

SUPERLEAGUE PROPOSAL

COMPETITION FEATURES

COMPETITION STRUCTURE (1/2)

The Super League is a football competition between the top clubs in Europe, with play commencing in the season 2022/23. The SL will be comprised of 20 Clubs (the "SL Clubs"), of which 15 will be permanent members and 5 will qualify annually.

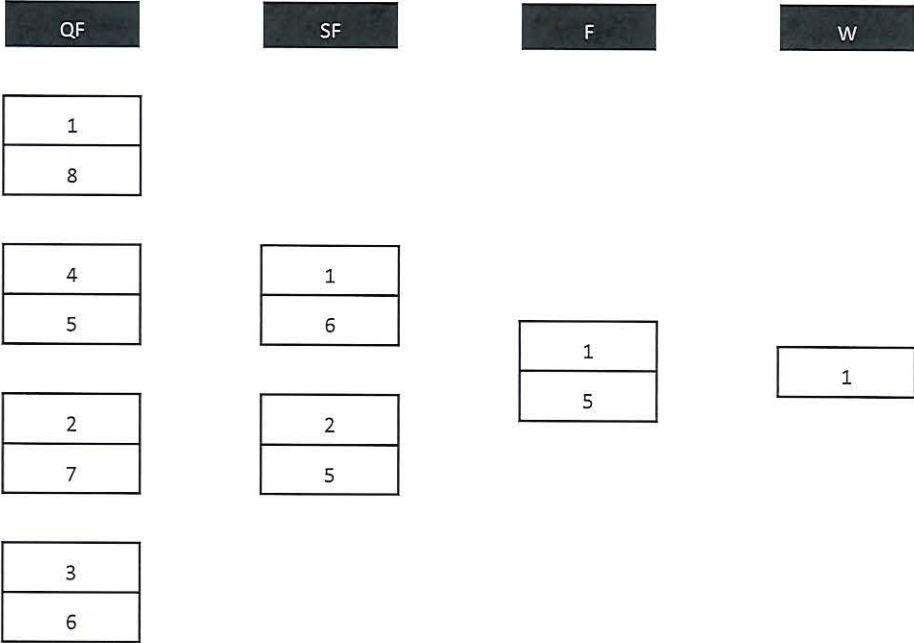
- **FORMAT:** The SL Clubs will be split equally into 2 Groups with the members of each Group playing each other home and away each season. The top 4 clubs from each Group will qualify for a knock-out playoff to determine the league champion. The playoff will consist of 2 rounds with home and away matches (quarterfinals and semi-finals) and a single match final played at a neutral site. Playoff fixture pairings will reflect regular season performance. Therefore, in the first round the club with the best regular season record will play the club with 8th best record (the final playoff qualifier) and so on. This "best versus worst" approach to fixture pairings will be applied in the second round as well.
- **CALENDAR:** SL matches will be played in midweek with the exception of the SL final that will be played on a weekend. SL Clubs will continue to play in their respective Domestic Competitions.
- **WORLD CLUB COMPETITION:** the SL will commit to send 12 clubs from Europe to play in the new annual World Club Competition (the "WCC"). The top five clubs from each Group will qualify directly for the WCC. The remaining 2 positions to complete the group of 12 SL Clubs will be determined by a playoff between the sixth and seventh place finishers in each Group.

COMPETITION STRUCTURE (2/2)

REGULAR SEASON

GROUP A	GROUP B	
1	1	DIRECTLY QUALIFIED FOR PLAYOFFS
2	2	
3	3	
4	4	
5	5	NOT QUALIFIED FOR PLAYOFF
6	6	
7	7	
8	8	
9	9	
10	10	

PLAYOFF



NUMBER OF FIXTURES

REGULAR SEASON	<p>Each of the 10 clubs plays every other club in its group home and away.</p> <p>180 TOTAL REGULAR SEASON FIXTURES (18 PER CLUB)</p>
PLAYOFFS	<p>Knock-out format with home/away games for first 2 rounds with the best club in the regular season playing the worst team and a single game final.</p> <p>13 TOTAL POSTSEASON FIXTURES (0 TO 5 PER CLUB)</p>
TOTAL FIXTURES	<p>193 (18 TO 23 PER CLUB)</p>

ECONOMIC IMPACT

INFRASTRUCTURE GRANT

An **Infrastructure Grant** of at least €3,525m will be distributed among SL Founding Clubs for the development of football infrastructure (e.g. stadiums and training facilities) with the exception that during June 2020 and the launch date of the first SL season, SL Founding Clubs will be allowed to spend funds distributed under the Infrastructure Grant to replace lost stadium related revenues due to Covid-19 restrictions. The Infrastructure Grant will be split as follows:

	Grant Amount	Founding Clubs
	€350m	6 clubs
	€225m	4 clubs
	€112.5m	2 clubs
	€100m	3 clubs
TOTAL	€3,525m	15 clubs

MEDIA REVENUES & ITS DISTRIBUTION (1/2)

REVENUE DISTRIBUTION MODEL

- **Equal share: 65%**
 - 32.5% equally among the SL Founding Clubs
 - 32.5% equally among all SL Clubs

- **Merit share: 20%**
 - 17.5% for the SL Regular Season that will be distributed by Group in the same manner as the current EPL merit-based system (1st: 10/55, 2nd: 9/55, 3rd: 8/55, etc.)
 - 2.5% for the SL Playoff that will be distributed:
 - Winner receives 40%
 - Runner-up receives 25%
 - Semi-finalists (2) receive 10% each
 - Quarterfinalists (4) receive 3.75% each

- **Commercial Share: 15%** distributed as follows:
 - 10 clubs receive 1.25% each
 - 5 clubs receive 0.50% each

MEDIA REVENUES & ITS DISTRIBUTION (2/2)

Please be aware that figures used are an example.

BROADCAST RIGHTS VALUE	4,000
Agency fees	(60)
Direct match costs	(150)
Solidarity and 3rd party payments	(320)
Investor repayment	(264)
Fee to Real Madrid / FC Barcelona	(60)
TOTAL NET DISTRIBUTABLE	3,146
EQUAL SHARE	65%
MERIT SHARE based on performance in the competition	20%
COMMERCIAL SHARE based on Club awareness	15%

MERIT SHARE DISTRIBUTION

Please be aware that figures used are an example.

REGULAR SEASON																				
€m	50	50	45	45	40	40	35	35	30	30	25	25	20	20	15	15	10	10	5	5
%	9%	9%	8%	8%	7%	7%	6%	6%	5%	5%	5%	5%	4%	4%	3%	3%	2%	2%	1%	1%
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20

PLAYOFFS								
€m	31	20	8	8	3	3	3	3
%	40%	25%	10%	10%	4%	4%	4%	4%
#	WINNER	RUNNER UP	SF1	SF2	QF1	QF2	QF3	QF4

COMMERCIAL SHARE DISTRIBUTION

Group 1	8.3% 10 clubs <i>1.25% of Net distributable amount</i>
Group 2	3.3% 5 clubs <i>0.50% of Net distributable amount</i>
Group 3	-- 0 –5 clubs

CLUB RIGHTS & FINANCIAL OBLIGATIONS

CLUB LIVE RIGHTS ON CLUB APPS/DIG. PLATFORMS

#of live SL Regular Season Games	4
In Game & PostMatch Highlights	Limited
Near Live Rights	Limited w/ No Embargo Period
Availability of Sub-Licensing	Not Available
Availability of Playoff Matches	Not Available

FINANCIAL SUSTAINABILITY

<p>SPENDING CAP</p>	<p>Club expenditure on annual salaries of first team players and coaching staff plus net cash spent on all football transfers plus agent fees shall not exceed 55% of their revenues (or 27.5% of the revenues of the highest earning club).</p> <p>Annual salaries will be calculated by dividing the total net salaries paid by 55% independently of the income tax jurisdiction.</p> <p>With respect to merchandising and other revenues with significant cost of goods sold, only the gross margin associated with these activities will be treated as Club Revenue.</p> <p>Clubs will be required to spend a minimum of their revenues on sport spending.</p>
<p>PROFITABILITY REQUIREMENT</p>	<p>Clubs must maintain a 3-year aggregate trailing net profit before tax position.</p>
<p>ENFORCEMENT</p>	<p>A league enforcement body (the “Financial Sustainability Group” or “FSG”) shall strictly monitor and enforce Financial Sustainability provisions. The FSG will have the ability to audit and verify reported financial results and to apply sanctions where appropriate.</p> <p>Club Revenue must be obtained on an arm’s length basis. Related party transactions must be pre-approved by the FSG.</p> <p>Reporting –all player contracts must be filed with the FSG. In addition, each Club will submit appropriate financial detail of revenues and costs (audited where necessary) to facilitate enforcement of the Financial Sustainability rules.</p> <p>Off shore or other payments made outside the Financial Sustainability rules are forbidden.</p>

CORPORATE STRUCTURE & GOVERNANCE

CORPORATE STRUCTURE

- SL Founding Clubs will own equal equity stakes in SLCo, the holding company of the SL.
- SLCo will manage its operations through two wholly owned subsidiaries:
 - SL SportsCo: management of the competition;
 - SL MediaCo: management of the sale of broadcast media rights;
- Investors SPV: The Investors will incorporate a special purpose vehicle (the “Investors SPV”) which will be responsible for structuring and funding the payment of the Infrastructure Grant. SLCo will have no equity interest in Investors SPV.

CORPORATE GOVERNANCE (1/2)

The SL will be governed by the following bodies:

- **SL General Assembly**

- *Composition:* 15 members (1 vote per SL Founding Club).
- *Role:* approval of annual accounts, approval of auditor, Chief Executive annual review, annual budget and other legally required actions
- *Meeting frequency:* 1 per year
- *Voting:* Qualified majority (66% except for super majority items)
- Representative of Investor to be invited as observer

- **SL Board of Directors (SL BoD)**

- *Composition:* 15 members, 1 Director per SL Founding Club. Directors proposed by each club will be owners or elected Presidents. Each club Director may also invite one additional executive to attend Board meetings. An Investor representative will also attend Board meetings but will have no voting rights.
- Directors appointed by each SL Founding Club may be changed at any time with 30 days' notice, such notice to be made in writing to the Chairman of the Chairmen's Committee.
- The SL BoD will have oversight powers over all SL activities. Specific matters to be agreed by the SL BoD include but are not limited to borrowings, acquisitions and investments, changes to competition rules (non-Constitutional), and approval of the media rights tender process (and significant changes to such processes).
- *Meeting frequency:* 8-10 per year
- *Voting:* Qualified majority (66% except for super majority items)
- *Reserved Matters:* All reserved matters are subject to a super majority vote of 75%. Reserved matters are 1) changes to the format, revenue share distribution, media rights, financial sustainability, retained live rights, and 2) changes in Chief Executive or other C Suite executives.

CORPORATE GOVERNANCE (2/2)

- SL Committees

- To facilitate efficient governance and ongoing development of the SL, at inception six committees will be formed to oversee and make recommendations regarding particular areas of SL activity. These committees are:
 - o Financial Sustainability
 - o Media Rights
 - o Competition / League Format
 - o Finance and Business Strategy
 - o Solidarity and Third-Party Payments
 - o Fan Experience
- Committees will have 5 members to be selected from SL Founding Clubs. Each Committee will be led by a Chairman with specific attendance requirements to be defined. Meetings will be called by the Chairman on an as needed basis however each committee will meet a minimum of 4 times per year.

- SL Chairmen's Committee

- Composition: 8 members:
 - o The Chairmen of the 6 SL Committees noted above with an initial mandate of 5 years. Attendance requirements tbd.
 - o SL Chief Executive
 - o 1 independent member appointed by the Investors SPV (5-year mandate)
- The Chairmen's Committee will bring insights from the deliberations of their respective Committees to a single forum thereby facilitating decision making especially in the initial years of the competition. The Committee will review strategic initiatives, development of competition rules, amendments to the ISHA (constitution), pre-clearance of senior executive hires and other matters
- Meeting frequency: Minimum 8 meetings per year or as needed
- Voting: Qualified majority (66%)