is an entity referred to in paragraph 4 of Article 9 in relation to said Club/SAD - that plays in the First or Second Division of the LALIGA - militate in the First or Second Division. In the other Leagues referred to in this paragraph d), only the First or top division
- 8. In the case of the temporary transfer of the Federative Rights of a Player registered in the squad of the subsidiary or dependent team of the Club/SAD that participates in a Sporting Category lower than Second Division, the amount of the expense borne by the transferring Club/SAD for any of the concepts contemplated in this article, if applicable, the income that it may receive, shall be considered higher or lower Cost of the Non-Registrable Squad, as the case may be.
- 9. In the case of a Player contract that provides for the extension of the Player's duration to optional additional Seasons, the amount of the applicable depreciation shall be computed as the Cost of the Player's Player Roster, taking into account only the Seasons of duration that are mandatory for both parties.
- 10. In the event that the quantification of the price, indemnity or compensation to be paid by the Club/SAD that registers the Player to the Club/SAD of origin or to the Clubs/SADs origin, is pending a judicial, administrative, sporting or arbitration decision, the Validation Body, in accordance with the provisions of articles 9.5

and 31.3, and taking into account the circumstances of the specific case, shall establish the amount for this concept to be computed as part of the Registrable Squad Cost.

11. In the event that there is a transaction between Clubs/SADs, which contemplates an exchange or swap of Federative Rights of Players, the Validation Body may request an independent valuation of the respective transferred and exchanged or swapped Federative Rights from the LALIGA Valuation Committee. The result of this independent valuation shall be taken - in accordance with the provisions of articles 9.5 and 31.3 - for the calculation of the Squad Cost Limit of the Clubs/SADs that are party to the transaction and that are affiliated to LALIGA.

Clubs/SADs that apply and have qualified as having Acceptable Economic-Financial Ratios are exempted - for the reasons set out in article 23.1 - from the application of this rule.

It shall be understood that there is an exchange of Federative Players' Rights if, from the information available to the Validation Body, it can be deduced that despite the apparent denomination or structure of the transaction or its mode or form of formalisation by the parties thereto - including the existence of two or more transactions formally independent but carried out during the same player registration period - the concurrence of the exchange or swap of Federative Players' Rights can reasonably be deduced.

The cost, including fees, of the independent valuation shall be borne by the Club/SAD if the result of the independent valuation differs by more than FIFTEEN PERCENT (15%) from that established by the Club/SAD.

Notwithstanding the above, in the case of registration of players whose contract is of short duration - maximum one Season - and therefore no resources are expected to be obtained from their transfer, the Validation Body may accept that the Federative Rights are valued by the acquiring Club/SAD at ZERO euros (€0) for the purposes of these Rules.

12. The Option Rights to purchase the Economic Rights derived from the Players' Professional Rights assigned in favour of the assignee Club/SAD, and whose exercise is conditional upon the transfer of Economic Rights derived from the Professional Rights of other Players of the temporary Assignee Club/SAD - and therefore with a high probability of formalisation of the purchase - shall be understood to be exercised by the latter, with all its effects for both Clubs/SADs that have been parties to the Option Right Contract, shall be understood to be exercised by the latter, with all its effects for both Clubs/SADs that have been parties to the Option Right Contract, in any case, on the date of formalisation of the aforementioned contract of the Right of Option to Purchase. In any case, the provisions of section 3.j) of this article will be applicable; therefore, the allocation of the Cost made to the transferor Club/SAD will allow, for the purposes of the application of these Rules, the allocation of the corresponding transfer result for the transferor Club/SAD, in relation to the same operation.
13. They will be understood in any case to have been effectively realised and will be included in the Squad Cost due to their high probability of materialisation and in accordance with the provisions



of article 31.3. Any items included in the expressed Squad Cost for Season T whose accrual has been conditioned in the corresponding legal transaction to the participation of the Club/SAD in a European competition, or in a certain phase of it, in the event that it has participated in the same competition (or phase) in at least THREE (3) of the FIVE (5) Seasons prior to Season T.

The same rule referred to in the preceding paragraph shall apply to cases in which the condition consists of the Club/SAD achieving a certain sporting success, such as, for example, reaching a certain position in the classification of any Competition, or in King's Cup.

14. In order to ensure equal treatment for Clubs/SADs subject to different tax and Social Security regimes, in the case of Clubs/SADs with tax residence in Andorra, the amount to be computed as Squad Cost, corresponding to remuneration or consideration for services as a player or coach, indemnities, transfer of image rights, as well as social security contributions, will be calculated according to the following rules:

- i.- Unless there is evidence to the contrary, which will be analysed in accordance with the provisions of article 9.5 by the Validation Body in accordance with the tax and social security regulations in force, and if applicable accepted by the Validation Body, the Cost will be calculated initially considering that the player or coach is a tax resident in Andorra.

- ii.- In the case of players or coaches considered to be tax residents in Andorra under rule i) above, the Eligible Cost shall be calculated - together with the general rules of sections 1 to 13 and 15 of this article that are applicable - according to the following sub-sections:

- a.- Agreed gross remuneration. The net remuneration for the player or coach that corresponds to the Andorran tax and social security system will be calculated, in order to subsequently estimate the gross cost for the club that would correspond to this net remuneration raised to gross according to the Spanish tax and social security system, applying the average of the rates in force in the Autonomous Communities. For the purposes of calculating the average of the rates in force, due to their differentiated regime, the rates applicable in the Autonomous Cities of Ceuta and Melilla will not be taken into account.

- b.- Remuneration agreed on a net basis. The gross cost for the club that would correspond to such net remuneration raised to gross according to the Spanish tax and social security system will be estimated, applying the average of the rates in force in the Autonomous Communities. For the purposes of calculating the average of the rates in force, due to their differentiated regime, the rates applicable in the Autonomous Cities of Ceuta and Melilla will not be taken into account.

- iii.- In the case of players or coaches considered as non-



residents for tax purposes in Andorra under rule i) above, the Eligible Cost shall be calculated in accordance with the general rules of this article (paragraphs 1 to 13 and 15, both inclusive).

15. In the case of applications for the registration of players received on loan, with the exception of one per season, whose federative rights have been acquired by the transferor club within the six months prior to the start of the player registration period for which said application is made, the amount of the amortisation corresponding to the transferor club shall in all cases be submitted to the Valuation Committee and the amount of the amortisation corresponding to the transferor club shall be computed as Registrable Squad Cost in the transferee Club/SAD.

In addition, if the transferor and transferee clubs are related parties or are considered between them as one of the entities described in Article 9.4, in accordance with Article 9.7 the transferee Club/SAD shall provide the contracts covering at least Season T existing between, on the one hand, the transferor club and, on the other hand, the Club/SAD and/or the player and/or his agent, with the highest of the following being counted as the remuneration of the player and his agent in the transferee Club/SAD:

- i.- The total remuneration derived from all the contracts referred to in the previous paragraph.
- ii.- That estimated by the Valuation Committee, which will be requested for this purpose by the OVP.

In the case of such a link between transferor and transferee, the same treatment regarding submission to the valuation committee, calculation of amortisation in the transferor Club/SAD and, if applicable, provision of contracts, will be applied to applications for registration in favour of a specific Club/SAD, whether by means of a transfer or free registration, in the following season or player registrable period immediately following that or the one in which the same player was registered for the first time on loan at the same Club/SAD, unless said first registration was made during the winter registration period.

The provisions of this paragraph 15 shall not apply to Players whose acquiring-granting club has acquired the transferring-granting club's own federative rights.

ARTICLE 40. ADJUSTMENT OF THE VARIABLE REMUNERATION OF PLAYERS AND COACHES.

In any case, if in the opinion of the Validation Body, based on objective criteria of reasonableness and in accordance with standard practice in the contracting of professional Players, the variable payments agreed with Clubs/SADs, either in the employment contracts signed with the Players and Coaches or in the contracts for the temporary or permanent transfer of the Players' or Coaches' Federative Rights, can be classified as achievable with a high probability (the "high probability payment"), in accordance with the provisions of article 31.3, they shall be considered as fixed remuneration for the purposes of calculating the Squad Cost.

The objective reasonableness criteria shall - in accordance with Article

9.5 - mainly include, among other information, historical data from the last seasons in terms of number of goals, matches played, sporting rankings and titles won.

In any case, clauses in which such remuneration is conditional on playing 20 or fewer official matches per season, clauses that allow for less than 45 minutes of playing time per match, as well as clauses that establish additional disproportionate remuneration in the event of achieving higher targets but bordering on these standards, shall be considered as fixed remuneration. The threshold referred to above for considering a clause as fixed remuneration shall be raised to 25 (instead of 20) or fewer official matches per season, where two participations of 30 minutes or more each in two different matches are allowed to be counted as equivalent to a participation of 45 minutes in a single match. Other types of clauses whereby remuneration is conditioned by virtue of the player's participation in official matches shall be analysed on a case-by-case basis by the Validation Body for the purposes of the application of this article.

The thresholds of matches played set out in the previous paragraphs shall be adjusted proportionally to the progress of the official competitions. In this sense, the thresholds to be considered from the match day set by the Validation Body in each season, under the principle of uniformity, will be equivalent to 75% of the threshold corresponding to the complete season in all cases. This percentage shall be calculated in proportion to the LALIGA matches pending to be played from the opening of the winter player registration period until the end of the season.

ARTICLE 41. SPECIAL RULES FOR THE CALCULATION OF THE COST ATTRIBUTABLE TO THE REGISTRABLE SQUAD COST FOR PLAYERS' AND COACHES' SALARIES OF CLUBS/SADS PARTICIPATING IN THE SECOND DIVISION SPORTING CATEGORY

1. For those Clubs/SADs that participate in the Second Division in Season T, in accordance with the provisions of article 31.3 and in order to minimise the number of possible adjustments that (due to lack of reasonableness, economic sense or market value) could arise from the valuation of each specific operation, a special valuation rule is established according to objective criteria, all with the aim of ensuring equal treatment. Thus, the annual Cost of each newly registered or contractually renewed Player or Coach, computable for the Registrable Squad Cost, shall be calculated by applying the specific rules contained in this article, in addition to the general rules established in article 39 and concordant articles of these Regulations.
2. Common rules
 - a) If during the duration of the Player's or Coach's contract there is a promotion or relegation of the Club/SAD, the valuations of the chargeable cost will be those resulting from the application of the rules contained in this article, unless the contract is modified or renewed, and on whose new remunerations or duration the aforementioned rules will be applied.
 - b) The valuation resulting from the rules of this article constitutes the general rule, corresponding to a full Season. As a special rule, the valuations of players carried out as of the Matchday



that in each season is set by the Validation Body under the principle of uniformity, shall be equivalent to 75% of the valuation corresponding to the full Season in all cases, regardless of the date of the contract or the registration of the valued Player. This percentage shall be calculated in proportion to the number of LALIGA matches remaining to be played from the opening of the winter player registration period until the end of the season

- c) Without prejudice to the generic powers conferred on the Validation Body by Article 112, the Validation Body may, under the principle of proportionality of the rule, compute as Squad Cost the remuneration contractually agreed by the parties in the following cases:
 - (i) Players who during the T-1 Season have suffered a injury, accepted by the LALIGA Medical Committee or which has resulted in more than four months of inactivity of the Player as of the date of application of this Article. The same treatment shall apply for entries in the Winter Player Entry Period where the injury was sustained in the T-Season.
 - (ii) Outfield players who at the start of the T-Season are over 36 years of age.
 - (iii) Players in the position of goalkeeper who at the start of the T-Season are over 38 years of age.
 - d) For the purposes of valuation, the sum of the salary of the Player referred to plus the amount of the price of the temporary transfer of the Federative Rights, if any, payable by the assignee Club/SAD, is taken into account.
 - e) For the purposes of these Laws of the Game, a Player is deemed to have participated in an official match for a Club/SAD (or, where applicable, national team) when he played at least FORTY-FIVE (45) minutes in the match. Participation in Copa del Rey matches will only count from and including the round of 16.
 - f) Official match means a match played in a club competition organised by a professional league or federation.
 - g) For the purposes of this Article, "highest sporting categories" means the corresponding categories as set out in Article 39.7(d).
3. Rules for cases in which there are increases in remuneration agreed between two or more Seasons of the duration of the Contract in excess of certain
- a) In the event that the duration of the contract between the Club/SAD and the respective Player or Coach comprises TWO (2) full football Seasons, counting Season T as the first one, an increase of remuneration in the second Season of more than TWENTY PERCENT (20%) over that of the previous one cannot be considered. Otherwise the excess shall be charged to the Cost of the first Season in a sufficient amount until such maximum percentage increase is met
 - b) In the event that the duration of the contract is longer than TWO (2) football Seasons counting Season T as the first one, the following rules shall apply:

- (i) If the remuneration of any of the Seasons of the Player's or Coach's contract duration with respect to the previous one is above the TWENTY PERCENT (20%) increase, the remuneration of all the Seasons of the contract duration shall be added together and the remuneration of each of them shall be adjusted by the minimum amount necessary so that it does not exceed the aforementioned 20% increase, for the purposes of its imputation to the Squad Cost.
- (ii) The last Season of the duration of the contract will only enter into the computation referred to in rule (i) above if:
 - a. The remuneration agreed for that last Season is higher than that of the second Season, in the case of a contract lasting THREE (3) Seasons, or
 - b. The remuneration agreed for that last Season is higher than the average remuneration agreed for all the Seasons of the contract duration, except for the first and the last one, in cases where the duration of the contract exceeds THREE (3) football Seasons.
- (iii) In any case, in addition to making the previous adjustments contemplated in this paragraph 3. b), at least the higher of the following two shall be computed as T remuneration:
 - a. The Player's or Coach's remuneration than contractually agreed.
 - b. The result of adding the remuneration agreed for T and T+1, adjusted in such a way that the year-on-year increase between the two seasons does not exceed 20%.
- c) In the case of a Player who has been contracted for at least THREE (3) full and consecutive previous Seasons with the same Club/SAD and who is under 23 years of age at the start of Season T, under the principle of proportionality of the rule, the percentage provided for in a) and b) above shall be THIRTY-FIVE PERCENT (35%) instead of 20%.
- d) Illustrative examples of the application of the rules contained in paragraph 3(b)

Example 1			
Duration of contract	Season 1	Season 2	Season 3
Agreed remuneration	100	200	300
Adjusted for Staffing Costs	165	198	237

Example 2			
Duration of contract	Season 1	Season 2	Season 3
Agreed remuneration	100	200	100
Adjusted for Staffing Costs	136	164	100

Example 3			
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Duration of contract	Season 1	Season 2	Season 3	Season 4
Agreed remuneration	100	200	200	400
Adjusted for Staffing Costs	168	201	241	290

Example 4				
Duration of contract	Season 1	Season 2	Season 3	
Agreed remuneration	100	200	185	
Adjusted for Staffing Costs	136	16	185	

Example 5				
Duration of contract	Season 1	Season 2	Season 3	
Agreed remuneration	100	900	800	
Adjusted for Staffing Costs	454	546	800	
Note: Season 3 payouts are not higher than Season 2 payouts.				

Example 6				
Duration of contract	Season 1	Season 2	Season 3	
Agreed remuneration	100	900	400	
Adjusted for Staffing Costs	454	546	400	
Note: Season 3 payouts are not higher than Season 2 payouts.				

Example 7				
Duration of contract	Season 1	Season 2	Season 3	Season 4
Agreed remuneration	100	1.000	600	100
Adjusted for Staffing Costs	467	560	673	100
Note: Season 4 payouts are not higher than the average payouts of Seasons 2 and 3.				

The rules contained in this paragraph 3 shall apply generally, without prejudice to the special rule provided for in Article 93(3)

4. No content.

5. Case of reduction of remuneration.



When it is agreed between the Club/SAD and a Player or Coach who had a reduction of the latter's squad cost for Season T - in order to preserve the criteria of reasonableness, economic sense and market value - the remuneration that the Player or Coach was receiving before the aforementioned reduction will be counted as Registrable Squad Cost, unless the duration of the contract is extended and complies with the rules set out in section 3 above.

6. Assumptions for calculating the Taxable Cost for the remuneration of Players who have participated in official matches in Clubs/SADs which in turn have participated in certain professional competitions and sport category.

a) The Cost attributable to the registrable squad cost of a Player who meets the circumstances and conditions set out below shall be - in each and every Season of his contract duration - at least FIFTY PERCENT (50%) of the remuneration received by the Player in Seasons T-2 or T-1, whichever is greater, at the Club/SAD for which he has provided his services.

(i) First Assumption: The Player has participated:

- a. In the whole of the T-1 and T-2 Seasons, in at least TWENTY (20) official matches, and provided that at least EIGHT (8) of them have been in the T-1 Season, or in FOUR (4) official matches in the T-Season, (for Players in the position of goalkeeper, the aforementioned matches shall be THIRTY (30), TWELVE (12) and SIX (6) respectively) and
- b. For a Club/SAD that competes in the "highest categories" of sport leagues as defined in article 39.7.d), or that does not belong to these leagues but is a Club/SAD that has participated in T-1 in European competitions

(ii) Second scenario. The Player has participated:

- a. In the whole of the T-1 and T-2 Seasons in at least TWENTY (20) official matches, and provided that at least EIGHT (8) of them have been in the T-1 Season, or in FOUR (4) official matches in the T-Season, (for Players in the position of goalkeeper, the aforementioned matches shall be THIRTY (30), TWELVE (12) and SIX (6) respectively), and
- b. For a Club/SAD competing in the highest level of the Saudi Arabian professional sports league, and
- c. Provided that the Player has participated in the T-2, T-3 or T-4 Seasons in at least TWENTY (20) official matches for a Club/SAD competing in the highest sporting categories of the leagues as defined in Article 39.7(d), which or without belonging to these leagues is a Club/SAD which has participated in the T-1, T-2, T-3 or T-4 Seasons in European competitions. For Players in the position of goalkeeper, the aforementioned matches shall be of THIRTY (30).

b) In the event that the remuneration received by the Player in the cases described in paragraphs (a)(i) and (a)(ii) above - as set out in Article 9.5 - cannot be substantiated, the computable

remuneration shall be at least eight times the minimum salary set out in the Collective Bargaining Agreement for professional football for the relevant Sport Category.

7. Assumptions of Temporary Transfer of ' Federative Rights

- a) When a Club/SAD receives the temporary transfer of the Federative Rights of a Player from another Club/SAD, for the purposes of calculating the registrable squad cost, the remuneration resulting from the rules set out in the following sections and - in accordance with the provisions of articles 9.5 and 31.3 - according to the conditions and circumstances of the transferred Player and the transferor Club/SAD, shall be computed according to the different cases that are contemplated.
- b) Common rules:
 - (i) The rules included in this section 7 are understood to be without prejudice to the provisions of section 39.7. b) of these Rules on the valuation of repo transactions between related parties, which shall be applied preferentially in all cases.
 - (ii) It shall be understood in any case that there is, for the purposes of the provisions of this section 7, a Temporary Assignment of the Federative Rights of a Player in the operations of Transfer of such Federative Rights when - according to the provisions of article 9.5 - it is reasonably deduced by the Validation Body from the circumstances of the operation, the contractual conditions or the declarations of those affected that the operation has the effects of a Temporary Assignment of Federative Rights.
- c) The remuneration contractually agreed between the parties shall be computed, with the minimum, in any case, of the salary agreed in the Collective Bargaining Agreement for Professional Football corresponding to the Sports Category in the cases in which the following circumstances concur:

In the event that the Player, having been contracted for at least THREE (3) full and consecutive Seasons with the transferor Club/SAD, has not played more than FOUR (4) official matches, or EIGHT (8) in the case of a Player under 23 years of age at the start of the T Season (for Players in the goalkeeper position, the aforementioned matches shall be SIX (6), TWELVE (12) respectively), in any of the T-2, T-1 (for T Summer Player Registration Period entries) or T (for T Winter Player Registration Period entries) Seasons for a Club/SAD participating in the top sporting categories of the leagues as defined in Article 39.7.d) or Saudi Arabia. In the case of the latter league, the provisions of this paragraph shall only apply if the player has participated in the T-3 and/or T-2 Seasons in at least TWENTY (20) official matches in the rest of the aforementioned leagues. For Players in the position of goalkeeper, the aforementioned matches shall be THIRTY (30).

The provisions of this paragraph shall also apply when, without belonging to these leagues, it is a Club/SAD that has participated in the T-1 Season in European competitions.

- d) When the Player does not meet the conditions referred to in section c) above nor those in section e) below and has participated in at least TWENTY (20) official matches, during the whole of the T-2, T-1 and T Seasons, and in addition always having participated in at least EIGHT (8) official matches in the T-1 Season or FOUR (4) in the T Season, the aforementioned matches shall be THIRTY (30), TWELVE (12) and SIX (6) respectively for a Club/SAD in a Club/SAD competing in the competition for a Club/SAD, (for Players in the position of goalkeeper, the aforementioned matches shall be THIRTY (30), TWELVE (12) and SIX (6) respectively) for a Club/SAD competing in the highest sporting categories of the leagues as defined in Article 39.7.d) or Saudi Arabia. In the case of the latter league, the provisions of this paragraph shall only apply if the player has participated in the T-3 and/or T-2 Seasons in at least TWENTY (20) official matches in the rest of the aforementioned leagues. For Players in the position of goalkeeper, the aforementioned matches shall THIRTY (30).

The provisions of this paragraph shall also apply when, without belonging to these leagues, it is a Club/SAD that has participated in the T-1 Season in European competitions.

In such cases, the eligible compensation shall be at least FIFTY PERCENT (50%) of the Player's compensation received in T-2 or T-1 Seasons, whichever is greater, from the Club/SAD for which he served in such Season.

This rule shall apply to each and every Season for the duration of the Player's contract.

In the event that such remuneration cannot be demonstrated, the remuneration that counts towards the squad cost shall be - in accordance with the provisions of Article 9.5 - eight times the minimum agreed in the Collective Bargaining Agreement for Professional Football for the sporting category.

- e) Where the Player has participated in the T-1 Season in at least TWENTY (20) official matches, (for Players in the position of goalkeeper, the number of such matches shall be THIRTY (30)), for a Club/SAD that competes in the highest sporting categories of the leagues as defined in Article 39.7.d) or who does not belong to these leagues but is a Club/SAD that has participated in the T-1 Season in European competitions, the computable remuneration shall be - in each and every Season of the duration of his contract - at least FIFTY PERCENT (50%) of the remuneration received by the Player in the T-2 or T-1 Season, whichever is higher, in the Club/SAD for which he has provided his services in that season. In the event that such remuneration cannot be demonstrated - in accordance with the provisions of Article 9.5 - the eligible remuneration shall be eight times the minimum agreed in the Professional Football Collective Bargaining Agreement for the Sporting Category.
- f) In the cases of temporary transfer of Players' Federative Rights not included in any of the cases contemplated in the previous sections, under the principle of proportionality of the rule, the following rules shall be applied for the calculation their respective remuneration:



- (i) For the first Player received on loan from the same Club/SAD, the remuneration agreed between the parties, with the minimum agreed in the Professional Football Collective Bargaining Agreement for the Sporting Category
- (ii) For the second Player received on loan from the same Club/SAD, the minimum agreed in the Collective Agreement of Professional Football for the Sporting Category multiplied by the coefficient 1.7.
- (iii) For the third Player to be received on loan from the same Club/SAD, the minimum agreed in the Collective Agreement of Professional Football for the Sporting Category multiplied by the coefficient 2.0.
- (iv) For the fourth and subsequent Players received on loan from the same Club/SAD, the minimum agreed in the Professional Football Collective Agreement for the Sporting Category multiplied by 3.0.

The order of the Players for the purposes of this paragraph f) shall be established by the Transferee Club/SAD without necessarily being in chronological order and may be modified in accordance with the temporary transfers agreed by the Club/SAD.

For the purposes of this paragraph f), references to players on loan from the same Club/SAD shall also refer to players on loan from Clubs/SADs that belong to the same Consolidation Group, are related parties or are under the significant influence of the same entity, even if commercially they do not belong to the same Consolidation Group or are considered between them as one of the entities described in paragraph 4 of article 9.

- g) In any case, the cost of a Player on loan from a Club/SAD affiliated to a Spanish professional LALIGA that in Season T competes in the First Division Sporting Category, must be incorporated in the assessment of the first team of the transferor Club/SAD (even if his registration in the first team is not requested), provided that the said player has played at least FOUR (4) official matches in the T-1 or T-2 season, in Players in the position of goalkeeper, the aforementioned matches shall be SIX (6) in the top sport categories of the leagues as defined in article 39.7.d), or who, without belonging to these leagues, is a Club/SAD that has participated in the T-1 Season in European competitions
 - h) For the purposes of calculating the Squad Cost Limit or as less Squad Cost, no income from the temporary transferor Club/ADS of the Player's Club/SAD shall be counted for the purposes of calculating the Squad Cost Limit, except for those obtained as a consequence of the transfer of Players' Club/ADS' Rights.
8. Under the principle of proportionality of the rule, the valuation resulting from the rules contained in paragraphs 6 and 7 of this article shall be reduced, always with the minimum of the agreed remuneration and respecting the minimum wage according to the Agreement, by 25% of said valuation when at least two of the following individual objective circumstances occur:

- Decrease in the market value of the player of at least 50% between T-3 and T-1, to be verified by the valuation committee.
- Age not more than 6 months younger than that referred to in paragraph 2.c. of this Article.
- Salary in excess of ONE MILLION FIVE HUNDRED THOUSAND euros (€1,500,000) in any of the reference seasons for the application of the rules of this article and which exceeds the valuation carried out by the Valuation Committee. With regard to this circumstance, a decreasing percentage reduction (between 25% and 0%) shall also be applied when the reference salary is between ONE MILLION FIVE HUNDRED THOUSAND euros and ONE MILLION ONE HUNDRED AND TWENTY THOUSAND euros (1,500,000 € and 1,125,000 euros).

The reduction will be 50% if these three individual objective conditions are met.

9. In accordance with the principle of proportionality of the rule, in no case may the remuneration computable in application of the rules contained in sections 6, 7 and 8 of this article be higher than eight times the minimum wage according to the Agreement, prorated as established in section 2.b) of this article, unless the amount actually agreed between the parties is higher or the Validation Body, after analysing each specific transaction in accordance with the provisions of articles 9.5 and 31.3, requests the Valuation Committee to carry out an appraisal and the result is more than 1.3 times the aforementioned octuple.

CHAPTER FOUR: THE BUDGET BREAK EVEN POINT

Section One

Obligation to Comply with the Revenue and Expenditure Budget Break Even Point and Club Groups

ARTICLE 42. OBLIGATION TO COMPLY WITH THE BALANCED BUDGET POINT OF REVENUE AND EXPENDITURE.

1. The Revenue and Expenditure League Budgets - and where appropriate - the Updated League Budgets - shall comply with the requirement of a balanced budget (Budget Break Even Point) as defined in these Rules.
2. In order to ensure the correct application of the principles and the achievement of the objectives of these Rules, specific ways of calculating the Budget Break Even Point are established for each group in which the Clubs/SADs are classified, adapting the calculation in this way according to their respective insolvency situation or lack thereof.

ARTICLE 43. GROUPS IN WHICH CLUBS/SADs ARE CLASSIFIED FOR THE



PURPOSE OF THE BUDGET BREAK EVEN POINT DETERMINATION.

1. For the purpose of determining the respective Budget Break Even Point the Clubs/SADs are classified into the following three groups according to their respective insolvency situation:

<i>Group</i>	<i>Situation</i>
A	Clubs/SADs that have not been declared in insolvency proceedings at any time since their incorporation.
	Clubs/SADs that have been declared in insolvency proceedings and that meet either of the following two conditions: a) They have complied with the approved Creditors' Agreement, having satisfied all the recognised bankruptcy claims, both privileged and ordinary and subordinated, or b) The amount of recognised bankruptcy claims outstanding as at 31 December T-1 does not exceed Fifteen (15) per cent of the Net Turnover that has been estimated for Season T and accepted by the Validation Body.
B	Clubs/SADs that have been declared in Insolvency proceedings and that, with an approved Creditors' Agreement, do not meet any of the conditions described in the previous section to classify the Club/SAD in Group A.
C	Clubs/SADs that have filed for or are in insolvency proceedings and in whose proceedings a Creditors' Agreement has not yet been approved.

2. Inclusion in one or the other group will be determined on the basis of the respective situation at the deadline for submission of the League Budgets (30 April T-1).
3. For the purposes of considering a Club/SAD in Insolvency proceedings and the concept and amount of the Insolvency Debt, the provisions of article 22.2 of these Rules shall apply.

Section Two

The Breakeven Point in the Income and Expenditure Budget for each of the Groups of Clubs/SADs

ARTICLE 44. DETERMINATION OF THE BUDGET BREAK EVEN POINT FOR EACH OF THE GROUPS OF CLUBS/SADS.

1. GROUP A

The Income and Expenditure League Budgets of the Clubs/SADs included in this Group A are understood to comply with the Budget Break Even Point when the algebraic sum, according to the positive or negative sign indicated for each of the different items in the following table, is equal to or greater than zero (0).

<i>Concept</i>	<i>Sign</i>
Positive Results or "0" Season T-2. unless Positive Results are taken from Season T-1 Notes (1) (2). In accordance with Article 45 of these Rules.	Positive
Positive Results or "0" Season T-1. unless Positive Results are taken from Season T-2. Notes (1) (2) (3). In accordance with Article 45 of these Rules.	Positive
Budgeted Seasonal Results T.	Positive
Eligible Contributions that meet the requirements of Chapter Three of Title III of these Rules.	Positive
Negative result of the Profit and Loss Account taxes of the T-2 Season that has not been taken into account for the calculation of the Budget Break Even Point of the Seasons prior to the T-Season.	Negative
Estimated negative pre-tax result for the Season T-1. Note (4)	Negative
The estimated corporate income tax liability for the T Season. Note(5)	Negative
The Estimated Corporate Income Tax Quota Season T-1. Note(5)	Negative
The corporate income tax liability of T-2. Note(5)	Negative
The adjustments derived from the verification foreseen in article 21 referring to verification procedures of this Rule, when comparing the result of the operations presented by the Club/SAD, once its League Budget for the T-1 Season has been accepted, to increase its registrable Squad Cost Limit in the T-1 Season and the actual amount of the same.	Negative
The higher Squad Cost, including Collective Bonuses (provided they do not comply with Article 39) verified by the Auditor in accordance with the verification procedures set out in these Rules, revealed by comparing the information submitted by the Club/SAD as Registrable Squad Cost for the Season T-1 and the actual amount of the same.	Negative
The reductions expressly provided for in these Rules (by way of example and not exhaustive: Articles 49, 65, 101).	Negative
The amount of due, liquid and payable credits owed to LALIGA on 30 June of the Season T-1.	Negative

Application notes:

- (1) Only positive results as stated in the auditor's report on the annual accounts will be taken into account
- (2) The amount of these results will be adjusted for the



qualifications quantified in the Auditor's report on the financial statements for that season.

- (3) These results cannot be taken into account for the determination of the Budget Break Even for Season T+1.
- (4) The part of the negative balance of the Profit and Loss Account before taxes of Season T-1 that is imputed to calculate the Break-even Point of Season T shall not be imputed for the calculation of the Budget Break-even Point of Season T+1. Likewise, the provisions of article 49 shall apply.
- (5) Fees will be counted, even if they do not represent a payment obligation for the Club/SAD (amounts recorded as income or minor expenses will not be counted).

2. GROUP B

The League Budgets of the Clubs/SADs included in this Group comply with the Budget Break Even Point when both of the following two circumstances are met:

- a) That the algebraic sum -according to the positive or negative sign indicated for each one- of the concepts included in the table below, is equal to or greater than the amount of resources that the Club/SAD should generate in Season T, in accordance with that established in the Viability Plan that supports the Creditors' Agreement approved in the corresponding insolvency proceedings.

<i>Concept</i>	<i>Sign</i>
The Resources to be Generated (as defined in the Definitions Annex) by the Club/SAD in T.	Positive
The amount of the Eligible Contributions regulated in Chapter Three of Title III of the Rules, with the limitations established therein for the Clubs and Supporters Clubs referred to in this section.	Positive
The difference (provided it is negative) that becomes apparent when comparing the resources that, according to the Viability Plan that supports the approved Creditors' Agreement, the Club/SAD should generate in the Seasons T-1 and T-2 and those actually generated or expected to be generated (which will be considered as a negative sum). Note (1)	Negative
The adjustments derived from the verification foreseen in the Chapter of these Rules referring to verification procedures, when comparing the result of the operations presented by the Club/SAD, once its budget for the T-1 Season has been accepted, to increase its registrable Squad Cost Limit in the T-1 Season and the actual amount of the same.	Negative

The higher Squad Cost, including collective bonuses (provided they do not comply with Article 39 of these Standards), verified by the auditor in accordance with the verification procedures set out in Article 21 of these Standards, revealed by comparing the information submitted by the Club/SAD as Registrable Squad Cost for the Season T-1 and the actual amount of the same.	Negative
The reductions expressly provided for in these Rules (by way of example and not exhaustive: Articles 49, 65, 101).	Negative
The amount of due, liquid and enforceable receivables owed to LALIGA as at 30 June T-1.	Negative

b) In addition, do not submit (budget) losses in the T-Season League Budgets.

Application notes

- (1) The expressed negative difference imputed for the calculation of the Breakeven Point of Season T shall not be imputed for the calculation of the Budget Break Even Point of Season T+1.
- (2) For Clubs/SADs included in this Group, the Validation Body will have the power - in accordance with the provisions of articles 9.5 and 31.3 - to update the amount of the Resources to be Generated established in the Viability Plan that supports the Creditors' Agreement, with the aim of reflecting as faithfully as possible the forecast of resources necessary to meet the Club/SAD's payment obligations for each season.

3. GROUP C

The Budgets of the Clubs/SADs included in this Group C shall comply with the same Budget Break Even Point as foreseen for those included in Group B.

In any case, it is up to the Validation Body to estimate, in accordance with the provisions of articles 9.5 and 31.3, based among other data on Club/SADs Creditor Agreements of similar characteristics, the amount of the Resources to be generated in Season T.

4. COMMON IMPLEMENTATION NOTES

- (1) The references to the results of the Profit and Loss Account before taxes and to resources generated throughout these Rules, and in particular in the rules for calculating the Budget Break Even Point, shall be adjusted in all cases with the income and/or expenses that are directly attributed to Equity, applying in all cases as a supplementary rule exclusively the Spanish General Accounting Plan.
- (2) The profit tax figure shall be accompanied by an explanation from the Club/SAD of the calculations and adjustments made to arrive at the profit tax figure.

- (3) For the purposes of considering a Club to be in Insolvency proceedings and the concept and amount of the Insolvency Debt, the provisions of article 22.2 of these Rules shall apply.
- (4) The references to the results of the Profit and Loss Account before tax and to resources generated that are made in the rules for calculating the Budget Break Even Point, shall be adjusted in any case by the negative effect -and, where appropriate, its subsequent reversal-, for an amount equivalent to the registrable squad cost consumed by the club under the special cases expressly included in these Rules (by way of example and not exhaustively, articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season³), as well as for the effect of the adjustments referred to in NOTE (8) of this section 4.
- (5) The results of the Profit and Loss Account before tax (and the negative difference of generated resources) of the Seasons T-1 and T-2 will only be considered to have been taken into account for the calculation of the Budget Break Even Point, when they have had an effective impact on the registration capacity of the Club/SAD by reducing the available balance of the Squad Cost Limit. Therefore, they will not be considered as such when their only effect has been to imply an increase of the excess over the Squad Cost Limit. In accordance with the above, the negative results (and the negative difference in resources) that have not been taken into account in whole or in part, will remain pending application for an indefinite period of time (thus becoming T-3, T-4, etc.) until the first season in which they may have, in whole or in part, an effective impact on the registration capacity of the Club/SAD, in which they will be applied by reducing the Squad Cost Limit.
- (6) The calculation of the Contributions regulated in Title III may be made, at the free choice of the Club/SAD and on an alternative and exclusive basis, either to increase the amount of the Budget Break Even Point, or to reduce the amount of the resources to be generated for the payment of insolvency credits. If the latter alternative is chosen, the resources to be generated will be reduced proportionally in Season T and the 2 following seasons. However, the latter alternative may not be chosen if Season T is the only one remaining according to the payment schedule of these claims.
- (7) Once the Squad Cost Limit for Season T has been updated with the appropriate reductions in accordance with the provisions of this article and until the start of the winter player registration period, at the request of the Club/SAD, the Validation Body may authorise the application of the Available Balance of T to increase the LCPD for Season T+1 in advance. This T+1 increase would be calculated by multiplying the available balance carried forward by 0.75. That specified in this Note 7 can only be applied provided that the Club/SAD sends the Validation Body all the information necessary to estimate the Squad Cost Limit

³ It is applicable to articles 44, 62, 66, 93, 99 and 100 the provisions of Circular No. 5 - Season 2014/2015, dated 21 July 2014, according to the agreement of the Delegated Commission of 18 July 2014, paragraph 1.2., which contains a waiver for the registration of up to 18 players for the minimum salary according to the Collective Agreement for the activity of professional football, forming an integral part of these Rules.

corresponding to Season T+1, in accordance with that regulated in article 93.8 of these Regulations, proceeding to the registration of players in Season T, provided that there is an Available Balance with respect to the Squad Cost Limit or registration capacity generated, both for Season T and, if applicable, for Season T+1.

- (8) For the purposes of calculating the Squad Cost Limit, the Validation Body, at the request of the Club/SAD, may adjust the amount corresponding to expenses directly attributable to women's football activities, according to the rules of Annex D.5.c) of Book X of the General Regulations of LALIGA Nacional de Fútbol Profesional, insofar as they are covered by Contributions, as defined in article 81. This adjustment will have a maximum amount of 2% of the Net Turnover in the First Division. In the Second Division, the maximum shall be 5% of the Net Turnover. All of the above with a maximum of TWO MILLION euros (€2,000,000) in either of the two Divisions.

The adjustments corresponding to articles 31.11, 101.4 and Item 7.1. of the Annex to the Valuation Rules and Criteria shall also apply.

ARTICLE 45. SPECIAL RULES FOR THE COMPUTATION OF POSITIVE RESULTS.

1. Clubs/SADs that have not audited the Annual Accounts for the T-2 Season will not be able to compute the Positive Results of the Profit and Loss Account corresponding to the said T-2 Season for the determination of compliance with the Budget Break Even Point for the T-Season.

The Clubs/SADs that -even having audited the Annual Accounts for Season T-2- do not comply with the Acceptable Economic-Financial ratios referred to in article 24 may not -for the reasons set out in article 23.1- compute the Positive Results of the Profit and Loss Account corresponding to the aforementioned Season T-2 for the determination of compliance with the Budget Break Even Point for Season T. For clarification, in accordance with the provisions of article 23.2, this computation may under no circumstances lead the Validation Body to deduce, in accordance with the provisions of articles 9.5 and 31.3, that at the end of Season T the Club/SAD will not comply with the ratios.

2. Clubs/SADs that compute the Positive Results of T-1 for compliance with the Budget Break Even Point, in accordance with the requirements established in these Rules, must comply with the provisions of this article by adapting the references made to the T-2 Season to the T-1 Season.

ARTICLE 46. SPECIAL RULE FOR THE ADJUSTMENT OF LOSSES ARISING FROM DEDUCTIONS SUPPORTED IN CLAIMS AGAINST OTHER CLUBS/SADs IN INSOLVENCY PROCEEDINGS.

In order to ensure equal treatment, for the purpose of determining compliance with the Budget Break Even Point, the losses that a creditor Club/SAD has had to or should have had to bear and account for in the Profit and Loss Account for Season T-2 or estimated for Season T-1 as a consequence of the write-offs suffered in credits in its favour with LALIGA Clubs/SADs approved within the context of a



bankruptcy procedure, will be adjusted -under the provisions of article 31.3- computing the aforementioned losses by equal thirds, at least, in three of the following four Seasons: T-1, T, T+1 and T+2, at the Club/SADs' choice.

ARTICLE 47. SPECIAL RULE FOR THE ADJUSTMENT OF THE PROCEEDS DERIVED FROM THE REDUCTIONS APPROVED IN THE CONTEXT OF INSOLVENCY PROCEEDINGS.

1. In order to ensure equal treatment for the purposes of compliance with the Budget Break Even Point, the Income recorded by Clubs/SADs as a result of debt write-offs approved in the context of insolvency proceedings must be adjusted - under the provisions of article 31.3 - in the opposite direction to that included in the Income Statement for the financial year in which they were recorded.
2. These Revenues shall also not be taken into account for the calculation of the Net Turnover taken into consideration for compliance with the ratios referred to in Articles 24, 84 and 89.
3. In addition, income recorded as a result of the recognition of lower debts or excess or application of provisions in the context of bankruptcy proceedings, even if they do not qualify as a write-off in the strict legal sense, will not be taken into account for compliance with the budget break even point.

ARTICLE 48. SPECIAL RULES FOR CLUBS/SADS PARTICIPATING IN THE SECOND DIVISION SPORTS CATEGORY.

Under the principle of proportionality of the rule, the Clubs/SADs that participate in the Second Division Sport Category and that have not made use in Season T of the possibility of increasing the Squad Cost Limit due to benefits obtained in the Transfer of Players' Federative Rights, in accordance with the provisions of article 91 of these Regulations, may consider the aforementioned benefits in the following Season in the calculation of the Budget Break Even Point.

ARTICLE 49. BUDGET BREAK EVEN POINT AND ALLOCATION OF NEW SQUAD COST LIMIT BASED ON AUDITED ANNUAL ACCOUNTS.

In the event that after auditing the Annual Accounts of the Club/SAD corresponding to the T-1 Season (which must be submitted by the Club/SAD within the T Season in accordance with Book X of the General Regulations) it becomes apparent that the amount of the Negative Result and/or the deficit in the amount of the Resources Generated in the aforementioned T-1 Season are higher or lower than those initially taken into account for the determination of the Budget Break Even Point for the T Season, the latter shall be adjusted by the amount resulting from the figures in the audited Annual Accounts of the Club/SAD corresponding to the T Season, the latter shall be adjusted by the amount resulting from the figures in the audited Annual Accounts and consequently the Squad Cost Limit initially assigned by the Validation Body for Season T shall also be adjusted in the corresponding proportion in accordance with these Rules, such adjustment to take effect as of 1 December of the said Season T.



ARTICLE 50. SPECIAL RULE FOR THE CALCULATION OF THE BREAK-EVEN POINT IN CLUBS/SADS INCLUDED IN GROUPS B AND C OF ARTICLE 43 WITH ADDITIONAL EXPENSES DERIVED FROM CLAUSES OF PERMANENCE IN THE FIRST DIVISION SPORT CATEGORY AND OTHER SPECIAL SITUATIONS.

1. Notwithstanding the provisions of article 49, under the principle of proportionality of the rule, those Clubs/SADs which in Season T are going to participate in the First Division Sports Category and which, for the determination of their Budget Break Even Point, are included in Groups B or C referred to in article 43 of these Regulations, may not count as the Cost of the Sports Squad of Season T, the expenses that increase said Cost, and that are accrued as a consequence of the application of permanence clauses in the aforementioned First Division Sports Category in Season T+1, and provided that the Resources to be Generated required to obtain the Budgetary Balance are lower in Season T+1 than in Season T and with a maximum limit equal to the difference in resources to be generated between the aforementioned Seasons T+1 and T.
2. Also as an exception derived from the same principle, the amount of the retributions conditioned to the maintenance of the Club/SAD's Sport Category, with a maximum of TWO PERCENT (2%) of the Net Turnover budgeted and validated for Season T of Clubs/SADs that in said Season are going to participate in the First Division Category, will not be computed for the determination of the Squad Cost.
3. The special rules referred to in the two previous sections may not be applied by Clubs/SADs that have participated in the First Division in at least THREE (3) of the FIVE (5) Seasons prior to T or in FIVE (5) of the TEN (10) Seasons prior to T.

Section Three

Treasury League Budget balance

ARTICLE 51. BREAK-EVEN POINT OF THE TREASURY LEAGUE BUDGET.

1. The Treasury League Budget shall be balanced in accordance with the assumptions and hypotheses on which it is based, respecting the provisions contained in these Rules.
2. The League Treasury Budget shall be deemed to be balanced when it shows a positive balance in the Club/SAD Treasury at the beginning and at the end of each monthly period of the T-Season.
3. Otherwise, the Validation Body - under the provisions of article 31.3 - may make the corresponding adjustment to the Squad Cost Limit or registration capacity of the Club/SAD in order to balance the Treasury League Budget as expressed in the previous section.

CHAPTER FIVE: ACCEPTANCE AND VALIDATION OF LEAGUE BUDGETS AND ALLOCATION OF SQUAD COST LIMITS

Section One

General Provisions

ARTICLE 52. ACCEPTANCE AND VALIDATION OF LEAGUE BUDGETS.



1. The competence for the acceptance and validation or non-acceptance and non-validation of the League Budgets lies with the Validation Body.
2. The Validation Body shall accept and validate the League Budgets submitted that comply with both the valuation rules and the Budget Break Even Points, without prejudice to any additional obligations that may apply (including but not limited to those of Article 93.8) and any adjustments made under the provisions of Article 31.3.
3. For the reasons set out in Article 11, no League Budgets that are not presented in the format and/or Standard Form provided for in these Rules will be accepted by the Validation Body.
4. The Validation Body will grant the Clubs/SADs a period of five days to correct any errors and/or omissions of a material nature, starting from the day after the notification of the request
5. Once the League Budgets have been accepted and validated, the Validation Body will assign the Club/SAD the Total Squad Cost Limit and the proportionality of the Registrable Squad Cost for Season T to the Club/SAD.

ARTICLE 53. ALTERNATIVE LEAGUE BUDGETS.

1. Exceptionally and when the singular circumstances so require for the effective achievement of the purpose of these Rules, the Validation Body may require the Club/SAD to submit a complete alternative version of the League Budgets with the hypotheses and bases that the Validation Body specifically indicates to it in view of such circumstances, apart from the version of the League Budget submitted by the Club/SAD

For these purposes, the circumstances referred to in Article 93.8, as well as the change of sporting category, are considered to be singular circumstances, by way of example and not exhaustive

This possibility shall only apply, on a subsidiary basis, where the above-mentioned purpose cannot be achieved by making the partial adjustments referred to in Article 56.

2. In the event that the Validation Body decides in the indicated sense, the requested Club/SAD shall submit the Alternative League Budgets within 10 days following the notification of such request.

ARTICLE 54. PROVISIONAL CONDITIONAL ACCEPTANCE.

1. Exceptionally and when the singular circumstances -referred to in article 53- so require for the effective achievement of the purpose of these Rules, the Validation Body, by means of a reasoned report, may accept and validate the League Budgets on a provisional basis and conditional upon compliance by the Club/SAD with the corresponding conditions and deadlines
2. The conditions may include specific limitations, rules and obligations of an economic and financial nature or consist of monitoring, verification or reporting measures for compliance by

the Club/SAD.

By way of example and not exhaustive, these conditions may consist of the accreditation of the adoption of agreements by the competent bodies of the Club/SAD regarding operations of exceptional relevance, the presentation of reports drawn up by independent experts or the materialisation of judicial, administrative or contractual agreements or decisions.

ARTICLE 55. TIME LIMIT FOR ACCEPTANCE OR NON-ACCEPTANCE OF LEAGUE BUDGETS.

1. Before 20 June of the T-1 Season as a general rule and within 7 days of their submission or, where appropriate, expiry of the deadline for submission, in the special cases provided for in Articles 28, 29 and 30, the Validation Body shall decide on the acceptance or non-acceptance of the League Budgets submitted

Without prejudice to the general deadlines established in the previous paragraph, the Club/SAD may be requested, pursuant to articles 52 and 53, to rectify any errors or to present an alternative version of the League Budgets. In such cases, the deadline for deciding whether or not to accept the League Budgets shall be five days from the day following the Club/SAD's reply to the request or, as the case may be, the expiry of the deadline for such reply in the event that no reply has been given by the Club/SAD.

2. In the event that the League Budgets presented are not accepted, the Validation Body will require the Club/SAD - directly or by delegation in accordance with the provisions of article 114 - within five days of notification of non-acceptance, to provide explanations, justifications and complementary documentation in accordance with the provisions of article 9.5, and the adjustment procedure will be followed which - in accordance with the provisions of article 31.3 - is regulated in Section Two of this Chapter.
3. These explanations, justifications and complementary documentation that the Validation Body requires from the Club/SAD will be submitted to the Validation Body within five days of the notification of the request. Depending on what is provided by the Club/SAD, the League Budgets may continue to be considered as not accepted pending further requests, and may, where appropriate, reach the status of definitively accepted.
4. The League Budgets not definitively accepted shall be modified and adjusted by the Validation Body in accordance with the provisions of Section Two of this Chapter, and shall thereafter have the same effects as the Budgets definitively accepted.
5. Notwithstanding the above, if a Club/SAD is obliged to present a Treasury Plan in accordance with the provisions of article 93.7 of these Rules, the Validation Body may make the acceptance of the League Budgets conditional upon the presentation and validation of the referred Treasury Plan.

Section Two

Adjustments to the presented League Budgets



ARTICLE 56. ADJUSTMENTS TO LEAGUE BUDGETS.

Upon receipt of the explanations, justifications and complementary documentation that the Validation Body has requested from the Club/SAD, the Validation Body will proceed - under the protection of the provisions of article 31.3- to make the corresponding adjustments to the League Budget presented in order to adapt said League Budgets to the general principles and the specific rules and criteria that these Rules establish, by way of example and not exhaustively, in articles 31.9, 39 and in *the ANNEX TO THE DESCRIPTION OF BUDGET ITEMS AND VALUATION RULES AND CRITERIA*.

ARTICLE 57. VALUATION ADJUSTMENTS TO BUDGET ITEMS ARISING FROM THE UNREASONABLENESS OF THE BASES AND ASSUMPTIONS ON WHICH THEY ARE BASED.

1. Upon receipt of the explanations, justifications and complementary documentation from the Clubs/SADs, as described in article 56, the Validation Body may carry out adjustments to the classification and values of the Items contained in the League Budgets submitted by the Clubs/SADs when - in accordance with the provisions of article 9.5- the unreasonableness of the assumptions underpinning the League Budgets, due to lack of or insufficient justification, and/or because they do not correspond to the historical data of the Club/SAD and, as a consequence, in the Squad Cost Limit to be assigned to the Club/SAD.
2. The Validation Body will adjust the classification and valuation of the affected budget lines by applying the corresponding alternative assumptions to those envisaged by the Club/SAD and deemed most reasonable by the Validation Body.
3. In particular, the Validation Body may make such adjustments when any of the following assumptions used by the Club/SAD to estimate are unreasonable:
 - a) the risk of default on credit claims:
 - (i) To be received from debtors in insolvency proceedings or in a difficult economic-financial situation according to public registers or information, or from certain public administrations.
 - (ii) Derivatives of ordinary transactions.
 - (iii) Derivatives transfer operations of Federative Rights
 - (iv) Derived from transactions carried out by debtors with doubtful creditworthiness (doubtful collection) or who do not habitually carry out the type of transactions under analysis.
 - (v) Derived from one-off or non-recurring transactions
 - b) the time of payment of amounts arising from ordinary, exceptional, financing or refinancing operations.
 - c) In any case, the Validation Body may, before accepting that a transaction be taken into account to increase or not reduce the Squad Cost Limit, require an independent expert report on the solvency of the payer. In the event that such a report determines



that there is a high risk of lack of solvency of the payer, the cost of the report shall be borne by the Club/SAD that has carried out the transaction, in addition to any adjustments to the Squad Cost Limit that may be appropriate in accordance with these Rules.

ARTICLE 58. ADJUSTMENT POWERS OF THE VALIDATING BODY CONCERNING THE BUDGETS OF CLUBS/SADs WHICH MOVE UP OR DOWN IN CATEGORY.

1. In the League Budgets of Clubs/SADs that are promoted or relegated, the Validation Body will have the specific power to adapt - in accordance with the provisions of articles 9.5 and 31.3- the provisions of these Rules regarding budgeting rules, including but not limited to the Annex of Valuation Rules and Criteria, with due reasoning and argumentation and taking into consideration both the information provided by the Clubs/SADs themselves, as well as that obtained from other Clubs/SADs that present similar economic, geographical, demographic, sporting, historical, etc. ratios, similar.
2. These powers of the Validation Body may affect, among other budget items, and express mention is made, due to their transcendence, of the adaptation of the precepts related to or with references to Net Turnover, Operating Expenses and Equity, to be taken into account to obtain certain ratios, as well as the percentage of variables to be used as referred to in article 95 of these Rules.

ADJUSTMENT OF THE PROPORTIONALITY BETWEEN THE COST OF REGISTRABLE SQUAD COSTS AND THE COST OF NON-REGISTRABLE SQUAD COSTS.

1. The Validation Body may - in accordance with the provisions of articles 9.5 and 31.3 - adjust the proportionality of the Registrable Squad Costs and Non-Registrable Squad Costs with reasonableness criteria and in a reasoned manner, in the event of promotion or relegation of the team registered in LALIGA and/or its dependent team in the highest Sport Category.
2. Apart from the cases referred to in the previous section, the proportion of the Non-Registrable Squads of Clubs/SADs with a Net Turnover accepted by the Validation Body that is at least TEN PERCENT (10%) higher than the Net Turnover achieved in Season T-1 may be adjusted downwards, to the extent that such an increase allows for a greater margin of expenditure on the Registrable Squads for said Clubs/SADs. In no case by the application of this paragraph 59.2. shall the budgeted Cost of the Non-Registrable Squad for Season T be less than the actual cost of Season T-1.
3. The proportion of the Non-Registrable Squad may also be adjusted downwards, in cases where the Club proves a reduction in the Cost of the Non-Registrable Squad foreseen for T compared to T-1. For this purpose, the Club must submit no later than the fifth day prior to the closing date of the summer player registration period the Standard Form MN23, including individual and nominal details for each player and Coach in the T Season. The said MN23 will require - in accordance with the provisions of articles 9.5 and 31.3 - prior acceptance by the Validation Body and must subsequently be



verified by the Auditor in the same terms as for the Registrable Squad.

The audited MN23 must be submitted no later than 15 July T+1. In the event that this information is not submitted on time, or that the review detects a higher Cost than initially reported by the Club/SAD, the provisions of article 62.6.c) of these Rules shall apply. In other words, the Club/SAD will see its registrable squad cost limit or, if applicable, its registration capacity, for Season T+1, reduced by three times the said difference, with the requirements and conditions set out in the aforementioned article, without prejudice to the sanctioning consequences that, if applicable, may be derived from the deviation detected.

ADJUSTMENT OF ACCEPTED LEAGUE BUDGETS IN CASE OF NEW INFORMATION.

1. The Validation Body may modify the League Budgets at any time - both before and after their definitive acceptance - to the extent that new information that influences them is reliably recorded. To this end, for the effective achievement of the purpose of these Rules and in any case in accordance with the right to confidentiality established in article 5, it will be the obligation of the Clubs/SADs to communicate, as soon as possible, to the Validation Body any relevant information of which they may become aware
2. This new information may refer both to new facts or circumstances and to pre-existing but unknown facts or circumstances, or to the verification of errors or falsehoods in the information provided or calculations made by the Clubs/SADs. In any case, information that refers to facts or circumstances with an effect whose quantification per season can be estimated to be equal to or greater than ONE PERCENT (1%) of the Turnover of T-1, T and T+1, depending on the season affected, will be considered relevant.
3. The Validation Body may modify - in accordance with the provisions of articles 9.5 and 31.3 - both the Squad Cost Limit granted to a Club/SAD, as well as the Available Balance and the registration capacity, in order to update them according to the new information.

ARTICLE 61. NOTIFICATION OF ADJUSTMENTS AGREED BY THE VALIDATION BODY.

1. The final acceptance of the League Budgets with the adjustments, if any, that the Validation Body has decided to apply to the submitted League Budgets, including a detail of the adjusted items and the reason for the adjustment, shall be notified to the Club/SAD.
2. Such notification shall be made to the Club/SAD, directly by the Validation Body or through the members of the LALIGA Economic Control Department on the day following the adoption that, in accordance with the deadlines established in these Rules, corresponds to the definitive acceptance of the League Budgets.
3. Prior to lodging an appeal before the Economic Control Committee, the Clubs/SADs that are not in agreement may an

appeal for review before the Budget Validation Body for ratification, within 5 calendar days from the day following receipt of the aforementioned notification.

4. These notifications shall be made to the e-mail address designated or normally used by the Club/SAD in its relations with the Financial Control Department; if rejected by the server, alternative means may be used.

Section Three

Allocation of the Squad Cost Limits

ARTICLE 62. ALLOCATION OF SQUAD COST LIMITS AND PROPORTIONALITY.

1. Once the League Budgets of each Club/SAD have been definitively accepted and validated, with the aim of ensuring the Budgetary Balance established in article 42, the cornerstone and the concretisation of the purpose of these Rules, the Validation Body will assign them:
 - a) An initial Total Squad Cost Limit.
 - b) An initial registrable squad cost limit, in absolute figures.
 - c) The maximum proportion that the registrable squad cost can represent of the total squad cost.
2. The aforementioned Initial Total Squad Cost Limit, Initial Registrable Squad Cost Limit and the proportionality between both that are assigned to the Club/SAD by the Validation Body shall be mandatory and Clubs/SADs may not exceed the Limits and the corresponding proportion, except in the special cases expressly included in these Regulations (by way of example and not exhaustive, articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular nº5 of the 2014/2015 Season).
3. The allocation of the aforementioned Limits and Ratio shall be included in the same communication in which the definitive acceptance of the League Budgets is stated. In the communication of the initial Limit, the supporting document shall be attached the starting data and calculations made, duly broken down, corresponding to its allocation, it not being necessary to attach in subsequent communications, where appropriate, similar documents corresponding to the subsequent updates of the Squad Cost Limit that are made from the mere application in accordance with these Regulations of the variations - upwards and downwards - of the data that were stated in the communication of the initial Limit.
4. The Squad Cost Limit may be increased in accordance with the provisions of Title III of these Rules.
5. Likewise, in order to adapt the calculation of the Budgetary Balance to the information updated at any given time, the provisions of Article 49 on the assignment of a new Squad Cost Limit in the event of differences in the Negative Results and/or Resources Generated resulting from the Audited Annual Accounts of the Club/SAD with respect to those initially taken into account shall be taken into account. The provisions of articles 64 and 65 on the updating of the Results from the transfer of players with

respect to the amount initially budgeted will also be taken into consideration, as well as the provisions of article 60 on adjustments for new information.

6. In addition to the measures to adjust the Squad Cost Limit set out in sections 4 and 5 above, an additional protection mechanism is established to protect against a possible future financial imbalance situation.

The purpose of this mechanism is to counteract effects that are difficult to quantify and that could jeopardise the balanced budget, arising in the following cases and in accordance with the rules set out below:

- a) 15% reduction of the available balance of the squad cost limit in the season immediately following the one in which, according to the decision of the Validation Body, the Club/SAD incurred in any of the following situations:
 - (i) Altering, concealing, falsifying, providing or including incorrect information in the documents required by the Economic Control Committee or the Head of the Economic Control Department, in order to verify compliance with the reporting obligations, payment of debts and Football Result or Net Assets Rules established in Book X of the General Regulations, and/or in the documents or information required by the LALIGA Budget Validation Body, in accordance with the Rules for the preparation of Club/SAD budgets established by the Delegated Commission, in an amount equal to or greater than 10% of the net turnover of the last audited financial year.
 - (ii) Failure to pay debts referred to in Book X of the General Regulations, in an amount exceeding FIVE HUNDRED THOUSAND EUROS ,000).
 - (iii) Failure to comply with the Football Result or Net Assets Rules set out in Book X of the General Regulations, or carrying out the transactions described in article 31.9.j) that have increased the Squad Cost Limit in T and/or previous seasons by an amount equal to or greater than 5% of turnover in the last audited financial year, provided that such transactions are carried out before the end of the T+5 Season. With regard to the amount of the repurchase of goods and rights, the accumulated repurchase amount materialised in T and/or in previous seasons shall be computed.
 - (iv) Failure to comply with the level of Net Debt established as a target in the Treasury Plan regulated in article 93.7 of these Rules, in such a way that the materialised amount of Net Debt measured in absolute value in euros is 10% or more above the amount set as a target in said Treasury Plan.

If Net Debt target is set in the Treasury Plan as an indicator based on other economic-financial variables, the Validation Body shall calculate the Net Debt target measured in absolute value in euros on the basis of this indicator in order to quantify, where appropriate, the non-compliance.

The reduction referred to in this paragraph (iv) shall not apply if the Club/SAD has been sanctioned with a player

registration ban for one or more complete player registration periods, in accordance with LALIGA disciplinary rules, for the same non-compliance as described in this paragraph.

(v) To recognise a higher squad cost for a Player or Coach than those agreed in a contract, when the subscription of this contract would have provided the Club/SAD with the possibility to increase its registration capacity in application of article 100 of this rule.

This reduction will be applied, provided that this increased cost is equal to or greater than 2% of the Club/SAD's CPD at the time of obtaining the aforementioned increased registration capacity or the amount of THREE MILLION euros (3,000,000 €), all of this for clubs that were playing in the first division when they were recognised as having this increased registration capacity.

If they were clubs that were playing in the second division when they were granted such increased registration capacity, the percentage and the amount referred to in the previous paragraph shall be 4% and FOUR HUNDRED THOUSAND (€400,000) respectively.

- b) Reduction of 5% of the available balance of the squad cost limit in the Season immediately following the one in which, according to the decision of the Validation Body, the Club/SAD incurred in any of the following situations:
- (i) Failure to comply with the Football Result or Net Assets Rules set out in Book X of the General Regulations, or carrying out the operations described in article 31.9.j) that have increased the Squad Cost Limit in T and/or previous seasons by an amount equal to or greater than 1% and less than 5% of turnover in the last audited financial year, provided that such operations are carried out before the end of the T+5 Season. With regard to the amount of the repurchase of goods and rights, the cumulative repurchase amount materialised in T and/or in previous seasons shall be computed.
 - (ii) Executing verification and review processes by the Club/SAD Auditor in an inadequate manner and/or without applying the quality standards required by accounting and auditing standards, which implies an alteration or incorrectness equal to or greater than 10% of the net turnover of the last audited financial year, which implies for the Club/SAD an excess in the Squad Cost Limit, without the corresponding authorisation of the LALIGA Validation Body, in matters of economic control and/or in the preparation of budgets.
 - (iii) Failure to comply with the level of Net Debt established as a target in the Treasury Plan regulated in article 93.7 of these Rules, in such a way that the materialised amount of Net Debt measured in absolute value in euros is less than 10% higher than the amount set as a target in said Treasury Plan.

If the Net Debt target is set in the Treasury Plan as an

indicator based on other economic-financial variables, the Validation Body shall calculate the Net Debt target measured in absolute value in euros on the basis of this indicator in order to quantify, where appropriate, the non-compliance.

- (iv) To recognise a higher squad cost for a Player or Coach than those agreed in a contract, when the subscription of this contract would have provided the Club/SAD with the possibility to increase its registration capacity in application of article 100 of this rule.

This reduction will be applied, provided that this increased cost is not equal to or greater than 2% of the Club/SAD's CPD at the time of obtaining the aforementioned increased registration capacity or the amount of THREE MILLION euros (3,000,000 €), all of this for clubs that were playing in the first division when they were recognised as having this increased registration capacity.

If they were clubs that were playing in the second division when they were granted such increased registration capacity, the percentage and the amount referred to in the previous paragraph shall be 4% and FOUR HUNDRED THOUSAND EUROS (€400,000) respectively.

- c) Reduction in an amount equivalent to the quantitative difference, of the Available Balance of the Squad Cost Limit, in the season immediately following the one in which, according to the resolution of the Validation Body, the Club/SAD incurred a quantitative difference, with respect to the information provided through the Standard Model MN 23 and/or through Certificates referred to in Title III of these Rules, which implies a greater expense, cost or loss or less revenue or profit and which is revealed when comparing the information submitted by the Club/SAD and that verified by the LALIGA Budget Validation Body or through verification procedures, including the differences generated by the application of Article 59 paragraphs 1 and 2.

The reduction shall be three times the quantitative difference revealed in the cases regulated in Article 59.3. of these Rules as well as cases of quantitative differences revealed by comparing the group premiums certified by the Club/SAD to the Validation Body in T in application of Article 39.3.h.2 and the premiums actually recognised.

- d) Reduction of the Available Balance in the amount of 15% of the amount exceeded, with a maximum limit of 15% of the Total Squad Cost Limit, in the season immediately following the one in which, according to the resolution of the Validation Body, the Club/SAD incurred an excess of the amount presented in the investment budget, in accordance with LALIGA Budgeting Rules, in a percentage equal to or greater than 15% of the amount authorised by said Rule.
- e) Reduction of the Available Balance in the amount of 6% of the amount exceeded, with a maximum limit of 5% of the Total Squad Cost Limit, in the season immediately following the one in which, according to the resolution of the Validation Body, the



Club/SAD incurred an excess of the amount presented in the investment budget, in accordance the LALIGA Budgeting Rules, in a percentage equal to or greater than 5% and less than 15% of that authorised by said Rule.

- f) Reduction of the Available Balance by 2% of the Squad Cost Limit in the season immediately following the season in which, according to a decision of the Validation Body, the Club/SAD was in breach of the Football Performance or Net Assets Rules set out in Book X of the General Regulations, or has repurchased assets or rights as described in Article 31.9.i) which increased the Squad Cost in T and/or previous seasons by less than 1% of turnover in the last audited financial year. With regard to the amount of the repurchase of goods and rights, the accumulated repurchase amount materialised in T and/or in previous seasons shall be computed.

- g) Reduction of the Available Balance of the Total Squad Cost Limit, in the five seasons immediately following the one in which, according to the decision of the Validation Body, the Club/SAD incurred a Squad Cost Excess, according to the following rules
 - (i) The amount to be reduced in the 2022/2023 season and the following four seasons as excess will be the sum of the pre-tax results of the 2019/2020, 2020/2021 and 2021/2022 seasons. Likewise, on a transitional basis for the 2021/2022, 2022/2023 and 2023/2024 seasons, the excess will not be computed for an amount equivalent to the registrable squad cost consumed by the club under the provisions of article 101. For clarification, the cost whose effect will be neutralised is exclusively that referred to in section 1.ii) of said article.
 - (ii) Of the amount to be reduced, the part corresponding to the impact of COVID-19, measured as the sum of the following sub-section (iii), shall be distributed as set out in sub-section (iii) below:
 - a) The impact according to the Auditor's Reports referred to in Book X of the General Regulations. For the purposes of this Article, the impact for 2021/2022 shall be computed at a maximum of 40% of the impact of the 2020/2021 report, and no amendments to the 2019/2020 and 2020/2021 reports submitted before the date of adoption of this Article shall be permitted.
 - b) The impact on results from transfers, measured as the difference compared to the average of the 2017/2018, 2018/2019 and 2019/2020 seasons.The amount to be reduced for the excess, which is above the COVID-19 impact measured as set out in this subparagraph (ii), shall be reduced in full in the season following the season of the excess.
 - (iii) The reduction for COVID-19 will be distributed between seasons T to T+4 at the rate of 15%, 20%, 20%, 20%, 22.5%

and 22.5%

However, this reduction will have a maximum amount, together with the reductions that may be applicable in accordance with article 31.11 and 101, of 5% of the Net Turnover accepted by the Validation Body for Season T. For clarification, this maximum of 5% represents a joint maximum threshold that covers and limits the total reductions referred to in this section iii) that may be applied in T, both those generated in said T Season and those generated in previous seasons and pending application at the start of T, with this maximum prevailing even over the minimum percentages of deduction established in article 101.1.vi)

The reductions in the Squad Cost Limit that are applicable and have not been applied in with the limitation set out in the previous paragraph shall be applied in the immediately successive seasons, respecting the said limitation on Turnover, until they are fully applied, with no maximum number of seasons to be applied.

- (iv) From the 2023/2024 Season onwards, in application of Article 44, the losses (or resource deficit) of T-1 shall be reduced in any case, and additionally the percentage corresponding to this paragraph g).
- (v) The portion of audited Positive Profit/Loss from Season T-1 or earlier, in excess of the adjustment applied by this paragraph (g) in that Season, may be used to offset the reduction, if any, for Season T.
- (vi) In any case, by virtue of the provisions of articles 17 and 51, the Validation Body may make the corresponding adjustment to the Squad Cost Limit resulting from the application of the rules of this section g), with the aim of balancing the League Cash Budget. The Budget is considered to be balanced when it shows a positive balance in the Club/SAD Treasury at the beginning and at the end of each monthly period of the T-Season.

For these purposes, the Validation Body will only accept and validate financings and refinancings budgeted by the Club/SAD, in accordance with the provisions of articles 9.5 and 31.3 and with criteria of prudence - which will be more restrictive depending on the economic-financial context at any given time - such as the history and evolution of the Club/SAD in obtaining refinancings and financings in the Three Seasons prior to Season T, the amount of the same and the guarantees that have been granted, as well as the evolution of its solvency ratios.

- h) Reduction of the Available Balance of the Squad Cost Limit applicable to the contracts corresponding to the operations described in article 31.9 sections "h" and "i" of these Regulations. Said reduction will be determined by the amount not collected on the collection dates set out in said contracts, at the time when the Club/SAD experienced an increase in the Squad Limit, as a consequence of the subscription of said contracts. Reductions in the price to be received by the Club/SAD, with respect to those initially established in the aforementioned



contracts allowing for an increase in the Squad Limit and which are made subsequently, are assimilated to the amount not collected. When the aforementioned payments are made, the Squad Cost Limit will be replenished. All of the above shall be applicable, *mutatis mutandis*, to section "j" of the aforementioned article 31.9, for the amounts of repurchase or total or partial neutralisation of the effects of the initial legal business

- i) In the event that a Player terminates his employment relationship with a Club/SAD affiliated to LALIGA and in the same Season or the following Season, is contracted by a Club/SAD integrated within the consolidation perimeter of which said Club/SAD affiliated to LALIGA forms part or is a related or related party or with significant influence or an entity of those referred to in paragraph 4 of article 9 in relation to said Club/SAD affiliated to LALIGA, the Available Balance or registration capacity shall be reduced by the amount resulting from the formula described below, provided that it is positive:
 - (i) The Player's remuneration for the last season of the player's contract with the indicated Club/SAD affiliated to LALIGA will be assessed by means of a report from the Valuation Committee. Said valuation shall be made taking into account the value of the player's federative rights and all the elements necessary for the valuation of said remuneration at the beginning of the aforementioned last season.
 - (ii) The valuation in (i) shall be multiplied by the number of seasons in which the Player has been contracted by the Club/SAD affiliated to LALIGA.
 - (iii) The product resulting from (i) and (ii) above shall be reduced by the remuneration actually computed in the aforementioned Club/SAD affiliated to LALIGA during the seasons indicated in (ii) above.

All of the above, unless the Player's remuneration has already been subject to valuation and, if applicable, adjustment, in accordance with the Valuation Committee Report, during the seasons of his contract with the LALIGA affiliated Club/SAD.

- j) In the cases described in paragraphs "a" to "i" above (except for "g"), the reduction shall only be considered to be applied when it can have an effective impact on the registration capacity of the Club/SAD by reducing the available balance of the Squad Cost Limit. Therefore, it shall not be considered as such when its only effect has been to imply an increase of the excess over the Squad Cost Limit. Accordingly, reductions in the Squad Cost Limit will remain pending indefinitely until the season in which they can have an effective impact on the registration capacity of the Club/SAD, in which they will be applied by reducing the Squad Cost Limit.

ARTICLE 63. SPECIAL RULE ON THE CALCULATION OF THE SQUAD COST LIMIT FOR CLUBS/SADs RELOCATING FROM THE FIRST TO THE SECOND DIVISION.

1. For the calculation of the Squad Cost Limit of Clubs/SADs that are



relegated from the first to the second division, the rules contained in this article regarding the treatment of relegation aid shall be applied in accordance with the provisions of article 31.3.

2. In any case, if the application of the rest of the rules and regulations results in a Squad Cost Limit lower than that calculated in accordance with the following paragraphs, the lower Limit shall be assigned.
3. The amount of the relegation aid will be counted as income, for the purposes of calculating the Squad Cost Limit for Season T, at FIFTY PERCENT (50%) of the total amount of the aid. The remaining FIFTY PERCENT (50%) will be for the following season, unless the club regains 1st Division status, in which case no income will be computed for that season, and the remaining 50% will be definitively lost for the purposes of calculating the Squad Cost Limit.
4. For this purpose, the Validation Body must first expressly authorise, for Season T and for the following Season, the total amount that may be counted as income for the purposes of calculating the Squad Cost Limit, in accordance with the provisions of this article and without prejudice to the adjustments derived from the analysis of the Treasury League Budget that the Validation Body may apply each Season, in accordance with article 51.3 of these Regulations.

Section Four.

Updating of the Squad Cost Limit based on the Net Profit effectively obtained in the Transfer of Federative Rights.

ARTICLE 64. UPDATING OF THE SQUAD COST LIMIT IN THE EVENT THAT NET PROFITS FROM THE TRANSFER OF FEDERATIVE RIGHTS ARE ACCREDITED.

1. The valuation rule for Sub-item 10.1 of the Income and Expenditure League Budget provides that the amount of the same may not exceed TWENTY-FIVE PERCENT (25%) in the First Division (or THIRTY PERCENT (30%) if it is also a Club/SAD qualified as an Acceptable Ratio in accordance with the provisions of Section Five of Chapter One of Title II), or TEN PERCENT (10%) in the case of Clubs/SADs in the Second Division, of the Net Turnover budgeted and validated for Season T.
2. However, in the event that the amount of this Sub-item, calculated in accordance with the criteria for its valuation contained in paragraphs 1 to 6 (of the aforementioned rule for the valuation of Sub-item 10.1) exceeds the limit set out in the previous section, as and when the Club/SAD proves to the Validation Body that it has actually obtained Net Profits from the Transfer of the Players' Transfer Rights operations (which shall include the amounts received as "termination clauses" of employment contracts with the Players) during Season T, these amounts will increase the amount of this Budgetary Item, with the consequent possible increase of the Squad Cost Limit assigned by the Validation Body to the Club/SAD for the said T Season.
3. The rule contained in section 2 above shall be applied until the



amount of the validated Budgetary Item resulting from the application of those contained in sections 1 to 7 of the aforementioned Sub-item 10.1 is reached. Once this amount has been reached and for the additional net profits from these operations, the provisions of article 67 of the Club and SAD Budgeting Rules shall be applied as appropriate.

ARTICLE 65. UPDATING OF THE SQUAD COST LIMIT FOR SECOND DIVISION CLUBS AND SADS TO NET PROFITS OBTAINED IN THE TRANSFER OF PLAYERS' FEDERATIVE RIGHTS AT THE CLOSE OF THE SUMMER REGISTRATION PERIOD.

1. Justified by the higher relative impact on the total income and results and under the principle of proportionality of the rule, the provisions of this article shall apply exclusively to Second Division Clubs/SADs and cover the two cases set out in paragraphs 2 and 3.
2. First Scenario. In the event that, at the close of the Summer Player Registration Period, the amount of Net Profits from Transfers of Federative Rights (Items 10.1 and 10.2. of the BUDGETARY ITEMS DESCRIPTION AND RULES AND VALUATION CRITERIA APPENDIX of the League Income and Expenditure Budget) budgeted in the League Income and Expenditure Budget and accepted by the Validation Body Season T, the aforementioned amount budgeted in the League Budget shall be updated, reducing its figure to that actually realised at the conclusion of the said Registration Period plus TWENTY PERCENT (20%) per cent of the figure budgeted for Season T, subject in all cases to the limit of the latter.
3. Second Assumption. The Club/SAD has made in the summer Player Registration period Transfers of Federative Rights of Players, representing a Net Profit of at least EIGHTY PERCENT (80%) of the amount budgeted and validated in the Income and Expenditure League Budget as the amount of this item will be updated for Season T will be fixed in accordance with the following rules.
 - (i) For the sum of the total Net Player Transfer Profits effectively made in the referred summer player registration period, increased by up to FIFTY PERCENT (50%) of the average of the Net Player Transfer Profits made in the last THREE (3) Seasons since the close of the summer player registration period of each of them, and counting only the seasons in which the Club/SAD has participated in the Second Division.
 - (ii) In order to obtain this average, at least TWO (2) Seasons will be required for its calculation, otherwise it will not apply as specified in the previous paragraph.
 - (iii) The unrealised amount of budgeted Net Profit from the Transfer Players' Provisions shall not exceed FIVE PERCENT (5%) of the budgeted and validated Net Turnover for Season T, in which case the Profit budget line item shall be updated so as not to exceed such percentage.
4. In the event of the simultaneous occurrence of the two cases referred to in paragraphs 2 and 3 above, the Club/SAD shall choose the one it considers most convenient.
5. In the event of the occurrence of any of the cases referred to in the



previous paragraphs, the squad cost limit assigned to the Club/SAD for the T Season shall be updated accordingly by the Validation Body.

TITLE III **OF THE INCREASE OF SQUAD COST LIMIT**

INTRODUCTION. COMMON RULES

ARTICLE 66. INTRODUCTION AND COMMON RULES.

1. Once the League Budget of each Club/SAD has been definitively accepted by the Validation Body and once the Cost Limit for registrable and non-registrable Squads has been assigned for a specific Season, it is up to the Validation Body to authorise, where appropriate, an increase in those Limits in the cases, under the conditions and with the procedure established in this Title III.
2. The cases in which an increase - in addition to the general provisions of Article 60 - of the registrable squad cost limit can be justified are as follows:
 - a) Increase due to an increase in the Club's/SAD's income or profit derived from certain operations.
 - b) Increase due to contributions made by shareholders, Related Parties or third parties in favour of the Club/SAD regulated in Chapter Three of Title III.
 - c) Increase due to the use of accumulated equity.
 - d) Updating by clubs/SADs participating in the Second Division Sports Category and fulfilling certain conditions of benefits and resources generated.

All of the above without prejudice to other special cases expressly included in these Regulations (by way of example and not exhaustively, articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season), in accordance with the rules that specifically regulate such cases.

By way of clarification, the assumption in (b) above shall also apply to increase the registration capacity in case of oversubscribed clubs.

Increases in paragraph a) shall require, in addition to the general requirements set out in this Title, that the club proves that they relate to operations carried out after the date of allocation of the initial Squad Cost Limit.

3. Any increase in the Squad Cost Limit that may be authorised by the Validation Body in accordance with the provisions of this Title III may in no case justify a breach by the Club/SAD of the rule on Outcome set out in Book X of the LALIGA Regulations.
4. Under the principle of proportionality of the rule, the Validation

Body at the request of the Club/SAD may authorise increases of the Squad Cost Limit or registration capacity in the case of a Contribution when the increase validated in previous Seasons, derived from the same Contribution, has not been fully exhausted by the Club/SAD.

Such increases may only be authorised under the following conditions:

- a) To be used at the latest in the Season for which the new increase is requested and the one immediately following
 - b) And with a maximum of the greater of Five (5) per cent of the Squad Cost Limit accepted by the Validating Body or the Squad Cost Limit.
5. The Validation Body may also exceptionally authorise a temporary excess of the Squad Cost Limit or registrable capacity in the event that a registered Player has been sanctioned by a non-final administrative decision with a temporary suspension of more than eighteen [18] months or permanent suspension as a consequence of a sports doping offence in accordance with Organic Law 3/2013 of 20 June 2013 on the protection of the health of athletes and the fight against doping in sport.

The following rules shall apply to this case:

- a) For the calculation of the temporary excess, the rules set out in Section Four of Chapter Two of Title IV for cases of long-term injury to a Player shall apply *mutatis mutandis*
 - b) The temporary excess authorised, if any, for this eventuality will necessarily be compensated in full in the following Season, thereby reducing the registrable squad cost limit or registration capacity.
 - c) In no case shall the Validation Body authorise a temporary overage in the case of a suspension sanction that has become final or in cases where the Club/SAD had a role or responsibility in the Player's sports doping.
 - d) The Validation Body shall - in accordance with the provisions of Article 9.5 - take into account the circumstances of the case, the image of professional football, risks of any nature, as well as the jurisprudential guidelines on doping in sport in order to take its decision.
6. The Validation Body may exceptionally and when the unique circumstances - referred to in Article 53 - so require for the effective achievement of the purpose of these Rules, agree when authorising an Increase of the Squad Cost Limit or registration capacity, to specific conditions and limitations, rules and obligations of an economic and financial nature or measures of supervision, control, verification or information, for compliance by the Club/SAD, when authorising an Increase of the Squad Cost Limit.
7. In any case, in order to authorise the increase, it will be an indispensable requirement to provide all the information, documentation and explanations that - in accordance with the provisions of article 9.5 - the Validation Body requires from the Club/SAD, in addition to that specifically established in this Title, in relation to the special case on which the requested increase is



based.

8. The rules set out in article 31.9 of these Rules shall apply in all cases.

CHAPTER ONE: INCREASES IN THE SQUAD COST LIMIT REGISTRABLE AS A RESULT OF INCREASED REVENUES AND/OR PROFITS

Section One

Assumption of Transfer of Federative Rights of Players on the Squad

ARTICLE 67. CONFIGURATION OF THE CASE AND RULES FOR THE CALCULATION OF THE INCREASE IN THE REGISTRABLE SQUAD COST LIMIT.

1. Without prejudice to the special rules set out in Article 31.9 and 31.10, if a Club/SAD enters into a firm contract for the Transfer of the Federative Rights of a Player from its own Squad whereby, in accordance with the agreed price and conditions, a positive accounting result (as defined in account 776 of the Annex to the Description of Budgetary Items) is produced in the same Season, the Registrable Squad Cost Limit for that Season may be increased by an amount to be calculated in accordance with the following rules:
 - a) The positive result of the Transfer of the Player's Transfer Rights (Profit from Transfer of Players' Rights) generated by the new contract shall be added to the net profit (Sum of positive and negative results) already effectively realised within the Season in question, as a consequence of previous operations of Transfer of Players' Transfer Rights and of the collection of the amount of the so-called termination clauses of the employment contracts of professional sportsmen and sportswomen.
 - b) The result of the above sum shall be subtracted from the total of the accounting result provided for in the Club/SAD League Budget for Transfer of Federative Rights of Players validated by the Validation Body.
 - c) The T-Season Registrable Squad Cost Limit may be increased by the amount resulting from such difference (provided it is positive).
2. The following formula shall be applied for this calculation:

tj= Positive accounting results for Player transfers generated by new contracts.

tjr= Net positive accounting results from Transfers of Players' Rights already made previously and those derived from the collection of the amount of the termination clauses of professional sportsmen's employment contracts.

tjp= Positive accounting results for transfers of Players foreseen in

the League Budget accepted by the Validation Body.

il= Increase Limit Cost of registrable squad, to be distributed over several seasons as indicated in section 3.

$$il = tj+tjr-tjp$$

3. As a general rule, each transfer transaction shall be computed for the purposes of the formula set out in the previous section in the T Season in which the accounting results of such transaction are obtained. However, as a special rule for transfer operations carried out after the end of the winter registration period for players, these may, at the club's discretion, be fully or partially counted as having been carried out in that T Season or in the following season in terms of their result. In terms of the result, the amount transferred to the following season will have as a maximum value the Result before Taxes foreseen for T, and for the purposes of increasing the Squad Cost Limit for the following season, it will be multiplied by 0.75. Furthermore, the amount carried forward shall not be taken into account for the purposes of the average of the last three seasons as provided for in Rules 10.1 and 10.2 of the Annex to the Valuation Rules and Criteria.

In any case, it will be necessary for the Validation Body to previously and expressly authorise, in the Season in which the results are obtained and in the following one, the total amount that may be calculated to increase the Squad Cost Limit, in accordance with the provisions of this article and without prejudice to the adjustments derived from the analysis of the Treasury League Budget that the Validation Body may apply each Season, as provided for in article 51.3 of these Regulations.

4. In no case will a waiver or any act of disposition or transaction with similar legal consequences, which entails the total or partial release of an existing charge in favour of a third party on the Economic Rights derived from the Transferring Club/SAD, be counted as a positive result for the transferring Club/SAD for the purposes of these Rules. This is irrespective of the treatment applicable for accounting purposes and irrespective of whether any compensation is provided for such waiver, act or transaction.

ARTICLE 68. COMPUTATION OF THE INCREASE.

In the event that the contract for the Transfer of the Federative Rights of Players submitted has been signed up to 30 June of the Season T-1 and the result of which has not been taken into account in the League Budget of Income and Expenditure submitted, the positive accounting result generated by the operation that is the object of said contract will be taken into account for the calculation of the average for said concept in the last three Seasons that has been used to determine the League Budget of Income and Expenditure, the positive accounting result that has been generated by the operation that is the object of said contract shall be taken into account for the calculation of the average for said concept of the last three Seasons that has been used for the determination of the Income and Expenditure League Budget,



and, as a consequence, the Registrable Squad Limit shall be increased by the same amount of the increase that said average has undergone.

ARTICLE 69. INFORMATION TO BE CERTIFIED BY THE CLUB/SAD.

1. For the purposes of determining the positive accounting result generated by the Transfer of Players' Federative Rights accumulated from the T-1 Season and up to the date of issue, the Club/SAD must provide the Validation Body with a Certificate issued by its legal representative, in accordance with Standard Model MN 12, in which the following points are expressly stated (distinguishing those produced up to 30 June T-1 and those produced subsequently up to the date of issue in the T Season):
 - a) Positive accounting results obtained from 1 July T-1 until the time of the issuance of the certificate for the aforementioned Transfers of Players' Rights
 - b) Accounting losses incurred from Transfers of Players' Rights in the same period as indicated in a) above
 - c) Accounting losses incurred for any other item which is related to or is a consequence of the employment contracts with the Players or the clubs from which they originate or to which they have been transferred in the same period as indicated in a) above
2. The aforementioned Certification shall be accompanied by a copy of all contractual documents relating to the Transfer of Federative Rights transaction, attested by the signature of the Authorised Representative of the Club/SAD.

Section Two

Assumption of a new contract that generates positive accounting results from the sale of fixed assets other than Players' Rights or exceptional rights.

ARTICLE 70. CONFIGURATION OF THE CASE AND RULES FOR THE CALCULATION OF THE INCREASE IN THE REGISTRABLE SQUAD COST LIMIT.

1. Without prejudice to the special rules set out in article 31.9, if a Club/SAD enters into a new firm contract the object of which is *in fine* the sale of assets other than the Football Rights which at the agreed price and on the agreed terms produces a positive accounting result in Season T - or similar effect on equity, financial position and results - and to the extent that it generates an effective inflow of net resources within the meaning of Article 11, the Registrable Squad Cost Limit for that Season T may be increased by an amount to be calculated in accordance with the following rules
 - a) The positive accounting result generated by the new contract shall be added to the accounting results of the same nature already realised and actually obtained in the T season.
 - b) The result of paragraph a) shall be subtracted from the total of the accounting result generated by the sale of assets, other than the Federative Rights, contemplated in the League Budget of Income and Expenses of the Club/SAD and which has been



validated by the Validation Body.

- c) The registrable squad cost limit may be increased by the amount resulting from the above difference, provided it is positive, reduced by the amount of the replacement investment.
2. The following formula shall apply:

rx= Positive accounting results.

rxr= Previously realised accounting results.

rxp= Accounting results foreseen in the League Budget as validated by the Validation Body.

iis= Amount of replacement investment.

il= Increment Limit Cost Limit Registrable Squads

$$il = rx+rxr-rxr-rxp-iis$$

The need for replacement investment may be considered ex officio by the Validation Body, in accordance with the provisions of Article 31.9(f). The computable amount of the replacement investment will be calculated on the total amount of such investment, in the same proportion in which it is not financed through StadCo type structures -according to the Definition established in these Rules- requiring that such consideration be previously recognised -in accordance with the provisions of articles 9.5 and 31.3.3- by agreement of the Validation Body. In any case, the provisions of articles 16 and 17 on Financing and Treasury Budgets shall be applicable

ARTICLE 71. INFORMATION TO BE CERTIFIED BY THE CLUB/SAD.

For the purpose of determining the accumulated positive accounting result as a consequence of operations of the nature referred to in Article 70 from the beginning of the Season T until the date of issue, the Club/SAD must provide a Certificate issued by its legal representative, in accordance with Standard Model MN 13, in which the following points are expressly stated:

- a) the exceptional results achieved during the T-Season up to the time of issuance of the Certificate
- b) as well as the description, justification and estimate of the amount of the replacement investment to be made.

In the latter case, the Validation Body will assess, in accordance with Articles 9.5 and 31.3 and 31.9.f), the need for and magnitude of a hypothetical Replacement Investment

Section Three

Case of a contract in which an increase in price is agreed for the transfer of audiovisual broadcasting rights



ARTICLE 72. CONFIGURATION OF THE CASE OF A CONTRACT IN WHICH AN INCREASE IN THE PRICE IS AGREED FOR THE TRANSFER OF AUDIOVISUAL BROADCASTING RIGHTS AND RULES FOR THE CALCULATION OF THE INCREASE IN THE REGISTRABLE SQUAD COST LIMIT.

Notwithstanding the special rules set out in Article 31.9, if a Club/SAD enters into a contract agreeing to an increase in the prices for the assignment of the audio-visual broadcasting rights for Season T (Account 707 Annex Description of Budgetary Items) in relation to the price contemplated in the Validated Income and Expenditure League Budget for Season T, the Registrable Squad Cost Limit may be increased by the amount of such increase.

ARTICLE 73. INFORMATION TO BE CERTIFIED BY THE CLUB/SAD.

In order to determine the increase in the amount to be received for the contract referred to in Article 72, the Club/SAD must provide a Certificate issued by its legal representative, according to Standard Form MN 14, in which all the details of the new contract are recorded and a copy of the same is attached, attested by the signature of the Authorised Representative, as well as the calculations made by the Club/SAD for that determination.

Section Four

New contract for the commercialisation of other rights or assets of the Club/SAD

ARTICLE 74. CONFIGURATION OF THE CASE OF A NEW CONTRACT FOR THE COMMERCIALISATION OF OTHER RIGHTS OR ASSETS OF THE CLUB/SAD AND RULES FOR THE CALCULATION OF THE INCREASE IN THE REGISTRABLE SQUAD COST LIMIT.

As a general rule and without prejudice to the special rules set out in Article 31.9, if a Club/SAD enters into a contract whose object is *in fine* the Commercialisation of other rights and assets (as defined as Account 706 of the Annex to the Description of Budgetary Items), which provides for an increase in the amounts to be received - or similar effect on equity, financial position and results - with respect to the same commercialisation contemplated in the Validated League Income and Expenditure Budget for Season T, the Registrable Squad Cost Limit may be increased by the amount of such increase.

ARTICLE 75. INFORMATION TO BE CERTIFIED BY THE CLUB/SAD.

In order to determine the increase in the amount of the price to be received for the said marketing contract, the Club/SAD must provide a Certificate issued by its legal representative according to Standard Form MN 15 in which all the details of the new contract are recorded and a copy of the same is attached, attested by the signature of the Authorised Representative, as well as the calculations made by the Club/SAD for that determination.



Section Five

Assumed increase in revenue from season tickets and passes.

ARTICLE 76. CONFIGURATION OF THE CASE OF AN INCREASE IN INCOME FROM SEASON TICKETS AND PASSES AND RULES FOR THE CALCULATION OF THE INCREASE IN THE REGISTRABLE SQUAD COST LIMIT.

Notwithstanding the special rules set out in article 31.9, if a Club/SAD obtains in Season T an amount from Season Ticket and Subscriber income in Season T (according to Account 710/711 of the Annex Description of Budgetary Items) higher than the budgeted amount, it may increase the registrable Squad Cost Limit by the amount of such increase.

ARTICLE 77. INFORMATION TO BE CERTIFIED BY THE CLUB/SAD.

In order to determine the amount of the increase in income for the concept referred to in the previous article, the Club/SAD must provide a Certificate issued by its legal representative, in accordance with Standard Model MN 16.

CHAPTER TWO: PROCEDURE FOR REQUESTING AN INCREASE IN THE REGISTRABLE WORKFORCE COST CEILING IN THE CASES PROVIDED FOR IN CHAPTER ONE. VERIFICATIONS AND CHECKS

ARTICLE 78. APPLICATION FOR AN INCREASE IN THE COST OF A REGISTRABLE SQUAD COST .

1. In the event that a Club/SAD intends to obtain an increase of the Registrable Staff Cost Limit, in accordance with Chapter One of this Title III - or a temporary excess in accordance with Chapter Two of Title IV -, it must submit a written request to the Validation Body, in accordance with Standard Form MN 19.1 and MN 19.2, respectively, together with the relevant certifications.

ARTICLE 79. VERIFICATIONS AND CHECKS.

The Validation Body, in accordance with the provisions of articles 9.5 and 31.3, in accordance with its functions and competences, in relation to requests for authorisation to Increase the Limit on the Cost Limit of the Registrable Squad Cost that are submitted to it under the provisions of Chapter One of this Title III, may:

- a) Request such verifications and checks of the information submitted by the Club/SAD as may be necessary on a case-by-case basis.
- b) Request additional documentation and information.
- c) To make, in accordance with the provisions of article 57, the adjustments that it deems appropriate and duly justified, particularly non-sporting expenses based on actual data from previous seasons and possible exceptional expenses that may be incurred by the Club/SAD requesting the increase of the Squad Cost Limit or registration capacity.



CHAPTER THREE: INCREASE IN THE SPORTS SQUAD COST LIMIT FOR CONTRIBUTIONS RECEIVED BY CLUBS/SADs

Section One General Standard

ARTICLE 80. INCREASE OF THE SQUAD COST LIMIT OR REGISTRATION CAPACITY BY CONTRIBUTIONS.

1. The Squad Cost Limit allocated to a Club/SAD or its registration capacity in the event that it is in excess of such Limit may be increased in Season T when Contributions are made in its favour by Shareholders or Related Parties or third parties ("Contributors").
2. The concept of Contributions, their requirements, computation, quantitative limits, increase of the Registrable Squad Cost Limit or registration capacity for Clubs/SADs exceeding the said Limit and rules of procedure are set out in this Chapter Three.
3. In any case, the provisions of articles 17 and 51 of these Rules shall apply. In other words, the calculation of the LCPD Available Balance or registration capacity resulting from the application of the provisions of this Chapter Three will require that the Cash Budget presents a positive balance in the Club/SAD Treasury at the beginning and at the end of each monthly period of the T Season.

Section Two Concept of Contributions

ARTICLE 81. CONCEPT OF CONTRIBUTIONS.

1. For the purposes of these Regulations, and in particular those corresponding to the regulation of increases in the Squad Cost Limit or registration capacity, Contributions are understood to be any of the following legal transactions and operations:
 - a) Monetary contributions made for the payment of the nominal value of new shares issued by the SAD and subscribed by the Contributor or for the increase of the nominal value of the existing shares in circulation in an increase of its share capital, including the amounts contributed as share premium, if any.
 - b) Monetary contributions in the form of a donation not subject to any condition, term or manner, which represent an increase in the Net Assets of the Club/SAD.
 - c) Extinguishment of the SAD's debts through contributions by the creditors of their claims against the SAD in an increase of the SAD's share capital.
 - d) Cancellation by the creditor of debts of the Club/SAD, provided they are not subject to condition, term or manner.
 - e) The same treatment shall apply to the excess between the agreed price and the market value in transactions that generate income and must be adjusted to market value by virtue of the provisions of article 31.9.c). For these purposes,



only the amount actually collected in excess of the market value shall be taken into account, proportionally to each of the maturity dates established in the contract.

- f) Disbursements in the form of shareholder loans shall also be understood as a contribution for these purposes, provided that their repayment is conditional upon the Club/SAD obtaining profits in excess of the amount necessary accordance with these regulations, for the compensation of losses from previous seasons and other reductions in the available balance of the squad cost limit or registration capacity, referred to in article 93.1.
2. Under no circumstances shall the following operations and legal transactions be considered as Contributions:
 - a) Contributions made in increases in the share capital of SADs that are imposed by legal requirements or as a result of the setting of the minimum capital by the Mixed Commission for the Transformation of Clubs into Public Limited Sports Companies.
 - b) Non-monetary contributions, with the exception of contributions or set-off of receivables.
 - c) /Positive changes in equity as a result of a revaluation of assets.
 - d) Increase of share capital with a charge to reserves of any kind.
 - e) Creation, or increase in the Balance Sheet, of Reserves where there are no effective capital contributions.
 - f) Any contribution made by any legal transaction whereby the Club/SAD assumes an actual responsibility and obligation to act or intervene in a particular way.
 - g) Contributions by virtue of any instrument constituting a liability.
 - h) Participating, subordinated or other loans and credits which, although they represent - in accordance with commercial law - part of Equity, must be repaid by the borrower, except as provided for in section 1.f) of this article
 - i) Any Contribution transaction in which the Club/SAD is obliged to repay it to the Contributor or Related Party, directly or indirectly, or by means of any type of provision of goods or services or compensation through non-market price transactions.
 - j) Write-off or set-off or contribution of claims or any other liabilities arising as a result of a prior repayment of contributions due to a reduction in share capital or transactions having a similar effect,
 - k) The debt write-offs established in a Creditors' Agreement.
 3. The operations described in order to have the character of a Contribution for the purposes of this Chapter must in any case represent an increase in the Net Assets of the Club/SAD and must be recorded in its accounts with the favourable opinion of the Club/SAD's auditor.
 4. Capital Contributions must also meet the following conditions to be considered as such for the purposes of this Chapter:



- a) Are made by Shareholders or Related Parties of the Club/SAD or by any third party. Contributions made by persons whose employment or commercial relationship with the Club/SAD may be affected by a conflict of interest when making such a contribution are expressly excluded.
- b) Have been recognised and recorded in the financial statements of the Club/SAD.
- c) Shall not have been taken into account to increase the Squad Cost Limit or registration capacity for any Season prior to T.
- d) In the case of contributions by way of share capital increase, the corresponding legal instruments have been registered in the Commercial Register.
- e) In any case, and in the case of monetary contributions, their deposit in the accounts of the Club/SAD must be recorded and credited to the accounts of the Club/SAD.

Section Three

General Quantitative Reductions and Limitations

ARTICLE 82. REDUCTIONS AND GENERIC QUANTITATIVE LIMITATIONS OF THE AMOUNT OF CONTRIBUTIONS FOR THE PURPOSES OF CALCULATING THE INCREASE IN THE SQUAD COST LIMIT OR REGISTRATION CAPACITY.

1. The eligible amount of the Contributions for the increase of the Squad Cost Limit or the registration capacity for Clubs/SADs exceeding the Squad Cost Limit shall be reduced:
 - a) For the amount of the balance of the receivables in favour of the Club/SAD owed by the Contributors or other Shareholders according to the rules set out in article 24.2.c
 - b) For the amount of all expenses and taxes payable by the Club/SAD accruing from the transaction or legal business corresponding to the Contribution.
2. In addition to the provisions of section 1 above, an additional protection mechanism is established to protect against a possible situation of future financial imbalance.

This mechanism is intended to counteract the effects of difficult quantification that could put the Budgetary Balance at risk, derived from the following assumption and in accordance with the rule set out below. During the Seasons in which, in accordance with the provisions of this Chapter, Contributions for Increases in the Squad Cost Limit or registration capacity for Clubs/SADs in excess of said Limit are being charged, and during the following THREE (3) Seasons, any transaction involving an outflow of funds or recognition of debts in favour of the Contributors and/or, Shareholders (or related to one or the other) with a shareholding of THREE PERCENT (3%) or more of the SAD's share capital or with significant influence in the case of a Club, will imply a correlative and automatic reduction of the SAD's Squad Cost Limit or of the registration capacity for Clubs/SADs exceeding said Limit, by a figure equal to the amounts referred to in section 1 above, increased by FIFTEEN PERCENT (15%) in the Season in which said

circumstances are detected by the Validation Body or in the following one, at the discretion of the aforementioned Body. In addition to the limits that the Capital Contributions must respect in terms of compliance with the rule on Results regulated in Book X of the LALIGA General Regulations, the effect that the set of capital contributions received has on the Squad Cost Limit or on the registration capacity may not imply, under the principle of proportionality of the rule, that the increase of the said Limit or registration capacity, exceeds TWENTY-FIVE PERCENT (25%) of the Net Turnover budgeted and validated by the Validation Body for the said Season T, with a minimum of FOUR MILLION Euros (4.000.000€).

Section Four

Quantitative limits of the Contributions received by Clubs/SADs, for the purpose of their consideration to increase the Squad Cost Limit or registration capacity.

ARTICLE 83. OBJECT.

The provisions contained in this Section Four are intended to establish the specific quantitative rules for the computation of the Contributions received by Clubs/SADs, for the purpose of their consideration to increase the Squad Cost Limit or the registration capacity for Clubs/SADs in excess of the Squad Cost Limit.

These rules are established on the basis of objective indicators on the economic, financial and, where applicable, insolvency and/or excess situation of the group of Clubs/SADs concerned, to the extent that such situation shows the degree of solidity in the solvency and sustainability of such Clubs/SADs.

Accordingly, between the date of submission of the audited Annual Accounts and the subsequent Interim Financial Statements, at the request of the Club/SAD, the Validation Body may apply the provisions contained in this Section by using the information contained in Financial Statements with a closing date prior to 1 December, accompanied by a Limited Auditor's Review Report

CLASSIFICATION OF CLUBS/SADS INTO GROUPS FOR THE PURPOSE OF APPLYING CRITERIA FOR COMPUTING CONTRIBUTIONS AND INCREASING THE SPORTS SQUAD COST LIMIT OR THE REGISTRATION CAPACITY FOR CLUBS/SADS EXCEEDING THAT LIMIT, FOR EACH OF THE GROUPS.

For the purposes of the calculation and specific quantitative limits for the computation of the Contributions, the Clubs/SADs are classified, according to their economic-financial situation and, if applicable, insolvency, into four groups: A, B, C and D. For each group, the amount of the Increase in the Squad Cost Limit or the registration capacity for Clubs/SADs exceeding the said Limit applicable as a consequence of the contribution is indicated below.

84.1.: Classification of Clubs/SADs for the purpose of calculating the applicable increase in the Staffing Cost Limit or registration capacity for Clubs/SADs exceeding the Staffing Cost Limit.

84.1.1.: GROUP A

Objective criteria for inclusion in GROUP A

1.- Clubs/SADs are included in GROUP A if in their Balance Sheet for the last audited financial year, or in the subsequent Interim Financial Statements if they have already been formulated and submitted to a Limited Review Report prepared by an Auditor, meet each and every one of the following conditions:

- a) Equity adjusted in accordance with the provisions of Article 24 of these Rules, in an amount greater than FIFTY PERCENT (50 %) of the Expendable Liabilities minus
- The deferred tax liability arising from the recognition, at whatever time it was made, of the Right of Use (as defined in the Definitions Annex) in favour of the Club/SAD of sports facilities.
 - Claims against other Clubs/SADs and sports entities arising from definitive or temporary transfer operations of players' and coaches' federative rights.
 - Treasury.
 - Equivalent liquid assets.
 - Short-term financial investments.
 - The portion of debts with a maturity of more than 7 years

In addition, the Net Equity must be at least TWENTY FIVE MILLION euros (25.000.000 €) in First Division Clubs/SADs and FOUR MILLION euros (4.000.000 €) in Second Division Clubs/SADs.

- b) An Adjusted Liability (as defined in these Rules in the Definitions Annex) which is less than the result of applying to the Net Turnover Amount estimated - and accepted by the Validation Body for the first Season in which the contribution to increase the Staffing Cost Limit or registration capacity is intended to be computed by the Club/SAD, the coefficient 0.8, and
- c) They do not fall under any of the Groups C or D provided for in this Article.

84.1.2.: GROUP B

Objective criteria for inclusion in GROUP B

Included in this GROUP B are those Clubs/SADs that in their Balance Sheet of the last audited Financial Year or in the subsequent Interim Financial Statements, if they have already been formulated and submitted to a Limited Review report prepared by the auditor, do not meet any of the conditions referred to in letters a) or b) of point 1 regarding the Criteria for Inclusion in Group A and are not included in any of the Groups C or D foreseen in this article.

84.1.3.: GROUP C

Objective criteria for inclusion in GROUP C

1.- Clubs/SAD are included in this Group if they are in any of the following circumstances.



a) An Adjusted Liability (as defined in the Definitions Annex) in the Balance Sheet of the last audited financial year, or in subsequent Interim Financial Statements if already prepared and subject to a Limited Auditor's Review Report, greater than 1.5 times the Net Turnover Amount estimated - and accepted by the Validation Body - for the first Season in which the contribution to increase the Squad Cost Limit or registration capacity is intended to be counted by the Club/SAD.

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b) The corresponding Creditors' Agreement has been approved in a bankruptcy proceeding in which the Club/SAD is involved, and any of the following circumstances apply:

(i) has not paid at least SEVENTY-FIVE (75%) PERCENT of its bankruptcy debts as at the effective date of the contribution, or

(ii) the total amount of bankruptcy debts outstanding as at the closing date of the latest audited Annual Accounts of the Club/SAD or the most recent Interim Financial Statements subject to limited review, exceeds FIFTEEN (15%) PERCENT of the estimated Net Turnover Amount - and accepted by the Validation Body - for the first Season in which the contribution to increase the Squad Cost Limit or registration capacity is intended to be counted by the Club/SAD.

2.- For the purposes of considering a Club to be in Insolvency Proceedings and the concept and amount of the Insolvency Debt, the provisions of article 22.2 of these Rules will apply.

84.1.4.- GROUP D

Objective criteria for inclusion in GROUP D

Included in this Group D are Clubs/SADs subject as debtors in insolvency proceedings in which the corresponding Creditors' Agreement has not yet been approved.

84.2.- Applicable increase on the Squad Cost Limit or the registration capacity for Clubs/SADs exceeding the Squad Cost Limit.

84.2.1.: GROUP A

Clubs/SADs included in GROUP A may increase their Squad Cost Limit or their registration capacity, with the time distribution indicated in section 84.3.1. The following amount is equal to EIGHTY PERCENT (80%) of the computable amount of the Contributions, less 30% of the estimated Cash Deficits that could not be covered by 20% of the amount of the Contributions not intended to increase the Squad Cost Limit or its registration capacity, calculated prior to the registration of the Contributions and the increase of the Squad Cost Limit, and referring to the Season for which the increase is requested.



84.2.2.: GROUP B

Clubs/SADs included in GROUP B may increase their Squad Cost Limit or their registration capacity, with the time distribution as indicated in section 84.3.1. following, by an amount equal to SIXTY-FIVE PERCENT (65%) of the computable amount of the Contributions, less 30% of the estimated cash deficits that could not be covered by 35% of the amount of the contributions not destined to increase the Squad Cost Limit or its registration capacity, calculated prior to the registration of the Contributions and the increase of the Squad Cost Limit or registration capacity, and referring to the Season for which the increase is requested.

84.2.3.: GROUP C

Clubs/SADs included in Group C may increase their Staffing Cost Limit or registration capacity, with the time distribution indicated below, by FIFTY PERCENT (50%) of the difference between:

- a. The computable amount of Eligible Contributions, as a minuend.
- b. And as a subtrahend, the sum of:

(i) the amount of the Eligible Contributions that are already contemplated and foreseen in the Viability Plan underpinning the Creditors' Agreement.

(ii) the amount of the advance payments in favour of insolvency creditors that are payable by them in accordance with the provisions of the Creditors' Agreement or Special Agreement approved precisely as a result of the contribution, and

From the amount resulting from the above calculation, 30% of the estimated cash deficits that could not be covered by 50% of the amount of the contributions not destined to increase the Squad Cost Limit or its registration capacity, calculated prior to the registration of the Contributions and the increase of the Squad Cost Limit, and referring to the Season for which the increase is requested, shall be subtracted.

84.2.4.: GROUP D

Group D Clubs/SADs may not take into consideration or count any contribution to increase their Squad Cost Limit.

84.2.5.: COMMON RULE FOR GROUPS A, B AND C IN CONJUNCTION WITH ARTICLE 93(1).

Insofar as a situation of excess over the Squad Cost Limit requires a reinforced control and, under the principle of proportionality, the



registration capacity increases applicable to the Clubs/SADs in excess shall be calculated by multiplying by 0.85 the amount resulting from the rules contained in the present paragraph 84.2 for the calculation of the increase of the Squad Cost Limit.

In any case, the Available Balance or registration capacity generated by virtue of the provisions of this article may be applied for consumption for the purposes of article 93.1.e), regardless of whether the Club/SAD previously has an Available Balance or sufficient registration capacity to comply with the applications provided for in paragraphs a) to d) of said article 93.1.

84.2.6: COMMON RULE FOR GROUPS A, B and C REGARDING INCREASES IN THE SPORTS SQUAD COST LIMIT OR REGISTRATION CAPACITY FOR CLUBS EXCEEDING THE SPORTS SQUAD COST LIMIT.

The amounts derived from the Contributions that are not applied to obtain a higher Squad Cost Limit or registration capacity, in accordance with the limitations set out in this section 84.2, may be taken into consideration to reduce COVID-19 and other losses, as well as to offset the deductions provided for in Article 101, from seasons prior to T that were pending to be effectively allocated or reduced, in accordance with the rules contained in these Regulations, from the Club/SAD Squad Cost Limit of Season T and subsequent seasons. They may also be taken into consideration to reduce the calculation of the resources to be generated for the purposes of determining the Budget Break Even Point regulated in article 44, in accordance with the rule contained in the COMMON APPLICATION NOTE 6) contained in section 4 of the aforementioned article.

All of the above without prejudice to the penalising consequences that, where appropriate, may arise if it is found that the losses incurred are the result of conduct that could constitute a breach of these Rules, the General Regulations and/or the LALIGA Bylaws.

84.3. Common Provisions applicable to all Groups of Clubs/SADs referred to in the previous paragraphs:

As an additional protection mechanism against a possible situation of future financial imbalance, a temporary distribution of the eligible amount of the contributions is established, in accordance with the rules set out below.

This protection mechanism is justified, under the principle of proportionality, by the multiannual nature of the contractual obligations that could be authorised on the basis of the contributions made, which are by nature exceptional in nature.

84.3.1.- In accordance with the above, as a general rule, the amount resulting from applying the rules established for the different groups of Clubs/SADs in section 84.2. above, will increase the Squad Cost Limit or the registration capacity of the Club/SAD in Season T in which the contribution is registered and in the following TWO (2), T+1 and T+2, distributed in three equal parts.

Likewise, as a special rule, Clubs/SADs may increase the Squad Cost Limit or their registration capacity in equal parts distributed in TWO (2)



consecutive Seasons, T and T+1, provided that they previously submit to the Validation Body all the information necessary to estimate the Squad Cost Limit corresponding to Season T+1, in accordance with the provisions of article 93.8 of these Regulations, proceeding to the registration of players in Season T, provided that there is an Available Balance of the Squad Cost Limit or registration capacity generated, both for Season T and, if applicable, for Season T+1.

Having established the said Squad Cost Limit for Season T+1, including, where applicable, the effect on the same of the Contributions made in favour of the Club/SAD, player registrations shall be authorised in accordance with the general principle of these Regulations, i.e, provided that the Club/SAD has an Available Balance of the Squad Cost Limit for each of the T and T+1 Seasons or, as the case may be, has registration capacity generated at a sufficient level for each of the said seasons in accordance with the provisions of article 100 of these Regulations.

84.3.2.- In any case, it will be necessary for the Validation Body to previously and expressly authorise, from the Season in which the contribution is registered and in each of the following ones, the total amount that can be calculated to increase the Squad Cost Limit or the registration capacity for Clubs/SADs exceeding the said Limit, in accordance with the provisions of this article and without prejudice to the Validation Body being able to apply in each Season - in accordance with the provisions of articles 9.5 and 31.3- the adjustments derived from the analysis of the League Treasury Budget of the same, as established in article 51.3 of these Rules.

84.3.3.3.- For the reasons stated in section 3.1 above, as a special rule, the Clubs/SADs that play in the Second Division in the season in which they intend to make effective the increase of the Squad Cost Limit or of their registration capacity regulated in the preceding articles, and the average duration of the contracts of their registrable Squad does not exceed 1.25 years, may apply these increases in a single season.

84.3.4.- In any case, the provisions of articles 17 and 51 of these Regulations shall apply. In other words, the calculation of the LCPD Available Balance or registration capacity resulting from the application of the provisions of this Chapter Three will require that the Treasury Budget presents a positive balance in the Club/SAD Treasury at the beginning and end of each monthly period of the T Season.

ARTICLE 85. PROVISION FOR DEMOTION.

In the event that at the time of receiving the Contribution a Club/SAD included in Groups A, B or C, it is known that it is going to be relegated from a Sporting Category or that there is a high probability that this circumstance will occur, the Validation Body may - in accordance with the provisions of articles 9.5 and 31.3 - adjust downwards the Net Turnover to be computed for inclusion in one Group or another of those provided for in article 84.

ARTICLE. 86. CASE OF ADJUSTMENT OF THE INCREASE OF THE SQUAD COST LIMIT OR OF THE REGISTRATION CAPACITY BY CONTRIBUTIONS.

1. Clubs/SADs that intend to consider Contributions to increase their



Squad Cost Limit or registration capacity and intend to make, within THREE (3) Seasons following the disbursement of a Contribution, investments in assets other than Players' Rights shall be subject to the provisions of paragraph 2 below in order to be eligible for the provisions of this Chapter.

2. In such cases, the Validation Body shall adjust and determine, in accordance with the provisions of Articles 9.5 and 31.3, the amount that may be allocated to such increase of the Squad Cost Limit or registration capacity, based on the information submitted by the Club/SAD regarding such investments.

Section Five

Half-yearly reporting obligation. Adjustment

ARTICLE 87. HALF-YEARLY REPORTING OBLIGATION. ADJUSTMENT.

1. In order to enable the Validation Body to properly monitor, Clubs/SADs that have been authorised to increase their Squad Cost Limit or registration capacity by virtue of Countable Contributions in accordance with this Chapter Three, must prepare and submit to the Validation Body every six-monthly reports every Season containing all transactions, contracts, legal business and any monetary transaction for any concept and for an amount greater than 0.5% of the Turnover carried out since the date of making the Contributions - that have taken place between the Club/SAD and the Contributors or Related Parties thereto and with any others and/or companies related to the same.
2. The two referred to Half-Yearly Reports for each season shall be submitted on the same dates as the Interim Financial Statements together with the Auditor's Limited Review Report and the Audited Annual Accounts in accordance with the provisions of Book X of the General Regulations and together with the said documents.
3. The Semi-Annual Reports shall be in accordance with the Standard Form MN 20.
4. The Validation Body shall determine, with a maximum of three Seasons and in accordance with paragraph 1 above and Article 9.5, the number of Seasons during which the Club/SAD must prepare and submit such Semi-Annual Reports.
5. If the Validation Body - without prejudice to the powers of verification of this or other LALIGA bodies - concludes from said Semi-Annual Reports that the Contributions have not been effectively made and/or have not been maintained, because they have been reimbursed or compensated directly or indirectly, it shall - in accordance with the provisions of articles 9.5 and 31.3- the corresponding adjustment to the Squad Cost Limit granted to the Club/SAD or to its registration capacity in the Season in which such circumstance has become apparent or in the following ones. All of the above without prejudice to the sanctioning consequences that, if applicable, may be derived from the conclusions of the Validation Body, in accordance with the provisions of article 78bis of the LALIGA Statutes



Section Six

Procedure to apply for consideration of Contributions received by Clubs/SADs to increase the Squad Cost Limit.

ARTICLE 88. PROCEDURE FOR APPLICATION FOR CONSIDERATION OF CONTRIBUTIONS RECEIVED BY CLUBS/ SADs TO INCREASE THE SPORTS SQUAD COST LIMIT OR THE REGISTRATION CAPACITY.

1. Clubs/SADs intending to count Contributions received to increase their Squad Cost Limit or registration capacity shall submit a written request to the Validation Body.
2. The application for an increase in the Squad Cost Limit or registration capacity based on the making of Contributions shall be made by the Club/SAD in accordance with the Standard Form MN 21 with Certification of the Authorised Representative attesting to the effectiveness and the accounting record of the Contributions.

CHAPTER FOUR. INCREASE OF THE SQUAD COST LIMIT BY USE OF ACCUMULATED NET ASSETS

CLUBS/SADS THAT MAY INCREASE THE SPORTS SQUAD COST LIMIT.

1. Clubs/SADs that comply with the Acceptable Economic-Financial Ratios according to the rules set out in articles 22 to 25 and also comply with the financial indicators of Book X, to the extent that such financial position shows a greater solidity in the solvency and sustainability of such Clubs/SADs, may increase the Squad Cost Limit.
2. The maximum amount of the increase of the Squad Cost Limit shall be that which, once such increase has been applied, does not prevent the Club/SAD that decides to increase its Squad Cost Limit from continuing to comply with the referred Acceptable Economic-Financial Ratios as at 30 June T, which shall be obtained by following the process set out in article 24, considering such increase as a higher expenditure for Season T.
3. The Club/SAD seeking the application of an increase in the Squad Cost Limit in accordance with the provisions of this article must make the corresponding request, providing the corresponding estimates and calculations for review and, where appropriate, acceptance by the Validation Body.
4. In any case, the exceptions provided for in these Rules shall be taken into account.
5. For Clubs/SADs playing in the First Division, the application of this Article shall not imply that the amount of the increase in the Squad Cost Limit exceeds TWENTY-FIVE PERCENT (25%) of the Net Turnover.

For Clubs/SADs in the Second Division, the maximum excess allowed will be the higher of the following two amounts:



- a) The aforementioned maximum excess of TWENTY-FIVE PERCENT (25%) of the Net Turnover, with a minimum of FOUR MILLION euros (4.000.000 €).
 - b) An excess such that, together with the effect of a capital increase, if any, its Squad Cost Limit reaches 80% of the Club's/SAD's Net Turnover validated for Season T.
6. The additional registration capacity that this special rule represents over and above the general rule may only derive from the use of Net Assets generated by accumulated positive results, and the limits to this effect derived from capital increases, established in Articles 82 and 84 of these Rules, must be respected.

CHAPTER FIVE: SPECIAL INCREASE CASES FOR SECOND DIVISION CLUBS/SADS

ARTICLE 90. No

ARTICLE 91. ASSUMPTION OF INCREASE OF THE SQUAD COST LIMIT FOR CLUBS/SADS PARTICIPATING IN THE SECOND DIVISION SPORT CATEGORY AND FULFILLING CERTAIN CONDITIONS OF NET PROFITS AND GENERATED RESOURCES.

1. Clubs/SADs that in Season T-1 participate in the Second Division Sport Category and in Season T continue to participate in that Category, may increase their respective Squad Cost Limit for Season T provided that they comply with the following conditions and subject to the limitations set out in paragraph 3 of this Article:
 - a) Obtain in the T-1 Season, according to the estimate carried out by the Validation Body, a Net Profit Net of Taxes for Transfer of Players' Federated Rights whose amount is greater than THIRTY-FIVE PERCENT (35%) of the Net Amount of the Net Turnover estimated by the aforementioned Validation Body for the T-1 Season
 - b) In the event that, in accordance with these Rules, the Budget Break Even Point requires the calculation of the Resources Generated by the Club/SAD (Groups B and C of article 44), the sum of the Resources Generated by the Club/SAD in Season T-1, according to the estimate made by the Validation Body for said Season T-1, is at least THIRTY-FIVE PERCENT (35%) higher than the minimums required by these Rules for the referred Season T-1.
 - c) In the event that, in accordance with these Rules, the Budget Break Even Point is determined in accordance with that set for Group A of article 44, in the event that the Net Profit before Taxes is equal to or greater than zero (0), it will be necessary for said Net Profit before taxes to reach in Season T-1, as estimated by the Validation Body at least THIRTY-FIVE PERCENT (35%) of the Net Turnover for the aforementioned Season T-1, also



- estimated by the Validation Body.
2. The estimates referred to in the previous paragraphs, which in accordance with the provisions of articles 9.5 and 31.3 must be carried out by the Validation Body, shall be based on the information provided by the Club/SAD concerned.
 3. The squad cost limit increase for Season T which may be allocated to a Club/SAD which fulfils the above conditions by the Validation Body in the cases referred to in this Article, shall be a maximum:
 - a) The lesser of the excess over the minimum values calculated in accordance with paragraphs a) and b) of paragraph 1 of this article, in the event that the Budget Break Even Point is determined on the basis of the Resources Generated in accordance with the provisions of these Rules, or
 - b) The lesser of the excesses occurring in the figures referred to in a) and c) of paragraph 1 above, in the event that the determination of the Budget Break Even Point is based on Net Profit.
 4. The Validation Body, in accordance with the functions and powers granted to it by these Regulations, shall review and may - in accordance with the provisions of articles 9.5 and 31.3 - request from the Club/SAD any additional justifications it deems necessary, in addition to being able to adjust at any time the increase in the Squad Cost Limit referred to, depending on and as the estimate of the Profits Net of Taxes for Transfer of Federative Rights or Resources Generated for the Season T-1 may be modified.

CHAPTER SIX: ADVANCE AUTHORISATION OF AN INCREASE IN THE SQUAD COST LIMIT

ARTICLE 92. ADVANCE AUTHORISATION OF AN INCREASE IN THE SQUAD COST LIMIT.

1. In order to contribute to facilitating the economic and sporting planning of the Clubs/SADs, mitigating the risk of a possible situation of future financial imbalance, the Validation Body may exceptionally and in a reasoned manner, authorise an increase in the Available Balance of the Squad Cost Limit in advance of the effectiveness or execution the following cases which are contemplated, respectively, in Chapters One and Three of Title III of these Rules
 - a) Increased revenues or profits of the Club/SAD derived from certain operations that may provide in accordance with these Rules an increase in the Squad Cost Limit.
and/or
 - b) Realisation and execution of Contributions in favour of the Club/SAD in accordance with the provisions of Chapter Three.
Or, by its analogous effect on the Available Balance, in anticipation of the decrease in the Squad Cost.
2. This exceptional authorisation for an early increase in the Squad

Cost Limit may be requested by the Clubs/SADs by complying with the requirements demanded, where applicable, in Title III, adapting them to the characteristics of this early authorisation, and, in addition, as the case may be, accrediting;

- a) The reasonableness and foreseeability to the satisfaction of the Validation Body - in accordance with the provisions of articles 9.5 and 31.3 - of the increase in revenues or profits of the Club/SAD or the decrease in the Squad Cost that is intended to be computed in advance, even if the contractual agreement of the operation that would provide the increase in revenues or profits or the decrease in the Squad Cost has not yet been firmly entered into,
 - b) The firm and unconditional commitment, with the provision of the corresponding documentary justification, of the future effective execution of the Contributions by means of the corresponding agreement or agreement signed between the Club/SAD and the Contributor
3. The reasonableness and foreseeability of the increase in revenues or profits or the decrease in the Squad Cost will be assessed by the Validation Body, which will set a reasoned deadline - until the end of each season (T and/or T+1) for which the anticipated increase is requested - for the contractual agreement of the operation that is expected to provide the increase in revenues or profits or the decrease in the Squad Cost to be signed. What is specified in this section 3 can only be applied provided that the Club/SAD submits to the Validation Body all the information necessary to estimate the Squad Cost Limit corresponding to Season T+1, in accordance with the provisions of article 93.8 of these Regulations, proceeding to the registration of players in Season T, provided that there is an Available Balance with respect to the Squad Cost Limit or registration capacity generated, including the increase anticipated by virtue of the present article 92, both for Season T and, if applicable, for Season T+1.
 4. The Validation Body will also set a reasoned period -until the close of each season (T and/or T+1) for which the anticipated increase is requested- for the Contributions committed by the Related Party to be executed and the corresponding amount paid into the Club/SAD's accounts, with full and unrestricted ownership and availability by the Club/SAD being accredited. In this case of Contributions, their total computation and the temporary imputation of the amount authorised for the purposes of this article will follow the rules of article 84.3.1.
 5. In any case, in order to grant the aforementioned advance authorisation for the Increase in the Squad Cost Limit, guarantees must be provided in favour of LALIGA - for an amount equivalent to the anticipated increase for Season T - which shall be aimed at ensuring compliance with the increase in income or profits, the decrease in the Squad Cost , or the reality and execution of the Contributions, as the case may be, with the scope, extent and duration that, under the principles of fairness and proportionality, is required by the Validation Body and to its full satisfaction. In the case of Clubs/SADs subject to monitoring for two seasons in application of articles 93.8 and 100, the guarantees must reach an amount equivalent to the joint anticipated increase of Seasons T and T+1

All of the above in accordance with the following conditions and rules:

- a) These guarantees shall be provided by the guarantor of the increase in income, profits and/or the decrease in the Squad Cost, or by the Contributor and in no case by the Club/SAD itself, and must be previously and expressly accepted by the Validation Body, if they are sufficient, both in their economic content and in their legal configuration.
- b) The guarantees to be provided must consist exclusively - except for the exceptions set out in section d) - of a deposit in LALIGA's consignment account or a bank guarantee on first demand issued by a credit institution authorised in accordance with Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, as well as the delivery of promissory notes and a pledge - constituted in a public deed and registered in the corresponding register - on securities admitted to official trading on the official market of the Spanish Stock Exchange, supervision and solvency of credit institutions, as well as delivery of promissory notes and pledge -constituted in a public deed and registered in the corresponding register- on transferable securities admitted to official trading on the Spanish capital market, the execution of which shall be governed by Spanish law. In any case, the deposit in LALIGA's consignment account or the bank guarantee on first demand must represent at least FIFTY PERCENT (50%) of the total guarantee provided. The securities pledged shall be valued at EIGHTY PERCENT (80%) of their price on the day of the pledge. The delivery of promissory notes will require the prior and express acceptance of the Validation Body, which will be communicated to the club with reasons, after the appropriate analysis - in accordance with the provisions of article 9.5 - of the solvency of the signatory.
- c) LALIGA, through the Validation Body, may create a register where members or shareholders of Clubs/SADs or third parties that meet the requirements of article 80.1 of these Rules and intend to provide the guarantees referred to in this section 5 may voluntarily register, and in which the data and information accrediting their identification, personality, representation and the economic solvency of the natural or legal persons registered shall be recorded.
- d) However, the above registration shall be a necessary condition for the acceptance, in addition to the security referred to in paragraph b) above, of security in any other form permitted by law, whether personal or in rem, excluding in all cases security over or movable property or rights of any kind, except for those set out in paragraph b) above.
- e) LALIGA may, in the event of default, enforce in whole or in part, as trustee of the Club/SAD, the guarantees provided by the Contributor. The amount obtained from such execution will be retained by LALIGA, as depositary with power of disposal, for the cancellation of third party claims against the Club/SAD, designated by the Club/SAD or by the Validation Body
- f) All costs (expenses, fees, fees, taxes, etc.) for the creation, modification, replacement, execution or cancellation of the guarantees provided shall be borne by the Contributor.



6. For the cancellation of the guarantees provided, the Club/SAD and/or the guarantor and/or Contributor must justify to the Validation Body the achievement of income, benefits or reduction of expenses to which they committed themselves, as well as the reality and/or execution of the Contributions computed in advance. The above provisions are understood to be without prejudice to the sanctioning consequences that, if applicable, may arise from the breach of the obligations assumed, in accordance with the provisions of article 78bis of the LALIGA Bylaws.
7. QUANTITATIVE LIMITS OF THE SQUAD COST LIMIT INCREASES AUTHORISED IN ADVANCE.
 - a) In the event of an Increase in the Limit on the Cost of the Squad Cost as a consequence of an increase in Revenues or Profits regulated in Chapter One of this Title III or a decrease in the Cost of the Squad Cost, under the principle of proportionality of the rule, a limit of FIVE PERCENT (5%) of the total Net Turnover accepted by the Validation Body for the season T is established as a limit.
 - b) In the event of an increase in the Squad Cost Limit due to Contributions, regulated in Chapter Three of this Title III, the same limits set out in letter a) above shall apply. However, in accordance with the principle of proportionality of the rule, in this case, the aforementioned increase limits shall not be applied, and those established in article 84.2 shall be applied when any of the following circumstances apply:
 - (i) If the Contribution is to come from an increase in the SAD's Share Capital, the corresponding corporate resolution must be duly adopted by the competent corporate body or the notice of the corresponding meeting must be published.
 - (ii) That the funds corresponding to the future Contribution are already in the possession of the Club/SAD, deposited in its accounts.
 - (iii) Any other circumstance that is accredited by the Club/SAD and that, entailing at least the same level of security and liquidity as the previous circumstances, allows the Validation Body to assess that the Contribution will effectively take place.
 - c) When the cases of an Increase in the Squad Cost Limit actually occur, the excess, if any, of the increase limits foreseen in sections a) and b) above may be applied to increase the applicable Increase in the Squad Cost Limit.
8. No content.
9. Advance authorisation to increase the squad cost limit shall be formalised by means of an act issued by the Validation Body, following a formal request in accordance with Standard Form MN 22.
10. No content.
11. In the case of clubs exceeding their Squad Cost Limit, the provisions contained in this Article shall be understood as referring to an increase in the registration capacity of players. However, insofar as a situation



of excess over the Squad Cost Limit requires a reinforced control and, under the principle of proportionality, the registration capacity increases applicable to the Clubs/SADs in excess shall be calculated by multiplying by 0.85 the amount resulting from the rules contained in the present article 92 for the calculation of the increase of the Squad Cost Limit. In any case, the Available Balance or registration capacity generated by virtue of the provisions of this article may be applied for consumption for the purposes of article 93.1.e), regardless of whether the Club/SAD previously has sufficient Available Balance or registration capacity to comply with the applications foreseen in paragraphs a) to e) of said article 93.1.

TITLE IV

BUDGETARY CONTROL OVER THE REGISTRATION OF PLAYERS AND COACHES

CHAPTER ONE. GENERAL RULE

Section One General Principle

ARTICLE 93. GENERAL PRINCIPLE SQUAD COST LIMIT FOR REGISTRABLE SQUAD COSTS AND REGISTRATION OF PLAYERS AND COACHES.

1. As a general principle, the Initial Registrable Squad Cost and the Registrable Squad Cost Limit, calculated in accordance with the provisions of article 39 and concordant articles, may not exceed at any time the Registrable Squad Cost Limit of each Club/SAD assigned by the Validation Body, the exception of the special cases expressly set out in these Regulations (by way of example and not exhaustively, articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season)

The Available Balance of the Registrable Squad Cost Limit is the difference - provided it is positive - between the amount of the Registrable Squad Cost Limit in force at any given time and the Registrable Squad Cost at the same time, with the exception mentioned in the previous paragraph.

The Available Balance of the T Season existing at any given time or, as the case may be, that which may be generated during the same, shall be reduced by the amount corresponding to the following cases and in the order of priority set out below, being recalculated cyclically each time said Available Balance is modified

- a) Recovery of the Registrable Squad Cost consumed in Season T-1 or earlier, pursuant to articles 66.5.b), 93.4, 103, 104 and 107.
- b) Reductions provided for in Articles 59(3), 62(6), 82 and 101, as well as the amounts provided for in Article 39(3)(m).
- c) T-Season Squad Cost of Players pending registration, who have been registered in previous seasons or player registration periods under the provisions of Article 93.3.

The outstanding amount of the reductions in sections a), b) and this section c) shall remain pending for regularisation, in whole or in part, in the first season in which there is sufficient Available Balance to do so, indefinitely until it is fully regularised.



- d) Squad Cost for Season T of Players registered during Season T under the provisions of section 1.2. of Circular No. 5 of the 2014/2015 Season.
 - e) Only if there is an Available Balance after the reductions in (a), (b), (c) and (d) above, new players may apply for T-registration or renewal of existing players, in addition to allowing the exception of T-registrations under the special cases mentioned in the first paragraph of this paragraph 1.
 - f) The remaining Available Balance or, as the case may be, that which may be generated, may be applied to recover the Registrable Squad Cost consumed in Season T by virtue of the provisions of articles 66.5.b), 92, 93.4, 103, 104 and 107. The amount pending the reductions of this section f) shall remain pending for regularisation, in whole or in part, in the first season in which there is sufficient Available Balance to do so, indefinitely until its complete regularisation.
2. LALIGA shall not register any Player of a Club/SAD when the available balance of the registrable squad cost limit or the registration capacity authorised by the Validation Body, with the exception mentioned in paragraph 1 of this article, is exceeded when calculating the individual cost of said Player. Without prejudice to the foregoing, registration shall be permitted when it is compulsory by federative regulations and its purpose is exclusively to validate it together with deregistration by transfer without any right of repurchase, or deregistration by transfer
 3. At the request of the Club/SAD, the Validation Body may initially authorise the registration of new players - not renewals - with effects exclusively for part or all of Season T and carrying out the computation of the Registrable Squad Cost only in said Season T, conditioning the extension of said authorisation to Season T+1 and following seasons, to the prior generation of the Available Balance of the Registrable Squad Cost Limit or registration capacity for said Season T+1. This shall require the prior written agreement of the player. If such generation for Season T+1 is not previously verified, the extension of the authorisation will not be authorised and any Squad Cost corresponding to the Player will be considered, where applicable, as an unauthorised excess.

This authorisation may only be requested for a maximum of three players per season, of which no more than one by transfer or transfer with option to purchase or conditional purchase qualified as highly likely to happen according to the criteria of this rule, unless the price of acquisition or of the aforementioned option to purchase, including the intermediation fees not subject to condition, does not exceed ONE AND A HALF PERCENT (1.5%) of the Turnover validated by the Validation Body for Season T. Players who, having belonged to the Non-Registrable Squad of the same Club/SAD for at least the last two years, will not be counted towards the aforementioned maximum of three players if said Club/SAD requests their registration. Players registered under the provisions of this paragraph 3 shall be subject to the rules on variation of remuneration in article 41, paragraphs 3 and 5 and 31.9.c), for both First and Second Division Clubs/SADs.

4. All Clubs/SADs, regardless of whether or not they have an Available Balance or registration capacity at the beginning of Season T, may be adjusted by subtracting, from the Total

Registrable Squad Cost corresponding to that Season that has been considered in Annex VI, that corresponding to the Technical Staff in case it has already been considered in that Annex.

Notwithstanding the above, if during the whole of Season T the Club/SAD does not carry out the necessary operations to be able to obtain Available Balance or registration capacity in said season in such a way as to be able to compute the cost of the aforementioned Technical Staff as part of its Registrable Squad Cost in the aforementioned season, in order to counteract, under the principle of proportionality, the effects of difficult quantification that could put the Budgetary Balance at risk, the said cost will be computed increased by 20% in the Registrable Squad Cost of the season T+1.

The provisions of the two preceding paragraphs shall apply, adapting the references to the registration, calculation and absorption of the Cost Season T to Season T+1.

5. The provisions of Article 39.12 of these Rules shall apply in any case.
6. When the Available Balance of the Registrable Squad Cost Limit is less than 5% of the Net Turnover, for the purpose of calculating the respective individual Costs of the new players to be registered, under the principle of proportionality of the rule, the rules of article 100.2, 100.3 and 100.6 of these Regulations shall apply.
7. In addition to the above and under the principle of proportionality of the rule - except for Clubs/SADs that comply with the Acceptable Economic-Financial Ratios defined in the present Rules, to the extent that such financial position shows a greater solidity in the solvency and sustainability of such Clubs/SADs - the registration of a Player or Coach will require, in the event of at least one of the following two circumstances - due to its greater exposure to a possible future financial imbalance situation - the preparation by the Club/SAD of a Treasury Plan for the T, T+1 and T+2 seasons according to the format to be established by the Validation Body, which will subsequently require validation by the Validation Body:

a.- That in the T-1 season and/or in the T season the Club/SAD has registered or plans to register "non-recurring" operations that generate income that affect the calculation of its Squad Cost Limit or its registration capacity.

For these purposes, non-recurring operations shall be considered to be those that are exceptional and unusual for a specific Club/SAD. By way of example and without limitation, the following shall be considered non-recurring operations:

- Transactions corresponding to the assignment or transfer of assets or rights of the Club/SAD, except for Players' Federative Rights, and due to their nature and structure generate an exceptional or non-recurring result in T-1 and/or T, for a minimum total amount exceeding 10% of the Net Turnover of T, calculated in accordance with the rules contained in article 31.9.i. or TWENTY MILLION EURO (20.000.000 €), whichever is greater, for Clubs/SADs playing in the First Division in T.

The aforementioned minimum total amount of TWENTY MILLION Euros (20.000.000 €) is set at TWO MILLION Euros (2.000.000 €) for Clubs/SADs playing in Second Division in T

- Player transfer transactions which, in aggregate for any of the T-1 and/or T seasons, entail profits exceeding the average of the previous three seasons, provided that such excess exceeds 10% of the Net Turnover of T, calculated according to the rules contained in article 31.9.i. or FIFTEEN MILLION Euros (€15,000,000), whichever is lower, for Clubs/SADs playing in the First Division in T. The aforementioned minimum total amount of FIFTEEN MILLION Euros (15.000.000 €), is set at TWO MILLION Euros (2.000.000 €) for Clubs/SADs playing in Second Division in T.
- Participation in a competition that the Club/SAD has not played in the previous three seasons

Notwithstanding the above, at the request of the Club/SAD, in accordance with the provisions of Articles 9.5 and 31.3, the Validation Body may exempt from the obligation to submit the Plan in case of calculating the Squad Cost Limit of T by excluding from its computation the incremental effect of non-recurring operations above the thresholds set out in this subsection a). The exemption shall also apply to the amounts of these transactions that have been used for loss relief as referred to in Article 31(9)(i).

b.- That the Club/SAD plays in the Second Division in T and has played in the First Division in T-1.

The hypotheses and rules necessary for the validation of the Treasury Plan will be established and justified on an individual basis, and communicated to the Club/SAD by the Validation Body, being in any case an indispensable requirement that said Plan reflects a positive Treasury balance at the beginning and end of each of the seasons T, T+1 and T+2, the latter two in both the First and Second Division. This balance will be estimated considering the financing capacity of the Club/SAD according to its historical data, the situation and forecasts on the financial markets in the seasons covered by the Plan and other objective criteria that - in accordance with the provisions of articles 9.5 and 31.3 - the Validation Body considers relevant. Furthermore, said Plan will include the obligation on the part of the Club/SAD to comply, on dates set by the Validation Body, with certain financial indicators, and in particular in relation to the specific level of net debt measured in absolute value in euros and the relative evolution of said magnitude, in accordance with the concept of indebtedness as defined in these Rules. The purpose of this is to ensure that the Club/SAD's indebtedness does not exceed that which is estimated to correspond to the alternative scenario without the non-recurring operations or, as the case may be, in the event that relegation would not have occurred

Acceptable Economic-Financial Ratios, insofar as such financial position shows a greater solidity in the solvency and sustainability of such Clubs/SADs - that fall under certain assumptions

8.1. This paragraph 8 is applicable, due to their greater exposure to a possible situation of future financial imbalance and under the principle of proportionality of the rule, to Clubs/SADs that are in one of the following situations:

- a) Clubs/SADs that have a Net Assets, adjusted in accordance with article 24, of negative sign as of 31 December T-1 or that, accordance with articles 9.5 and 31.3, in the opinion of the Validation Body, are estimated to be negative as of 30 June T-1.
- b) Clubs/SADs requesting the application of the special rule on the increase of LCPD due to loss of income derived from stadium renovations, regulated in article 31.11.
- c) Clubs/SADs requesting the application of the exemption from the rules on salary increases provided for in article 41.3.
- d) Clubs requesting the application of the special rule of early increase of the LCPD of T+1 provided for in the Common Note to Article 44(7).
- e) Clubs/SADs requesting the application of the special rule on the distribution of the computable amount of contributions from shareholders or third parties over two seasons, for the purposes of increasing the LCPD, regulated in article 84.3.1.
- f) Clubs/SADs requesting the application of the special rule of early authorisation of an increase in the LCPD due to an increase in income or profits, regulated in article 92.1.a).
- g) Clubs/SADs subject to the obligation to submit the Treasury Plan regulated in paragraph 7 of this article.
- h) Clubs/SADs requesting the application of the special rule on the registration of Players in Season T+1, based on the estimate of positive Available Balance in that season, regulated in article 100.2.6.
- i) Clubs/SADs requesting the application of the special rule on the neutralisation of expenditure on depreciation of sports facilities for the purposes of calculating the LCPD, regulated in the Annex of Valuation Rules and Criteria, 7.1.

8.2. For Clubs/SADs within the scope of application of paragraph 1, in addition to complying with the general requirements of this article, the registrations of new Players (not renewals) requested for season T shall only be authorised once the squad cost limit registrable for season T+1 has been assigned by the Validation Body.

The provisions of this sub-section 8.2 shall also apply to any Club/SAD when the registrable squad cost for T+1 arising from new Player registrations (not renewals) requested after the close of the summer Player registration period reaches 5% of the Club/SAD Turnover accepted by the Validation

Body for the season T or TWENTY MILLION Euros (20.000.000 €), whichever is less.

- 8.3. Notwithstanding what is referred to in paragraph 2, if the time of the Club/SAD's request for registration is prior to the end of the deadlines set in these Rules for the allocation of the Squad Cost Limit for the season T+1, the Validation Body shall provisionally and for the sole purposes of this article, make an advance estimate of said LCPD, without this affecting in any way the procedure for the allocation of LCPD provided for in these Rules nor generating the creation or expectation of any right for the Club/SAD.
- 8.4. The provisional advance estimate of the Squad Cost Limit for Season T+1 referred to in the previous section shall be consistent with the budgeting rules and criteria set out in these Regulations.

For these purposes, the figures and assumptions of the budgets submitted by the Club/SAD and accepted by the Validation Body for season T may be accepted as valid on a preliminary basis, and then proceed to validate and, where appropriate, update these figures and assumptions - in accordance with the provisions of articles 9.5 and 31.3 - according to the information available and the most reliable forecasts at the date of the T+1 Limit estimate, as well as with the following particular rules:

- a) CPD: the Non-Registrable Squad Cost of T+1 shall be considered as that which has been validated by the Validation Body for the season T.
 - b) Revenues from European Competitions:
 - If the Club/SAD does not participate in T in any European Competition, but has done so in at least three of the four seasons immediately preceding T, the assumption shall be to budget for T+1 the lowest income obtained in any of these participations multiplied by a coefficient of 0.65.
 - If the Club/SAD participates in T in any European Competition, the assumption will be to budget for T+1 the same income as in T.
 - c) Net Turnover:
 - a. Clubs/SADs playing in Second Division in Season T, will budget for T+1 the INCN of T.
 - b. Clubs/SADs promoted to the First Division in Season T: if the Club/SAD has been promoted to the Second Division in at least three of the five seasons immediately preceding T, the assumption shall be to budget for T+1 an INCN equal to 0.65 of the INCN of T
- 8.5. Once the provisional early estimate of the Club/SAD's Squad Cost Limit for the Season T+1 has been made, registrations of Players and Coaches will only be made, provided that the applicant Club/SAD has an available balance of the Squad



Cost Limit for the Season T+1, and is not more than 10% over its estimated early estimate of the Squad Cost Limit for the Season T+1, and in addition is not more than 10% over its Registered Squad Cost Limit estimated in advance for the season T+1, with the exception of Clubs/SADs promoted to the First Division in T that have played in the Second Division in at least three of the five seasons immediately prior to T, which for these purposes may not be over their LCPD estimated for T+1.

In the event of not complying with the provisions of the previous paragraph with respect to Season T+1, in order to make the aforementioned registrations, the Club/SAD, in addition to having an Available Balance Limit for Season T, must have sufficient registration capacity for Season T+1, generated in accordance with the provisions of article 100 of these Rules.

In order to determine whether or not a Club/SAD is in excess of its early estimated registrable Squad Cost Limit for Season T+1, and if so, the amount of such excess, the early estimated registrable Squad Cost Limit shall be compared to the Total Contractually Committed Total Registered Squad Cost for Season T+1.

9. For the purposes of the application of the provisions contained in this Article in relation to the authorisation of registration of players, the following principles and rules shall apply:
 - 9.1. The treatment of contracts, irrespective of their form, will take account of their substance under the principle of neutrality of the rule.
 - 9.2. The duration of contracts shall be considered to be that which is agreed with a fixed or determinate date, with the Validation Body being responsible - in accordance with the provisions of Article 9.5 - for considering as fixed or conditional the extension that is agreed as conditional on future events.
 - 9.3. In relation to the Cost corresponding to the season(s) of conditional extension, the rules on increases in remuneration of article 41, paragraphs 3 and 5 - provided that the Club/SAD applying for the registration authorisation is subject to the application of article 93.8 and/or article 100 - as well as the rule of article 31.9.c for both First and Second Division Clubs/SADs shall apply.
 - 9.4. In the case of registrations made under the provisions of paragraph 3 of this Article, the rules set out in paragraph 1 of this Article shall prevail over those of subsection 9.6 below for each season of duration and extension of the contract.
 - 9.5. The initial authorisation for the purposes of Economic Control of the registration of contracts with early termination clauses conditional on future events shall in no case be effective for the corresponding season(s) in the event that such early termination does not materialise, and the corresponding treatment shall therefore be applied according to the rules of sub-section 9.6 below, without prejudice to the penalising consequences which, where applicable, may derive from the possible excess of unauthorised Squad Cost.
 - 9.6. Rule applicable to employment contracts with a fixed



minimum initial duration but with a conditional automatic renewal clause or a conditional transfer with option to buy or conditional purchase. In the event that the extension of the contract beyond the minimum duration date materialises, the authorisation of its registration for the conditional extension period will require the Club/SAD to have an Available Balance or registration capacity, in accordance with the rules set out in paragraph 1 of this article.

ARTICLE 94. SPECIAL RULES ON RENEWAL OF PLAYERS (NOT COACHING STAFF)

1. This Article 94 applies only to Players, not to the Coaching Staff, except as provided for in paragraph 6 of this Article. In cases of contractual renewal of a Player during the Season, as a general rule, the registration of this Player shall only be accepted by the contracting Club/SAD once the registrable squad cost limit for the following Season has been allocated by the Validation Body.
2. If the Player is already under contract for the following Season(s), as a general rule, the Player will not be accepted for registration for such contract renewal until the Club/SAD receives the allocation of the Squad Cost Limit by the Validation Body for the following Season, and has sufficient balance not to exceed the allocated Squad Cost Limit.
3. As an additional requirement to the rules in sections 1 and 2 above, due to its greater exposure to a possible future financial imbalance situation, the registration of the referred Player's renewal shall not be authorised, even if the same does not imply an increase in Cost either in the Season during which such registration is requested or in the following Season, in cases where the requesting Club/SAD is in excess of its Squad Cost Limit by more than 20% of Net Turnover, if such renewal implies that the contract is extended and/or affects the consideration to be received by the Player in seasons in which the Club/SAD making such renewal is not being monitored in accordance with articles 93.8 and/or 100, all of the provisions of paragraphs 1, 2 and 3 of this Article shall apply except for the provisions of Article 103.
4. The provisions of this article shall not apply to Clubs/SADs that present Acceptable Economic-Financial Ratios in accordance with the provisions of articles 22 and following of these Rules, insofar as such financial position shows a greater solidity in the solvency and sustainability of such Clubs/SADs, unless the Validation Body has reliable information according to which it can be foreseen that said Club/SAD will cease to comply with said ratios at the end of the season in which a contractual renewal takes place in the terms referred to in the previous sections.
5. Notwithstanding this general rule, exceptionally and subject to the limitations set out in section 3 above, the Validation Body may authorise the registration of such renewal if the Club/SAD presents sufficient available balance estimated for Season T+1 in accordance with the rules set out in article 93.8.
6. In no case shall a reduction in the Squad Cost for Season T that affects any of the elements that make up the said Cost, in accordance with the rules established in Title II, Chapter Three, Section Three, of these Regulations in relation to the determination of the said Cost, be counted as a reduction in the Squad Cost



derived from contractual renewal, with or without an extension of the duration of the contract, for the amount of the reductions in the Player's or Coach's compensation that are greater than 10% of what the Player or Coach had prior to the said renewal and that affect the seasons in which the Club/SAD renewing said Player or Coach is subject to monitoring in accordance with the provisions of articles 93.8 and/or 100. Furthermore, in order to accept such reductions in the Squad Cost, the sum of the total remuneration corresponding to the new contract term may not be less than that which corresponded to the total outstanding contract term, prior to such renewal.

Section Two

Initial squad cost

ARTICLE 95. OBLIGATION TO REPORT THE ACTUAL SQUAD COST FOR THE T-1 SEASON. OTHER OBLIGATIONS

1. Clubs/SADs shall submit to the Validation Body by a deadline starting on 1 July and ending on 10 July of Season T a summary table, according to Standard Form MN 23, stating the Actual Squad Cost incurred during Season T-1 in accordance with the provisions of article 39. The Standard Form 23 shall be verified by the Club/SAD Auditor in an Agreed Procedures Report by 30 November.
2. Clubs/SADs that are going to participate in Season T in the Second Division and have been in the non-professional category in Season T-1, will have the obligation to notify the totality of the contracts in force with the Players and Technicians (Licences E1, E2 and PF) that the Club/SAD has signed for the Season in which they are going to compete in the Second Division, during the first 10 days of the month of July.

Until said notification has been made and said contracts have been incorporated into the Club/SAD's Standard Model MN 23, no validation of any procedure will be carried out at the request of the Club/SAD concerned by LALIGA's Economic Control. To this end, the aforementioned Clubs/SADs must submit to LALIGA a certificate issued by the Royal Spanish Football Federation that includes a list of the Players with a valid contract on 30 June of the Season T-1 or on 1 July of the Season.

3. All Clubs/SADs shall be obliged to regularise the situation of the Players with whom they have a contract in force at the beginning of the Season, T and whose Federative Rights have been temporarily ceded the previous Season and who must rejoin the Club/SAD, during the first 10 days of the month of July. these procedures are updated and incorporated into the Club/SAD's Standard Model MN23, no new procedure will be validated by LALIGA Economic Control at the request of the Club/SAD concerned.
4. The aforementioned Standard Form MN 23 must be signed by the legal representative of the Club/SAD.
5. This Standard Form MN 23 shall include information on:
 - a) The Registrable Squad Cost to be provided by Cost Item and individually and nominally for each Player and Coach)



comprising the said Squad.

- b) The Cost of the Non-Registrable Squad Cost, which shall be provided exclusively for Cost items.
6. In the information referring to the Registrable Squad Cost, the Net Book Value of the corresponding Players' (and, if applicable, Coaches') Individualised and Nominal Net Book Value of the corresponding Players' (and, if applicable, Coaches') Federative Rights that have formed part of the said Squad shall also be provided.

The amounts shall be reconciled with the total Total Squad Cost as shown in the estimated Profit and Loss Account for the T-1 Season submitted by the Club/SAD in accordance with these Rules.

7. The percentage that variable remuneration represents with respect to the total fixed remuneration shall be determined within the Cost of the registrable squad cost, which shall be known as the "percentage of variables". For the calculation of the "percentage of variables", the amount of the concepts included under the heading "Other Remuneration" shall be taken into account as variable remuneration.
8. In addition, in the same format and as part of the aforementioned Standard Form MN 23, the same information referred to in the previous sections shall be presented with the following adjustments:
 - a) Players and Coaches of the registrable squad whose employment contracts have expired on 30 June T-1 shall not be included.
 - b) The Expected Cost for the T-Season of Players and Technicians whose employment contracts have not expired by 30 June T-1 shall be updated.
 - c) In the variable remuneration column, the result of applying to the fixed remuneration the "variable percentage" calculated in accordance with section 7, and on an individual basis for each member of the Registrable Staff, shall be included.
 - d) Projected Collective Premiums will be added according to the assumptions of the League Budget of Income and Expenditure for the T Season.
9. With regard to the updates of the depreciations of the members of the registrable squad for Season T, possible variable amounts correlated with budgeted revenues for Season T should be taken into account.

ARTICLE 96. INITIAL COST OF REGISTRABLE SQUAD COST FOR SEASON T.

The result of applying to the actual Squad Cost obtained in accordance with the provisions of paragraphs 3 to 7 and appropriate adjustments in accordance with paragraphs 8 and 9 of Article 95 shall constitute the Initial Registrable Squad Cost for the T Season.

ARTICLE 97. RESPONSIBLE DECLARATION BY THE CLUB/SAD ON THE NON-EXISTENCE OF PAYMENTS, RETRIBUTIONS OR COMPENSATIONS



PAID BY THIRD PARTIES TO PLAYERS AND COACHES.

1. Clubs/SADs must accompany and submit within 10 days of the end of the summer Player registration period (until 10 September) a Responsible Declaration in which they must state whether or not they are aware, or are otherwise aware, that the Players and Coaches whose Cost which forms part of the registrable squad cost, have received, are receiving or will receive any consideration paid or committed by third parties that could be considered as running costs of any nature in the Club/SAD where they are registered.
2. Compensation or remuneration that may be received from the transferor Club/SAD in the case of Players and Coaches whose Federative Rights are temporarily transferred to another Club/SAD is not included in the previous section
3. The Responsible Declaration referred to in this article shall be formulated on Standard Form MN 25.1 or 25.2, as appropriate.

Section Three

Update of the Initial Squad Cost of a registrable squad cost

ARTICLE 98. UPDATING OF REGISTRABLE SQUAD COST.

1. The Initial Cost of the Registrable Squad Cost for Season T calculated in accordance with the provisions of Article 95 shall be updated in accordance with the increases or decreases that occur in the different items that make up the Registrable Squad Cost in accordance, by way of example and without limitation, with Article 39.
2. Consequently, the following items shall be charged to the registrable squad cost by their respective sign;
 - a) The individual cost of each of the Players and Coaches to be registrable in LALIGA,
 - b) The cost of the expenses and income generated by the temporary transfer of the Players' and Coaches' Federative Rights.
 - c) Variations in the Initial Registrable Squad Cost resulting from contractual modifications agreed with Players and/or Coaches, as well as costs resulting from the termination for any reason of the term of Players' and Coaches' employment contracts, and
 - d) In general, variations in the amount of any of the concepts that make up the registrable squad cost in accordance with the provisions of the aforementioned article 39 and concordant articles,
3. In the event of Players and Coaches leaving the Club as a result of the definitive transfer of their Federative Rights or on temporary loan, the following rules shall be applied for the updating of the registrable squad cost:
 - a) The amount that, where applicable and as agreed with the transferring Club/SAD, the Club/SAD that has transferred or assigned the Player's Federative Rights shall remain as a Registrable Squad Cost.



- b) The registrable squad cost shall be reduced by the percentage of variables that correspond to the Player or Coach.
4. For the aforementioned purposes, in order to cancel the Cost of a registered Player or Coach, the Transfer contract of his Federative Rights - definitive or by temporary transfer - or the corresponding document of contractual termination must be presented to the Validation Body.
5. After the end of the Summer Players' Registration Period, and in accordance with the rules set out in article 95, the registrable Squad Cost for each Club/SAD shall be updated and shall be set and communicated by the Validation Body.

Section Four

General Budgetary Control Procedure for Players' Registration

ARTICLE 99. GENERAL PROCEDURE FOR THE REGISTRATION OF PLAYERS FOR BUDGETARY CONTROL PURPOSES.

1. The provisions of this Section for the purposes of these Rules are without prejudice to the requirements, deadlines and procedures applicable under current legislation and regulations for the registration of Players and Coaches with LALIGA.
2. The registration of new Players or contractual modifications of those already registered by Clubs/SADs, with an Available Balance within the Squad Cost Limit, registration capacity or any of the special cases expressly set out in these Regulations (including but not limited to articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season) requires the prior fulfilment of the following requirements
 - a) That the League Budgets for Season T of the Club/SAD have been accepted and validated by the Validation Body. For clarification purposes, and in accordance with the provisions of articles 9, 31, 44 and concordant articles of these Standards, the League Budgets must be prepared for the entire consolidated Group, consolidation perimeter and, where applicable, provide the additional information required in accordance with the rules contained in these Standards, and applying exclusively the Spanish General Accounting Plan as a supplementary standard.
 - b) All the information referred to in Articles 95 to 98 has been provided.
 - c) That the Club/SAD provides, through the use of the LALIGA Manager software tool, all the information on the annual cost of the Player to be registrable or whose contract has been modified. It shall be the sole responsibility of the Club/SAD to correctly complete this information obligation through this IT tool, in accordance with its User Manual and any additional instructions issued by the Validation Body.
3. The individual variable remuneration of the Player shall be determined by applying to his fixed remuneration and, if applicable, to the price of the transfer of his image rights by the holding company the "variable percentage" of the Club/SAD, regardless of the variable remuneration agreed between the Club/SAD and the Player in his employment contract and, if



applicable, in the image rights transfer contract concluded with the image rights holding company. This minimum shall be referred to as "automatic variable". The same shall apply in the case of hiring, or renewal and termination of contracts for Coach, Assistant Coach and/or Physical Trainer.

4. In addition, the transferor and transferee Clubs/SADs shall report the details of the income and expenses, respectively, generated by the Temporary Player Transfers that are signed.

CHAPTER TWO. SPECIAL RULES

Section One

Special rules on Total Cost

ARTICLE 100. SPECIAL RULE FOR CLUBS/SADS EXCEEDING THE COST LIMIT FOR THE INSCRIPTABLE SPORTS SQUAD COSTS WHICH MEET CERTAIN CONDITIONS.

1. GENERAL PROVISION:

A Club/SAD is considered to be in a situation of excess of the Squad Cost Limit when subtracting the Registrable Squad Cost from the allocated Registrable Squad Cost Limit gives a negative result. For these purposes, the amount equivalent to the Registrable Squad Cost consumed by the club/SAD under one of the special cases expressly set out in these Rules shall be excluded (by way of example and not exhaustive, articles 66.5.b), 92, 93.4, 100, 101.1, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season), provided that said cost corresponds to clauses, agreements or contracts previously and expressly authorised by the Validation Body

Clubs/SADs that are unable to register Players due to the excess situation described in the previous paragraph, may nevertheless register new Players (or incur higher Costs for those already registered) long as the sum of their respective individual Costs for each of the T and T+1 Seasons does not exceed:

FIFTY PERCENT (50%) of the decrease of the registrable squad cost, for each of the said T and T+1 Seasons, corresponding to the Players already registered whose contractual relationship is modified, suspended or terminated in the T or T+1 Season.

In addition, the percentage of the Net Profit from the Transfer of Players that, where applicable, is approved for each season. For clarification purposes, for the purposes of the application of this article, a decrease in the Cost of the Registrable Squad shall be considered to be that which affects any of the elements that make up said Cost, in accordance with the rules established in Title II, Chapter Three, Section Three, of these Regulations in relation to the determination of said Cost.

In the case of a decrease in the Cost of players whose individual Registrable Squad Cost foreseen for T and computed as part of the initial Club/SAD's Registrable Squad Cost, in accordance with the provisions of article 96 of these Regulations, is at least 5% of the total of said initial Club/SAD's Squad Cost, the percentages referred to in



this section shall be increased to 60% of the decrease in the Registrable Squad Cost and to the percentage that, if applicable, is approved for each season in terms of the Net Profit for Player Transfers, provided that the new contracts have been formalised before the close of the summer player registration period.

The amount resulting from applying the percentages indicated above to the sum of the decrease in the registrable squad cost and the Net Profit obtained from the transfer of players, which in accordance with the provisions of this article allows for new registrations in favour of the Club/SAD in excess, is called "registration capacity generated".

In no case, due to the application of the provisions of this section, may a Club/SAD be in excess of the amount it was on 1 July T

2. SPECIAL PROVISIONS:

2.1.- The registration capacity generated in T, due to the decrease in the Registrable Squad Cost of the said T Season, as well as that generated by the realisation of Net Profits from the Transfer of Players, for the purposes of the application of this article, may be used by the Club/SAD, at its choice, to register new Players (or incur a higher Cost for those already registered) in the T and/or T+1 season. For its use in T+1, it shall be a requirement that the Club/SAD is in excess of the registrable Squad Cost Limit on 1 July T+1, without prejudice to the application of the special rule contained in paragraph 5 of this article.

2.2.- All references to Season T contained in this article are understood to be made to the season of allocation of transfer operations chosen by the Club/SAD pursuant to the provisions of article 67.2.

Under no circumstances may the registration capacity generated for a given season be increased by a change in the hypotheses used to draw up the League Budgets that affects, in the application of this article, the calculation of the Squad Cost already validated by the Validation Body.

This rule is applicable to quantify both the decrease in the Squad Cost and the Squad Cost of contract renewals and the registration of new players as a consequence of such decreases in Squad Cost.

2.4.-The decrease in Registrable Squad Cost materialised by agreements formalised in T, shall be computed independently for each season, T and/or T+1, and shall only generate registration capacity, in accordance with the rules contained in this article, in the same season, T and/or T+1, to which the decrease materialised in T corresponds, and said registration capacity may be used in the registration of players with contracts whose duration exceeds T+1.

In no case shall a cost decrease materialised in T generate registration capacity that is already pre-authorized for use in registrations in seasons after T+1.

2.5.- With regard to the provision made in section 1 above, and exclusively for the case of Players who already have a contractual relationship in force with the Club/SAD in T-1, and whose contractual relationship is modified in accordance with that referred to in said section, the Validation Body shall have the power to approve that the reduction of the registrable squad cost be referred to the T-1 and T

seasons, instead of the T and T+1 seasons.

The exercise of this power must be justified by the Validation Body on a case-by-case basis, according to the circumstances in which such modifications are made, such as, but not limited to, the following:

- The new economic conditions agreed for each season of the modified contract with respect to the initial situation.
- The need or not to make such a modification in the T-1 season.
- The main purpose of the amendments, which cannot be to make a profit in the application of this Standard.
- Lack of utilisation of registration capacity generated during the season.
- Economic materiality of the operation in connection with the previous point.
- The relative level of the balance exceeded in the T-1 season and/or T-season.

2.6.- For the registration of new players that imply an increase in the Squad Cost Limit for Season T+1, it will not be required that there be a decrease in the registrable Squad Cost Limit for said Season, provided that the Validation Body, at the request of the Club/SAD, makes a provisional estimate of the Squad Cost Limit, in accordance with the provisions of article 93.8 of these Regulations, and it is clear from said estimate that the Club/SAD will have an Available Balance of the Squad Cost Limit in said Season T+1, taking into account the Squad Cost committed by contracts at the time of requesting the application of this special rule, in addition to the Cost of the registrations themselves that are the object of said request.

2.7.- Without prejudice to the special rule contained in the previous section 2.6, as a general rule of the present article 100, insofar as the same applies to Clubs/SADs that are in a situation of excess over the registrable Squad Cost Limit, as defined in section 1 of this article, due to their greater exposure to a possible situation of future financial imbalance, the hypotheses used to draw up the League Income and Expenditure Budget regulated in these Regulations must be consistent with those used in previous seasons, and changes in criteria with respect to those seasons whose fundamental consequence is an increase in the calculation of the aforementioned excess will not be accepted.

The same rule established in the previous paragraph shall be applied to quantify the decrease in the registrable squad cost of T+1 that generates registrable capacity for that Season, insofar as the estimated squad cost for T+1 may vary according to the revenue assumptions made for that Season (e.g. accrual of greater or lesser financial obligations depending on whether or not to participate in a given European Competition).

In particular, it is specified that, with regard to the hypotheses used to determine the European Competition that the Club/SAD intends to play in the Season T+1 and the sporting performance to be achieved in the same, these will be established taking into account the historical participation data referring to the Seasons T-2, T-1 and the T itself and observing the criteria applied by the Club/SAD for these seasons

according to this rule.

3. RULES APPLICABLE TO DECREASES IN REGISTRABLE SQUAD COST TO GENERATE REGISTRATION CAPACITY:

3.1. - For the purposes of calculating the reduction in Cost generated in each of the seasons T and subsequent seasons by a specific player due to a contractual modification, insofar as this article applies to Clubs/SADs that are in a situation of excess over the Registrable Squad Cost Limit, due to their greater exposure to a possible situation of future financial imbalance, the rules on variation of remuneration in article 41, sections 3 and 5 and 31 shall apply.9.c), for both First and Second Division Clubs/SADs.

3.2.- Under no circumstances shall contractual modifications that include clauses or contractual relations of any nature, the effect of which is that the player is guaranteed in some way the receipt of the amounts on which a reduction in the individual Squad Cost for that Season has been agreed, be counted as a reduction in the Squad Cost for that Season.

By way of example and not exhaustively, this type of clause includes those clauses that grant the Club/SAD or the player the unilateral capacity to modify the remuneration fixed in the contract that binds them.

3.3.- In the event of a quantitative difference between the cost reduction initially estimated and used for the generation of registration capacity and the reduction actually materialised for a given season, this difference shall be corrected.

This correction shall be made, increasing or reducing the initial calculation of the reduction in Cost for the purposes of the application of this article, in the first Season in which, once the difference has been detected, there is available balance of registration capacity to make the said correction. The same procedure shall apply in the event that, for a given season, a quantitative difference is detected in the Cost of a new registration of a player or in that of a contractual modification already computed within the Cost of the Squad.

In the case of contractual modifications, only the decrease in Cost for a given season shall be counted as a decrease in Cost for a given season, provided that the modification is dated at least six months after the date of the contract or last contractual modification of the Player in question.

A reduction in amortisation resulting from a contractual modification that extends the duration of a contract beyond the date on which the Player concerned reaches the age of 35 shall not be counted as a reduction in Cost for a given season. By way of exception, the Validating Body may authorise such a reduction to be counted only in cases where the contract is extended for a maximum of two additional seasons beyond T and the Player has played at least 20 official matches (at least 45 minutes per match) in T-1 with the same Club/SAD as in T.

3.6.- In cases of temporary transfer with a conditional purchase clause in favour of the transferor club, the registration capacity generated by

the transferor club shall be calculated in accordance with the analysis provided for in article 39.3.j), for the purposes of considering the amounts of the operation as a lower Cost of the Squad or as a Benefit from the Transfer of Players. In the event that the analysis carried out, in accordance with the aforementioned article 39.3.j), computes the operation as if the conditional purchase of federative rights had been carried out, the corresponding income from the transfer shall not exceed THIRTY PERCENT (30%) of the sum of the amounts agreed for the temporary transfer and the definitive transfer price of the federative rights

3a. - RULE APPLICABLE FOR THE CALCULATION OF THE REGISTRABLE SQUAD COST OF NEW PLAYERS TO BE REGISTERED:

For the purposes of calculating the respective individual costs of the new players to be registered for a given season, insofar as this article applies to Clubs/SADs that are in a situation in excess of the registrable squad cost limit, due to their greater exposure to a possible situation of future financial imbalance, the rules on salary increases in article 41, paragraphs 3 and 5 and 31 shall apply. 9.c, for both First and Second Division Clubs/SADs, including players to be registrable under other special cases expressly included in these Regulations (by way of example and not exhaustive, articles 66.5.b), 92, 93.4, 100, 101.1, 102, 103, 104, 107 and section 1.2. of Circular no. 5 of the 2014/2015 Season).

4.- The rules by virtue of which the Available Balance of the Squad Cost Limit is reduced, contained in article 93.1, will be applicable to the Clubs/SADs that are in excess, applying, in the same order of priority, the reduction on the registration capacity as they generate it, in the first Season in which there is registration capacity generated and not used, to compensate said reduction totally or partially, all without prejudice to that established in article 92.11.

The generation of capacity to compensate for this reduction shall be done according to the rules set out in this article, i.e. as a percentage of the decrease in Squad Cost and/or transfer results.

Notwithstanding such general treatment, the generation applicable to offset the reductions corresponding to articles 39.3.m, 62.6, 66.5.b), 82, 103, 104 and 107 shall be 100% of the reduction of the Squad Cost that materialises during the T Season as well as, where applicable, by the improvement of the Profit before Tax of T accepted by the Validation Body at the beginning of the T Season for the purposes of the T League Budgets and its update also accepted by the Validation Body for the purposes of the estimate of the Profit and Loss Account of T as part of the Supplementary Information of T+1, respectively. In order to calculate such improvement, the higher Squad Cost incurred by the Club/SAD as a consequence of the application of the referred articles shall be taken into account.

5.- Exceptionally, the registration capacity generated in accordance with that expressed in section 1 of this article and with the maximums established in said section, may continue to be used by the Club/SAD when the available balance of the Squad Cost Limit is positive and this does not exceed an amount equivalent to THREE PERCENT (3%) of the Turnover accepted by the Validation Body for Season T or FIVE MILLION euros (5,000,000,000). €

In the event that the positive Registration Balance does not exceed this last threshold, only the registration capacity generated up to that moment can be used, without being able to generate more registration capacity because the Club/SAD has exceeded the situation of excess of the Registrable Squad Limit. Likewise, for Clubs/SADs in the situation described in the previous paragraph, paragraphs 3 and 3bis of this article will apply.

6.- In any case, those Clubs/SADs to which the provisions of the first paragraph of the present article are applicable or which are involved in the situation foreseen in article 93.6, for the purposes of calculating the Squad Cost, the amortisation of newly contracted players or coaches to be registered in the Registrable Squad - or that of each of its extensions - will be calculated over a maximum period of FOUR (4) seasons.

The same criteria as set out in the previous paragraph shall apply to newly recruited players to whom Circular No. 43 of the 2021/2022 season is applicable

ARTICLE 101. SPECIAL RULE ON REGISTRATION OF PLAYERS FOR THE STRATEGIC OPERATION APPROVED IN 2021/2022 AND THE FINANCING DERIVED FROM IT.

1. Exceptionally, independently and in addition to the provisions and calculation rules contained in these Rules in relation to the registration of players and coaches, clubs/SADs may register players for the strategic operation approved by the General Assembly of LALIGA and the funding derived from it (hereinafter referred to as the Impulse Plan or the Operation), in accordance with the following rules:
 - (i) This special rule applies to all clubs/SADs, whether or not they are over their registrable squad cost limit for the season for which registration of players is requested.
 - (ii) For the purposes of calculating this special rule, the individual cost of each player shall be considered to be that corresponding to the season for which registration is requested.
 - (iii) The sum of the individual cost of the players to be registrable shall be a maximum equivalent to 15% (FIFTEEN PERCENT) of the total amount of financing effectively formalised and provided by LALIGA to the club/SAD within the framework of the Transaction.
 - (iv) The maximum amount referred to in the previous paragraph may be distributed, at the free choice of the club/SAD, for the registration of players in the 2021/2022, 2022/2023 and 2023/2024 seasons with the unused amount of this maximum being definitively forfeited at the end of the 2023/2024 season.

The reference to the 2021/2022 season shall apply to clubs that joined at the time of the launch of the Impulse Plan, while for clubs and SADs that join later, the reference shall

be understood as referring to the first season of joining the plan, thereafter acting in the manner indicated in this article, so that the mechanism is applied equally regardless of the date of joining the plan.

- (v) Likewise, the sum of the individual cost of the players to be registrable in each individually analysed season in which the club/SAD competes in the Second Division may not exceed 25% (TWENTY-FIVE PERCENT) of the Net Turnover budgeted and accepted by the Validation Body for that season.

In the event that, at the end of the 2023-2024 season, a Club/SAD has not been able to utilise the 15% of the player registration capacity referred to in this Article, solely as a consequence of the limitation set out in this paragraph, it shall be entitled to use the remaining player registration capacity in the seasons immediately following those set out in paragraph (iv) until the maximum capacity referred to in paragraph (iii) is exhausted.

Likewise, the number of seasons in which the individual cost consumed by the Club/SAD will be deducted from the Squad Cost Limit in accordance with section "vi" below will be extended, although the percentages established in section "vi" below to be applied to the individual cost of the players consumed in the seasons initially set in accordance with section "iv" above will be maintained.

Therefore, what will be done is to match the amount to be deducted from the squad cost limit of the first chronologically extended season in accordance with the previous paragraph, with the amount consumed as squad cost in the first chronologically extended season with respect to those fixed in section "iv" and so on.

- (vi) The sum of the individual cost of the players consumed by the club/SAD, as defined in section ii) above, will be deducted from the registrable squad cost limit for the 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029 seasons. The temporal distribution of this deduction will be made at the free choice of the club/SAD, always respecting that a minimum of 10% (TEN PERCENT) of this sum will be deducted in each season and no more than 60% (SIXTY PERCENT) can be left pending at the end of 2026/2027 to be deducted from 2027/2028 nor at the end of 2027/2028 to be deducted from 2028/2029 more than 30% (THIRTY PERCENT) of the total sum. This is subject to the limitation set out in Article .6(g)(iii) of these Rules.

- 2. The Validation Body, in accordance with its functions and powers in relation to applications for registration of players made to it under this Article, may, in accordance with Articles 9.5 and 31.3:
 - a) Request such verifications and checks of the information submitted by the Club/SAD as it deems appropriate.
 - b) Request additional documentation and information.

- c) Interpret this article, as well as make the adjustments that it deems appropriate, based on duly reasoned criteria of reasonableness, for its correct application with the rest of the provisions contained in these Regulations and in accordance with the purpose of these Regulations as a whole.
3. In any case, the Validation Body shall be required to expressly authorise in advance, for the 2021/2022, 2022/2023 and 2023/2024 seasons, the total amount that may be used for player registration, in accordance with the provisions of this Article.

In particular, if once the club/SAD has accepted the terms and conditions of the Transaction approved by the General Assembly of LALIGA, and expressed the club/SAD's willingness to access the financing corresponding to the Transaction and, consequently, to benefit from the possibility of registration provided for in this article, the club/SAD does not comply with the commitment to access the financing within the framework of the Transaction, each and every one of the following consequences shall arise:

- (i) The cost of players whose registration has already been authorised by the Validation Body shall be considered an unauthorised excess over the Squad Cost Limit for all purposes of the Rules in an amount equal to such cost increased by 50% (FIFTY PERCENT).
- (ii) It shall definitively lose the possibility of registering players under this Article from and including the 2021/2022 season.
- (iii) In accordance with article 69.2.e) of the Articles of Association, the provisions of the Articles of Association which classify as a very serious infringement the non-compliance with resolutions validly adopted by the Assembly shall be complied with.

Likewise, in the event that, in accordance with the procedure established in the Transaction, non-compliance or deviation in the Club Development Plan submitted to obtain the financing of the Transaction is verified, the Validation Body is empowered to adjust, limit or even deny the registration of players under this article, without prejudice to the sanctioning consequences that, where appropriate, may arise from non-compliance, in accordance with the provisions of article 78bis of the LALIGA Statutes.

4. For the purposes of calculating the Squad Cost Limit in the first four seasons after the Club/SAD joins the Impulse Plan, the Validation Body, at the request of the Club/SAD, may adjust the amount corresponding to current expenses (not including amortisations) incurred or to be incurred during Season T for the growth of the Club/SAD, i.e. the areas of Infrastructures, Digital, Technology, Communication, Commercial & Marketing, International and Branding, by the amount effectively financed by the Impulse Plan to the Club/SAD, by the amount effectively financed by the Impulse Plan to the Club/SAD, and by the amount effectively financed by the Impulse Plan to the Club/SAD. Marketing, International and

Brand, for the amount effectively financed by the Club/SAD Impulse Plan. The Validation Body will be responsible for the validation, updating and modifications that may be necessary in relation to the determination of the expenses that are the object of this adjustment, in accordance with the terms of application of the Impulse Plan. The adjustment referred to in this paragraph will be made by increasing the registration capacity or the Staff Cost Limit, depending on whether the Club/SAD is in excess or not, respectively.

The adjustment referred to in the previous paragraph will have a maximum amount of 4% of the Net Turnover in the case of First Division Clubs/SADs and 1% of the Turnover in the case of Second Division Clubs/SADs, and in both divisions with a maximum amount of ONE MILLION euros (1.000.000 €) per season. This adjustment will be deducted from the Squad Cost Limit for the following five seasons, starting from the fourth season after the Club/SAD joins the Impulse Plan, in the same terms *mutatis mutandis* as those described in section 1.vi) of this article.

Section Two

Special rules on contractual variations with players and coaching staff and long-term injury of a player

ARTICLE 102. EXCEPTIONAL CASES OF AUTHORISATION TO TEMPORARILY EXCEED THE SQUAD COST LIMIT REGISTRABLE OR REGISTRATION CAPACITY.

1. Exceptionally, a Club/SAD may be authorised to temporarily exceed the Registrable Squad Cost Limit or registration capacity for a given Season allocated by the Validation Body, in the following cases:
 - a) Renewal of the Player's employment contract.
 - b) Termination of the employment or service contracts of all or part of the members of the Technical Corps.
 - c) Long-term injury to a Player.
2. These temporary excesses of the registrable squad cost limit or registration capacity shall have the quantitative limitations and compensations and reductions for each of the cases provided for in this Chapter.
3. In any case, the conditions and requirements must be met and the special rules set out in the following Sections of this Chapter shall apply.

Section Three

Cases relating to the contractual renewal of Players or the termination of the contracts of members of the Technical Staff.

ARTICLE 103. CONFIGURATION OF THE CASE OF CONTRACTUAL RENEWAL OF PLAYERS AND ADMISSIBLE TEMPORARY EXCESS.

The T and/or T+1 Season Registrable Squad Cost Limit or, where applicable, the registration capacity of T and/or T+1, may be temporarily exceeded, in the event of a contractual renewal with extension of the duration of a Player's employment contract, by an amount equal to the amount (subject to the limitation set out in article 105 below) by which the Player's Cost increases, provided that all three of the following conditions are met:

- a) The duration of the current contract with the Player concerned prior to renewal does not exceed 30 June of Season T+2.
- b) A significant increase in the economic value of the Player's Entry Fees, which was not foreseeable, has occurred and is still occurring at the date of the application, which shall be verified by the Valuation Committee.
- c) It is notorious, in the opinion of the Validation Body and in accordance with the provisions of article 9.5, the need from an economic and/or sporting point of view to carry out such contractual renewal in order to maintain the asset that the Federative Rights of said Player represent for the Club/SAD. For these purposes, the Validation Body may request a report from the Valuation Committee.

In addition, the temporary excess provided for in this article shall apply to any player who has been contracted for at least THREE (3) complete and consecutive previous Seasons with the same Club/SAD and who is under 24 years of age at the start of the T Season. For these purposes, the season in which the renewal has taken place will be counted as a full season if it is dated after 31 December T.

The excess Registration Limit or registration capacity provided for in this Article may only be applied to the registration, as part of the Registrable Squad Cost, of the player who fulfils the above conditions and limited to one single contractual modification per season for that player.

In the event that the same renewal agreement entails an excess in both T and T+1, the compensation and reduction regime provided for in Article 109 shall be applied to the amount corresponding to each of these Seasons, adapting to Season T+2 (to compensate for the excess of T+1) the references to Season T+1 (to compensate for the excess of T).

ARTICLE 104. CONFIGURATION OF THE CASE OF TERMINATION OF THE CONTRACTS OF MEMBERS OF THE TECHNICAL STAFF AND ADMISSIBLE TEMPORARY EXCESS.

1. In the event of contractual termination with part or all of the professionals who make up the Technical Staff of a Club/SAD, the Registrable Squad Cost Limit or registration capacity may be temporarily exceeded in Season T by the same amount as the higher Cost involved in the change of the member/s of the Technical Staff, including, where applicable, the indemnity of the outgoing member/s, respecting, in any case, the limitation indicated in article 105 below.
2. For the purposes of this article, the Head Coach, the Assistant Coach and the Physical Trainer, always of the team registrable in

LALIGA, are considered to form the Technical Staff of a Club/SAD.

3. The excess of the Registration Limit or registration capacity provided for in this Article may only be applied to the registration, as part of the registrable Squad Cost, of the incoming member(s) of the Coaching Staff.

ARTICLE 105. MAXIMUM QUANTITATIVE LIMIT OF THE TEMPORARY EXCESS OF THE REGISTRABLE SQUAD COST LIMIT OR OF THE REGISTRATION CAPACITY FOR CLUBS EXCEEDING THEIR LIMIT. EXCEPTIONS.

1. The temporary excess of the Registrable Squad Cost Limit or registration capacity due to the occurrence of any of the events referred to in this Section shall in no case exceed FOUR PERCENT (4%) of the Registrable Squad Cost Limit allocated by the Validating Body or FOUR PERCENT (4%) of the EIGHTY PERCENT (80%) of the Registrable Squad Cost allocated by the Validating Body or FOUR PERCENT (80%) of the Registrable Squad Cost allocated by the Validating Body. (4%) of the Registrable Squad Cost Limit assigned by the Validating Body or FOUR PERCENT (4%) of EIGHTY PERCENT (80%) of the Registrable Squad Cost in the case of Clubs/SADs that are in excess of their Squad Cost Limit, and prorated according to the proportion that the duration of the period from the date on which the effective start of the accrual of the new remuneration derived from the cases contemplated in this Section and the end of the Season represents over the full duration of the Season (12 months).

These limitations shall be applied individually for each Player renewal or Technical Staff dismissal made during the season and the referred percentage of 4% shall be at least 2% when applying the pro-rata for the time proportion referred to in the previous paragraph.

In the event of the renewal of an Article 103 Player, it shall be permissible to exceed the aforementioned maximum of 4%, not to exceed 8%, for one player per season

ARTICLE 106. COMPENSATION OF AUTHORISED TEMPORARY OVERRUNS AND REDUCTION OF THE SQUAD COST LIMIT OR REGISTRATION CAPACITY IN SEASON T+1.

1. The compensation and reduction of the Available Balance of the Squad Cost Limit or registration capacity referred to in Article 109 shall apply to the temporary overruns authorised by the Validation Body in the cases regulated in this Section.
2. The Club/SAD shall submit, prior to the authorisation of the temporary excess by the Validation Body, a Certificate issued by the Authorised Representative of the Club/SAD accepting such compensation and reduction and undertaking to apply it in Season T+1, using the Standard Form MN 17.

Section Four

Long-term injury scenario of a player



ARTICLE 107. CASE OF LONG-TERM INJURY TO A

The Registrable Squad Cost Limit or registration capacity may be exceeded in Season T by the same amount as the Cost of a newly registered Player (non-renewal) to replace another player on the Registrable Squad who has suffered an injury or prolonged serious illness and who is expected to be incapacitated for a period of 4 months or more as a result of the same, hereinafter "Injured Player", subject to the limit set out in section 5 of this article. The indicated duration of 4 months shall be calculated, in the case of injury, from the date of the causal event (date of injury); and in the case of prolonged serious illness, from the date of its first diagnosis.

2.-The registration of the player who replaces the injured player must be requested within the following deadlines:

- (i) Player injured from 1 July to 30 September of season T: Within 20 calendar days of the LALIGA Medical Committee's favourable report referred to in paragraph 3 of this article being issued. However, the deadline will be the one set out in point "ii" below, if the aforementioned Medical Commission, within the deadlines set out in this article, issues a favourable report recognising that it is an injury or illness for which an incapacity of 5 months or more is foreseen.
- (ii) Player injured from 1 October until the date of the close of the winter player registration period of Season T: Within 20 calendar days after the favourable report of the LALIGA Medical Committee referred to in paragraph 3 of this article is issued or until the close of the winter player registration period of Season T, whichever is later.
- (iii) Player injured after the close of the winter player registration period of season T: Within 20 calendar days after a favourable report is issued by the LALIGA Medical Committee as referred to in paragraph 3 of this article.

3.- The player's injury and/or prolonged serious illness, the incapacitating nature and its expected duration, must be accredited by the corresponding favourable medical report issued by the LALIGA Medical Commission. This report must be requested by the Club/SAD within 25 calendar days of the injury or serious prolonged illness being detected. The request to the LALIGA Medical Committee for the favourable medical report referred to above must be made in accordance with the formal criteria set out in Circular No. 9 of the 2007/2008 Season and Circular No. 7 of the 2008/2009 Season.

4.-Players injured before 1 July T shall not be subject to this article for the T season.

5.-The limit of such excess shall in any case be EIGHTY (80) PERCENT of the Cost imputed as registrable Squad Cost derived from the



registration of the injured Player, excluding the amortisation of his Federative Rights. This limitation applies to each player who has suffered an injury or illness under the above conditions during the T Season. The registration of the substitute player will not be accepted, if the duration of his registration covers the season T+1 and/or following and the Club/SAD does not have available balance of the Squad Cost Limit or registration capacity for that season.

The amount of the maximum excess in Season T referred to in the previous paragraph shall be reduced by 50% in the event that the registration of the substitute player is requested before the end of the summer player registration period, unless the Medical Committee, within the deadlines set out in this article, issues a favourable report recognising that it is an injury or illness for which a disability of 5 months or more is foreseen.

After such date of the end of the player registration period, the maximum excess referred to in the first paragraph of this paragraph 5 shall be pro-rated in proportion to the remaining duration of the Season from the date of the injury.

6.- The excess of the Registration Limit or registration capacity foreseen in this article can only be applied to a new registration (non-renewal), as part of the registrable squad cost, for the substitution of the injured player. In no case shall the substitution of an injured outfield player for a goalkeeper and vice versa be permitted. Likewise, said excess limit or registration capacity generated by two or more players may be used for a single new registration, always respecting the impossibility of adding excesses generated by the injuries of outfield players to be used for the registration of a substitute player with the status of goalkeeper and vice versa.

7.- The Club/SAD which, having obtained an excess of the Squad Cost Limit or registration capacity as a consequence of the application of this article, fields or calls up to an official match the injured player who allowed such excess, due to an injury or illness lasting 4 months or more 5 months according to the rules set out in this article, without at least 3 months or 4 months, respectively, having elapsed since the date on which the medical report referred to in paragraph 3 of this article was issued, shall have its Squad Cost Limit or registration capacity reduced, without at least 3 months or 4 months, respectively as the case may be, having elapsed since the date on which the medical report referred to in paragraph 3 of this article was issued, shall have his Squad Cost Limit or registration capacity reduced by three times the said excess Limit or capacity which he would have obtained in application of this article. Such reduction shall apply immediately as of the date of such entry or call-up. The part of said reduction that has not had an effective impact on the registration capacity of the Club/SAD, reducing its Available Balance or its registration capacity generated pending application in season T, will be reduced together with those applicable, if applicable, by application of the remaining sections of this article, of the registrable Squad Cost Limit or registration capacity in accordance with the provisions of articles 93.1 and 100.

ARTICLE 108. COMPENSATION OF AUTHORISED TEMPORARY OVERRUNS AND REDUCTION OF THE SQUAD COST LIMIT OR



REGISTRATION CAPACITY IN SEASON T+1.

1. The compensation and reduction of the Available Balance of the Squad Cost Limit or registration capacity referred to in Article 109 shall apply to the temporary overruns authorised by the Validation Body in the cases regulated in this Section.
2. The Club/SAD shall submit, prior to the authorisation of the temporary excess by the Validation Body, a Certificate issued by the Authorised Representative of the Club/SAD accepting such compensation and reduction and undertaking to apply it in Season T+1, using the Standard Form MN 18.

Section Five

Adjustments subsequent to the approval of temporary overruns regulated in Sections Three and Four of this Chapter

ARTICLE 109. ADJUSTMENTS SUBSEQUENT TO THE APPROVAL OF THE TEMPORARY EXCESSES REGULATED IN THE THIRD AND FOURTH SECTIONS OF THIS CHAPTER. COMPENSATION AND REDUCTION.

1. In the event that during Season T the Club/SAD has compensated the authorised excess and therefore has an Available Balance in the Registrable Squad Cost Limit or registration capacity, it may proceed with new registrations, as established in article 93.1.
2. Conversely, in the event that, at the end of Season T, the Club/SAD maintains an excess of the Squad Cost Limit or registration capacity derived from authorisations by the Validation Body for any of the cases regulated in this Chapter, the Available Balance of the Registrable Squad Cost Limit or registration capacity for Season T+1 will be reduced by an amount equal to that which has not been compensated during Season T.
3. In relation to the above, any increase in the Available Balance of the Squad Cost Limit or registration capacity that may occur during Season T+1 shall be applied to the temporary excess pending until it is fully offset. Only thereafter may increases be applied to new registrations, as set out in article 93.1.

In the event of the end of Season T+1 without having completed the full offset of the temporary excess amount due to insufficient Limit Available Balance or registration capacity, the amount pending offset will be reduced from the Available Balance or registration capacity of the following seasons indefinitely until the full offset of the amount is completed.

TITLE V

OF THE VALIDATION BODY AND GENERAL RULES OF PROCEDURE

CHAPTER ONE: THE VALIDATION BODY

Section One

Nature, Composition and Functions of the Validation Body

ARTICLE 110. NATURE AND FUNCTIONS.

The LALIGA Budget Validation Body, provided for articles 6.B.6 and 43 quater of the Articles of Association, is the body which, by delegation of the President of LALIGA, is responsible for verifying compliance by the affiliated Clubs/SADs with the social rules relating to the preparation of their budgets, in accordance with the provisions of the Articles of Association and other applicable legislation and regulations.

ARTICLE 111. COMPOSITION, REQUIREMENTS AND APPOINTMENT.

1. The Validation Body shall be composed of three persons, one of whom shall be elected by and from among them as Chairperson of the Validation Body.
2. The appointment and dismissal of the members of the Validation Body shall be made by the President of LALIGA, and must be ratified by the Delegated Commission with the vote in favour of at least 2/3 of those present (qualified majority).
3. Full and alternate members may be appointed.
4. In order to be appointed as a member of the Validation Body, professional experience in management responsibilities related to the finances of football Clubs/SADs, including those related to the design and preparation of budgets or legal or economic advice, as well as any other merits that accredit suitability for the appointment will be valued.
5. Those who hold managerial or administrative positions or are part of an employment or service leasing relationship with any Club/SAD affiliated to LALIGA, or with its managers or administrators, or who are members of the Economic Control Committee or the Social Resources Committee, may not be members of the Validation Body. Nor may they have been or have been during the two years prior to the date of appointment.
6. The position of member of the Validation Body may be remunerated, in the event that it is occupied by personnel external to LALIGA.

ARTICLE 112. FUNCTIONS AND POWERS.

1. In accordance with its powers under the Articles of Association, the Validation Body has the following specific functions, competences and powers:
 - a) Accept and validate, as established in article 52, the League Budgets prepared and presented by the Clubs/SADs, and if necessary not to accept them.
 - b) To request from the Clubs/SADs, as established in articles 55 and 66, as many explanations, justifications, proofs, evidences, and documents as it deems convenient in relation to the information contained in the League Budgets presented or in any request formulated by them under these Rules.
 - c) Proceed to check and verify the information provided by the



Clubs/SADs for any purpose contemplated in these Rules.

- d) Require, in accordance with Article 53, the preparation and submission of new Alternative League Budgets.
- e) Proceed - in accordance with the provisions of articles 9.5, 31.3 and 56 to 61 - to the adjustment of the valuations of the various budget items on the basis of the criteria laid down in these rules, including any other adjustments that may be necessary due to unreasonableness or non-compliance with the principles and rules of preparation.
- f) Accept or reject - in accordance with the provisions of articles 9.5, 31.3 and the Annex to the Valuation Rules and Criteria - alternative valuations of budget items or other proposals made by the Clubs/SADs
- g) To fix and allocate, as established in articles 34 to 37 and 62 to 65, the squad cost limits, both registrable and non-registrable.
- h) To fix and modify, as established in articles 34 to 37 and 62 to 65, the proportionality between registrable and non-registrable costs.
- i) Approve or deny, as established in articles 66 to 92, the Increases in the Squad Cost Limits requested under the provisions of these Regulations.
- j) Establish the procedures and IT and IT tools to be used in the process of communication with the Clubs/SADs and the completion of the required information.
- k) Require, in accordance with the provisions of Article 52, the correction of formal defects and material errors or omissions.
- l) Approve, modify and repeal standard forms that must be completed for the formalisation of information and declarations, having the power to do so with respect to the Standard Forms annexed to these Regulations.
- m) Establish its own internal operating and resolution-adoption system to enable the rapid and agile adoption of decisions that sometimes need to be taken. In particular, the holding of meetings and the adoption of resolutions by telematic means is permitted, as well as the delegation of certain powers to the Economic Control Directorate.
- n) No content
- ñ) To submit to the competent bodies of LALIGA any complaints that may arise in the event that it becomes aware of facts that may constitute disciplinary infractions
- o) Interpret technically the accounting and economic-financial regulations contained in these Standards,
- p) Interpret the present Rules, resolving any queries raised by the Clubs/SADs. When these queries are of a high level of complexity or importance, it shall refer them to the Economic Control Committee for resolution.
- q) Disseminate, safeguarding its duty of confidentiality and taking into account the principle of transparency, the interpretative criteria adopted with respect to these Standards and the accounting and economic and financial regulations contained



herein to all Clubs/SADs by means of a Circular or Information Circular.

- r) Create and establish the regulation of the register of guarantors referred to in article 92.5.c) of these Regulations.
 - s) Agree, under the principle of proportionality of the rule, for compliance by the Clubs/SADs, any specific economic or financial obligations or control, verification, supervision or information measures, for the validation of League Budgets or Squad Cost Limit Increases or on the occasion of the exercise of any other of its powers in accordance with these Rules.
 - t) Propose to the competent body of LALIGA amendments to these Rules, Book X and the Articles of Association, when deemed necessary or appropriate.
 - u) Raise queries with the Economic Control Committee on the interpretation and application of these Standards.
2. The Validation Body shall also be responsible for all other functions and powers attributed to it by the Articles of Association, the General Regulations and/or these Rules, and in particular those assigned to the Head of the Economic Control Department insofar as the activation of such specific figure additional to the Corporate General Manager is not deemed necessary, or such position is vacant.
 3. The Validation Body may also exercise any other powers that may be delegated to it by the competent bodies of LALIGA within the scope of the objectives of economic and budgetary control.
 4. The Validation Body lacks auxiliary staff, and may therefore delegate to the Economic Control Directorate, and in particular to the analysts assigned to the different Clubs/SADs, certain actions, in particular the quantification and adjustment of the operations and contracts notified for the purposes of determining the Squad Cost Limit or registration capacity, as well as communications with these entities.
 5. The Validation Body will use as its usual and preferential means of communication and notifications to the Clubs/SADs the electronic mail, through the Economic Control Directorate.
 6. The forwarding of a communication, made by the Corporate General Manager, the Director of Economic Control or the analyst of the Economic Control Directorate assigned to the Club/SAD concerned, from its official LALIGA e-mail address to the address designated or normally used by the Club/SAD shall be fully effective in the same way as those sent directly by the Validation Body.

ARTICLE 113. THE VALUATION COMMITTEE OF THE LEAGUE

1. The function of the LALIGA Valuation Committee is to carry out the valuation of the players and coaches that make up the Clubs' and SADs' squads, as well as any other valuation that may be submitted to it in relation to assets or operations.
2. This Committee shall consist of three to five members, all of them independent experts, preferably appointed from among financial economists and specialists in sports law with proven knowledge



and/or experience in the field, although in this case, in particular, any conflict of interest that may arise in connection with the object of the valuation must be avoided.

However, if such a situation arises, the member in dispute shall refrain from taking part in the assessment.

The Committee shall also have a secretary, appointed by the Validation Body, who may not take part in technical deliberations or vote.

Its members shall be appointed and dismissed by the Delegate Committee for periods of two seasons, which may be tacitly extended, at the proposal of the Corporate General Management. They shall adopt their decisions in the form of a Resolution, unanimously, and in the event that this is not achieved, by means of the average resulting from their assessments, discarding the highest and the lowest.

Their incompatibility regime will be the same as that of the members of the Validation Body.

3. Its intervention may be requested by the Corporate General Manager, the Director of Economic Control, the Validation Body, the Economic Control Committee or any of the LALIGA bodies when necessary for the performance of their duties. It may also be requested by administrative, arbitration or judicial bodies, in the exercise of their functions.
4. When a Club/SAD requests its intervention, through the Secretary of the Committee, it must complete the form provided for this purpose, which will be previously assessed by the Economic Control Directorate in order to determine whether or not there is a legitimate and justified interest on the part of the applicant. If this is not the case, the application will be rejected, and the rejection may be appealed before the Corporate Director General. Requests made by a Club/SAD will require, in order to be admitted, that said Club/SAD: is the holder of the player's federative rights, or is the holder of a percentage of economic rights over said federative rights, or is the holder of a percentage of the future sale of said federative and/or economic rights of the player, or has prior written authorisation from the club holding the rights, or in accordance with the applicable sports regulations, the player can enter into negotiations for his future contract due to the current regulations being close to expiry
5. The Committee shall carry out its tasks on the basis of objective criteria, without prejudice to those aspects whose nature is inherently subject to value judgements and preferably using specialised software or technological platforms, and may make adjustments to the results provided by such tools, where appropriate. In order to carry out the valuations and/or possible adjustments, aspects such as the acquisition cost of the player, the value of his termination clause or the remuneration elements available shall be taken into account, without prejudice to other incidental aspects, such as:
 - a. The age, sporting and injury situation of the player.
 - b. The current situation of the football market.
 - c. The duration of the contract and, where applicable, assignment contracts.

- d. The number of internationals in the last three years.
- e. Individual awards ("Golden Ball", "Pichichi", "Zamora", etc), obtained during the last three years.
- f. The number of international championships won during the last three years.
- g. The number of national championships won during the last three years.
- h. The number/percentage of matches played during the current and previous season.
- i. The sporting category in which the Club/SAD operates and its status.
- j. Any other that is justified and accredited.
- k. In the case of exchange or swap transactions, as described in Article 39.11, the cash flows agreed between the clubs and the net balance thereof in favour of or against each club.

The Committee will also take into consideration all evidence and arguments provided by the Club/SAD for which the Appraisal Report has been requested.

- 6. The members of the Committee will receive the fees and/or compensation for expenses established by the Delegated Commission, which, unless expressly provided otherwise in the applicable regulations, will be paid by the Club/SAD requesting their services and the amount of which may be consulted prior to confirming the request for assessment. When the intervention of the Committee is the result of a previously defined discrepancy between LALIGA and a Club/SAD, or between several Clubs/SADs, and a specific claim is formulated by the applicant, its fees will be paid by the opposing party if the resolution coincides with or is even more favourable to its claim, and the Committee may exceptionally establish in its resolution the payment by half or ex officio when there are serious doubts. For the above purposes, a single assessment shall be considered to be that which corresponds to a request relating to a maximum of three Players and/or Coaches, with the possibility of a specific amount when it is a question of assessing an entire squad or other specific requests.
- 7. The assessments made by the Committee shall not be subject to appeal, without prejudice to the possibility of appealing the decision taken by the Validation Body, the Economic Control Committee or any other disciplinary or social bodies that may use them, on the basis of the final content of the assessments.

CHAPTER TWO: PROCEDURE BEFORE THE VALIDATION BODY

Section One

Procedure

ARTICLE 114. ADMINISTRATIVE MANAGEMENT OF THE PROCEDURE.

The administrative management of the procedures foreseen in these

Rules and the application thereof is the responsibility of the members of the Economic Control Directorate by delegation of the Validation Body.

Therefore, the communication of the acts of this Body, made under the provisions of article 112.4, will be fully effective from the moment it is received by the Club/SAD to which it is addressed, and a request may be made within five days of receipt for the complete file to be made available.

ARTICLE 115. COMMUNICATIONS AND NOTIFICATIONS. AUTHORISED REPRESENTATIVE.

1. Communications and notifications of any kind shall be made exclusively by electronic means, using the platforms, applications and programmes enabled for this purpose. If there is no specific procedure for this purpose, it shall be carried out by e-mail, including the presentation of the League Budgets and any other information, request or resolution or agreement of the Validation Body, with the exceptions expressly indicated in the Rules.
2. Communications must be sent from the official e-mail address of the Club/SAD and/or LALIGA, by authorised or designated personnel, or those who regularly deal with the Economic Control Department, in accordance with the provisions of section 3. The e-mail addresses of the Director of Economic Control, the Corporate General Manager and the analysts assigned to the Club/SAD by the Economic Control Department, as well as that of the Secretary of the Validation Body and the Valuation Committee, are considered official by LALIGA in all cases.
3. Clubs/SADs shall designate when submitting League Budgets one or more representatives sufficiently authorised (the Authorised Representative) to:
 - a) Binding and acting on behalf of the Club/SAD before the Validation Body and the Economic Control Department, and
 - b) Send and receive all communications and notifications by identifying an e-mail address which will be the default communication channel.
 - c) Issue the certifications and responsible declarations contemplated in these Regulations.
4. The Economic Control Directorate may agree on the use of platforms, procedures and/or electronic signature mechanisms to be used in communications.

ARTICLE 116 COMPUTATION OF TIME LIMITS.

1. Unless otherwise indicated, the time limits set out in these Rules in days are counted as working days. In the event that non-working days that are not Saturdays, Sundays or national holidays, or in the municipality of Madrid, are applicable, the interested party must expressly state this circumstance in the applications or appeals submitted.
2. However, if the last day of the deadline falls on a non-working day in the municipality of Madrid, the deadline will be extended to the

first following working day.

3. The Clubs/SADs may request a reasoned extension of a specific period of time provided for in these Rules for the fulfilment of any of their obligations. Such extension shall be for a maximum of five additional days and its granting or denial shall be the responsibility of the Validation Body

*Section Two:
Resources*

ARTICLE 117. APPEALS AGAINST ACTS OF THE VALIDATION BODY

1. Appeals against decisions of the Validation Body that are not merely clarifications or procedural acts may be lodged with the Economic Control Committee, in accordance with the provisions of Article 44 of the Articles of Association and Articles 4 and 5 of Book X of the General Regulations.

The appeal shall be lodged with the Economic Control Committee, through the Economic Control Directorate, within a maximum of five working days from the day following the notification of the corresponding decision of the Validation Body

2. This appeal shall be resolved by the Economic Control Committee within a maximum period of ten working days, counting from the day following its presentation, or from the day of compliance with the request for rectification that may be made to this effect by the Committee. Once this period has elapsed, the appeal may be deemed to have been dismissed, without prejudice to the possibility of expressly ruling and notifying during the same day on which the appeal is lodged.
3. The resolution of the Economic Control Committee shall be subject to the appeals system provided for in the applicable corporate regulations.

In the event of a final rejection by the Economic Control Committee or subsequent competent bodies, the fees and other costs incurred by the Validation Body or LALIGA in relation to the appeal shall be borne by the appellant Club/SAD. Likewise, when during the same season or within one year of the lodging of the appeal two or more appeals against the same Club/SAD have been rejected by the Economic Control Committee, the Club/SAD will be required to pay €3,000 for the admission of the following appeals, which, if not provided, will be subject to an entry in the account, being reimbursed to the Club/SAD in the event of a decision that totally or partially upholds its claim.



TRANSITIONAL ARRANGEMENTS

FIRST.

Notwithstanding the provisions of Article 34.3.c of these Bylaws, on a transitional basis for the 2024/2025 and 2025/2026 seasons, clubs/SADs to which that provision applies may avail themselves of the provisions of Article 100 of these Bylaws.

SECOND.

Notwithstanding the provisions of article 84.2. of these Regulations, on a transitional basis for the 2024/2025 and 2025/2026 seasons, the applicable increase in the Squad Cost Limit or registration capacity - from which in any case 30% of the estimated Treasury deficits that could not be covered with the percentage of the amount of the contributions not destined to increase the Limit shall be subtracted - shall be

- GROUP A: (100) ONE HUNDRED PERCENT of the computable contribution, and consequently the percentage applicable to cover estimated cash deficits will be 0%.
- GROUP B: (90) NINETY PERCENT of the computable contribution, and consequently the percentage applicable to cover estimated cash deficits will be 10%.
- GROUP C: (70) SEVENTY PERCENT of the computable contribution, and consequently the percentage applicable to cover estimated cash deficits will be 30%

THIRD.

Notwithstanding the provisions of Article 100.1 of these Rules, on a transitional basis for operations carried out from 4 November 2023 and during the 2024/2025 and 2025/2026 seasons, the applicable registration capacity percentage shall be SIXTY PERCENT (60%).

Additionally and on a transitional basis, for the 2024/2025 and 2025/2026 Seasons, of TWENTY PERCENT (20%) of the Net Player Transfer Profit.

For players whose registrable Squad Cost is at least 5% of the Club/SAD's initial Squad Cost, the applicable registration capacity percentage shall be temporarily for the 2024/2025 and 2025/2026 seasons SEVENTY PERCENT (70%) and THIRTY-FIVE PERCENT (35%) of the Net Transfer Profit of Players, provided that the new contracts have been formalised before the close of the summer player registration period.

FINAL PROVISIONS

FIRST. SANCTIONING REGIME

Failure to comply with the obligations contained in these Rules shall be reported and, where appropriate, sanctioned in accordance with the sanctioning regime established by the LALIGA Statutes and Bylaws.

SECOND. ENDORSEMENTS BY BOARDS OF DIRECTORS OF LEAGUE-AFFILIATED CLUBS

For the purposes of calculating the amount of the guarantees that the members of the Boards of Directors of the Clubs may have to present in accordance with the regulations in force and the content of their Statutes, the present Rules establish the precepts relating to setting the Squad Cost Limit and the requirements for its modification and therefore do not affect the aforementioned regulation of guarantees.

ENTRY INTO FORCE

This version of the Rules ("NEP 2024") shall enter into force, subject to communication by Circular, on 4 February 2025, and shall apply to the preparation, submission and validation of League Budgets, as well as to the allocation and increase of the Squad Cost Limit for the Season 2025/2026 and subsequent Seasons.

Notwithstanding the above, from the day following its publication on the official corporate website of LALIGA and its communication by Circular of the NEP 2024 and until 3 February 2025, the previously valid version of the Rules is modified as follows:

- a.- A new paragraph 2a is inserted in Article 93, the content of which coincides with that of paragraph 3 (except for the second subparagraph) of Article 93 of the NEP 2024.
- b.- The content of Articles 72 to 77, 77a and 78 is replaced by the content of Articles 102 to 107 of the NEP 2024.

The cross-references to other provisions of the Rules contained in the new Article 93(2a) and in Articles 72 to 77, 77a and 78 as thus amended shall be construed as references to the corresponding provisions of the PSB 2024.

ANNEXES

ANNEX OF DEFINITIONS OF TERMS AND EXPRESSIONS.

ANNEX I: INCOME AND EXPENDITURE LEAGUE BUDGET (INCLUDING ANNEXES I.1 AND I.2).

ANNEX I.1 Estimated Profit and Loss Account for Season T-1 and Profit and Loss Account information for Seasons T-2 and T-3.

ANNEX I.2. Estimated Balance Sheet as at 30 June Q-1 and comparative figures for Q-2 and Q-3.

ANNEX II: INVESTMENT AND DIVESTMENT LEAGUE BUDGET.

ANNEX III: THE BUDGET FUNDING LEAGUE.

ANNEX IV: THE TREASURY LEAGUE BUDGET.

ANNEX OF DESCRIPTION OF BUDGET ITEMS AND OF RULES AND CRITERIA OF VALUATION (BUDGET REVENUE AND EXPENDITURE LEAGUE).

ANNEX WITH LIST OF STANDARD MODELS
STANDARDISED MODELS.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE
 CLUB AND SADS BUDGETING GUIDELINES
ANNEX OF DEFINITIONS OF TERMS AND EXPRESSIONS

For the purposes of these Rules, the following terms or expressions shall have the specific meaning and content indicated in the definition for each of them.

<i>Term/Expression</i>	<i>Definition</i>
Adjustment/s	Correction(s) to the amounts of Budget Items or Sub-items agreed by the Validation Body.
Annex	Any document annexed to the text of the Rules, which forms part of the Rules and has the same normative value.
Contributions	Contributions of capital and funds and other transactions referred to in Article 81 of the Regulations and which comply with the requirements of Chapter Three of Title III (Articles 80 et seq.).
Article	When the corresponding standard is not mentioned, it is understood that it refers to the articles of these Rules.
Working Capital	The result of subtracting current assets from current liabilities.
LALIGA UEFA Calculator	Computer tool used by LALIGA for the calculation of the amounts corresponding to the distribution of UEFA income for participation in European Competitions, developed and parameterised by LALIGA according to the distribution system in force at any given time.
Charges/ Levies	Any right in rem or otherwise that directly attaches an asset or right to the performance of obligations or debts of any nature, including liens.
Sports Category	Any of the two categories into which the professional competition organised by LALIGA or those organised by the RFEF is divided.
Net Turnover	See Net Turnover.
Club/s	Member(s) of LALIGA, or other leagues, with the legal form of "sports club".
Clubs/SADs	Clubs and Sociedades Anónimas Deportivas affiliated or not to LALIGA
Economic Control Committee or ECC	The LALIGA body referred to and regulated in Article 44 of the Articles of Association.
Valuation committee or CV	The LALIGA body referred to and regulated in Article 113 of these Regulations
Competition League	The professional competition organised by LALIGA, which is made up of two categories, First Division and Second Division.

European Competition/s	Official inter-club competitions organised by UEFA, namely the UEFA Champions League, Europa League and Conference League.
Arrangement with creditors	The period covered by the common phase of the insolvency proceedings, from the date of the order declaring the insolvency proceedings until the date of the judgment approving the arrangement (see Insolvency Act).
Creditors' Agreement	Agreement approved in accordance with the provisions of the Insolvency Act, accompanied by the Payment Plan and Viability Plan.
H.M. The King's Cup	Play-off competition organised by the RFEF.
Cost of acquisition of Players' Rights	Amount of the agreed price and other equivalent items paid or to be paid plus, if applicable, the fair value of other committed consideration, to be paid by the Club/SAD for the acquisition of a Player's Full Rights, from his Club/SAD of origin, arising from a Transfer or Definitive Assignment of Full Rights contract, as well as all expenses incurred that are necessary for such acquisition, such as agents' and intermediaries' commissions.
Squad cost or CPD	Squad cost as regulated in articles 38, 39 and concordant articles of these Regulations. It is made up of CPD Registrable CPD (CPDI) and CPD Non-Registrable CPD (CPDNI).
Staffing Costs Sporting Registrable	The cost made up of the various items listed in Article 39.
Annual Accounts	The set of documents of an accounting and economic nature referred to in Article 34 of the Commercial Code.
Technical Staff	The group formed by the Coach, Assistant Coach and Physical Trainer and Technicians with analogous functions.
Responsible Declaration	Declaration made by the authorised representative of the Club/SAD of the certainty and veracity of the points and circumstances stated therein, made under his/her own responsibility,
Resource Deficit	Negative difference made evident when comparing the resources that, in accordance with the Viability Plan underpinning the Creditors' Agreement signed by the Club/SAD, should be generated in a given Season, and those that would have actually been generated or are expected to be generated.
Right of Use	It includes any type of real or other right over real estate that allows its total or partial use, such as usufruct, surface right, lease or precarious right, owned by the Club/SAD by virtue of an agreement or contract, whatever its form or denomination. The only exception is the right of ownership acquired for valuable consideration and at market value.
Economic Rights derived from the Federative Rights	Rights with economic content deriving from the ownership of a Player's or Coach's Full Rights, such as percentages of future credit rights in the event of transfer of the Full Rights, and the like.
Federative Rights	Fees (including their eventual financial value) that correspond to the Club/SAD for the registration of any of its players and/or their engagement under a professional sportsperson's employment contract.

Net Debt	<p>1. It is the sum of: the net debt for definitive or temporary transfers of players' rights (the net of the accounts receivable and payable for such transfers), the amounts outstanding (due or not) arising from financing received from financial institutions, owners, related parties or third parties (e.g; (e.g. from bank overdrafts, from the subscription of loans and credit policies, from the discounting of promissory notes, from factoring operations, from financial leases, bankruptcy debt of any kind, ordinary, privileged and subordinated, debt deriving from payment deferrals with Public Administrations, the amount of anticipated collections of income to be accrued in periods exceeding one year), amounts pending payment with suppliers and creditors of fixed assets.</p> <p>The amount resulting in accordance with the preceding paragraph shall be reduced by cash on hand, cash equivalents and short-term financial investments.</p> <p>2. Net debt does not include trade and other payables, except for those included in the previous section.</p> <p>3. The amount resulting from the financial compensation to be paid by the Club or SAD deriving from promotion shall be considered as net debt.</p>
Ordinary and subordinated senior debt	Debts of the Club/SAD recognised in insolvency proceedings, according to the classification established by the Insolvency Act.
Dependent/subsidiary team	Dependent teams and Club/SAD affiliates are understood to be those that make up its structure and are attached to Sporting Categories or divisions hierarchically different and inferior to that of the first team or main team. Arts. 125 et seq. General Regulations RFEF.
Financial Statements	All financial information of the Club/SAD that does not constitute Annual Accounts.
Interim financial statements	See General Regulations of LALIGA Nacional de Fútbol Profesional, Book X.- Economic Control Regulations.
Articles of Association	Articles of Association of LALIGA Nacional de Fútbol Profesional.
Group of companies	See Group of companies.
Group of companies	The Club/SAD as parent company and the subsidiaries that have such status in accordance with the provisions of Article 42 of the Commercial Code.
Estimated Amount Season T-1	The amount referred to any Budget Item to be calculated as an estimate of the T-1 Season to be determined in accordance with the rules set out in Article 31.
Net Turnover or NCPI	<p>It is calculated as follows:</p> <ul style="list-style-type: none"> + Competition revenue (accounts 700/703) + Income from subscribers, from cards (accounts 710/711) + Income from operation of facilities (account 712) + Rebroadcasting revenue (account 707) + Marketing income (account 706) + Advertising revenue (account 708).

Corporate income tax	Income tax accrued in the year, calculated in accordance with the Spanish National Chart of Accounts as follows (Accounting result +/- Non-temporary differences) x Tax rate - Deductions and Allowances.
Significant influence	The power to participate in the financial, operating or sporting policies of an entity, but not in the control or joint control of that entity, through ownership of shares, voting power, constitutional documents (articles of association), agreement or otherwise. Examples of significant influence include a party: a. directly or indirectly holds, directly or indirectly, between 20 % and 50 % of the voting rights of the shareholders or members; b. who has the ability to influence the appointment or removal of a majority of the members charged with the governance of an entity (e.g. any administrative, management or supervisory body of an entity); c. is a minority shareholder or a member of the entity and can, alone, by virtue of an agreement with other shareholders or members of the entity or otherwise, exercise significant influence (including as defined in (a) and (b)); d. that provides in an accounting period, alone or together with parties under the same ultimate control, an amount equal to at least 30% of the entity's total revenue for the same period.
Agreed upon procedures report	Report issued by the auditor as a result of a review of agreed-upon procedures performed ISRS 4400. The objective of this type of review is to enable the auditor to perform certain procedures of a review nature, which have previously been agreed between the auditor, the contracting entity or any other interested third party. In this type of review, the auditor does not issue an audit opinion, but merely reports on the procedures performed and the factual conclusions found during the review.
Limited Review Report	Auditor's Report on the Interim Financial Statements of the Club/SAD
Implicit Interests	Financial costs that are part of the redemption value.
Replacement investment	An item of fixed assets of a similar nature to another item already on the balance sheet, the replacement of which would be necessary for the continuity of the normal operation of the company.
Sports Law	Law 39/2022, of 30 December, on Sport.
Book X	Book X of the General Regulations of LALIGA Nacional de Fútbol Profesional, Economic Control Regulations.
La Liga/LALIGA/LFP	National Professional Football League.
Squad cost limit or LCPD	The maximum amount that the squad cost of a Club/SAD can amount to in a Season and which is allocated by the Validation Body.
Standard Model	Any of the Standard Forms included in the <i>Annex of Standard Forms</i> and those that may be created from time to time by the Validation Body.
Standards	These " <i>RULES FOR THE ESTABLISHMENT OF BUDGETS OF SPORTS CLUBS AND SPORTING COMPANIES</i> ".
Non-recurrent operation	Exceptional and unusual operation for a given Club/SAD. By way of example and without limitation, the following are

	<p>considered to be non-recurring transactions:</p> <ul style="list-style-type: none"> • Sale of assets or rights that should be classified as Non-Current Assets, other than Players' Federative Rights. • Player transfer transactions that, in aggregate for any of the T-1 and/or T seasons, result in profits above the average of the previous three seasons. • Participation in a competition that the Club/SAD has not played in the previous three seasons
Validation Body or Validation Body	<p>The LALIGA body provided for in article 43 quater of the Articles of Association and in accordance with the provisions of articles 3.1.g), 30, 33 and 62 of said Articles of Association and by delegation of the President of LALIGA is responsible for verifying compliance by the affiliated Clubs/SADs with the rules for drawing up the budgets of the affiliated entities, in accordance with the provisions of the Articles of Association and these Rules (articles 110 et seq.).</p>
Related Parties	<p>See General Regulations of the LALIGA Nacional de Fútbol Profesional, Book X.- Economic Control Regulations -.</p>
Related Parties	<p>See General Regulations of the LALIGA Nacional de Fútbol Profesional, Book X.- Economic Control Regulations -.</p>
Budget Item(s)	<p>Any item to be included in the League Budgets.</p>
Adjusted Liabilities	<p>Liabilities falling due in two years or less from the end of the financial year, or from the date of the interim financial statements, if any, reduced by the amount of the following items:</p> <ul style="list-style-type: none"> - The deferred tax liability arising from the recognition, at whatever time it was made, of the Right of Use (as defined in the Definitions Annex) in favour of the Club/SAD of sports facilities. - Claims against other Clubs/SADs and sports entities arising from definitive or temporary transfer operations of players' and coaches' federative rights. - Treasury. - Equivalent liquid assets. - Short-term financial investments.
Expendable Liabilities	<p>Current obligations arising from past events for the settlement of which the enterprise expects to give resources that will produce future economic benefits or returns. For these purposes, provisions are included. Therefore, the amounts shown under current and non-current liabilities in the balance sheet should be added together, and the deferred tax liability arising from having recognised, at any point in time, the Right of Use (as defined in the Definitions Annex) in favour of the Club/SAD of sports facilities should not be included.</p>
Equity	<p>The residual portion of a company's assets after deducting all its liabilities. It includes contributions made, either at the time of incorporation or at a later date, by its shareholders or owners, which are not considered liabilities, as well as accumulated results or other changes affecting it. It does not include participating loans.</p>

Adjusted Net Equity	Equity, adjusted in accordance with the qualifications reflected in the auditor's report referring to this concept, and eliminating the effect on equity derived from having accounted, at any time that it had occurred, for the activation of the right to use sports facilities.
Non-technical non-sports personnel	Other staff linked to the Club/SAD by employment contract, including management, administration, shop, security and access, marketing, communication, maintenance and cleaning staff.
Non-sport technical staff	Sporting director, technical secretary, doctor, delegate, physiotherapists, kit men.
Payment Plan	See Feasibility Plan.
Treasury Plan	Document with financial information and cash flow forecasts according to the content, structure and requirements regulated in article 93.7 of the
Feasibility Plan	<p>Document accompanying the approved Creditors' Agreement, which specifies the necessary resources, the means and conditions for obtaining them and, where appropriate, the commitments for their provision by third parties, together with the Payment Plan with details of the resources foreseen for their fulfilment.</p> <p>The Validation Body will have the power to adjust the amount established in the Feasibility Plan as resources to be generated, taking into consideration any variations in the amounts and dates of payment to be made by the Club/SAD. The most relevant causes of these variations include, but are not limited to, the following:</p> <p>Recalculation of ordinary debts according to definitive accessions, formalisation of singular agreements with privileged creditors, investment needs, attention to other debts and non-insolvency obligations, obtaining resources from divestments, cancellation or novation of debts and obligations in insolvency or non-insolvency proceedings, obtaining and repayment of financing, and contributions from partners and related parties.</p>
General Accounting Plan	<p>Approved by Royal Decree 1514/2007 of 16 November 2007.</p> <p>The specialities set out in the ORDER of 27 June 2000 approving the rules for the adaptation of the General Accounting Plan to Sports Public Limited Companies shall be taken into account.</p>
Registrable Squads	<p>Players linked to the Club/SAD by employment contract attached to the first team, i.e. numbers 1 to 25, both inclusive, and those not attached to any squad; as well as the coach, assistant coach and physical trainer of the first team. The relevant circumstance to be considered as registrable squad is that it entails a cost for the Club, and not the validity of the contract for the Season in question, including the registrable squad, registered and non-registered players (art. 38).</p> <p>Example:</p> <p><i>A player who terminates his employment contract with the Club/SAD on 7 July T, entailing some kind of cost to the Club/SAD (any kind of consideration, amortisation, accounting loss, etc.), such player shall be considered as a registrable .</i></p>

Non-Registrable Squads	Players linked to the Club/SAD by employment contract or otherwise attached to the other teams, affiliates and dependents of any Category; coaches, assistant coaches and physical trainers of these teams (art. 38).
League Budgets	The set of Budgets that Clubs/SADs must prepare and submit in accordance with the Rules.
Updated League Budgets	League budgets modified in accordance with the changes of category or circumstances contemplated in Section Six of Chapter One of Title II, Articles 26 and following of the Rules.
Validated League Budgets	The League Budgets submitted by the Clubs/SADs and accepted by the Validation Body with Adjustments applied.
Collective premiums	Amount committed by the Club/SAD to all or some of its Players in case of fulfilment of a certain condition, and which is not individually stated in the employment contract between the parties.
First Division	The highest Sporting Category of the League Competition.
Provisions for contingencies	Express or implicit obligations that are clearly specified as to their nature but, at the reporting date, are uncertain as to their exact amount or as to the date on which they will arise.
Balance Budget Break Even Point	As defined for each group of Clubs/SADs in Chapter Four of Title II of these Rules and for each type of League Budget (art. 42 and following).
Economic and Financial Ratios Acceptable	The ratios of an economic-financial nature that comply with the amounts established in Section Five of Chapter One of Title II, Articles 22 et seq.
Resources Generated	They are calculated as follows: Pre-tax profit or loss for the year accepted by the Validation Body - Corporate income tax (negative sign only) + Depreciation of fixed assets +/- Valuation adjustments for impairment +/- Change in provisions - Allocation of subsidies +/- Gains/losses on disposal of fixed assets - investments + divestments +/- Change in working capital
General Regulations	General Regulations of LALIGA Nacional de Fútbol Profesional.
FIFA RETJ	FIFA Regulations on the Status and Transfer of Players
RFEF	Royal Spanish Football Federation.
SAD/s	Sociedad/s Anónima/s Deportiva/ members or not of LALIGA.

Economic sense	In relation to a given transaction, economic sense is presumed to exist if, in similar circumstances, another person or entity operating in the same sector and of comparable size or economic strength operating under normal market economy conditions could have been induced to enter into the transaction in question. In this regard, it must be demonstrated that the decision to enter into the transaction was taken on the basis of economic evaluations comparable to those which, in similar circumstances, a rational market economy operator would have made in order to determine the profitability or economic advantage of the transaction.
Minimum wage	Minimum guaranteed remuneration, as established by the Collective Bargaining Agreement in force for the professional football activity signed between the LALIGA and the AFE or the rule that replaces it.
Available balance Limit Cost Squad cost	The difference, provided it is positive, between the current Cost at any given time of the Squad and the allocated Cost Limit, if applicable, and with the increase authorised by the Validation Body, if applicable.
Audit qualification	For the purposes of these Standards, references to quantified qualifications in the auditor's report shall be understood to include all of the following, as defined in ISA 700 of 31 January 2013: <ul style="list-style-type: none"> - Amended opinion: <ul style="list-style-type: none"> o Qualified opinion, quantified or unquantified o Unfavourable opinion o Refusal of opinion - Limitations to the scope
Sports Sections	The activities integrated in the Club/SAD of both professional and non-professional practice of sports other than eleven-a-side football, regardless of whether they must keep separate accounts or formulate budgets for them in accordance with the Law on Sport.
Second Division	The second sport category of the League Competition.
StadCo	Very long-term (minimum twelve (12) years) <i>project finance</i> type financing structure, especially conceived and with special characteristics for infrastructure and growth investments, whose debt service is established with a view to being serviced with the incremental revenues from the financed investment, generating a positive net return.
Non-professional category	Non-professional competition organised by the Royal Spanish Football Federation.
Budget sub-item(s)	Any sub-item to be included in the League Budgets.
Spanish Super Cup	Competition organised by the RFEF that pits the LALIGA champion against the winner of the Copa de S.M. El Rey.
UEFA Super Cup	The European competition of this denomination organised by UEFA (UEFA Supercup).
T	Season to which the budget(s) refers League Budget(s) drawn up and submitted.
T+1, T+2, T+3....	Seasons following the T Season.

T-1, T-2, T-3...	Seasons prior to Season T.
Technician	Professional linked by an employment contract or any other type of contract with the Club/SAD and who carries out any of the functions of Coach, Assistant Coach, Physical Trainer, or other similar or analogous functions,
Season	The twelve-month period from 1 July of each year to 30 June of the following year, coinciding with the Spanish football season.
Treasury or equivalent	Assets included in subgroup 57 of the Spanish National Chart of Accounts, i.e. cash, banks and financial investments convertible into cash, with a maturity not exceeding three months from the date of acquisition, which have no significant risk of change in value.
UEFA	Union of European Football Associations.
Net Book Value	The net amount at which an asset is carried on the balance sheet after deducting accumulated depreciation and any accumulated impairment losses recognised.

ANNEX I.1 Estimated Profit and Loss Account for Season T and T-1 and Profit and Loss Account information for Season T-2 and T-3

ANEXO II.1 ESTIMACIÓN CIERRE DE TEMPORADA T-1 PERDIDAS Y GANANCIAS

	Real T21/22 (T - 3)	Real T22/23 (T - 2)	Real T-1 1 Semestre	Estimado T-1 2 Semestre	Estimado T23/24 (T-1) Total	Presupuesto T24/25
Importe neto de la cifra de negocios	-	-	-	-	-	-
Ingresos por competiciones (+)	-	-	-	-	-	-
Liga	-	-	-	-	-	-
Copa de SM el Rey	-	-	-	-	-	-
Supercopa de España	-	-	-	-	-	-
UEFA Europa League	-	-	-	-	-	-
UEFA Champions League	-	-	-	-	-	-
Supercopa de Europa	-	-	-	-	-	-
Otras competiciones y partidos amistosos	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Ingresos por abonados y socios (+)	-	-	-	-	-	-
Ingresos por explotación de instalaciones (+)	-	-	-	-	-	-
Ingresos por retransmisión (+)	-	-	-	-	-	-
Real Decreto - Ley 5/2015	-	-	-	-	-	-
Competiciones Europeas (market pool)	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Ingresos por comercialización (+)	-	-	-	-	-	-
Venta tiendas	-	-	-	-	-	-
Patrocinios	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Ingresos por publicidad (+)	-	-	-	-	-	-
Publicidad estática	-	-	-	-	-	-
Publicidad dinámica	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Aprovisionamientos y variación de existencias (+) / (-)	-	-	-	-	-	-
Consumos de material deportivo	-	-	-	-	-	-
Otros consumos	-	-	-	-	-	-
Variación de existencias	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Otros ingresos (+)	-	-	-	-	-	-
Ingresos LaLiga	-	-	-	-	-	-
Subvenciones a la explotación y otros	-	-	-	-	-	-
Trabajos realizados para la entidad y otros	-	-	-	-	-	-
Cesiones	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Ayuda al descenso	-	-	-	-	-	-
Gastos de personal no deportivo (-)	-	-	-	-	-	-
Sueldos y salarios del personal no deportivo	-	-	-	-	-	-
Indemnizaciones al personal no deportivo	-	-	-	-	-	-
Seguridad Social del personal no deportivo	-	-	-	-	-	-
Aportaciones a sistemas complementarios de pensiones y otras obligaciones con el personal	-	-	-	-	-	-
Cargas sociales	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Gastos plantilla deportiva (-)	-	-	-	-	-	-
Gastos plantilla deportiva inscribible en LaLiga	-	-	-	-	-	-
Sueldos y salarios, plantilla deportiva inscribible	-	-	-	-	-	-
Indemnizaciones plantilla deportiva inscribible	-	-	-	-	-	-
Seguridad Social, plantilla deportiva inscribible	-	-	-	-	-	-
Gastos derechos de imagen a sociedades tenedoras de los mismos	-	-	-	-	-	-
Primas colectivas, plantilla deportiva inscribible	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Gastos plantilla deportiva no inscribible en LaLiga	-	-	-	-	-	-
Sueldos y salarios, plantilla deportiva no inscribible	-	-	-	-	-	-
Indemnizaciones plantilla deportiva no inscribible	-	-	-	-	-	-
Seguridad Social, plantilla deportiva no inscribible	-	-	-	-	-	-
Gastos derechos de imagen a sociedades tenedoras de los mismos	-	-	-	-	-	-
Primas colectivas, plantilla deportiva no inscribible	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Otros gastos de explotación (-)	-	-	-	-	-	-
Servicios exteriores	-	-	-	-	-	-
Tributos	-	-	-	-	-	-
Pérdidas, deterioro y variación provisiones por oper. comerciales	-	-	-	-	-	-
Desplazamientos	-	-	-	-	-	-
Otros gastos de gestión corriente	-	-	-	-	-	-
Gastos por Ascenso de Categoría	-	-	-	-	-	-
Gastos de adquisición de jugadores inscribible en la LFP	-	-	-	-	-	-
Gastos de adquisición de jugadores no inscribible en la LFP	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Amortizaciones (-)	-	-	-	-	-	-
Amortizaciones del inmovilizado material	-	-	-	-	-	-
Amortizaciones del inmovilizado inmaterial (excluido jugadores)	-	-	-	-	-	-
Amortización de derechos de adquisición de jugadores inscribible	-	-	-	-	-	-
Amortización de derechos de adquisición de jugadores no inscribible	-	-	-	-	-	-
Otras amortizaciones	-	-	-	-	-	-
Imputación de subvenciones de inmovilizado no financiero y otras (+)	-	-	-	-	-	-
Subvenciones de capital traspasadas al resultado	-	-	-	-	-	-
Otras	-	-	-	-	-	-
Exceso de provisiones (+) / (-)	-	-	-	-	-	-
Deterioro y resultado por enajenaciones (+) / (-)	-	-	-	-	-	-
Beneficios procedentes del traspaso de jugadores	-	-	-	-	-	-
Traspasos	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Pérdidas procedentes del traspaso de jugadores	-	-	-	-	-	-
Traspasos	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Beneficios procedentes del inmovilizado e ingresos excepcionales	-	-	-	-	-	-
Pérdidas procedentes del inmovilizado y gastos excepcionales	-	-	-	-	-	-
Otros Resultados	-	-	-	-	-	-
Resultado de explotación	-	-	-	-	-	-
Ingresos financieros (+)	-	-	-	-	-	-
De valores negociables y otros Instrumentos financieros	-	-	-	-	-	-
De Empresas del Grupo	-	-	-	-	-	-
De Entidades Deportivas	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Diferencias de cambio (+)	-	-	-	-	-	-
Gastos financieros (-)	-	-	-	-	-	-
Por deudas con Entidades Financieras	-	-	-	-	-	-
Por deudas con Empresas del Grupo	-	-	-	-	-	-
Por deudas con Entidades Deportivas	-	-	-	-	-	-
Otros	-	-	-	-	-	-
Diferencias de cambio (-)	-	-	-	-	-	-
Deterioro y resultado por enajenaciones de Instrumentos financieros (+) / (-)	-	-	-	-	-	-
Total Resultado Financiero	-	-	-	-	-	-
Resultado antes de impuestos	-	-	-	-	-	-
Impuesto sobre beneficios (+) / (-)	-	-	-	-	-	-
Resultado del ejercicio (+) / (-)	-	-	-	-	-	-

ANNEX I.2. Estimated Balance Sheet as at 30 June Q-1 and comparative figures for the Q-2 and Q-3 Seasons

Identificador	BALANCE - ACTIVO	Real T-3	Real T-2	Real T-1 Diciembre	Estimado T-1 Junio
BAL.1	ACTIVO NO CORRIENTE				
BAL.1.1	Immobilizado Intangible				
2020	Immobilizado Intangible Deportivo				
2031	Derechos de adquisición de jugadores inscribibles				
2032	Derechos de adquisición de jugadores no inscribibles				
2040	Otros				
BAL.1.2	Immobilizado Intangible No Deportivo				
2050	Desarrollo				
2060	Concesiones				
2070	Patentes, licencias, marcas y similares				
2080	Fondo de comercio				
2090	Aplicaciones informáticas				
2100	Otro immobilizado intangible				
BAL.1.3	Immobilizado material				
2110	Terrenos y construcciones				
2120	Instalaciones técnicas, y otro immobilizado material				
2130	Immobilizado en curso y anticipos				
BAL.1.4	Inversiones Inmobiliarias				
2140	Terrenos				
2150	Construcciones				
BAL.1.5	Invers. en emp. del grupo y asoc. a largo plazo				
2160	Instrumentos de patrimonio				
2170	Créditos a empresas				
2180	Valores representativos de deuda				
2190	Derivados				
2200	Otros activos financieros				
BAL.1.6	Inversiones financieras a largo plazo				
2210	Instrumentos de patrimonio				
2220	Créditos a terceros				
2230	Entidades Deportivas deudoras por traspasos / cesiones				
2240	Entidades Deportivas deudoras por otros conceptos				
2250	Valores representativos de deuda				
2260	Derivados				
2270	Otros activos financieros				
2280 (BAL.1.7)	Periodificaciones a largo plazo				
2290 (BAL.1.8)	Activos por impuesto diferido				
BAL.2	ACTIVO CORRIENTE				
2300 (BAL.2.1)	Activos no corrientes mantenidos para la venta				
2310 (BAL.2.2)	Existencias				
BAL.2.3	Deudores con, y otras atas a cobrar				
2320	Arrendados y socios por cuotas				
2330	Entidades Deportivas deudoras por traspasos / cesiones				
2340	Entidades Deportivas deudoras por otros conceptos				
2350	Deudores varios				
2360	Personal deportivo				
2370	Personal no deportivos				
2380	Activos por impuesto corriente				
2390	Otros créditos con las Adm. Públicas				
2400	Otros deudores y cuentas a cobrar				
BAL.2.4	Inversiones en empresas del grupo y asociadas a corto plazo				
2410	Instrumentos de patrimonio				
2420	Créditos a empresas				
2430	Valores representativos de deuda				
2440	Derivados				
2450	Otros activos financieros				
BAL.2.5	Inversiones financieras a corto plazo				
2460	Instrumentos de patrimonio				
2470	Créditos a empresas				
2480	Valores representativos de deuda				
2490	Derivados				
2500	Otros activos financieros				
2510 (BAL.2.6)	Periodificaciones a corto plazo				
BAL.2.7	Requisitos y otros activos líquidos equivalentes				
2520	Tesorería				
2530	Otros activos líquidos equivalentes				
BAL.3	TOTAL ACTIVO				

Identificador	BALANCE - PATRIMONIO NETO Y PASIVO	Real T-3	Real T-2	Real T-1 Diciembre	Estimado T-1 Junio
BAL.4	PATRIMONIO NETO				
BAL.4.1	Fondos propios				
2540	Capital				
2550	Prima de emisión				
2560	Reserva legal y estatutarias				
2570	Otras reservas				
2580	Resultado de ejercicios anteriores				
2590	Otras aportaciones de socios				
2600	Resultado del ejercicio				
2610	(Dividendo a cuenta)				
2620	Otros instrumentos de patrimonio				
BAL.4.2	Justas por cambios de valor				
2630	Activos financieros disponibles para la venta				
2640	Operaciones de cobertura				
2650	Otros				
2660 (BAL.4.3)	Subvenciones, donaciones y Legados recibidos				
BAL.5	PASIVO NO CORRIENTE				
BAL.5.1	Provisiones a largo plazo				
2670	Obligaciones por prestaciones a largo plazo al personal				
2680	Actuaciones medioambientales				
2690	Provisiones por reestructuración				
2700	Otras provisiones				
BAL.5.2	Deudas a largo plazo				
2710	Deudas con entidades de crédito				
2720	Deudas con Clubes y/o SADs por traspasos/cesiones				
2730	Deudas con entidades deportivas				
2740	Acreedores por arrendamiento financiero				
2750	Personal deportivo				
2760	Personal no deportivo				
2770	Deudas concursales				
2780	Deudas con las administraciones públicas				
2790	Derivados				
2800	Otros pasivos financieros				
2810 (BAL.5.3)	Deudas con empresas del grupo y asociadas				
2820 (BAL.5.4)	Pasivos por impuesto diferido				
2830 (BAL.5.5)	Periodificaciones a largo plazo				
BAL.6	PASIVO CORRIENTE				
2850 (BAL.6.1)	Provisiones a corto plazo				
BAL.6.2	Deudas a corto plazo				
2860	Deudas con entidades de crédito				
2870	Deudas con Clubes y/o SADs por traspasos / cesiones				
2890	Acreedores por arrendamiento financiero				
2900	Derivados				
2910	Otros pasivos financieros				
2920 (BAL.6.3)	Deudas con empresas del grupo y asociadas				
BAL.6.4	Acreedores comerciales y otras cuentas a pagar				
2930	Acreedores				
2940	Deudas con entidades deportivas				
2950	Personal deportivo				
2960	Personal no deportivo				
2970	Otras deudas				
2980	Deudas concursales				
2990	Deudas con las Administraciones Públicas				
3000 (BAL.6.5)	Periodificaciones a corto plazo				
BAL.7	TOTAL PATRIMONIO NETO Y PASIVO				

ANNEX II: INVESTMENT AND LEAGUE BUDGET

ANEXO II PRESUPUESTO DE INVERSIÓN

Presupuesto de Inversión	Real T21/22 (T- 3)	Real T22/23 (T- 2)	Estimado T23/24 (T-1)	Presupuesto T24/25
Inmovilizado intangible Deportivo	-	-	-	-
Derechos de adquisición de jugadores inscribibles				
Derechos de adquisición de jugadores no inscribibles				
Otros				
Inmovilizado intangible No Deportivo				
Inmovilizado material				
Inversiones inmobiliarias				
Invers. en emp. del grupo y asoci.				
Inversiones financieras a largo plazo				
Invers. en emp. del grupo y asoci. corto plazo				
Inversiones financieras a corto plazo				
Total inversiones (-)	-	-	-	-
Inmovilizado intangible Deportivo	-	-	-	-
Jugadores inscribibles en la LFP				
Jugadores no inscribibles en la LFP				
Otros				
Inmovilizado intangible No Deportivo				
Inmovilizado material				
Inversiones inmobiliarias				
Invers. en emp. del grupo y asoci.				
Inversiones financieras a largo plazo				
Invers. en emp. del grupo y asoci. corto plazo				
Inversiones financieras a corto plazo				
Total desinversiones (+)	-	-	-	-
Superavit / (Déficit)	-	-	-	-

ANNEX III: THE BUDGET LEAGUE

ANEXO V PRESUPUESTO DE FINANCIACIÓN

Presupuesto de Financiación	Real T21/22 (T- 3)	Real T22/23 (T- 2)	Estimado T23/24 (T-1)	Presupuesto T24/25
F.O. Entidades de crédito				
F.O. Entidades deportivas				
F.O. Acreedores por arrendamiento financiero				
F.O. Otros pasivos financieros				
F.O. Empresas del grupo y asociadas				
Total Financiación Obtenida (+)	-	-	-	-
Obtenida en la presente temporada	-	-	-	-
F.D.P. Entidades de crédito				
F.D.P. Entidades deportivas				
F.D.P. Acreedores por arrendamiento financiero				
F.D.P. Otros pasivos financieros				
F.D.P. Empresas del grupo y asociadas				
Obtenida en temporadas anteriores	-	-	-	-
F.D.A. Entidades de crédito				
F.D.A. Entidades deportivas				
F.D.A. Acreedores por arrendamiento financiero				
F.D.A. Otros pasivos financieros				
F.D.A. Empresas del grupo y asociadas				
Total Financiación Devuelta (-)	-	-	-	-
Superavit / (Déficit)	-	-	-	-

ANNEX IV: THE LEAGUE BUDGET

Table with columns for months (Enero to Junio, Julio to Diciembre) and categories such as Ingresos por competiciones, Ingresos por explotación de instalaciones, Gastos planilla deportiva, and Resultado Financiero.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

CLUB/SAD BUDGETING POLICIES

BUDGET INCOME AND EXPENDITURE LEAGUE ANNEX TO THE DESCRIPTION OF BUDGET ITEMS AND OF THE RULES AND CRITERIA FOR VALUATION

Item No. /Budget Sub- item	REFERENCE ACCOUNT PGC and/or Sectoral adaptation to SAD	DENOMINATION	DESCRIPTION	VALUATION RULES/CRITERIA AND LIMITATIONS (THOSE FOR A PARTICULAR HEADING APPLY, UNLESS OTHERWISE SPECIFIED, TO ALL SUBHEADINGS WITHIN THAT HEADING)	DOCUMENTATION ADDITIONAL TO BE PROVIDED BY THE CLUB/SAD
1.		Net turnover	Sum of budget sub-items 1.1 to 1.6.	<p>In the case of the transactions described below between Related Parties, they will not count as Revenue to be budgeted:</p> <ul style="list-style-type: none">a) Those arising from contracts entered into by the Club/SAD with Related Parties for consideration or compensation linked to the participation of a Player - who is on temporary loan or whose Federative Rights are subject to a repurchase option right - in matches in Competitions in which the Club/SAD participates or to his training and sporting development by the Club/SAD, or for any other sponsorship or similar concept referring to the Player. It includes in any case the concepts that have come to be known as "<i>development fee</i>".b) Those received for any reason by the Club/SAD from another Club/SAD that is a temporary transferor in favour of the first one of the Federative Rights of Players, or with a definitive nature of the same, in the latter case subject to an option right of repurchase in favour of the transferor Club/SAD.	

1.1.		Competition income (+)	Revenue from ticket sales at matches held at the Club/SAD stadium and other items listed in the sub-items. To be broken down for each of the Competitions listed in the Subitems, as well as for the income from Friendly Matches. It does not include income from subscribers and season tickets, which will be included in Item 1.2.		
1.1.1.	700	League		<ol style="list-style-type: none"> 1. The value of this Match may not exceed the highest of the actual amounts obtained by the Club/SAD in any of the T-3- to T-1 Seasons in which it has participated in the same Sport Category of the League Competition in which it is expected to participate in the T-Season. 2. If the reference season is T-1, the Estimated Revenue will be calculated for that season. 3. In case the Club/SAD has not participated in any of the T-3 to T-1 Seasons in the category in which it is going to participate in T, the Club/SAD may formulate a Valuation Alternative. 	
1.1.2.	701	H.M. the King's Cup.		<ol style="list-style-type: none"> 1. With regard to the projection of the knockout rounds to be overcome in the competition of the H.M. The King's Cup, the hypothesis for the valuation of this Item may not contemplate the overcoming of a knockout round that has not been overcome in any of the Seasons T-1 and T-2 in said Competition, nor a greater volume of income or contribution to the Operating Result than has been obtained in either of those two Seasons. 2. Clubs/SADs that in Season T are going to participate in the Second Division, and in T-1 or T-2 have played in the Copa S.M. EL Rey a play-off against a Club/SAD classified among the first six (6) places in the First Division in Season T-2, will have a limitation of the budgeted box office income for the aforementioned play-off, which will be a maximum of Fifteen percent (15%) of the amount actually collected in the aforementioned play-off in Season T-1 or T-2. <i>Example: Club/ SAD that in the 2014-2015 Season participates in the Second Division and plays in the round of 32 of the Copa S.M. EL Rey of that Season against the League Champion of the 2013-2014 Season and obtains a box office of 800,000 euros, minus VAT. For the 2015-2016 season, if it participates in the Second Division, it will only be able to budget 15% of 800,000 euros, i.e. 120,000 euros, as the Copa S.M. EL Rey box office corresponding to the knockout round of the last 16.</i> 	

1.1.3.	703	Spanish Super Cup		<ol style="list-style-type: none"> 1. When, at the date of presentation of the League Budgets, the Club/SAD is mathematically able to compete in the Spanish Super Cup Competition in Season T, it shall prepare an alternative income and expenses derived from said participation, the net balance of which may not represent a positive contribution to the Operating Result greater than that effectively produced by its participation in said Competition in any of the Seasons subsequent to Season T-3. 2. In the event that such a case has not occurred, i.e. has not played in such a competition in Seasons subsequent to T-3, the Club/SAD may formulate a Valuation Alternative. 	
1.1.4.	702	Revenues from European Competitions.	<p>Income derived from participation in any European Competition.</p> <p>This item includes only revenue from ticket sales for UEFA European competition matches. Conversely, amounts accruing to the Club/SAD from UEFA revenue sharing for participation in European competitions should be recorded in subheading 1.3.2.</p>	<p>The amount of this Item will be calculated in an amount that cannot be higher than the average of the income obtained from Season T-3 to Season T-1 (in the case of Season T-1 the Estimated Amount will be considered). The same procedure shall be followed if the Club/SAD has participated only 2 times in the Competition concerned and within the period indicated. In case the Club/SAD has participated less than two (2) times in that Competition within the period indicated in Rule 1, a Valuation Alternative may be submitted.</p>	
1.1.4.1.	702	UEFA Europa League		See Note Item 1.1.4.	
1.1.4.2.	702	UEFA Champions League		See Note Item 1.1.4.	

1.1.4.3.	702	European Super Cup		<ol style="list-style-type: none"> 1. When, at the date of presentation of the League Budgets, the Club/SAD is mathematically able to compete in the European Super Cup Competition in Season T, it shall prepare an alternative income and expenses derived from said participation, the net balance of which may not represent a positive contribution to the Operating Result greater than that effectively produced by its participation in said Competition in any of the Seasons subsequent to Season T-3. 2. In the event that such a case has not occurred, i.e. has not played in such a competition in Seasons subsequent to T-3, the Club/SAD may formulate a Valuation Alternative. 	
1.1.5.	703	Other competitions and friendly matches		The amount to be budgeted may not exceed the average of the actual amounts of the Seasons. T-3 and T-2 plus the Estimate for Season T-1.	
1.1.6		Other			
1.2.	710 711	Revenue from subscribers and members (+)	Includes income from membership fees and non-members' entrance fees or similar.	<ol style="list-style-type: none"> 1. The budgeted amount shall not exceed the Estimated Amount for the Season T-1. 2. Special rules: <ol style="list-style-type: none"> a. In the event that the Club/SAD plans an increase in season ticket revenues as a consequence of an increase in the capacity of the stadium in which it plays its matches, it must explain and justify in detail the origin of this increase. In the event that in Season T a League Category other than the one in which it will participate in Season T-1 will be taken as a reference, for the purposes of calculating the limit of the budgeted income from season tickets and members, that of the last Season in which it participated in the same Category as the one budgeted, from T-3 to T-1, shall be taken as a reference. c. If the aforementioned circumstance has not occurred or is prior to the T-3 Season, the Club/SAD will present a Valuation Alternative, which will be evaluated by the Validation Body, taking into account economic, demographic, geographic, etc. ratios of Clubs/SADs with similar ratios. d. Without prejudice to the generic powers of the Validation Body, the Validation Body may - in accordance with the provisions of Articles 9.5 and 	<p>In case Special Rules 2 a. and 2.b. of this Item apply, the Club/SAD shall provide an explanation and justification for the increase it intends.</p> <p>Standard Model 101 shall be used</p>

				<p>31.3 - make Adjustments to the budgeted income under this Item if it has information that reasonably indicates that the income will be lower than the income resulting from the application of the above Rules.</p> <p><i>Example: If a Club in the 2014-15 Season has obtained a revenue of 1,000,000 euros from season tickets, and one of its conditions of sale consisted of a 50% discount for the purchaser for the 2015-16 Season, the maximum revenue from season tickets that it will be allowed to project for this last Season will be 500,000 euros.</i></p>	
1.3.	707	Broadcast revenues (+)	<p>Includes revenue derived from the sale of broadcasting rights to television, radio, new media and other media operators in connection with League, Cup, UEFA and other Competitions and Friendly Matches. (Sum of Subitems 1.3.1 to 1.3.3.) Revenue derived from UEFA revenue sharing for participation in European competitions should be computed in item 1.3.2. j</p>		

1.3.1.		Revenues from the commercialisation of audiovisual content exploitation rights in accordance with Royal Decree-Law 5/2015 of 30 April.		<ol style="list-style-type: none"> 1. The amount of this Item shall be estimated - in accordance with the provisions of Articles 9.5 and 31.3 - directly by LALIGA on the basis of reasonably applicable criteria and circumstances, as the manager of the commercialisation of these rights and their distribution, 2. LALIGA will provide the Clubs/SADs with the valuation of the Match by 15 April of the Season T-1. 3. LALIGA will make the appropriate Adjustments as a result of the applicable distribution criteria that are known or modified to considered in the estimate after 15 April T-1. 	
1.3.2.		UEFA revenue sharing income.		<ol style="list-style-type: none"> 1. In accordance with the distribution of income that the organiser of the European Competition has in force on the date of presentation of the League Budgets, the amount of this Item will be calculated in an amount that may not be higher than the average which, according to the UEFA calculator of the LALIGA Data Finance Clubs scorecard, would correspond according to the three (3) best sporting classifications obtained by the Club/SAD in the Competition in question from Season T-3 to Season T-1 (in the case of Season T-1, the Estimated Amount will be considered). 2. The same procedure shall be followed if the Club/SAD has participated only 2 times in the Competition concerned and within the period indicated. 3. In the event that the Club/SAD has participated on less than two (2) occasions in such Competition in the period indicated in Rule 1, it may submit a Valuation Alternative. 	
1.3.3.		Other revenue from exploitation rights for audiovisual content not included in Subitems 1.3.1 and 1.3.2.		<ol style="list-style-type: none"> 1. Only the amount justified by firmly signed contracts will be accepted. 2. In the event that the Contract provides for the possibility of obtaining a fixed income and additional income under certain variables, the assumptions underpinning the projected income under these variables may not be more optimistic than the average of the income obtained from T-3 to T-1, provided that the Club/SAD has participated in the Category in which it expects to participate in T-3. 3. In the case of not having participated in any of the T-3, T-2 and T-1 Seasons in the Category contemplated for the T-Season, the Valuation Alternative submitted by the Club/SAD must have the approval of the Validation Body. 	The Club/SAD shall submit a Certificate of the Authorised Representative for the purpose of justifying the amount budgeted and the existence of the subscribed contract Standard Form 102. Note (4)
1.4.	706	Marketing revenues (+)	Sum of Items 1.4.1, 1.4.2, and 1.4.3.	<ol style="list-style-type: none"> 1. The Validation Body may apply - in accordance with the provisions of articles 9.5 and 31.3 - an objective system of valuation of these revenues, based on audiences, social media monitoring of the 	

				<p>Club/SAD, comparative market <i>engagement</i> or other means, validated by an independent expert, which for Clubs/SADs that are going to participate in Season T in the Second Division Category, sets a maximum range of marketing revenues or, where appropriate, request valuation by an independent expert.</p> <p>2. If consideration in kind is agreed, it shall be taken into account in determining income.</p>	
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1.4.1.		Shop sales.	Revenue derived from sales in official shops or through any other distribution channel (authorised dealers, internet, museum, etc.).	<ol style="list-style-type: none"> 1. The amount of this Match may not be higher than the actual amount obtained in the last Season in which they participated in the same Category, from T-3 to T-1, contemplated for the T-Season. 2. In the case of the T-1 season, the estimated amount for the T-1 season shall be taken into consideration. 3. In case the Club/SAD has not participated from T-3 to T-1 in the Sport Category it intends to do so for T, it shall submit a Valuation Alternative. 	
1.4.2.		Sponsorships.	Income from sponsorship and similar contracts.	<ol style="list-style-type: none"> 1. The amount of the net monetary benefit in favour of the Club/SAD will be taken into account. In other words, from the total amount in favour of the club, the amount of the consideration to be paid, if any, by the Club/SAD will be deducted, as well as the costs directly attributable to the contract. <i>(For example, for a sponsorship in which the Club/SAD gives assets valued at €1M, whose direct cost to the Club/SAD amounts to €0.1M; and receives from the sponsor €0.8M in cash and €0.2M as valuation for the use of vehicles, €1M of income and €0.3M of expenses will be budgeted).</i> The same rule applies to Items 1.5. 2. Budgeted income not supported by firm Contracts, whose contractual income does not cover at least ninety-five percent (95%) of the budgeted figure as at 20 June T-1 under this Item, shall not be admissible. 3. In the event that the Contract provides for the possibility of obtaining a fixed income and additional income under certain variables, the assumptions underpinning the projected income under these variables may not be more optimistic than the average of the income obtained from T-2 to T-1, provided that the Club/SAD has participated in the Category in which it expects to participate in T-1, and that the Club/SAD has participated in the Category in which it expects to participate in T-2, provided that the Club/SAD has participated in the Category in which it expects to participate in T-1. 4. In the of not having participated in any of the T-2 and T-1 Seasons in the Category contemplated for the T-Season, the Club/SAD must present a Valuation Alternative 	The Club/SAD shall submit a Certificate of the Authorised Representative for the purpose of justifying the amount budgeted and the existence of the subscribed contract Standard Form 102. Note (4)
1.4.3.		Other	Revenue from the trading of other entitlements not included in sub-items 1.4.1 and 1.4.2.	<ol style="list-style-type: none"> 1. Amounts budgeted which are not supported by firmly signed Contracts whose contractual income does not cover at least ninety-five percent (95%) of the figure budgeted as at 20 June T-1 under this Sub-item shall not be admissible 2. In the event that the Contract provides for the possibility of obtaining a fixed income and additional income under certain variables, the assumptions underpinning the projected income under these variables may not be more optimistic than the average of the income obtained from T-2 to T-1, provided that the Club/SAD has participated in the Category that it expects to participate in T. 3. In the case of not having participated in any of the T-2 and T-1 Seasons in the Category contemplated for the T-Season, the Club/SAD must present a Valuation Alternative 	The Club/SAD shall submit a Certificate of the Authorised Representative in order to justify the budgeted amount and the existence of the signed contract.

1.5.	708	Advertising revenues (+)	<p>Revenues from advertising exploited directly by the Club/SAD or by transferring it to third parties.</p> <p>Sum of sub-items 1.5.1, 1.5.2. and 1.5.3.</p>	<p>1.- The Validation Body may apply - in accordance with the provisions of articles 9.5 and 31.3- an objective system of valuation of these revenues (accounts 706 and 708 of the sectorial adaptation of the PGC to the SADs), based on audiences, monitoring of the Club/SAD social networks, comparative market <i>engagement</i> or others, validated by an independent expert, which for Clubs/SADs that are going to play in Season T in the Second Division Category establishes a maximum range of marketing revenues or, where appropriate, request valuation by an independent expert.</p> <p>If consideration in kind is agreed, it shall be taken into account in determining income.</p> <p>3.- Budgeted income will not be accepted if it is not justified by firm contracts signed, whose contractual income does not cover at least ninety-five percent (95%) of the amount budgeted in this item.</p> <p>In the event that the Contract contemplates the possibility of obtaining a fixed income and additional income by virtue of certain variables, the hypotheses that support the projected income by virtue of these variables may not be more optimistic than the average of the income obtained from T-2 to T-1, provided that the Club/SAD has participated in the Category in which it expects to participate in T-1.</p> <p>5.- In the case not having participated in any of the T-2 and T-1 Seasons in the Category contemplated for the T-Season, the Club/SAD must present a Valuation Alternative presented</p>	<p>The Club/SAD shall submit a Certificate of the Authorised Representative in order to justify the budgeted amount and the existence of the signed contract Standard Form 102. Note (4)</p>
1.5.1.	7080	Static advertising.	Revenue from advertising that is transmitted through fixed media (billboards, posters, leaflets, brochures, magazines, newspapers, publications, marquees, etc.).	The Rules of Play 1.5 apply.	
1.5.2.	7081	Dynamic advertising.	Income from advertising that is transmitted through the media (radio, television, internet...).	The Rules of Play 1.5 apply.	
1.5.3	7082	Other		The Rules of Play 1.5 apply.	
1.6.	712	Revenues from operation of facilities (+)	Revenues generated by the sale of access tickets and/or the price of the transfer of sports facilities for shows or activities other than sporting events for the practice of football by its first team and/or dependent and subsidiary teams.	<p>1. The Club/SAD may not include revenues in excess of the average of the amounts for the T-3, T-2 and T-1 Seasons as it earns revenues.</p> <p>2. Special Rule: the Club/SAD can only submit an income higher than the income indicated in point 2, by justification and therefore must submit a Valuation Alternative.</p> <p>Clubs/SADs that have historically included this income under another heading must, from the entry into force of this regulation, include this income under heading 1.6.</p>	1.6.

2.		Procurements and stock changes (+) / (-)	Algebraic sum of Items 2.1., 2.2., 2.3., 2.4.	<ol style="list-style-type: none"> 1. The budgeted expenditure for each of the Sub-items under this Item shall not be less than Ninety-five (95) per cent of the Estimated Amounts for the T-1 Season. 2. In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD must submit a Valuation Alternative. The amount for purchases of products intended to be sold in the official Club/SAD shops must be justified with an explanation of the assumptions underpinning this amount in relation to the budgeted income from sales in the aforementioned official Club/SAD shops. 	The justification referred to in Rule 2 of this Item shall be formulated in accordance with Standard Form 105.
2.1.	600	Purchases of sports equipment.	Includes purchases of sports equipment. Sports equipment includes both that intended for use and consumption by the Club and that intended for sale.	Game 2 Rules apply	
2.2.	601/602	Other consumption.	Procurement of medicines, publicity material, merchandising Advertising and merchandising material comprises all items intended for sale or as gifts, such as pennants, badges, toys, etc.	Game 2 Rules apply	
2.3.	603	Others.	Other supplies include fuel, spare parts and office supplies and any other supplies not included in Subheadings 1.5.1 to 1.5.2.	Game 2 Rules apply	
2.4.	610/611/612/613	Change in stocks (+/-)		Game 2 Rules apply	

				2.	
3		Other income (+)	Sum of the amounts of sub-items 3.1. to 3.6.		
3.1.	759	LALIGA revenues.	Economic rights that may correspond to the Club/SAD due to its membership of the LALIGA Nacional de Fútbol Profesional by virtue of art. 59.4 of its Statutes, including participation in the income from pools, sponsorships and licences, UEFA or any other concept, in the form and amount agreed for Season T by the competent LALIGA bodies.	The amount of this Item will be determined directly by the League itself (Validation Body), in accordance with the applicable regulations and social agreements.	

3.2.	740	Operating subsidies and others.		All income under this sub-item must be supported by appropriate contracts or agreements.	The Club/SAD shall submit a certificate from the Authorised Representative certifying the existence of the relevant contract and/or agreement, as well as the expected income and the fulfilment of the conditions for the payment of the grant. MN 103 Note (4)
3.3.	731/732	Work carried out for the entity and others.	Offsetting entry for expenditure incurred by the Club for its fixed assets, using its equipment and staff, which are capitalised.	The amount of this sub-item shall be justified.	The Club/SAD shall submit a certificate from the Authorised Representative attesting to the amount of this Sub-entry in accordance with MN 104 Note (4).
3.4.	757	Temporary transfers of Players' Federative Rights.	Revenues from temporary transfers of Players' Federative Rights.	Income from the Temporary Transfer of Players' Federative Rights will be treated as an element that will form part of the registrable squad cost, computed as a lower cost of the same and will be included in the corresponding Form with a negative sign, in accordance with the provisions of article 39 of these Rules, which regulates the "Squad Cost".	
3.5.	759	Others.	Includes income from other miscellaneous activities such as rentals, <i>hospitality</i> , raffles, parking, insurance indemnities, etc.	<ol style="list-style-type: none"> 1. For the accounts corresponding to this item, an amount higher than the average of the last 3 seasons (T-3, T-2 and T-1) will not be allowed, considering for the T-1 season the Estimated Income, and always taking into account the seasons in which the Club/SAD has participated in the category in which it expects to participate in T-1, and the seasons in which the Club/SAD has participated in the category in which it expects to participate in T-2, T-2 and T-1. 2. In the case of not having participated in any of the T-3, T-2 and T-1 Seasons in the Category contemplated for the T-Season, the Club/SAD must submit a Valuation Alternative 	
3.6		Descent Assistance	Include those resources received as a consequence of moving to a lower Sport Category.	The amount of this Item shall be estimated directly by LALIGA in accordance with the applicable regulations and social agreements.	

4.		Non-sports staff costs (-)	Sum of Non-Sporting Staff expenditure. Subitems 4.1 to 4.6.		
4.1.	641	Salaries and Wages of Non-Sports Staff.	Wages, salaries and other remuneration, including remuneration in kind of Non-Sport Personnel.	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts for Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative	
4.2.	6421	Compensation of non-sporting personnel.	This includes amounts for damages, severance pay or compensation arising from any type of agreement whereby the employment relationship is terminated. For example, indemnities for unilateral termination by the club, compensation for termination by mutual agreement, amounts fixed by law, court or agreement as compensation for dismissal of the employee, etc.	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts for Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative .	
4.3.	6431	Social security for non-sports personnel.	Social Security contributions.	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts for Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative	
4.4.	6441	Contributions to supplementary pension schemes and other liabilities to non-sports staff.	Club/SAD contributions to supplementary pension schemes and other obligations to non-sporting Staff.	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amount for Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative	
4.5.		Social charges.	Other social security charges arising from individual employment contracts or collective bargaining agreements	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts of the T-1 Season . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative	
4.6.	6491	Others.	Items constituting Non-Sport Personnel expenditure not included in Items 4.1 to 4.5 above.	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts for Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative .	

5.		Expenditure Squad costs (-)	Expenditure on the squad. Sum of sub-items 5.1 and 5.2.	<ol style="list-style-type: none"> 1. Expenditure under this item shall include all the items referred to in Article 39 of these Rules. 2. Likewise, the valuation rules contained in the aforementioned Article 39 shall be applied as valuation rules. 3. The groups of accounts of the General Chart of Accounts and/or sectoral adaptation to the ODS, indicated in the corresponding column, are for illustrative purposes only. 4. This item therefore includes any other expense account which includes any type of remuneration to the squad or to companies holding the image rights of a member of the squad or costs related to the , not included in above-mentioned groups of accounts, reduced by income from the temporary loan of players (757). 5. In accordance with the purpose of these Rules, only an amount will be accepted from this Item which, after validation of the figures for the remaining budgeted income, expenditure, profits and losses, will result in compliance with the Budget Break Even Point, as defined in Article 42 of these Rules, and without prejudice also to any limitations which may arise from the requirements to be met by the Treasury League Budget and other applicable rules in accordance with these Rules. 	
5.1.		Expenditure Squad costs Registrable.	Expenses of the registrable squad. Sum of Subitems 5.1.1 to 5.1.6.		
5.1.1.	640	Wages and salaries, squad registrable	Fixed remuneration, variable remuneration, image rights, individual bonuses, allowances, incentives, remuneration in kind (housing, vehicles, insurance, pension plans, etc.) and irregular income of the registrable squad.		
5.1.2.	6420	Compensation for registrable squad.	This includes amounts to compensate for damages, severance pay or compensation arising from any type of agreement whereby the employment relationship is terminated. For example, indemnities for unilateral termination by the club, compensation for termination by mutual agreement, amounts fixed by law, in court or by agreement as compensation for dismissal of the employee, etc.		
5.1.3.	6430	Social Security, squad registrable.	Social Security contributions.		
5.1.4.		Expenditure on image rights to companies holding such rights.	Amount of the rights for the commercial or economic exploitation of the image of the Player/Coach accrued in favour of third parties (image companies and any other natural or legal persons) as assignees and holders of those rights for the aforementioned economic and commercial exploitation.		

5.1.5.	6403/6404	Collective premiums, registrable squad.	Premiums accrued in favour of the members of the Registered Squad collectively for the achievement of joint sporting objectives of the team concerned.	<ol style="list-style-type: none"> The amount to be budgeted for this Collective Premiums Sub-item shall be calculated according to the hypotheses that support the League Budget, and may not be less than NINETY (90) PERCENT of the highest amounts that have been negotiated, recognised and/or accrued in any of the THREE (3) Seasons prior to Season T for the same concept, and category, unless justified and accepted by the Validation Body, which in no case may involve a reduction of more than FIFTY (50) per cent. (For Season T-1 Estimated Amount). In the case of not having participated in T-3, T-2, T-1 in the Category contemplated for the T-Season, the Club/SAD must submit a Valuation Alternative
5.1.6.	6409	Others.	Items constituting expenditure on the registrable squad not included in sub-items 5.1.1 to 5.1.5 above.	Including the cost items listed in art. 39 of the Rules.
5.2.	64	Expenditure on squad No Registrable.	Non-Registrable Squad Costs Sum of Subitems 5.2.1. to 5.2.6.	
5.2.1.	640	Wages and salaries, Non-Registrable Squads.	Fixed remuneration, variable remuneration, image rights, individual bonuses, per diems, incentives, remuneration in kind (housing, vehicles, insurance, pension plans, etc.) and irregular income of the squad No Registrable.	
5.2.2.	6420	Indemnifications Non-Registrable Squads.	This includes amounts to compensate for damages, severance pay or compensation arising from any type of agreement whereby the employment relationship is terminated. For example, indemnities for unilateral termination by the club, compensation for termination by mutual agreement, amounts fixed by law, in court or by agreement as compensation for dismissal of the employee, etc.	
5.2.3.	6430	Social Security, Non-Registrable Squad.	Social Security contributions.	
5.2.4.		Expenditure on image rights to companies holding such rights.	Amount of the rights for the commercial or economic exploitation of the image of members of the Non-Registrable Squad accrued in favour of third parties (image companies, and other natural or legal persons) as assignees and holders of those rights for their economic and commercial exploitation.	
5.2.5.	6403/6404	Collective premiums, Non-Registrable Squads.	Bonuses accrued in favour of Players collectively for the achievement of joint sporting objectives of the team concerned.	
5.2.6.	6409	Others.	Items constituting expenditure on the Non-Registrable Squad not included in the above Sub-items 5.2.1 to 5.2.5.	

6.		Other operating expenses (-)	Sum of sub-items 6.1 to 6.9.		
6.1.	620/621/622 623/624/625 626/627/628 629	External services.	Includes communication costs (telephone, internet, etc.), rent, repairs and maintenance, services of independent professionals (lawyers, solicitors, insolvency administrators, notaries, registrars, auditors, economists, architects, etc.), travel of non-sporting staff, insurance premiums, banking and similar services, advertising, publicity and public relations. It does not include any expenditure related to the acquisition of Players, which shall be included in Items 6.6 or 6.7 as appropriate.	The item corresponding to External Services will not admit any reduction with respect to the Estimated Amount of the Season T-1 . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD shall submit a Valuation Alternative	
6.2.	631	Tributes.	Includes Real Estate Tax, Tax on Economic Activities, Tax on Motor Vehicles, Tax on the Increase in the Value of Urban Land (Municipal Capital Gains Tax) and municipal taxes (waste collection, advertising, occupation of public roads, fords, security and surveillance, etc.).	The amount budgeted for this Sub-item shall not be less than Ninety-five (95) percent of the Estimated Amounts of the T-1 Season . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD must submit a Valuation Alternative	
6.3.	650	Losses, impairment losses and changes in provisions for commercial operations.	Losses and impairments of any fixed assets that in accordance with the Spanish National Chart of Accounts and the principle of reasonableness must be accounted for. Change in provisions.	The amount budgeted by the Club/SAD will be accepted, although it may be adjusted - in accordance with the provisions of articles 9.5 and 31.3 - by the Validation Body.	
6.4.	654	Displacements.	Transport costs, hotel accommodation and other expenses incurred as a result of sports teams travelling to play matches, hold training camps, etc.	The item corresponding to Travel will not admit any reduction with respect to the Estimated Amount for the T-1 Season . In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD must submit a Valuation Alternative	
6.5.	659	Other current administrative expenditure.	Includes refereeing fees, players' and coaches' licence fees and sporting sanctions.	The amount budgeted for this Sub-item shall not allow for any reduction with respect to the Estimated Amount for Season T-1. In the case of not having participated in T-1 in the Category contemplated for the T-Season, the Club/SAD must provide a Valuation Alternative	
6.6		Upgrading Expenditure	Fees to be paid as a result of upgrading	Includes the fees that Clubs/SADs that are promoted from Second Division to First Division and from non-professional category to Second Division and that, prior to the aforementioned promotion, have received from LALIGA the economic compensation for abandonment of Sporting Category, must reimburse to LALIGA for the promotion obtained.	
6.7.	6530	Expenses for the acquisition of Players from the Registrable Squad.	It includes all transaction costs related to the acquisition of the Federative Rights or the engagement of the services of a Player or Coach for the registrable Squad, such as commissions from agents, representatives and intermediaries, natural or legal persons, whatever the form and denomination of the agreement from which such costs derive.		
6.8.	6531	Expenses for the acquisition of Players from the Non-Registrable Squad.	It includes all transaction costs related to the acquisition of the Federative Rights or the engagement of the services of a Player or Coach for the NON-Registrable Squad, such as commissions from agents, representatives and intermediaries, natural or legal persons, whatever the form and denomination of the agreement from which such costs derive.		
6.9.	659	Others.			

7.		Depreciation (-)	The rules of the General Chart of Accounts shall apply.		
7.1.	682	Depreciation of tangible fixed assets.		<p>A Depreciation envelope of not less than Ninety-five percent (95%) of the Estimated Envelope for Season T-1 may not be budgeted.</p> <p>If the budgeted allocation to the depreciation of the acquisition cost of the tangible fixed assets consisting of sports facilities is less than 95% of the amount allocated in Season T-1, the corresponding amount must be justified by the Club/SAD.</p> <p>Depreciation derived from the use of the sports facilities owned by the Club (Stadium and Sports City), with a maximum limit of 4% of the Net Turnover accepted by the Validation Body for the T Season, will not be considered for the purposes of calculating the Club's Squad Cost Limit for T Season. The same treatment will be applied to the amortisation of investments made on sports facilities transferred for use that have been accounted for as intangible fixed assets.</p> <p>For the purposes of player registration, this option may only be applied, provided that the Club/SAD sends the Validation Body all the information necessary to estimate the Squad Cost Limit corresponding to Season T+1, in accordance with the provisions of article 93.8 of these Regulations, proceeding to the registration of players in Season T, provided that there is an Available Balance of the Squad Cost Limit or registration capacity generated, both for Season T and, if applicable, for Season T+1.</p>	Standard Model 106
7.2.	6811	Amortisation of intangible fixed assets (excluding players).		A Depreciation envelope of not less than Ninety-five percent (95%) of the Estimated Envelope for Season T-1 may not be budgeted.	
7.3.	6810	Amortisation of acquisition rights of players on the registrable squad			
7.4.	6812	Amortisation of acquisition rights of Players from the Non-Registrable Squad.			
7.5.		Other depreciation.		A Depreciation envelope of not less than Ninety-five percent (95%) of the Estimated Envelope for Season T-1 may not be budgeted.	
8.		Allocation of grants for non-financial fixed assets and other (+)	The rules of the General Chart of Accounts shall apply.		
8.1.	775	Capital grants carried over to the result			
8.2.		Others.			
9.	79	Excess provisions (+) / (-)	The General Chart of Accounts rules shall apply.		

10.		Impairment and gains/losses on disposals (+) / (-)	The General Chart of Accounts rules shall apply. Algebraic sum of sub-items 10.1 to 10.4.		
10.1.	776	Profits from the Transfer of Players' Rights (+)	Profits produced as a result of the Transfer of Players' Federative Rights. It also includes the amounts effectively received corresponding to training compensation and solidarity mechanism regulated in the FIFA RETJ. Algebraic sum of sub-items 10.1.1. and 10.1.2.	<ol style="list-style-type: none"> 1. As a general rule and without prejudice to the special rules set out in Article 31.9 and 31.10, it is calculated as follows: Profit= (+) Agreed net price. (-) Net Book Value of the Player's Full Player's Rights at the time of Transfer. (-) Amount of transaction and associated costs of the Transfer (-) Amount of interest implied by the deferred collection of the Price, if any. 2. The amount of this Sub-item may not exceed the result of the difference between <ol style="list-style-type: none"> a) As a minuend: The average of the earnings for this item obtained in the Three (3) Seasons prior to Season T, (T-3, T-2 and T-1), and b) As a subtraction: The average of the 3 Seasons prior to the T of the accounts that include Losses from Transfer of Players' Federative Rights and/or losses for any concept that has to do with contracts with Players or clubs from which they come or have come. For the calculation of the average of the Seasons prior to T, only the seasons of militancy in LALIGA will be taken into consideration. 3. In any case, the amount of this sub-item may not be negative, so that if the result of the application of the above rules is negative, the amount of this sub-item shall be 0. 4. The Clubs/SADs that in Season T will participate in the Second Division will apply a coefficient of 0.8 to the result obtained in accordance with the provisions of the previous paragraphs 5. The amount of this Item will be adjusted, not counting the Profits obtained in the Seasons in which the Club/SAD has participated in Sports Categories higher than the one in which the Club/SAD is going to participate in Season T except in the first Season in which it has been relegated, in which this adjustment will not be applied. 6. Rule applicable to Second Division Clubs/SADs. <i>First Scenario.</i> In the event that, at the close of the Summer Player Registration Period, the amount of Net Profits from Transfers of Federative Rights (Items 10.1 and 10.2. of the BUDGETARY ITEMS DESCRIPTION AND RULES AND VALUATION CRITERIA APPENDIX of the League Income and Expenditure Budget) budgeted in the League Income and Expenditure Budget and accepted by the Validation Body for Season T, the aforementioned amount budgeted in the League Budget shall be updated, reducing its figure to that actually realised at the conclusion of the said Registration Period plus TWENTY PERCENT (20%) per cent of the figure budgeted for Season T, subject in all cases to the limit of the latter. 	A certificate from the Authorised Representative shall be attached stating the benefits accrued until 31 January of the T-1 Season. Standard Model 107 Note (4)

				<p><i>Second Assumption.</i> The Club/SAD has made in the summer Player Registration period Transfers of Federative Rights of Players, representing a Net Profit of at least EIGHTY PERCENT (80%) of the amount budgeted and validated in the Income and Expenditure League Budget as the amount of this item will be updated for Season T will be fixed in accordance with the following rules.</p> <ul style="list-style-type: none"> (i) For the sum of the total Net Player Transfer Profits effectively made in the referred summer player registration period, increased by up to FIFTY PERCENT (50%) of the average of the Net Player Transfer Profits made in the last THREE (3) Seasons since the end date of the summer player registration period of each of them, and counting only the seasons in which the Club/SAD has participated in the Second Division. (ii) In order to obtain this average, at least TWO (2) Seasons will be required for its calculation, otherwise it will not apply as specified in the previous paragraph. (iii) The unrealised amount of budgeted Net Profit from the Transfer Players' Player Transfer Rights shall not exceed FIVE PERCENT (5%) of the budgeted and validated Net Turnover for Season T, in which case the Profit budget line item shall be adjusted so as not to exceed such percentage. <p>In the event of simultaneous occurrence of the two cases referred to in paragraphs 2 and 3 above, the Club/SAD shall choose the one it considers most convenient.</p> <p>In the event of the occurrence of any of the cases referred to in the previous paragraphs, the squad cost limit assigned to the Club/SAD for the T Season shall be updated accordingly by the Validation Body.</p> <p>7. In no case may the amount of this Sub-item exceed:</p> <ul style="list-style-type: none"> a) 25% of the Net Turnover budgeted for Season T, when the Club/SAD participates in the First Division (30% if it also has the qualification of Acceptable Ratio in accordance with the provisions of Section Five of Chapter One of Title II), unless the amount has been effectively realised. <p>However, in the event that the amount of this Budgetary Item, calculated in accordance with the criteria contained in paragraphs 1 to 6 above, exceeds the limit established in this letter a), as the Club/SAD accredits to the Budget Validation Body the obtaining of net benefits from the Transfer of Players' Federative Rights operations (which shall include the amounts received as "termination clauses" of employment contracts with the Players) during Season T., these amounts shall be increased by the amount of this Budgetary Item, with the consequent possible increase in the Staff Cost Limit allocated by the Club/SAD to the Club/SAD, these amounts will increase the amount of this Budgetary Item, with the consequent possible increase of the Squad Cost Limit assigned by the Budget Validation Body to the Club/SAD for the said Season.</p> <p>The rule contained in the previous paragraph shall be applied until the amount of the Budgetary Item resulting from the application of those contained in the aforementioned sections 1 to 6 is reached. Once this amount is reached and the additional net profits from these operations, the provisions of article 6 of the present Rules for the Preparation of Budgets of Clubs and Supporters Clubs shall be applied as appropriate,</p> <p>o</p> <ul style="list-style-type: none"> b) 10% of the Net Turnover budgeted for T, when the Club/SAD participates in the Second Division, unless the amount has been effectively realised, and with the exception of those Clubs/SADs that in the previous Season have participated in the First Division Sport Category, to which the rule of sub-section 7.a) shall apply. 	
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10.1.1.		Transfer of Federative Rights.	For Transfer of Federative Rights.		
10.1.2.	778	Others.	Other Includes income from training compensation and solidarity mechanism calculated in accordance with the FIFA Regulations on the Status and Transfer of Players.	.	
10.2	676	Losses from the transfer of players' transfer rights (-)	Losses incurred as a result of the Transfer of Players' Federative Rights. <i>Algebraic sum of sub-items 10.2.1. and 10.2.2.</i>		
10.2.1.		Transfer of Federative Rights	For Transfers of Federative Rights		
10.2.2.	678	Other	Includes expenses for training compensation and solidarity mechanism calculated in accordance with the FIFA Regulations on the Status and Transfer of Players.		
10.3	77	Profits from fixed assets and exceptional income.		The budgeted benefits and their respective amounts must be justified to the Validation Body in accordance with the provisions of these Rules.	Standard Model 107
10.4.	67	Losses on fixed assets and exceptional expenses.		The budgeted losses and their respective amounts must be justified to the Validation Body in accordance with the provisions of these Rules.	Standard Model 107
11.		Other Results		Budgeted Other Results and their respective amounts must be justified to the Validation Body in accordance with the provisions of these Rules.	Standard Model 107
12.		Operating result	<i>Algebraic Sum Items 1 to 11.</i>		

13.	76	Financial income (+)	Sum of Subitems 13.1 to 13.5.	Financial Income included under this item must be supported by corresponding receipts and payments, contracts or accounting estimates.	
13.1.		Marketable securities and other instruments financial.			
13.2.	762	From group companies.			
13.3.		Of Sports Entities.			
13.4.	769	Others.			
13.5	768	Exchange rate differences (+)			
14.	66	Financial charges (-)	Includes interest incurred in connection with the borrowing or lending of funds and the financial cost of any transaction, including interest relating to deferral or instalment agreements on tax or social security debts, as well as on debts owed to sports entities, and exchange differences. Break down according to the nature of the creditor into the following four sub-items <i>Sum of sub-items 14.1 to 14.5.</i>	Financial Expenditure included under this item must be supported by corresponding receipts and payments, contracts or accounting estimates.	
14.1	662	Due to debts with financial institutions			
14.2		From group companies			
14.3	669	For debts to Sports Entities			
14.4		Other			
14.5	668	Exchange rate differences (-)			
15.		Impairment and gains/losses on disposal of financial instruments (+) / (-)	Description according to the General Chart of Accounts		
16.		Total Financial Result	Algebraic sum of Items 13, 14 and 15		
17.		Profit before tax	Algebraic sum of Items 12 and 16		
18.	630	Income tax (+) / (-)			

No. Note	IMPLEMENTATION NOTES ANNEX TO THE DESCRIPTION OF BUDGET ITEMS AND VALUATION RULES AND CRITERIA	
1	Estimated Amount Season T-1	<p>Where reference is made in these Rules and in this Annex to estimated or projected income and/or expenditure, profit or loss, or any other item, for the T-1 Season ("Estimated Amount T-1 Season") the amounts for this T-1 Season shall be calculated - in accordance with the provisions of Articles 9.5 and 31.3 - taking into account:</p> <ol style="list-style-type: none"> a) Amounts reported in the audited interim financial statements. b) Deducting any quantified qualifications included in the auditors' report on these interim financial statements. c) And the projection and estimate of the amounts and quantities for the period of the last six months of the Season T-1, i.e. between 1 January and 30 June of the said Season, which shall be consistent with those actually produced on the date of presentation the League Budgets, in the terms set out in article 31.6.
2	Valuation Alternative	<p><i>Valuation Alternative means the proposals for valuation of the Budgetary Items that may be formulated by the Club/SAD based on criteria and rules other than those contemplated in these Standards and this Annex of ANNEX OF DESCRIPTION OF BUDGETARY ITEMS AND OF VALUATION RULES AND CRITERIA, and which are regulated in Article 33 of the Articulated Text of these Rules and which, in accordance with the same, must be examined and, where appropriate, accepted by the Validation Body and in accordance with the rules and quantitative limitations established in the aforementioned Article 33 of these Rules.</i></p>
3	Account numbering General Chart of Accounts	<p>The numbering of the General Chart of Accounts and sectoral adaptation to the ODS is included for reference purposes only, but the description, rules and valuation criteria set out in these Standards prevail in all cases.</p>
4	Authorised Representative Certificates	<p>Exempt from the obligation to issue the Authorised Representative's Certificates referred to in the Budgetary Items of this Annex are Clubs/SADs that present Acceptable Economic-Financial Ratios in accordance with the provisions of Section Five of Chapter One of Title II of the Regulations (art. 22 and following).</p>
5		<p>This Annex shall be implemented in accordance with the justification, terms and purpose set out in Article 31.</p> <p>In accordance with the provisions of these Regulations, as a general rule, income or profits that do not entail an effective inflow of positive net resources to the consolidation perimeter or group of persons and entities referred to in article 9 shall not be taken into account for the determination of the Squad Cost Limit, such as revaluations of any kind (including the revaluation of assets or investments of the Club/SAD or entities referred to in article 9) or subsidies (except for the revaluation of assets or investments of the Club/SAD or entities referred to in article 9), even if they may be recorded for accounting purposes, such as revaluations of any kind (including the revaluation of assets or investments of the Club/SAD or entities referred to in article 9, even if they are allowed to be recorded for accounting purposes) or subsidies (unless an amount is counted as an expense for the same amount and in the same period of time). Nor shall releases, reversals or applications of provisions be taken into account, unless they have previously implied reductions of the Squad Cost Limit or of the registration capacity of the Club/SAD that records them for accounting purposes.</p>

STANDARD MODELS



STANDARD MODELS



**NATIONAL PROFESSIONAL FOOTBALL LEAGUE
CLUB AND SADS BUDGETING POLICIES ANNEX TO LIST OF STANDARD
FORMS**

STANDARD MODELS FOR THE TEXT OF THE ARTICLES		
MN 1	13.3/13.4	Measures proposed by the Club/SAD in the event that it does not qualify for participation in the European Competition foreseen in the League Budgets submitted.
MN 2	18.1.c)	Information on Charges and Encumbrances on (i) Players' Federative Rights or Economic Rights derived therefrom, (ii) Credits for Assignment of Audiovisual Rights and (iii) Other Assets and Rights.
MN 3	18.1.d)	Information on Payment Obligations of Credits recognised in a Creditors' Agreement approved in insolvency proceedings.
MN 4	18.1.e)	Information on the profits or losses generated in operations of Transfer of Federative Rights of Players/Technicians included in the Annual Accounts for Seasons T-3, T-2, and Estimated for Season T-1.
MN 5	19	Explanatory Report.
MN 6	20	Responsible Declaration.
MN 7	21.2/21.3	Periodic Information on Differences in the Squad Cost v others of the Season T-1.
MN 8	21.4/21.5	Periodic Information on Differences in the Squad Cost and others of the current Season (T).
MN 9	22 et seq.	Request for Application and Justification of Acceptable Economic-Financial Ratios
MN 10	33	Valuation Alternative Proposals.
MN 11	39.3.i) and 39.3.j)	Declaration of Contracts of Right of Option to Purchase on Federative and/or Economic Rights.
MN 12	69	Certification of the Authorised Representative. Results generated by Transfer of Federative Rights of Players.
MN 13	70 y 71	Certification of the Authorised Representative. Exceptional positive accounting results.
MN 14	72 y 73	Certification of the Authorised Representative. Increase in income from audiovisual retransmission rights.
MN 15	74 y 75	Certification of the Authorised Representative. Increased revenue from marketing contracts.
MN 16	76 y 77	Certification of the Authorised Representative. Increase in income from subscriptions and cards.
MN 17	106	Certification of the Authorised Representative. Temporary Excess Squad Cost Limit or registration capacity. Acceptance of a reduction in the Staff Cost Limit or registration capacity Season T+1 in the event of the Contractual Renewal of Players and/or the termination of the contracts of the Technical Staff.
MN 18	107	Certification of the Authorised Representative. Temporary Excess Squad Cost Limit or registration capacity. Acceptance



		of a reduction in the roster cost limit or registration capacity Season T+1 in the event of a long-term injury to a Player.
MN 19-1	Chapter Two Title III. Art 78	Application for an increase in the squad cost limit in the event of an increase in revenue and/or profit.
MN 19-2	Chapter Two Title IV. Art. 78	Application for Temporary Excess of the Squad Cost Limit or registration capacity in the event of Player Renewal, Termination of Technical Staff Contracts, Long Term Player Injury.
MN 20	87	Semi-annual information Clubs/SADs that have computed Contributions for the Increase of the Squad Cost.
MN 21	88 et seq.	Application to Increase the Squad Cost Limit or registration capacity by Contributions and Certification of the Authorised Representative. Disbursement and Accounting Registration and Entry in the Commercial Register of Contributions.
MN 22	92	Application for advance authorisation to increase the squad cost limit or registration capacity.
MN 23	95	Summary table of squad costs Season T-1
MN 25.1 and 25.2.	97	Responsible Declaration of the Club/SAD on remuneration paid by third parties to the Players.
MN26	9.6	Other operating expenses (-). Detail of financing by a Club or SAD to the Foundations.
MN 101	Item 1.2	Income from subscribers and members of the Income and Expenditure League Budget. Justification of increase on the Estimated income for Season T-1 and/or Projection of income according to sales alternatives depending on the different Competitions.
MN 102	Items/ Sub-items 1.3.3./1.4.2/1.4.3/1.5	Certification of the Authorised Representative on Income: Assignment of additional Audiovisual Rights/ Marketing of other rights/Sponsorship and similar/Advertising.
MN 103	Items/ Sub-items 3.2	Certification of the Authorised Representative on income from Operating Subsidies and others.
MN 104	Items/ Sub-items 3.3	Certification of the Authorised Representative on work carried out for the entity.
MN 105	Items/ Sub-items 2	Certification by the Authorised Representative on assumptions underlying the amount of purchases of products intended to be sold in Official Stores.
MN 106	Items/ Subitems 6.1	Certification of the Authorised Representative justifying the depreciation of Tangible Fixed Assets consisting of Sports Facilities.
MN 107	Items/ Sub-items: 10.1/10.2/10.3/10.4/11	Certification of the Authorised Representative on Profit/Losses made up to 31 January of Season T-1.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 1

Reference Article(s) 13.3 and 13.4

Description: Measures proposed by the Club/SAD in case it does not qualify to participate in the European Competition contemplated as a hypothesis in the League Budgets presented.

1	Season	
2	Club/SAD	
3	European Competition envisaged as a scenario of the presented League Budgets (indicate the corresponding option)	UEFA Champions League
		UEFA Champions League (group stage) + Europa League
		UEFA Champions League (group stage only)
		Europa League
4	Calculated amount of the lower Positive contribution to Profit and Loss (in thousands of euros)	
5	Explanation of the calculation of the amount of the lower Positive contribution to Profit or Loss	
6	Description of the measures to be adopted with their justification and reasonableness in the event that the Club/SAD does not qualify for the European Competition envisaged as a hypothetical scenario in the League Budgets presented.	
7	Continued Measures to be implemented and their justification	
Annexed documents submitted by the Club/SAD		
NO.	Description	
DECLARATION BY THE CLUB/SAD OF EXPRESS COMMITMENT TO IMPLEMENT THE PROPOSED MEASURES.		
Authorised Representative		
NIF		
Position in the Club/SAD		
<i>The Club/SAD duly represented by the person indicated above hereby expressly undertakes to implement the proposed measures described in Section 6.</i>		
Signature		
Date		



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 2

Reference article(s): 18.1.c)

Description: Information Charges and encumbrances on:

- I) Federative Rights Clubs/SADs,
- II) Audiovisual Rights,
- III) Any other property and/or rights.

I) INFORMATION ON THE CHARGES AND ENCUMBRANCES ON THE FEDERATIVE RIGHTS/ECONOMIC RIGHTS OF ANY PLAYER OF THIS CLUB/SAD AT THE DATE OF ISSUE OF THIS DOCUMENT.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	



PLAYER NAME	FEDERATIVE FEES LEVIED	CREDITOR	NATURE OF THE CHARGE (ASSIGNMENT BY WAY OF SECURITY / OTHER SECURITY / ATTACHMENT)	NATURE OF THE SECURED OBLIGATION	GUARANTEED AMOUNT	DATE OF OPERATION



II) INFORMATION ON THE CHARGES AND ENCUMBRANCES WEIGHING ON THE CREDIT RIGHTS DERIVED FROM THE EXPLOITATION OF THE AUDIOVISUAL RIGHTS OF THIS CLUB/SAD AS OF THE DATE OF ISSUE OF THIS DOCUMENT.

ASSIGNEE COMPANY OF THE ENCUMBERED RECEIVABLES	FEDERATIVE FEES LEVIED	CREDITOR	NATURE OF THE CHARGE (ASSIGNMENT BY WAY OF SECURITY / OTHER SECURITY / ATTACHMENT)	NATURE OF THE SECURED OBLIGATION	GUARANTEED AMOUNT	DATE OF OPERATION



III) INFORMATION OF THE CHARGES AND ENCUMBRANCES ON ANY OTHER PROPERTY AND/OR RIGHTS OF THIS CLUB/SAD AS AT THE DATE OF ISSUE OF THIS DOCUMENT.

DESCRIPTION OF THE ASSET AND/OR RIGHT	CREDITOR	NATURE OF THE CHARGE (ASSIGNMENT BY WAY OF SECURITY / OTHER SECURITY / ATTACHMENT)	NATURE OF THE SECURED OBLIGATION	GUARANTEED AMOUNT	DATE OF OPERATION



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

STANDARD MODEL MN 3

Reference article(s): 18.1.d)

Description: Information on the payment obligations of credits recognised in the Creditors' Agreement that are payable to the Club/SAD in accordance with the terms of the aforementioned Creditors' Agreement based on the Club/SAD obtaining certain income or benefits,

INFORMATION ON THE PAYMENT OBLIGATIONS OF CREDITS RECOGNISED IN THE CREDITORS' AGREEMENT THAT ARE PAYABLE TO THE CLUB/SAD IN ACCORDANCE WITH THE TERMS OF THE AFOREMENTIONED CREDITORS' AGREEMENT BASED ON THE CLUB/SAD OBTAINING CERTAIN INCOME OR BENEFITS,

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	



DOCUMENT (CREDITORS' AGREEMENT / INDIVIDUAL AGREEMENT)	BASIS OF CALCULATION	CALCULATION CONCEPT	PAYMENT TYPE: FIXED / VARIABLE	CALCULATION FORMULA	PAYMENT AMOUNT	DATE OF PAYMENT
<i>Example</i> Creditors' Agreement	10.000	Ordinary Debt	Fixed	10,000 * 7% p.a.	<i>Result of the Formula applied on the Basis of calculation</i>	xx/xx/20xx
<i>Example</i> Single Agreement AEAT	xxx € xxx € xxx € xxx € xxx € xxx € xxx	Amount of the transfer of the player's federative rights	Variable	Transfer amount * 10%.	<i>Result of the Formula applied on the Basis of calculation</i>	xx/xx/20xx



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

STANDARD MODEL MN 4

Reference article(s): 18.3.f)

Description: Information on profits and/or losses from Transfer of Federative Rights operations included in the Annual Accounts for the Q-3, Q-2 and Q-1 seasons.

INFORMATION ON PROFITS AND/OR LOSSES FROM TRANSFER OF FEDERATIVE RIGHTS OPERATIONS INCLUDED IN THE ANNUAL ACCOUNTS FOR THE Q-3, Q-2 AND Q-1 SEASONS

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	



SEASON T-3 (AUDITED)						
PLAYER NAME	DATE OF OPERATION	ACQUIRING CLUB/SAD	TRANSFER PRICE	COSTS ASSOCIATED WITH THE TRANSFER (INCLUDING IMPLICIT COSTS)	NET BOOK VALUE OF THE FEDERATIVE RIGHTS	BENEFIT /Loss



SEASON T-2 (AUDITED)						
PLAYER NAME	DATE OF OPERATION	ACQUIRING CLUB/SAD	TRANSFER PRICE	COSTS ASSOCIATED WITH THE TRANSFER (INCLUDING IMPLICIT COSTS)	NET BOOK VALUE OF THE FEDERATED RIGHTS	BENEFIT /LOSS



SEASON T-1 (ESTIMATE)						
PLAYER NAME	DATE OF OPERATION	ACQUIRING CLUB/SAD	TRANSFER PRICE	COSTS ASSOCIATED WITH THE TRANSFER (INCLUDING IMPLICIT COSTS)	NET BOOK VALUE OF THE FEDERATIVE RIGHTS	BENEFIT /LOSS



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 5

Reference Article(s): 19

Description: Explanatory Memorandum

Note: The headings included in this Standard Model MN5 can be extended with all those that the Club/SAD considers relevant to the understanding of its budget.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The Club/SAD [] formulates the present Explanatory Report corresponding to the Season indicated as Complementary Information to the League Budgets submitted for Validation:

FUNDAMENTAL BASES AND ASSUMPTIONS UNDERPINNING LEAGUE BUDGETS
DESCRIPTION OF THE RISKS THAT MAY AFFECT THE FUTURE PERFORMANCE OF THE CLUB/SAD
CATEGORY OF THE COMPETITION LEAGUE IN WHICH PARTICIPATION IS ENVISAGED



EUROPEAN COMPETITION IN WHICH PARTICIPATION IS ENVISAGED
SITUATIONS OF RISK OF DEBT RECOVERY IN FAVOUR OF THE CLUB/SAD
JUDICIAL OR EXTRA-JUDICIAL CLAIMS MADE AGAINST THE CLUB/SAD
EXPLANATION OF THE BUDGET ITEMS



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 6

Reference article(s): 20.2

Description: Responsible Declaration

Responsible Declaration accompanying the League Budgets submitted for Validation

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

Mr. [] in the name and on behalf of the Club/SAD [] and with sufficient powers for this act, makes this Declaration as responsible person, including the following points and circumstances:

First.

That the League Budgets presented by the Club/SAD for the Season [] have been prepared in accordance with the rules and principles established in the Rules for the Preparation of Budgets by Clubs and SADs approved and in force by the National Professional Football League.

Second.

That the operations, acts and legal business in which the Club/SAD has been a party and which make up the different Budgetary Items and which make up the aforementioned League Budgets presented to the League, comply with current legislation.

Third

That the information provided in the League Budgets and other information presented is complete and that the Club/SAD is not aware of circumstances of any nature (economic, legal or sporting) that would imply a significant modification of the bases and assumptions taken into consideration for the preparation of the League Budgets.

Fourth.

That the League Budgets presented have been approved by [*the competent body*] of the Club/SAD) dated [].

And for the record before the National Professional Football League, this Responsible Declaration is made in [*place*], on [*date*].

S.F.[]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 7

Description: Periodic Reporting for Verification

This Standard Form is to be submitted together with the audited annual accounts for Season T-I.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

Difference in squad costs (amounts in thousands of euros)				
Concept	Communicated and accepted/assigned by the Validation Body (Including updates)	Actual Amount Season	Differential (+/-)	Remarks/Comments
Total cost of the squad				
Cost of registrable squad				
Cost of Non-Registrable Squads				
of Total Cost				
Percentage variable items/total items				
Group premiums (*)				



Differences Profit/increase in income / Contributions used to increase the Squad Cost Limit (amounts in thousands of euros)				
Concept	Amount Reported and accepted by the Validation Body	Actual Amount Season	Differential (+/-)	Remarks/Comments
Benefits from the transfer of Players' Rights				
Extraordinary Benefits				
Increases Audiovisual Contracts				
Capital Contributions (arts. 81 et seq.)				
Other Income Increases				

Note: the items listed here are illustrative but not limiting.

(*) In remarks, please include

The detail of the different Collective Pill accrued in the Season for each of the respective concepts that have produced such accruals, comparing them, for each of the aforementioned concepts that have given rise to the same, with the budgeted and accepted by the Validation Body of The League provided to the Auditor by said Body.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 8

Description: Periodic Reporting for Verification (art. 21 Standards)

This Standard Form shall be submitted together with the Audited Annual Accounts for the T-1 Season and shall cover the period of your T-Season between the start of your T-Season and the last day of the summer player registration period.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

Difference Squad costs Season T (amounts in thousands of euros)				
Concept	Communicated and accepted/assigned by the validation body (including updates)	Amount Actual Forecast Season	Differential (+/-)	Remarks / Comments
Total cost of the squad				
Cost of registrable squad				
Cost of Non-Registrable Squads				
Proportionality of registrable squad costs to total costs				



Differences Profit/increase in income / Contributions that have served to increase the squad cost limit (amounts in thousands of euros)				
Concept	Amount Reported and accepted by the Validation Body	Actual Amount Season	Differential (+/-)	Remarks/Comments
Benefits from the transfer of Players' Rights				
Extraordinary Benefits				
Increases Audiovisual Contracts				
Capital Contributions (arts. 82 et seq.)				
Other Income Increases				

Note, this information should be verified by the Club/SAD Auditor in an Agreed Procedures Report MN8.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 9

Reference article(s): 22 et seq.

Description: Application of Economic-Financial Ratios

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The Club/SAD alleges the concurrence of Acceptable Economic-Financial Ratios in accordance with the provisions of articles 22 and following of the Rule.

THE CLUB/SAD DECLARES THAT ON THE DATE OF THIS APPLICATION IT MEETS THE PREREQUISITES:
1. The Club/SAD is not subject to monitoring measures in accordance with the League's Economic Control regulations.
2. It is not in insolvency proceedings and has not filed for insolvency proceedings,
3. You are involved in insolvency proceedings in which the Creditors' Agreement has been approved and you have satisfied all the insolvency claims*.

CALCULATION OF ACCEPTABLE ECONOMIC-FINANCIAL RATIOS FOR SEASON T (ARTICLE 24 RULES)	
RATIO A	
A.1) PN adjusted	
[A] Adjusted Equity T-2	Σ
PN T-2 Total	
(-) Right of use stadium	
(-) Loans with partners/shareholders	
(-) Estimated profit/loss T-1	
(-) Estimated loss T	
(+/-) Adjustments for restatement of accounts T-2	
(-) Audit qualifications	
COMPLIANCE A.1)	COMPLIES / DOES NOT

A.2) Adjusted PN > % of adjusted liabilities due	
--	--



[B] Liabilities due (net) T-2	Σ
(+) Total liabilities due T-2	
(-) Liabilities due > 5 years	
(-) Appropriations with clubs at 30.06.T-2	
(-) Treasury at 30.06.T-2	
(-) Short-term financial investments at 30.06.T-2	
(-) Deferred tax liabilities as at 30.06.T-2	
(-) Realised investment art.24.3	
(+) Estimated profit/loss T-1	
(+) Estimated loss T	
[C] % to apply T (45% in 1stDiv and 60% in 2ndDiv)	
[D = B x C] % of (net) liabilities to be taken into account	
[A-D] Adjusted PN - 45% of adjusted liability	
COMPLIANCE A.2)	COMPLIES / DOES NOT COMPLY

RATIO B	
Adjusted liabilities at 31.12 (T-1) < % INCN T	
[E] Adjusted liability at 31.12 (T-1) maturity = or < 2 years	Σ
(+) Total liabilities due at 31.12.T-1	
(-) Debts due over 31.12.T+2	
(-) Provision for club contingencies as at 31.12.Q-1	
(-) Cash at 31.12.Q-1	
(-) Short-term financial investments as at 31.12.Q-1	
(-) Club loans at 31.12.Q-1	
(-) Realised investment s/art.24.3 NEP	
(+) Estimated profit/loss T-1	
(+) Estimated loss T	
[F] Turnover of T	
[G] Coefficient applied for T (0.8 in 1st Div. and 0.4 in 2nd Div.)	
[H = F x G] INCN corrected with coefficient	
COMPLIANCE RATIO B [E<H]	COMPLIES / DOES NOT COMPLY



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 10

Reference Article(s): 33

Description: Proposal for an Alternative Valuation of Budgetary Items

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The Club/SAD formulates the following Proposal(s) for Alternative Valuation of Budgetary Item(s)

LEAGUE BUDGET	BUDGET ITEM	VALUATION ACCORDING TO STANDARDS (THOUSANDS OF EUROS)	PROPOSED VALUATION ALTERNATIVE (THOUSANDS OF EUROS)	JUSTIFICATION OF THE PROPOSED VALUATION ALTERNATIVE (ALSO INDICATE ANY ACCOMPANYING DOCUMENTATION, IF ANY)



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 11

Article(s) of Reference: 39.3(i), 39.3(j)

Description: Information on the option contracts on the Federative Rights

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The Club/SAD declares that as of this date it has entered into the following Football Rights Purchase/Sale Option Contracts

DATE OF CONTRACT	PLAYER	OPTING CLUB/ OPTAT	PRICE OF THE FEDERATIVE RIGHTS	MAXIMUM TIME LIMIT FOR EXERCISE OF THE RIGHT OF OPTION	INDICATION OF THE MANDATORY EXERCISE OF THE OPTION RIGHT

NOTE: COPIES OF THE OPTION CONTRACTS ARE ATTACHED.



Standard Model MN 12
Reference Article(s): 69

Descripción: Certificación del Representante Autorizado sobre Resultados generados por Operaciones de Transferencia de Derechos Federativos de Jugadores.

CERTIFICA

Que de la documentación obrante en este/a [Club/SAD] resulta, en la fecha de esta certificación, lo siguiente:

1. Que en el periodo comprendido entre el [] y el [], ambos días inclusive, se han registrado en la contabilidad de [Denominación de la S.A.D. o Club], los siguientes importes, conforme al detalle incluido a continuación:

CONCEPTO	IMPORTE TOTAL (miles de €)
Por beneficios derivados de operaciones de transferencias de derechos federativos de jugadores	0
En concepto de pérdidas, deterioros o gastos generados en operaciones de transferencia de derechos federativos o por extinciones contractuales de jugadores	0
RESULTADO NETO	0

DETALLE

	JUGADOR	FECHA OPERACIÓN	CLUB/SAD ADQUIRENTE	PRECIO DE LA TRANSFERENCIA	(GASTOS ASOCIADOS) (*)	Miles de €	
						VALOR NETO CONTABLE DERECHOS FEDERATIVOS	RESULTADO NETO (OTRAS PÉRDIDAS) (**)
1							0
2							0
3							0
...							0
			TOTAL	0	0	0	0

(**) Puede ser positivo o negativo

2. Que las referidas sumas se han registrado en la contabilidad del Club/SAD antes de la fecha de emisión de este certificado por importe de [] euros.

Y para que conste y surta efectos, a solicitud de la Liga de Fútbol Profesional, expido la presente certificación en [lugar] a [fecha]

EL REPRESENTANTE AUTORIZADO

Fdo: D. []

Leyenda:

JUGADOR
FECHA OPERACIÓN
CLUB/SAD ADQUIRENTE
PRECIO
GASTOS ASOCIADOS
VALOR NETO CONTABLE DERECHOS FEDERATIVOS
BENEFICIO POR TRASPASO
(PÉRDIDA POR TRASPASO)
OTRAS PÉRDIDAS

Nombre del jugador
Fecha del acuerdo
Denominación del adquirente
Importe pactado en el acuerdo de traspaso, incluyendo la mejor estimación del precio variable
Comisiones y otros costes de la operación de venta; incluidos los implícitos
Valor en libros de los derechos federativos del jugador traspasado en el momento previo a su traspaso
Beneficio resultante de la operación de traspaso (formulado en la tabla)
Pérdida resultante de la operación de traspaso (formulado en la tabla)
Participaciones en favor de jugadores o terceros, deterioro de los valores de los derechos federativos, gastos por rescisiones de contratos, etc.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 13

Article(s) of Reference: 70 and 71

Description: Certification of the Authorised Representative on Exceptional Positive Accounting Results for transactions involving the sale of fixed assets other than Federative Rights over Players.

D. [] AUTHORISED REPRESENTATIVE OF [Name of the Club/SAD], with registered office at [], and C.I.F. []

CERTIFIES

That the documentation on file at this [Club/SAD] shows, on the date of this certification, the following:

1. That since the beginning of period T and up to the date of issue of this Certificate, [Name of Club/SAD] has entered into the following contracts for the sale of Fixed Assets, - other than Players' Federative Rights - and other Exceptional Transactions generating Exceptional Profits, as follows

Date Operation	Description Operation/Contract	Selling Price	Other directly chargeable costs	Value Net Accountant	Profit / Loss (thousands of euros)

2. That during the same period the [Club/SAD] has experienced Exceptional Losses for operations and contracts of the same nature as those stated in section 1 above, which amount to [] thousand euros.

Date Operation	Description Operation/Contract	Selling Price	Other directly chargeable costs	Value Net Accountant	Profit / Loss (thousands of euros)



3. That the difference between the total Exceptional Profits and Exceptional Losses indicated above therefore amounts to EUR [] thousand euros.
4. That the described Transactions and Contracts will generate the following receipts and/or payments in the Treasury at the [Club/SAD]:

Expiry date	Collections (thousands of euros)	Payments (thousands of euros)	Operation/Contract

5. That the Substitution Investment, if applicable, has the characteristics and justification indicated below

Description of the Replacement Investment.	
Justification of the Replacement Investment.	
Estimated Amount (thousands of euros)*	

*Indicate proportion financed through StadCo-type structures.

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. [.....]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 14

Reference article(s): 72 and 73

Description: Certification of the Authorised Representative on the increase of revenues from the transfer of Audiovisual Retransmission Rights

D. [] AUTHORISED REPRESENTATIVE OF [Name of the Club/SAD], with registered office at [], and C.I.F. []

CERTIFIES

That from the documentation and background information in this [Name of the Club/SAD] the following results:

1. That a new Audiovisual Retransmission Rights Assignment Contract has been formalised, the characteristics of which are set out below:

Employer		
Address		N.I.F.
Description of the Contract (Object) New Contract Modification of a previous one		

2. That as a consequence of the subscription of the above-described Contract, the Income from the price of the Transfer of Audiovisual Retransmission Rights will be increased over the initially budgeted for the aforementioned concept in the Validated League Budget for this Season by the following amount:

	Thousands of Euros
--	--------------------

3. Attached to this Certificate is a copy of the Contract outlined in paragraph 1, attested by the signature of the undersigned.

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S/o: D. [.....]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 15

Reference Article(s): 74 and 75

Description: Certification of the Authorised Representative New Trading Contract for other rights and assets

D. [] REPRESENTATIVE AUTHORIZED REPRESENTATIVE OF [Name of of the Club/SAD], with registered office at [], y C.I.F. []

CERTIFIES

That the documentation on file at this [Club/SAD] shows, on the date of this certification, the following:

- 1. That on [] [Club/SAD] has entered into a new Commercialisation Contract for Other Rights and Assets owned by [Club/SAD] with the following characteristics:

Employer	
Address	N.I.F.
Description of the Contract (Object)	

- 2. That in accordance with the said Contract, the amount of the increase in Marketing Revenues over those budgeted in the Seasonal League Budget amounts to the sum of:

	Thousands of Euros
--	--------------------

According to the following assumptions, hypotheses and calculations:

--

- 3. Attached to this Certificate is a copy of the Contract outlined in paragraph 1, attested by the signature of the undersigned.

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 16

Reference Article(s): 76 and 77

Description: Certification of the Authorised Representative. Increase in income from season tickets and passes.

D- []. AUTHORISED REPRESENTATIVE OF [Name of the Club/SAD], with registered address at [], and C.I.F. []

CERTIFIES

That the documentation on file at this [Club/SAD] shows, on the date of this certification, the following:

That in the Income and Expenditure League Budget for the [] Season, income from season tickets and season tickets was budgeted at	Thousands of euros
That the sum actually paid by the Club/SAD for the aforementioned concept in the same season has amounted to	Thousands of euros
Increase over budgeted amount for Season	Thousands of euros

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 17

Reference Article(s): 106

Description: Certification of the Authorised Representative on Commitment Temporary Excess Clearing Limit or registration capacity

D. [], AUTHORISED REPRESENTATIVE OF *[Name of the Club/SAD]*, with registered office at [], and C.I.F. []

CERTIFIES

First.

The Club/SAD. has requested authorisation to temporarily exceed the registrable squad cost limit or registration capacity for the season [The Club/SAD. has requested authorisation to temporarily exceed the Listable Squad Cost Limit or registration capacity for the Season [] on the basis of the case referred to in Article 103 Contract Renewal of Players/Article 104 Termination of Contracts Technical Staff (1)

Second.

The Temporary Excess of the Registrable Squad Cost Limit or registration capacity for the said Season requested in this case amounts to the sum of [thousands of euros.

Third.

The requested Temporary Excess of Registrable Squad Cost Limit or registration capacity does not exceed FOUR (4%) of the Limit (4% of 80% of the Squad Cost in the case of Clubs/SADs in excess) allocated for the said Season (up to 8% for one player per season in the case of Article 103 renewal).

Fourth.

In accordance with the provisions of article 106 of the Rules for the Preparation of Budgets of Clubs and Supporters Clubs of the National Professional Football League, it is hereby stated for the record the commitment and acceptance by this Club/SAD that the registrable squad cost limit or registration capacity corresponding to it for the Season T+1 [...] be reduced by the same amount as that authorised by the Validation Body for a temporary excess of the limit or capacity in accordance with the request made or, if applicable, the remaining amount in the event that the Validation Body has authorised a temporary excess of the limit or capacity in accordance with the request made or, if applicable, the remaining amount in the event that the Validation Body has authorised a temporary excess of the limit or capacity for the Season T+1 [...].] is reduced by the same amount by which a temporary excess of the Limit or capacity has been authorised by the Validation Body in accordance with the application made or, where applicable, the remaining amount in the event that there have been compensations subsequent to its authorisation.

For the record and for effect, at the request of the National Professional Football League, I hereby issue this document, in [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. [...]



(1) *Delete as appropriate.*



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 18

Reference Article(s): 108

Description: Certification of the Authorised Representative on Temporary Excess Compensation Commitment Temporary Excess Squad Cost Limit or registration capacity for a Player's Long Term Injury Injury Event

CERTIFIES

First.

The Club/S.A.D. has requested authorisation to temporarily exceed the Registrable Squad Cost Limit or registration capacity for the Season [] on the basis of the case referred to in Article 107 Long-term Injury to Player Mr [].

Second.

The Temporary Excess of Registrable Squad Cost Limit or registration capacity for the said Season requested in this case amounts to the sum of EUR [] thousand.

Third.

In accordance with the provisions of article 109 of the Rules for the Preparation of Budgets of Clubs and Supporters Clubs of the National Professional Football League, it is hereby stated for the record the commitment and acceptance by this Club/SAD that the registrable squad cost limit or registration capacity corresponding to it for the Season T+1 [...] be reduced by the same amount by which a temporary excess of the limit or capacity has been authorised by the Validation Body in accordance with the request made or, if applicable, the remaining amount in the event that a temporary excess of the limit or capacity has been authorised by the Validation Body in accordance with the request made.] is reduced by the same amount by which a temporary excess of the Limit or capacity has been authorised by the Validation Body in accordance with the application made or, where applicable, the remaining amount in the event that there have been compensations subsequent to its authorisation.

For the record and for effect, at the request of the National Professional Football League, I hereby issue this document at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. [...]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 19.1

Reference Article(s): 78

Description: Application to increase the registrable squad cost limit.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The undersigned Club/SAD requests from the Validation Body an Increase of the Registrable Squad Cost Limit allocated for the Season [] on the basis of the assumption(s) set out in this letter and with the justification provided in the attached documents.¹

¹ Use the forms that correspond to the qualifying event of the request for an increase of the registrable squad cost limit.



ASSUMPTION OF BENEFITS FROM THE TRANSFER OF PLAYERS' FEDERATIVE RIGHTS (ARTS. 67 TO 69 RULES)	
player	
Date of transfer of the Federative Rights	
Acquiring Club/SAD	
Positive result obtained	
Positive results from previous Transfers of Federative Rights same season	
Accounting Results for Transfer of Federative Rights budgeted and validated in the Seasonal League Budget	
Increase of the squad cost limit registrable (application of the formula article 67.2 Rules).	
Accompanying documents.	Certification of the Authorised Representative on performance figures [MN
	Attested copy of the Player's transfer contract.



CASE OF A NEW CONTRACT GENERATING POSITIVE ACCOUNTING RESULTS FROM THE SALE OF FIXED ASSETS OTHER THAN FEDERATION RIGHTS (ARTICLES 70 AND 71)	
Description Fixed assets held for sale	
Date Contract of Sale	
Acquirer of the fixed assets	
Positive result obtained (A)	
Positive results from previous sales of fixed assets same season (B)	
Accounting Results Sale of Fixed Assets budgeted and validated in the Budget Seasonal League (C)	
Increase of the requested registrable squad cost limit (application of formula article 70.2 Rules)	
Description Replacement investment	
Estimated Replacement Investment Amount	
Accompanying documents	Certification of the Authorised Representative on performance figures and description, justification and estimation of the Amount of Replacement Investment (MN)
	Attested copy of the contract of sale of fixed assets.



IN THE CASE OF A CONTRACT IN WHICH AN INCREASE IN PRICE IS AGREED FOR THE TRANSFER OF TELEVISION BROADCASTING RIGHTS (§§ 72, 73)

Assignee of the Television Broadcasting Rights	
Date of Contract	
Amount of the Budgetary Item for this concept in the Budget Income and Expenditure League presented and	
Increase in the amount of revenue generated by the new contract	
Increase in registrable squad cost limit applied for	
Accompanying documentation	Certificate of the Authorised Representative contract data and incremental calculations (MN 15)
	Attested copy of the Contract

CASE OF NEW TRADING CONTRACT FOR OTHER RIGHTS 0 ASSETS OF THE CLUB/SAD (ARTS. 74 AND 75 Rules)

Assignee of the Rights and Assets	
Date of Contract	
Amount of the Budgetary Item for this concept in the Budget Income and Expenditure League presented and	
Increase in the amount of revenue generated by the new contract	
Increase in the squad cost limit for registrable squad cost requested	
Accompanying documentation	Certificate of the Authorised Representative contract data and incremental calculations (MN 16)
	Attested copy of the Contract



ASSUMPTION OF AN INCREASE IN REVENUE FROM SEASON TICKETS AND PASSES (ARTICLES 76 AND 77 RULES)	
Amount Budgeted for Revenue from Season Tickets and Passes in the Budget Income and Expenditure League	
Amount actually paid by the Club/SAD for the aforementioned concept in the same Season	
Increase over the amount budgeted for the Season for this concept	
Increase in registrable squad cost limit requested	
Accompanying documentation	Certificate of the Authorised Representative (MN 17)



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 19.2

Reference Article(s): 78

Description: Application for Temporary Excess of the Registrable Squad Cost Limit or registrable registration capacity

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

The undersigned Club/SAD requests from the Validation Body authorisation to temporarily exceed the allocated registrable squad cost limit or registration capacity for the season [] on the basis of the assumption(s) set out in this letter and with the justification provided in the attached documents.²

² Use the forms that correspond to the scenario for the application for authorisation to temporarily exceed the Registrable Squad Cost Limit or registration capacity.



EXCEPTIONAL CASE FOR CONTRACTUAL RENEWAL AND INCREASE IN PLAYERS' SALARIES (ARTS. 103, 105 AND 106 Rules)

Player whose Employment Contract/Image Assignment is extended in duration and remuneration.	
Date of the new Employment Contract/Image	
End date of Employment Contract Duration/Image before contract renewal.	
End date of Employment Contract Duration/Image after contract renewal.	
(A) Individual Player Cost included in the submitted and validated League Income and Expenditure Budget.	
(B) Player's individual cost after contract renewal	
(C) Individual Player Cost Increase (B)-(A)	
Justification of the significant increase in the Player's FTR Value as at the date of this application.	
Justification of the notoriety of the need from a sporting and/or economic point of view to agree on the renewal of the Player's contract.	
Excess of Registrable squad cost limit or registration capacity requested	
Accompanying documentation	Secretary's Certificate MN 18



EXCEPTIONAL CASE OF TERMINATION OF THE CONTRACTS OF MEMBERS OF THE TECHNICAL STAFF (ARTICLE 104 OF THE RULES)	
Identification of the members of the Technical Corps whose employment/image contracts are being terminated, with indication of their respective positions.	
Technician	Cargo
(A) Cost of the Technical Staff whose contracts are terminated as provided for in the Budget Income and Expenditure League	
(B) Cost of the Technical Staff whose contracts are terminated including the additional pecuniary obligations of the Club/SAD resulting from such termination.	
(C) Increased cost of the new members of the Technical Corps replacing the old ones.	
(D) Cost Increase of the Technical Corps	
Increase in registrable squad cost limit or registration capacity applied for (D)	
Accompanying documentation	Secretary's Certificate MN 18



CASE OF LONG-TERM INJURY OF A PLAYER (ART. 107 RULES)	
Player who has suffered the long-term injury.	
Date on which the injury occurred.	
Foreseeable duration of incapacity due to the injury (in months).	
(A) Individual cost of the injured Player included in the submitted and validated League Income and Expenditure Budget.	
(B) Accumulated amortisation of his Federative Rights at the date of injury.	
(C) Individual cost of Injured Player without depreciation (A)-(B)	
(D) 80% Individual cost of injured Player without depreciation (C)*0.8	
(E) Eligible proportion of temporary overrun (in %)	
Excess of registrable squad cost limit or registration capacity requested (D)*(E)/100	
Accompanying documentation	Medical Certificate certifying the Injury and its duration.
	Certificate Secretary acceptance reduction Squad cost limit or registration capacity Season T+1 (MN 19)



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 20

Reference Article(s): 87

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

1. Half-yearly report for the first/second half-year of the season [].
2. The Club/SAD makes the following declaration in accordance with Article 87 of the Regulations in relation to transactions, contracts, legal transactions and any monetary transactions for any amount exceeding 0.5% of the Net Turnover carried out from the time of the Contributions between the Club/SAD and any of the Contributors or Related Parties thereto, and with any others and/or companies related thereto
- 3.

The Club/SAD declares that it has **NOT** carried out any of the transactions, acts or legal business referred to in article 87 of the Rules in the Half-Year to which this Report refers.

The Club/SAD declares that in the Half Year to which this Report refers it has carried out with the Contributors or Related Parties listed below the transactions, acts or legal business covered by the aforementioned article 90 of the Regulations described below:



OPERATION NUMBER 1	
Contributor or Related Party carrying out the transaction with the Club/SAD	
Contributor	
Relationship with the Contributor	
Address of Contributor/Related Party	
N1F/CIF	
Date of Operation	
Nature and Description of the Operation	
Amount of the Transaction	

OPERATION NUMBER 2	
Contributor or Related Party carrying out the transaction with the Club/SAD	
Contributor	
Relationship with the Contributor	
Address of Contributor/Related Party	
N1F/CIF	
Date of Operation	
Nature and Description of the Operation	
Amount of the Transaction	



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 21

Reference article(s): 88 et seq.

Description: Application for Increase of the Squad Cost Limit or registration capacity by Contributions

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

1. The Club/SAD submits to the Validation Body an application for an increase of the squad cost limit or registration capacity for the season [] in accordance with the provisions of Chapter Three of Title III of the Rules for the Preparation of Budgets of Clubs and Supporters Clubs based on the Contributions described below.
2. The Club/SAD declares that the Contributions on which the present application for an increase of the Squad Cost Limit or registration capacity is based fulfil all the conditions required by the Rules and in particular that they have not been previously taken into account for a previous increase of the Squad Cost Limit.
3. The Contributions made in favour of the Club/SAD are made by the Contributors, in the amount and with the nature and other characteristics set out below:

CONTRIBUTION NUMBER 1		
Contributor (Identification)		
Address		
NIF/CIF		
Direct link with the Club/SAD (member, shareholder, administrator, manager, employee...)		
Indirect linkage if applicable through (identify and express the linkage to the Club/SAD)		
Nature of the Contribution (please tick as appropriate)	Increase in share capital with a cash contribution	
	Share Capital Increase with offsetting or contribution of claims against the Club/SAD	
	Unconditional Donation	
	Debt cancellation	
	Excess over market value	



	Equity loan
--	-------------



Amount of the Contribution	
Date of Contribution	
In case of monetary contribution date of deposit in the Club/SAD accounts	
Date of registration in the accounts and financial statements of the Club/SAD	
Group in which the Club/SAD is included according to Article 84 of the Rules	
Deed of increase of the Share Capital of the Club/ SAD Date (if applicable), execution and disbursement.	Date
	Notary
	Place
	Protocol Number
	Date of entry in the Commercial Register
Offsetting or Contribution of Claims. Summary description of the offset or contributed claims.	
Debt write-offs. Summary description of debts written off.	
Documentation accompanying this application (as appropriate)	Copy of the public deed of the share capital increase
	Justification of the registration of the public deed of capital increase in the Commercial Registry
	Copy of the document of Contribution by unconditional donation or remission
	Copy of the shareholder loan document
	Calculation of the excess over market value and collections received
	Justification of income from monetary contribution in accounts
	Certification of the Authorised Representative on Registration of the Contribution in the accounts.



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 22

Reference Article(s): 92

Description: Application for Advance Authorisation to Increase the Squad Cost Limit or registration capacity

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

1. The Club/SAD submits to the Validation Body an application for Advance Authorisation to Increase the Squad Cost Limit or registration capacity for the Season [] under the provisions of article 92 of the Club and SAD Budgeting Rules, on the basis of the following assumption(s). under the provisions of article 92 of the Clubs and Supporters Clubs Budgeting Rules, based on the following assumption(s). (Increase Assumption)
2. The Club/SAD declares that the Increase Assumptions underlying this request
 - a. They are covered by the provisions of Chapters One and Three of Title III of the Regulations, and
 - b. are of reasonable and very probable fulfilment and that it has put all the necessary means to do so, without being aware of the concurrence of facts or circumstances of any nature that make such fulfilment difficult.
 - c. The Club/SAD declares that it is in a position to obtain sufficient guarantees for the fulfilment of the Increase Assumption on which this application is based and in accordance with the circumstances set out in the relevant form.

ASSUMPTION OF INCREASE OF THE SQUAD COST LIMIT OR EXPECTED REGISTRATION CAPACITY BY THE CLUB/SAD TO BE FULFILLED

Nature of the future Incremental Event envisaged by the Club/SAD (indicate the relevant one(s))	Benefits from Transfer of Players' Rights (art. 67)	
	Gains on Sale of Fixed Assets (assets other than Federative Rights) or exceptional (art. 70)	
	Increase in revenue from the transfer of audiovisual broadcasting rights (art 72)	
	Increase Revenues from new Marketing Contract (art 74)	
	Contributions (Art. 80 et seq.)	



ASSUMPTION OF BENEFITS FROM TRANSFER OF PLAYERS' FEDERATIVE RIGHTS (ARTS. 67 TO 69 RULES)	
Player.	
Expected date for the transfer of the Federative Rights.	
Acquiring Club/SAD.	
Positive result to be achieved.	
Positive Results for previous Transfers of Federative Rights same Season.	
Accounting results for Transfer of Federative Rights budgeted and validated in the Seasonal League Budget.	
Increase of the squad cost limit registrable (application of the formula article 67.2 Rules.	
Explanation/Justification of the reasonableness and foreseeability of compliance with the Increase Assumption.	
Accompanying documents.	
	Other documents justifying the reasonableness of compliance with the alleged Increase Assumption



CASE OF A NEW CONTRACT GENERATING POSITIVE ACCOUNTING RESULTS FROM THE SALE OF FIXED ASSETS OTHER THAN FEDERATIVE RIGHTS (ARTS. 70 AND 71)	
Description Fixed assets to be sold.	
Expected date of formalisation of sale.	
Intended acquirer of the fixed assets.	
Positive result to be achieved.	
Positive results from previous sales of fixed assets in the same season.	
Accounting Results Sale of Fixed Assets budgeted and validated in the Seasonal League Budget.	
Increase of the registrable squad cost limit or registration capacity requested (application of formula article 70.2 Rules).	
Description Planned replacement	
Estimated Amount of Replacement Investment (Indicate proportion financed by StadCo-type structures).	
Explanation/Justification of the reasonableness and foreseeability of compliance with the Increase Assumption.	
Accompanying documents.	Certification of the Authorised Representative on justification and estimation of the Replacement Investment Amount (MN 14)
	Other documents justifying the reasonableness of compliance with the alleged Increase Assumption



CASE OF NEW TRADING CONTRACT FOR OTHER RIGHTS 0 ASSETS OF THE CLUB/SAD (ARTS. 74 AND 75 Rules)	
Identification of the intended transferee of the Rights and Assets.	
Expected date of the Contract.	
Amount of the Budgetary Item for this concept in the Income and Expenditure League Budget presented and validated.	
Increase in the amount of revenue generated by the new contract.	
Increase of registrable squad cost limit or registration capacity requested.	
Explanation/Justification of the reasonableness and foreseeability of compliance with the Increase Assumption.	
Accompanying documentation.	
	Other documents justifying the reasonableness of compliance with the alleged Increase Assumption



CASE OF A CONTRACT IN WHICH AN INCREASE IN THE PRICE IS AGREED FOR THE TRANSFER OF AUDIOVISUAL BROADCASTING RIGHTS (§§ 72 AND 73)	
Intended assignee of the Audiovisual Retransmission Rights.	
Expected date of formalisation of the Contract.	
Amount of the Budgetary Item for this concept in the Income and Expenditure League Budget presented and validated.	
Increase in the amount of revenue expected to be generated by the planned new contract.	
Increase of registrable squad cost limit or registration capacity requested.	
Explanation/Justification of reasonableness and foreseeability of compliance with the Increase Assumption	
Accompanying documentation	
	Other documents justifying the reasonableness of compliance with the alleged Increase Assumption



CASE OF CONTRIBUTION (ART. 80 ET SEQ.)		
Intended Contributor (Identification)		
Address		
NIF/CIF		
Direct link with the Club/SAD (member, shareholder, administrator, manager, employee...).		
Indirect linkage if applicable through (Identify <i>and</i> express the linkage to the Club/SAD).		
Date of the Commitment of the Contributor		
Nature of the Contribution to be made (please tick as appropriate).	Increase in share capital with a cash contribution	
	Share Capital Increase with offsetting or contribution of claims against the Club/SAD	
	Unconditional Donation	
	Debt cancellation	
	Excess over market value	
	Equity loan	
Expected amount of the Contribution.		
Expected date of the Contribution.		
Group in which the Club/SAD is included in accordance with Article 85 of the Rules.		
In case of set-off or contribution of claims. A summary description of the claims to be offset or contributed.		
In case of debt cancellation. Summary description of the debt(s) to be written off.		
Explanation/Justification of the reasonableness and foreseeability of compliance with the Increase Assumption.		
Documentation accompanying this application	Document signed by the Contributor of commitment to carry out the Contribution	
	Other documents relating to the configuration of the guarantee	



GUARANTEES OFFERED (FORMALISE THIS FORM FOR EACH GUARANTOR) ART. 92.5 RULES		
Guarantor/ Guarantor (other than Club/SAD)		
Address		
NIF/CIF		
Direct link with the Club/SAD (member, shareholder, administrator, manager, employee, etc.).		
Indirect linkage if applicable through (identify and express the linkage to the Club/SAD).		
Nature of the guarantee offered	Staff	
	Real	
Nature and description of the personal guarantee. Offering of security documents		
Nature and description of the collateral offered (pledge, mortgage...), assets and/or rights, reasonable value of the same, prior charges.		
Documentation accompanying this application	Document signed by the guarantor undertaking to provide the guarantee	
	Other documents relating to the configuration of the guarantee	



LIGA NACIONAL DE FUTBOL PROFESIONAL Control Económico Standard Model MN 23 Reference Article(s): 95 Coste Plantilla Deportiva Inscribible Real T-1 (individualizado)	Club/SAD	
	Temporada	
	Fecha de Presentación	
	Importes en miles de euros	

Dorsal	JUGADOR NOMBRE DEPORTIVO	DC	Situación	Contrato Laboral		Contraprestaciones Sociedades Tenedoras Derecho de Imagen		%	Otras Retribuciones	SS a cargo empresa	Amortizaciones	Gastos por cesiones/ Ingresos por cesiones	Gastos de adquisición de Jugadores	Coste plant. sin Primas Colectivas de Temporada	Fecha fin contrato	Valor neto contable 30/06 T-1
				F	V	F	V									
				Retribuciones	Retribuciones			Var								

A LÍMITE COSTE DE PLANTILLA (ORGANIZADO) (Inscribible, No Inscribible, Total)
 B INCREMENTOS DE VENTANA
 Beneficio por traspaso de jugadores
 Beneficios extraordinarios
 Derechos de televisión
 Agoraciones económicas
 Ingresos comerciales
 Otros
 C COSTE DE PLANTILLA CONSUMIDO (Inscribible, No Inscribible, Total)
 COSTE DE PLANTILLA
 PRIMAS COLECTIVAS
 Primas por competiciones europeas
 Primas por competiciones nacionales
 Primas por permanencia
 Primas de ascenso
 Primas por participación en play-off
 Otras primas colectivas

 A+B-C SALDO DISPONIBLE (Inscribible, No Inscribible, Total)
 Página 1 de 1



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 25.1

Reference Article(s): 97

Description: Responsible Declaration on consideration paid by third parties Players and/or Coaches

RESPONSIBLE DECLARATION MADE IN COMPLIANCE WITH THE PROVISIONS OF ARTICLE 97

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

Mr. [] in the name and on behalf of the Club/SAD [] and with sufficient powers for this act, makes this Declaration as responsible person, including the following points and circumstances:

That the Club/SAD which it represents is **NOT aware NOR** is it otherwise aware that any of the Players and Coaches whose Cost forms part of the Club/SAD's registrable Squad Cost, have received, are receiving or will receive, any consideration paid or committed to by any natural and/or legal third parties that could be considered as an ongoing expense of any nature at the Club/SAD where they are registered, other than any compensation or remuneration that they may receive from the transferor Club/SAD in the case of Players and Coaches whose Federative Rights are temporarily transferred to another Club/SAD.

And for the record before the National Professional Football League, this Responsible Declaration is made in [place], on [date].

THE AUTHORISED REPRESENTATIVE

S.F.[]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 25.2

Reference Article(s): 97

Description: Responsible Declaration on consideration paid by third parties Players and/or Coaches

RESPONSIBLE DECLARATION MADE IN COMPLIANCE WITH THE PROVISIONS OF ARTICLE 97

SEASON	DATE
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

Mr. [] in the name and on behalf of the Club/SAD [] and with sufficient powers for this act, makes this Declaration as responsible person, including the following points and circumstances:

First. That the Club/SAD which it represents **is aware or is otherwise aware** that the Players and Technicians mentioned below and whose Cost which forms part of the registrable squad cost of the Club/SAD, have received, or are receiving or will receive, the considerations listed below paid or committed to by third party natural and/or legal persons that could be considered as ongoing expenses of any nature at the Club/SAD where they are registered, other than compensation or remuneration that they may receive from the transferor Club/SAD in the case of Players and Coaches whose Federative Rights are temporarily transferred to another Club/SAD.

Second That the Players or Technicians as well as the third party payers are as follows:

[]

And for the record before the National Professional Football League, this Responsible Declaration is made in [place], on [date].

THE AUTHORISED REPRESENTATIVE

S.F.[]



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 26

Reference article(s): 9.6

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

NAME FOUNDATION	AMOUNT OF FUNDING PROVIDED BY THE CLUB / SAD	DATE OF FINANCING	PURPOSE OF THE FUNDING	COMMENTS AND SUPPORTS



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 101

Budget line Income and Expenditure League: 1.2

Description: Item 1.2. Income from subscribers and members of the Income and Expenditure League Budget. Justification of increase on the Estimated revenues Season T-1 and/or Projection of revenues according to sales alternatives depending on the different Competitions.

SEASON	
CLUB/SAD	
DATE	
PERSON SIGNING THIS INFORMATION	
CARGO	
SIGNATURE	

RULE 2.A. ITEM 1.2. INCREASE IN REVENUE OVER ESTIMATES FOR SEASON T-1

Amount of Item 1.2. of the Budget Income and Expenditure League for season T presented	Thousands of euros
Estimated same revenues for the Season T-1	Thousands of euros
Difference	Thousands of euros
Justification of the Increase contemplated in the Budget Income and Expenditure League presented.	



JUSTIFICATION OF THE INCREASE FORESEEN IN THE BUDGET LEAGUE OF REVENUE AND EXPENDITURE PRESENTED (CONT)

Empty space for justification of the increase foreseen in the budget league of revenue and expenditure presented.

RULE 2.B. ITEM 1.2. DIFFERENT ALTERNATIVES FOR THE SALE OF SEASON TICKETS ACCORDING TO COMPETITIONS

Revenue projection for each alternative

Empty space for revenue projection for each alternative.



Liga Nacional de Fútbol Profesional
Normas de Elaboración de Presupuestos de Clubes y SADs

Modelo Normalizado MN 102

Partidas/Subpartidas Presupuesto Liga de Ingresos y Gastos 1.3.3./1.4.2/1.4.3./1.5.

Descripción: Certificación del Representante Autorizado sobre Ingresos: Cesión Derechos Audiovisuales adicionales/ Comercialización de otros derechos/Patrocinio y similares/Publicidad.

D. [], REPRESENTANTE AUTORIZADO DE [Denominación de la S.A.D. o Club], con domicilio social en [], y C.I.F. []

CERTIFICA

Que de la documentación obrante en este/a [Club/SAD] resulta, en la fecha de esta certificación y a los efectos de justificar los ingresos contemplados en las Partidas que se indican del Presupuesto Liga de Ingresos y Gastos presentado ante el Órgano de Validación de la Liga Nacional de Fútbol Profesional por el [Club/SAD] correspondiente a la Temporada (T), y de acuerdo con lo dispuesto en el Anexo de Descripción y Valoración de Partidas Presupuestarias, lo siguiente:

INGRESOS COMERCIALES (MN 102)

PARTIDA PRESUPUESTARIA

1.3.3 Otros ingresos por derechos de explotación de contenidos audiovisuales no incluidos en las Subpartidas 1.3.1 y 1.3.2.

CONTRATANTE													
FECHA DE FIRMA	FECHA INICIAL	FECHA FINAL	NOMBRE	DOMICILIO	NIF	IMPORTE TOTAL CONTRATO (miles de €)	INGRESO BRUTO TEMPORADA T (miles de €)	OBJETO DEL CONTRATO	CONTRAPRESTACIONES ENTREGADAS AL CLIENTE TEMPORADA T (miles de €)	TIPO CONTRAPRESTACIÓN	IMPORTE NETO	CONTRAPRESTACIONES RECIBIDAS DEL CLIENTE (miles de €)	TIPO CONTRAPRESTACIÓN
1											0		
2											0		
...											0		
TOTAL						0	0		0		0	0	

1.4.2 Ingresos procedentes de Contratos de Patrocinio y similares

CONTRATANTE													
FECHA DE FIRMA	FECHA INICIAL	FECHA FINAL	NOMBRE	DOMICILIO	NIF	IMPORTE TOTAL CONTRATO (miles de €)	INGRESO BRUTO TEMPORADA T (miles de €)	OBJETO DEL CONTRATO	CONTRAPRESTACIONES ENTREGADAS AL CLIENTE TEMPORADA T (miles de €)	TIPO CONTRAPRESTACIÓN	IMPORTE NETO	CONTRAPRESTACIONES RECIBIDAS DEL CLIENTE (miles de €)	TIPO CONTRAPRESTACIÓN
1											0		
2											0		
...											0		
TOTAL						0	0		0		0	0	

1.4.3 Ingresos procedentes de comercialización de otros derechos no incluidos en las Subpartidas 1.4.1 y 1.4.2.

CONTRATANTE													
FECHA DE FIRMA	FECHA INICIAL	FECHA FINAL	NOMBRE	DOMICILIO	NIF	IMPORTE TOTAL CONTRATO (miles de €)	INGRESO BRUTO TEMPORADA T (miles de €)	OBJETO DEL CONTRATO	CONTRAPRESTACIONES ENTREGADAS AL CLIENTE TEMPORADA T (miles de €)	TIPO CONTRAPRESTACIÓN	IMPORTE NETO	CONTRAPRESTACIONES RECIBIDAS DEL CLIENTE (miles de €)	TIPO CONTRAPRESTACIÓN
1											0		
2											0		
...											0		
TOTAL						0	0		0		0	0	

1.5 Ingresos por publicidad explotada directamente por el Club/SAD o mediante su cesión a terceros. Suma de las Subpartidas 1.5.1, 1.5.2. y 1.5.3.

CONTRATANTE													
FECHA DE FIRMA	FECHA INICIAL	FECHA FINAL	NOMBRE	DOMICILIO	NIF	IMPORTE TOTAL CONTRATO (miles de €)	INGRESO BRUTO TEMPORADA T (miles de €)	OBJETO DEL CONTRATO	CONTRAPRESTACIONES ENTREGADAS AL CLIENTE TEMPORADA T (miles de €)	TIPO CONTRAPRESTACIÓN	IMPORTE NETO	CONTRAPRESTACIONES RECIBIDAS DEL CLIENTE (miles de €)	TIPO CONTRAPRESTACIÓN
1											0		
2											0		
...											0		
TOTAL						0	0		0		0	0	

Y para que conste y surta efectos, a solicitud de la Liga de Fútbol Profesional, expido la presente certificación en [Lugar] a [fecha]

EL REPRESENTANTE AUTORIZADO

Fdo: D. []

Legenda:

PARTIDA PRESUPUESTARIA

FECHA DE FIRMA

FECHA INICIAL

FECHA FINAL

NOMBRE

DOMICILIO

NIF

IMPORTE TOTAL

INGRESO BRUTO TEMPORADA T

OBJETO DEL CONTRATO

CONTRAPRESTACIONES AL CLIENTE

TIPO DE CONTRAPRESTACIÓN

IMPORTE NETO

CONTRAPRESTACIONES DEL CLIENTE

TIPO DE CONTRAPRESTACIÓN

Utilícese el cuadro o cuadros correspondientes según las partidas del Presupuesto Liga

Fecha de firma de contrato

Fecha de inicio del servicio

Fecha de vencimiento del contrato

Denominación social del cliente

Domicilio social del cliente

Numero de identificación fiscal del cliente

Importe de la remuneración monetaria total pactada en el contrato

Ingreso devengado en la temporada T conforme a las normas de registro y valoración del PGCE

Descripción de la naturaleza del contrato

Pagos o servicios prestados al cliente como contraprestación al Ingreso recibido en la temporada T

Cesión de entradas, entrega de abonos, palcos, etc.

Importe resultante de minorar al Ingreso de la temporada T, la contraprestación al cliente

Bienes o servicios recibidos del cliente como contraprestación por el servicio prestado

Entrega de bienes o prestación de servicios por el cliente (vehículos, materiales, etc.)



Standard Model MN 103
Item Budgets Revenue and Expenditure League 3.2

Descripción: Certificación del Representante Autorizado sobre Ingresos por Subvenciones a la Explotación y otros.

D. [], REPRESENTANTE AUTORIZADO DE [Denominación de la S.A.D. o Club], con domicilio social en [], y C.I.F. []

CERTIFICA

Que de la documentación obrante en este/a [Club/SAD] resulta, en la fecha de esta certificación y a los efectos de justificar los ingresos por Subvenciones a la Explotación y otros contemplados en las Partida 1.7.2. del Presupuesto Liga de Ingresos y Gastos presentado ante el Órgano de Validación de la Liga Nacional de Fútbol Profesional por este/a [Club/SAD] correspondiente a la Temporada (T), y de acuerdo con lo dispuesto en el Anexo de Descripción y Valoración de Partidas Presupuestarias, lo siguiente:

PARTIDA PRESUPUESTARIA

1.7.2 Subvenciones a la explotación y otros

FECHA DE FIRMA	CONCEDENTE			IMPORTE TOTAL (miles de €)	INGRESO TEMPORADA T (miles de €)	DESCRIPCIÓN	CONDICIONES	IMPORTE VENCIDO	IMPORTE COBRADO	IMPORTE VENCIDO NO COBRADO
	NOMBRE	DOMICILIO	NIF							
1										0
2										0
...										0
TOTAL				0	0			0	0	0

Señálese a continuación lo que proceda:

A LA FECHA DE ESTE CERTIFICADO SE HA DADO PLENO CUMPLIMIENTO A LAS CONDICIONES PREVISTAS EN LOS CONTRATOS/ACUERDOS POR LOS QUE SE OTORGAN LAS SUBVENCIONES PARA SU PERCEPCIÓN Y SE PREVÉ EL INGRESO DE DICHAS SUBVENCIONES POR EL IMPORTE CONSIGNADO EN EL PRESUPUESTO LIGA DE INGRESOS Y GASTOS, DENTRO DE LA TEMPORADA T.	SÍ / NO
---	---------

SE PREVÉ EL PLENO CUMPLIMIENTO DE LAS CONDICIONES PREVISTAS EN LOS CONTRATOS/ACUERDOS POR LOS QUE SE OTORGAN LAS SUBVENCIONES PARA SU PERCEPCIÓN Y EL INGRESO DE DICHAS SUBVENCIONES POR EL IMPORTE CONSIGNADO EN EL PRESUPUESTO LIGA DE INGRESOS Y GASTOS DENTRO DE LA TEMPORADA T.	SÍ / NO
--	---------

Y para que conste y surta efectos, a solicitud de la Liga de Fútbol Profesional, expido la presente certificación en [lugar] a [fecha]

EL REPRESENTANTE AUTORIZADO

Fdo: D. []

Legenda:

FECHA DE FIRMA
NOMBRE
DOMICILIO
NIF
IMPORTE TOTAL
INGRESO TEMPORADA T
DESCRIPCIÓN
CONDICIONES
IMPORTE VENCIDO
IMPORTE COBRADO
IMPORTE VENCIDO NO COBRADO

Fecha de firma del acuerdo de cesión de la subvención
Denominación del concedente
Domicilio social del concedente
Número de identificación fiscal del concedente
Importe total de la subvención a la explotación concedida
Ingreso devengado en la temporada T por la subvención recibida, conforme a las normas de registro y valoración del PGCE
Breve descripción de la subvención recibida
Información sobre las condiciones asociadas a la subvención, para su obtención y cumplimiento de la condición de no reintegrable
Importe que, conforme a lo previsto en el acuerdo de cesión, debería haber sido transferido al CLUB/SAD a la fecha del certificado
Importe total cobrado de la subvención por el CLUB/SAD a la fecha del certificado
Diferencia entre el importe vencido y cobrado a la fecha del certificado



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 104

Items/: Sub-items Budget Income and Expenditure League 3.3

Description: Certification of the Authorised Representative on work carried out for the entity.

D. [], AUTHORISED REPRESENTATIVE OF [Name of the SA.D. or Club], with registered office at [], and C.I.F. [].

CERTIFIES

certification and for the purposes of justifying the amount of Item 1.6.3. of the Income and Expenditure League Budget presented to the Validation Body of the National Professional Football League by this [Club/SAD] corresponding to Season (T), and in accordance with the provisions of the Annex of Description and Valuation of Budgetary Items, the following:

BUDGET HEADING	CONCEPT	Thousands of Euros
3.3.	Work carried out for the entity and others. Counterpart of the expenses incurred by the Club for its fixed assets, using its equipment and staff, which are capitalised.	
THAT THE AFOREMENTIONED AMOUNT BUDGETED IN THE INCOME AND EXPENDITURE LEAGUE BUDGET SUBMITTED BY THIS CLUB/SAD FOR THE ITEM AND CONCEPT INDICATED ABOVE IS JUSTIFIED IN ACCORDANCE WITH THE FOLLOWING:		

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 105

Items/: Sub-items Budget Revenue and Expenditure League 2

Description: Certification of the Authorised Representative on assumptions underlying the amount of purchases of products intended to be sold in Official Stores.

D. [], AUTHORISED REPRESENTATIVE OF [Name of the SA.D. or Club], with registered office at [], and C.I.F. [].

CERTIFIES

That from the documentation on file at this [Club/SAD] it appears, on the date of this certification and for the purposes of justifying the amount for the purchases of products to be sold in the official Club/SAD shops in accordance with the requirements of Item 2 of the Income and Expenditure League Budget presented to the Validation Body of the National Professional Football League by this [Club/SAD] for the Season (T), and in accordance with the provisions of the Annex to the Description and Valuation of Budgetary Items, the following:

BUDGET HEADING	CONCEPT	Thousands of Euros
5	Purchases of products to be sold in the official Club/SAD shops	

THAT THE AFOREMENTIONED AMOUNT BUDGETED IN THE INCOME AND EXPENDITURE LEAGUE BUDGET SUBMITTED BY THIS CLUB/SAD FOR THE ITEM AND CONCEPT INDICATED ABOVE IS JUSTIFIED IN ACCORDANCE WITH THE FOLLOWING:

--

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 106

Items/: Subitems Budget Income and Expenditure League 7.1

Description: Certification of the Authorised Representative justifying the depreciation of Tangible Fixed Assets consisting of Sports Facilities.

D. [], AUTHORISED REPRESENTATIVE OF [Name of the SA.D. or Club], with registered office at [], and C.I.F. [].

CERTIFIES

That from the documentation on file at this [Club/SAD] it appears, on the date of this certification and for the purposes of justifying the amount of the Depreciation of Tangible Fixed Assets consisting of Sports Facilities, included in Item 7.1. of the Income and Expenditure League Budget presented to the Validation Body of the National Professional Football League by this [Club/SAD] corresponding to Season (T), and in accordance with the provisions of the Annex to the Description and Valuation of Budgetary Items, the following:

BUDGET HEADING	CONCEPT	Thousands of Euros
6	Depreciation of tangible fixed assets consisting of Sports Facilities	

THAT THE AFOREMENTIONED AMOUNT BUDGETED IN THE INCOME AND EXPENDITURE LEAGUE BUDGET SUBMITTED BY THIS CLUB/SAD FOR THE ITEM AND CONCEPT INDICATED ABOVE IS JUSTIFIED IN ACCORDANCE WITH THE FOLLOWING:

--

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []



NATIONAL PROFESSIONAL FOOTBALL LEAGUE

Club and SAD Budgeting Guidelines

Standard Model MN 107

Items/: Sub-items Budget Income and Expenditure League 10.1/10.2/10.3/10.4/11

Description: Certification of the Authorised Representative justification on Profit/Loss made up to 31 January Season T-1

D. [], REPRESENTATIVE AUTHORISED REPRESENTATIVE OF [Name of the SA.D. or Club], with registered office at [], and C.I.F. [].

CERTIFIES

That from the documentation on file with this [Club/SAD] and in accordance with the provisions of Items/Subitems Income and Expenditure League Budget: 10.1/10.2/10.3./10.4/11, it appears that as of 31 January of the Season (T-1) the following Profit/Losses have been obtained:

Budget Item	Concept	Thousands of Euros Profit (LOSSES)
10.1/10.2	Profits/Losses from the Transfer of Players' Rights.	
10.3	Profits from fixed assets and exceptional income.	
10.4	Losses on fixed assets and exceptional expenses.	
11	Other Results	

THAT THE ABOVE PROFITS/LOSSES ARE JUSTIFIED ON THE BASIS OF THE FOLLOWING CIRCUMSTANCES/DOCUMENTS:

--

And for the record and for effect, at the request of the National Professional Football League, I hereby issue this certificate at [place] on [date].

THE AUTHORISED REPRESENTATIVE

S.D. []