

# K LEAGUE CLUB LICENSING Regulations



Korea Professional Football League



# CONTENTS

| Article 1. Terms and Definitions                      |
|---|
| Article 2. Introduction                               |
| Article 3. Objectives                                 |
| Article 4. Scope of Application9                      |
| Article 5. Procedure                                  |
| Article 6. Relationship with AFC Regulations          |
| Article 7. License                                    |
| Article 8. License Applicant / Licensee 15            |
| Article 9. Licensor 16                                |
| Article 10. Criteria and Sanctions23                  |
| Article 11. The Core Process                          |
| Article 12. Eligibility for the AFC Club Competitions |
| Article 13. Final Provisions37                        |
| Article 14. Sporting Criteria                         |
| Article 15. Infrastructure Criteria                   |
| Article 16. Personnel and Administration Criteria     |
| Article 17. Legal Criteria ······ 64                  |
| Article 18. Financial Criteria                        |
| Article 19. Marketing and Sales Criteria81            |
| Article 20. Football Social Responsibility Criteria   |

| Annex | 1. | Exceptions Policy for entering KFA Club Competitions                  | 85 |
|-------|----|---|----|
| Annex | 2. | Extraordinary application of the Club licensing system for K LEAGUE 2 | 86 |
| Annex | 3. | K LEAGUE Club Licensing Core Process Calendar                         | 87 |
| Annex | 4. | AFC Club Licensing Core Process Calendar                              | 88 |



# K LEAGUE CLUB LICENSING Regulations

based on the AFC CLUB LICENSING Regulations Edition 2023

# Article 1: Terms and Definitions

# Note: Terms in the singular form include the plural form and vice-versa.

| Term                         | Definition   |
|------------------------------|--|
| Appeal Body or AB            | It is one of the decision-making bodies and is responsible for reviewing<br>and deciding on appeals.   |
| Accounting Policies          | The specific principles, bases, conventions, rules and practices adopted<br>by an entity in preparing and presenting its financial statements. |
| AFC                          | The Asian Football Confederation   |
|                              | It means Club Football Competitions organized by the AFC including   |
| AFC Club Competitions        | AFC Champions League Elite (ACLE), AFC Champions League 2  |
|                              | (ACL2) and AFC Challenge League (ACGL).  |
| AFC Champions League         | It is a club football competition organized by the AFC and is considered   |
| Elite (ACLE)                 | as the highest tier Club Competitions in Asia.   |
| AFC Champions League         | It is a club football competition organized by the AFC and is considered   |
| Elite (ACL2)                 | as the second-tier Club Competitions in Asia.  |
|                              | The handbook issued by the AFC provides operational and technical  |
| AFC Club Licensing Financial | guidance about the financial Criteria in these Regulations. It is a  |
| Handbook                     | compilation of explanations and templates to support the License   |
|                              | Applicant in complying with the financial Criteria.  |
| AFC Club Licensing           | The document issued by the AFC which defines the minimum requirements that   |
| Quality Standard             | a Licensor must comply with in order to operate the club licensing system.   |
| AFC Stadium Regulations      | These Regulations set out the minimum requirements for a Stadium   |
|                              | to be eligible to host matches in the AFC competitions.  |
|                              | A complete set of financial statements prepared as at the Statutory  |
| Annual                       | Closing Date, normally including a balance sheet, profit and loss account,   |
| Financial Statements         | a statement of cash flows and those notes, other statements, and   |
|                              | explanatory material that are an integral part of the financial statements.  |
|                              | An entity, including an unincorporated entity such as a partnership,   |
| Associate                    | over which the investor has Significant Influence and that is neither  |
|                              | a Subsidiary nor an interest in a Joint Venture.   |
|                              | The objective of an audit of financial statements is to enable the auditor   |
|                              | to express an opinion whether the financial statements are prepared,   |
|                              | in all Material respects, in accordance with an identified financial reporting   |
|                              | framework. The phrases used to express the auditor's opinion are "give a   |
|                              | true and fair view" or "present fairly, in all material respects", which are   |
| ۸۱: د                        | equivalent terms. A similar objective applies to the audit of financial or   |
| Audit                        | other information prepared in accordance with appropriate Criteria.  |
|                              | In an audit engagement, the auditor provides a high but not absolute,  |
|                              | level of assurance that the information subject to audit is free of  |
|                              | Material misstatement. This is expressed positively in the audit report  |
|                              | as reasonable assurance.   |
|                              | The term "Audited" shall be interpreted accordingly.   |
|                              | The term rudited shall be interpreted accordingly.   |



| Term   | Definition   |
|--|--|
| Budget   | The schedules containing an entity's Future Financial Information, based<br>on management's assumptions about events that may occur in the<br>future and possible actions by an entity.  |
| Club Licensing Administration<br>or CLA                | It is the staff within the Licensor that deals with Club Licensing matters.  |
| CLAS or<br>AFC Club Licensing<br>Administration System | The IT system was developed by the AFC for the purpose of gathering<br>information from License Applicants/Licensees and for sharing information<br>with Licensors concerning their affiliated clubs, within the scope of the<br>implementation, assessment, and enforcement of these Regulations.   |
| Club Licensing Criteria<br>or<br>Criteria              | The requirements applicable to the grant of Licenses to License Applicants,<br>as set out in these Regulations, are divided into five categories (sporting,<br>infrastructure, personnel and administrative, legal, and financial).  |
| Control  | The power to govern the financial and operating policies of an entity<br>so as to obtain benefits from its activities. Control may be gained by<br>share ownership, statutes or agreement.<br>The terms "Controlled" and "Controlling" shall be interpreted accordingly.   |
| Consolidated Financial<br>Statement                    | The financial statements of a Group are presented as those of a single economic entity.  |
| Event or condition of major economic importance        | An event or condition is of major economic importance if it is<br>considered Material to the financial statements of the Reporting Entity<br>and would require a different (adverse) presentation of the results of<br>the operations, financial position, and net assets of the Reporting Entity<br>if it had occurred during the preceding Financial Year or Interim Period.   |
| First Instance Body or FIB                             | It is one of the decision-making bodies and is responsible for reviewing<br>and deciding on the first instance.  |
| FIFA RSTP  | FIFA Regulations on the Status and Transfer of players   |
| Financial year   | The financial reporting period ends on the Statutory Closing Date,<br>whether this is a year or not, and which is not an Interim Period.   |
| Future financial information                           | Information about the prospective financial effects of future events<br>and possible actions on the entity concerned.  |
| Going concern  | The 'going concern' concept, or assumption, is an accountancy term that describes an entity that can continue operating without the significant threat of liquidation, and which can therefore continue in operation for the foreseeable future. A Reporting Entity is normally viewed as a Going Concern. It is assumed that the Reporting Entity has neither the intention, nor the necessity of liquidation, ceasing trading, nor seeking protection from creditors according to laws or Regulations. |
| Group  | A Parent and all its subsidiaries.   |
| Historic financial information                         | Information about the financial effects of past events on the entity<br>concerned. Historic Financial Information is in respect of the<br>financial performance and position prior to the licensing decision.  |



| Term                                  | Definition   |
|---------------------------------------|--|
| Interim financial statements          | A financial report containing either a complete set of financial statements<br>or a set of condensed financial statements for an Interim Period.   |
| Interim period                        | A financial reporting period is shorter than a Financial Year. It does<br>not necessarily have to be six months.   |
| Joint venture                         | A contractual arrangement whereby two or more parties undertake<br>an economic activity that is subject to joint control.  |
| KFA                                   | Korea Football Association, the governing body of football in Korea Republic.  |
| KFA Club Competitions                 | Any competition, tournament or league for Professional Clubs organized<br>by KFA or Korea Professional Football League in accordance with the<br>Domestic Match Guidelines, including but not limited to, KFA Cup, K<br>LEAGUE1, K LEAGUE2 or K LEAGUE Promotion-Relegation Playoff  |
| KFA Cup                               | Annual national knockout competition held by the KFA   |
| Korea Professional<br>Football League | The Professional football league governing body of the Korea<br>Republic which called the K LEAGUE General Secretariat.  |
| K LEAGUE                              | The top professional football leagues which are composed of K LEAGUE1 and K LEAGUE2 under the auspices of the Korea Professional Football League   |
| K LEAGUE1                             | Name of top premier division   |
| K LEAGUE2                             | Name of 2nd division   |
| K LEAGUE Club Licensing<br>Manual     | The working document describes the K LEAGUE Club Licensing Regulations.<br>The guidelines of the K LEAGUE Club Licensing Regulations provide the<br>Licensor and License Applicants further understanding of the reasons<br>behind the Criteria as well as a standard interpretation of the Criteria and<br>assessment process. In relation to the financial Criteria in the Regulations,<br>the Manual also provides details on mandatory and minimum requirements. |
| License                               | Certificate granted by the Licensor confirming fulfillment of all minimum<br>Club Licensing Criteria by the License Applicant as part of the admission<br>procedure for entering K LEAGUE or the AFC Club Competitions.  |
| License Applicant                     | Legal entity is fully and solely responsible for the football team participating<br>in national and international Club Competitions which applies for a License.   |
| Licensee                              | License Applicant that has been granted a License by its Licensor.   |
| License season                        | The season for which a Licence applies. It starts the day following the deadline for submission of the List of Licensing Decisions by the Licensor to the AFC and lasts until the relevant deadline the following year.  |
| Licensing Cycle                       | The period designated by the Licensor for the implementation and completion of the Core Process.   |
| Licensor                              | The Body that operates the club licensing system and grants the Licenses in accordance with these Regulations.   |



| Term                        | Definition  |
|-----------------------------|---|
| List of licensing decisions | The list submitted by the Licensor to the AFC containing, among other things, information about the Licence Applicants that have undergone the licensing process and been granted or refused a Licence by the Licensor in the format established and communicated by the AFC General Secretariat.   |
| Material or Materiality     | Omissions or misstatements of items or information are Material if they could, individually or collectively, influence the decisions of users taken on the basis of the financial information submitted by the License Applicant/Licensee. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.   |
| Parent                      | An entity that has one or more subsidiaries.  |
| Registered member           | Any legal entity according to national law and/or AFC Member<br>Association statutes, which is a member of the AFC Member<br>Association and/or its affiliated league.  |
| Reporting entity/entities   | A Registered Member and/or football company or Group of entities<br>or some other combination of entities that is included in the<br>reporting perimeter and which must provide the Licensor with<br>information for club licensing purposes.   |
| Review                      | The objective of an engagement to review financial information is<br>to enable an auditor to express a conclusion whether, on the basis<br>of the review, anything has come to the auditor's attention that<br>causes the auditor to believe that the financial information is not<br>prepared, in all material respects, in accordance with an identified<br>financial reporting framework.<br>A review, in contrast to an Audit, is not designed to obtain reasonable<br>assurance that the financial information is free from material misstatement.<br>A Review consists of making inquiries, primarily of persons responsible for<br>financial and accounting matters, and applying analytical and other review<br>procedures. A Review may bring significant matters affecting the<br>financial information to the auditor's attention but it does not provide<br>the evidence that would be required for an audit. |
| Significant change          | An event that is considered Material to the documentation previously<br>submitted to the Licensor and that would require a different presentation if<br>it had occurred prior to the submission of the licensing documentation.   |
| Significant influence       | Ability to influence but not control financial and operating policy decision-making.<br>Significant Influence may be gained by share ownership, statute, or agreement.<br>For the avoidance of doubt, a party or in aggregate parties with the same<br>ultimate controlling party (excluding AFC, an AFC Member Association, and an<br>affiliated league) is deemed to have Significant Influence if it provides within<br>a reporting period an amount equivalent to thirty percent (30%) or more of<br>the Licensee's total revenue.  |



| Term                         | Definition   |
|------------------------------|--|
| Stadium                      | Any stadium at which a match is played. For the avoidance of doubt, this includes:<br>(1) the entire premises (to the extent that a valid accreditation card or ticket is<br>required in order to gain access) of a stadium facility inside the outer stadium<br>perimeter fence and (on match days and any day on which any official training<br>takes place within the stadium) the aerial space above such stadium premises;<br>(2) parking facilities:<br>(3) VIP and hospitality areas (including any hospitality village);<br>(4) concession areas;<br>(5) commercial display areas;<br>(6) buildings;<br>(7) the field of play;<br>(8) the media tribune;<br>(9) any broadcast compound;<br>(10) the stadium media center;<br>(11) the press conference room;<br>(12) the mixed zone;<br>(13) any stands; and<br>(14) any areas beneath the stands. |
| Statutory closing date       | The annual accounting reference date of the Reporting Entity.  |
| Subsequent events            | Events or conditions occurring after the licensing decision.   |
| Subsidiary                   | An entity, including an unincorporated entity such as a partnership<br>is Controlled by another entity (known as the Parent).  |
| Supplementary<br>information | Financial information is to be submitted to the Licensor in addition to the financial statements if the minimum requirements for disclosure and accounting are not met.<br>The supplementary information must be prepared on a basis of accounting, and Accounting Policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the Annual Financial Statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements.   |
| Training facilities          | The venue(s) at which a club's registered players undertake football training and/or youth development activities regularly.   |

For the purposes of these Regulations, and provided the context so permits:

1) the singular shall include the plural and vice-versa;

2) the masculine gender shall include the feminine and vice-versa;

3) references to natural persons shall include any legal person or corporation; and

4) all defined terms, unless otherwise stated herein, shall bear the same meaning as ascribed to them in the AFC Statutes.



#### Article 2: Introduction

"K LEAGUE Club Licensing Regulations" (hereafter referred to as "these Regulations") regulate the processes and minimum standards by which Clubs will be assessed on an annual basis in order to remain eligible for and to participate in the KFA Club Competitions, and/or the AFC Club Competitions.

- 2.1 These Regulations describe the structured club licensing procedure aimed at management for participating clubs in Club Competitions to be played under the auspices of KFA, Korea Professional Football League(hereafter referred to as the "League") and the AFC.
- 2.2 These Regulations govern the rights, duties, and responsibilities of all parties involved in the K LEAGUE Club Licensing System and define in particular:
  - 2.2.1 the minimum requirements to be fulfilled by the League to act as a Licensor for its clubs, as well as the minimum procedures to be followed by the Licensor in the assessment of the Club Licensing Criteria;
  - 2.2.2 the License Applicant and the License required to enter the KFA Club Competitions and/or the AFC Club Competitions; and
  - 2.2.3 the minimum Criteria to be fulfilled by a club to be granted a License by a Licensor as part of the admission procedure to enter the KFA Club Competitions and/or the AFC Club Competitions.
- 2.3 These Regulations are supplemented by the K LEAGUE Club Licensing Manual which provides a standard interpretation of the Criteria and assessment process stated in the K LEAGUE Club Licensing Manual (hereafter referred to as the "Manual").

# **Article 3: Objectives**

- 3.1 These Regulations aim to:
  - 3.1.1 safeguard the credibility and integrity of the KFA Club Competitions and the AFC Club Competitions;
  - 3.1.2 Safeguarding the continuity of the KFA Club Competitions and the AFC Club Competitions for one season;
  - 3.1.3 allow the development of benchmarking of clubs in financial, sporting, legal, personnel, administrative, infrastructure, marketing and social responsibilities related Criteria in K LEAGUE;



- 3.1.4 continuously improve the standard of all aspects of football in K LEAGUE and to give priority to the training and care of young players in every club;
- 3.1.5 ensure that clubs have an adequate level of management;
- 3.1.6 improve the financial capability of the clubs, increasing their transparency and credibility, and place the necessary importance on the protection of creditors and to ensure that clubs settle their liabilities with employees, social/tax authorities and other clubs punctually; and
- 3.1.7 improve clubs' sporting infrastructure to provide the various stakeholders with well-equipped and safe Stadiums and facilities.

# Article 4: Scope of Application

- 4.1 These Regulations apply whenever expressly referred to in specific Regulations and other rules governing Club Competitions to be played under the auspices of the AFC/KFA/League.
- 4.2 For Clubs to remain eligible for and to participate in a domestic competition or to enter an international club competition, the Clubs will be required to comply with a specific framework appropriate to each competition. This is outlined as follows:

| Competition | Applicable Framework     | License           | Licensor   |
|-------------|--------------------------|-------------------|------------|
| ACLE        | AFC Club Licensing       | AFC License       | the League |
| ACL2        | AFC Club Licensing       | AFC License       | the League |
| K LEAGUE1   | K LEAGUE1 Club Licensing | K LEAGUE1 License | the League |
| K LEAGUE2   | K LEAGUE2 Club Licensing | K LEAGUE2 License | the League |

#### Article 5: Procedure

- 5.1 Management of the Club Licensing System
  - 5.1.1 The League shall be responsible for the Club Licensing System and shall appoint the relevant administrative and decision-making bodies.
  - 5.1.2 The process shall be comprised of submission and self-certification on the part of the Clubs, together with a review, assessment and recommendation by the Club Licensing Administration(hereafter referred to as the "CLA"), and any external party appointed by the CLA.



#### 5.2 Licensing Process

- 5.2.1 For participation in the KFA Club Competitions, and/or the AFC Club Competitions, clubs shall undergo the licensing process in the sporting season immediately preceding the sporting season to be Licensed.
- 5.2.2 The clubs are required to undergo the licensing process each sporting season in order to obtain/renew their License for participation in the KFA Club Competitions and, if applicable, the AFC Club Competitions.
- 5.2.3 At the beginning of each licensing process, the League shall issue a Licensing circular to the clubs informing them of the relevant processes, procedures and a calendar of the Core Process.
- 5.2.4 Deadlines are triggered when notified and begin on the day after the parties have received the relevant notification or communication. Saturdays, Sundays, and public holidays in Republic of Korea are included in the time limits. The deadline shall expire at midnight (Korean Standard Time) on the last day. If the last day of the time limit is a Saturday, Sunday or public holiday in Republic of Korea, the time limit shall expire the next working day.

# Article 6: Relationship with AFC Regulations

- 6.1 Under the provisions of the AFC club licensing Regulations, these Regulations stipulate not only K LEAGUE License but also necessary matters regarding qualifications for participation in the AFC Club Competitions (hereafter referred to as the "AFC License"). In this connection, these Regulations set out all the Criteria for AFC Licenses set out in the AFC club licensing Regulations and the essential requirements in the licensing process.
- 6.2 If the K LEAGUE1 License Criteria are stricter than the minimum requirements of the AFC License Criteria or are added to the minimum requirements of the AFC License Criteria, such stricter or additional Criteria shall be applied.
- 6.3 Assessment and issuance of the AFC License shall be conducted separately from the examination and issuance of the K LEAGUE License.
- 6.4 In the event of any discrepancy in the interpretation between AFC Club Licensing Regulations and these Regulations, the AFC Club Licensing Regulations shall be authoritative in respect of access to an AFC Club Competition.



# Article 7: License

- 7.1 A License is a certificate granted by the Licensor confirming the fulfillment of all mandatory Club Licensing Criteria by the License Applicant:
  - 7.1.1 to remain eligible to participate in K LEAGUE or/and the KFA Club Competitions (if applicable); or
  - 7.1.2 as part of the admission procedure for entering the AFC Club Competitions.

#### 7.2 Principle

- 7.2.1 Licenses shall be issued under the provisions of these Regulations, namely:
  - ① K LEAGUE1 License
  - ② K LEAGUE2 License
  - **③ K LEAGUE Premier License**
  - **④** AFC License
- 7.2.2 The Licensor must issue an invitation to the Clubs concerned to apply for a License punctually and in writing. The club applying for a License (i.e. License Applicant) must submit a written application to the Licensor. In this application, the License Applicant must, in particular, declare that it will fulfill the obligations of the club licensing system.
- 7.2.3 Only License Applicants which fulfill the Criteria set out in these Regulations at the deadlines defined by the Licensor and the AFC and which have qualified based on their sporting results may be granted a License by the Licensor to enter and participate in the KFA Club Competitions and/or the AFC Club Competitions of the coming season, provided all other requirements in the relevant competition Regulations have been met.
- 7.3 Scope of Application
  - 7.3.1 All clubs wishing to participate in K LEAGUE1 must apply for K LEAGUE1 License.
  - 7.3.2 All clubs wishing to participate in K LEAGUE2 must apply for K LEAGUE1 or K LEAGUE2 License.
  - 7.3.3 All clubs who have qualified for the AFC Club Competitions on sporting merit, must obtain AFC License in order to participate in the AFC Club Competitions.



- 7.4 Granting a License / Transfer of a License
  - 7.4.1 Whether or not the License Applicant satisfies each License criteria outlined in articles 14 to 20, unless otherwise stated herein, shall be determined by the submitted licensing documents within the deadline.
  - 7.4.2 If the License Applicant satisfies all of the 'A–Club Licensing Criteria' outlined in articles 14 to 20, a License shall be granted.
  - 7.4.3 If the License Applicant does not satisfy even one of the 'A–Club Licensing Criteria' specified in articles 14 to 20, a License will not be granted.
  - 7.4.4 A License cannot be transferred.
- 7.5 Validity of a License / Withdrawal of a License
  - 7.5.1 The valid period of the License is one season for which it was applied, and cannot be changed.
  - 7.5.2 A License expires without prior notice:
    - ① at the end of the season for which it was issued for; or
    - 2 on the dissolution of the division in question.
  - 7.5.3 If a Licensee falls under any of the following situations, its License may be revoked or the Licensee shall be sanctioned by decisions of FIB of AB:
    - ① If the Licensee does not meet the club licensing Criteria outlined in these Regulations and/or AFC club licensing Regulations, and a short-term recovery cannot be expected;
    - ② When the Licensee or a third party files a petition for bankruptcy, special liquidation, civil rehabilitation, or corporate reorganization against the Licensee;
    - ③ When the Licensee resolves to dissolve, merge, split, or transfer all or a significant part of its business;
    - ④ When the Licensee is expelled based on the K LEAGUE statutes.
  - 7.5.4 As soon as a License withdrawal is envisaged, the Licensor must inform KFA and the League and, concerning a License withdrawal applicable to the AFC Club Competitions, the AFC General Secretariat, accordingly.
  - 7.5.5 If a Club has its License withdrew, a decision concerning the disqualification of the Club from the current competitions:



① K LEAGUE must be made by the League's Board of Directors; or

② KFA Club Competitions, except K LEAGUE, must be made by KFA; or

③ AFC Club Competitions must be made by the AFC Entry Control Body.

- 7.5.6 The League may sanction a club or remove a club from future K LEAGUE following the applicable League's Regulations.
- 7.5.7 KFA may sanction a club or remove a club from future KFA Club Competitions by the applicable KFA Regulations.
- 7.5.8 AFC may sanction a club or remove a club from future AFC Club Competitions by the applicable AFC Regulations.

# 7.6 K LEAGUE1 License

- 7.6.1 K LEAGUE1 License is only a qualification required to participate in K LEAGUE1, and granting a K LEAGUE1 License does not guarantee that the club will be eligible to participate in K LEAGUE1 in the following season. In order for the club to participate in K LEAGUE1 of the coming season, it must be granted a K LEAGUE1 License and be eligible to participate in K LEAGUE1 based on the sporting results of domestic competitions.
- 7.6.2 Based on the sporting results, K LEAGUE1 Licensee may be eligible to participate in K LEAGUE2 and/or the KFA Cup.
- 7.6.3 In case of failure to obtain a K LEAGUE1 License, the League may allow the License Applicant to participate in K LEAGUE2 instead of K LEAGUE1. However, the License Applicant will be subjected to further sanctions depending on the severity level of violations.

#### 7.7 K LEAGUE2 License

- 7.7.1 K LEAGUE2 License is a part of the admission procedure for entering and/or remaining eligible to participate in K LEAGUE2. All clubs wishing to participate in K LEAGUE2 must obtain K LEAGUE2 License during the year before the Season to be Licensed. The License Applicant must further fulfill all the requirements according to the relevant K LEAGUE2 Competitions Regulations to be admitted to K LEAGUE2.
- 7.7.2 Based on the sporting results, K LEAGUE2 Licensee may be eligible to participate in the KFA Cup.



- 7.7.3 In case of failure to obtain a K LEAGUE2 License, the League may allow the License Applicant to participate in K LEAGUE2. However, the License Applicant will be subjected to further sanctions depending on the severity level of violations.
- 7.7.4 K LEAGUE2 License Applicants can apply for a K LEAGUE1 License at the same time within the deadline stipulated by the Licensor.

#### 7.8 K LEAGUE Premier License

- 7.8.1 K LEAGUE Premier License is a certificate confirming that a license applicant fulfills all K LEAGUE1 criteria (including 'C-Club Licensing Criteria') specified in these Regulations. The licensed club is recognized for having good management practices and effective long-term planning within the club.
- 7.8.2 K LEAGUE Premier License is granted by the FIB based on the License Evaluation Team's assessment. The decision is final and not appealable.
- 7.8.3 Based on the sporting results, K LEAGUE Premier Licensee may be eligible to participate in K LEAGUE2 and/or the KFA Cup.

#### 7.9 AFC License

- 7.9.1 AFC License is a part of the admission procedure for entering the AFC Club Competitions. All clubs who have qualified for the AFC Club Competitions on sporting merit, must obtain AFC License to participate in the AFC Club Competitions. The competent bodies of the AFC make the final decision regarding the admission of a Club to participate in any AFC Club Competition.
- 7.10 Club Licensing system for new registered club
  - 7.10.1 All clubs wishing to participate in K LEAGUE2 newly may request to join an affiliated member under Article 2 of the League's 'Club' Regulations.
  - 7.10.2 A registered member/football company that has become a new affiliated member (including potential club who will be joining the League) must undergo the K LEAGUE Club Licensing system following Annex 2.



# Article 8: License Applicant / Licensee

#### 8.1 Introduction

- 8.1.1 This chapter defines the legal entity that must apply for the License and the License to enter K LEAGUE and AFC Club Competition.
- 8.1.2 The legal entity applying for a License is called the License Applicant. Once the License Applicant has been granted a License by the Licensor it becomes a Licensee.

#### 8.2 Principle

- 8.2.1 A License Applicant shall only be a football club, i.e. a legal entity fully responsible for a football team participating in national and international competitions which either:
  - 8.2.1.1 is a registered Member of KFA and the League according to the KFA's and League's statutes (hereafter referred to as the "Registered Member"); or
  - 8.2.1.2 has a contractual relationship with a registered Member (hereafter referred to as the "Football Company").
- 8.2.2 The License Applicant is fully responsible for participation in national and international football competitions as well as for the fulfillment of the club licensing Criteria.
- 8.2.3 The License Applicant must provide the Licensor with:
  - 8.2.3.1 all necessary information and/or relevant documents (including on the Reporting Entity/Entities in respect of which club licensing Criteria information) to fully demonstrate that the licensing obligations are fulfilled;
  - 8.2.3.2 any other document relevant to decision-making by the Licensor;
  - 8.2.3.3 Any event occurring after the submission of the licensing documentation to the Licensor representing a Significant Change to the information previously submitted must be promptly notified to the Licensor, especially a change of legal form, legal Group structure, or identity(including headquarters, name or colors); and
  - 8.2.3.4 The CLA may additionally report to the Decision-Making Bodies about any problems encountered concerning an application, subsequent submissions, or difficulties with any lack of cooperation between License Applicants and the CLA.



- 8.2.4 License Applicants shall be responsible for ensuring the matters outlined in each of the following items;
  - 8.2.4.1 All players must be registered with the KFA and, in the case of professional players, have a written player contract with the License Applicant;
  - 8.2.4.2 All the compensation paid to the players arising from contractual or legal obligations;
  - 8.2.4.3 The License Applicant shall be fully responsible for the football team made up of registered players participating in national and international competitions;
  - 8.2.4.4 All documents and/or evidences that are provided to the Licensor must be submitted via the AFC Club Licensing Administration System(CLAS) by the submission deadline announced in the Core Process.
- 8.2.5 Clubs are required to apply for and undergo the Licensing cycle each Sporting Season to obtain their License.

#### Article 9: Licensor

#### 9.1 Principle

- 9.1.1 The Licensor is an AFC Member Association and governs the club licensing system. The Licensor is obliged to use the CLAS to govern the club licensing system.
- 9.1.2 Each AFC Member Association must comply with Article 10.1 of the AFC Statutes.
- 9.1.3 Under certain conditions as set out in the AFC Club Licensing Regulations, KFA may delegate the club licensing system to the League. KFA shall remain liable and responsible for the proper implementation of the club licensing system regardless of whether there is a delegation or not.
- 9.1.4 The administrative structure concerning the club licensing system consists of as below:
  - ① The League Board of Directors: Approval of these Regulations, the decision of any other matters which is not regulated by these Regulations;
  - 2 CLA: Implementation of the K LEAGUE club licensing system;
  - ③ First Instance Body (hereafter referred to as the "FIB"): FIB has a role as a decision maker on the first licensing decision;
  - ④ Appeal Body (hereafter referred to as the "AB"): AB has a role as a decision maker on the appeals;
  - ⑤ Disciplinary committee: It has jurisdiction to determine matters referable to it pursuant to these Regulations;



- ⑥ License Evaluation Team: An expert group appointed by the Licensor to support the CLA for the club licensing system's improvement;
- ⑦ AFC: AFC may impose sanctions against any violation under AFC Club Licensing Regulations or as a result of the AFC Compliance Audit;
- ⑧ The Court of Arbitration for Sport (hereafter referred to as "CAS"): CAS shall be the final appellate authority as it relates to License decisions and License withdrawals.

#### 9.2 Principle

- 9.2.1 The League is the Licensor. KFA with the approval of the AFC has delegated the club licensing system to the League.
- 9.2.2 The Licensor governs the licensing system, appoints the corresponding licensing bodies, and decides the necessary processes.
- 9.2.3 In particular, the Licensor shall:
  - ① establish an appropriate Licensing Administration as defined in Article 9.3;
  - 2 establish at least two decision-making bodies as defined in Article 9.4;
  - ③ set up a catalogue of sanctions as defined in Article 10.3;
  - ④ define the Core Process as defined in Article 11;
  - (5) assess the documentation submitted by the License Applicants, consider whether this is appropriate and define the assessment procedures in accordance with <u>Article 11.2</u>, <u>11.3</u>;
  - (6) ensure equal treatment of all clubs applying for a License and guarantee the clubs full confidentiality with regard to all information provided during the licensing process as defined in Article <u>9.8</u>;
  - ⑦ strictly follow the Core Process;
  - @ determine whether each criterion has been met and what further information, if any, is needed for a License to be granted; and
  - (9) comply with the AFC Club Licensing Quality Standard.
- 9.3 Club Licensing Administration (CLA)
  - 9.3.1 The CLA must appoint a licensing manager (hereafter referred to as the "LM") who is responsible for managing the Licensing Administration.
  - 9.3.2 The Licensor must notify the AFC in writing of the appointment of the Club Licensing Manager, and of any changes to such appointment.
  - 9.3.3 The tasks of the CLA include:

① preparing, implementing and further developing the club licensing system;



2 accessing and administering the CLAS;

- ③ providing training and support for the License Applicants in using CLAS;
- ④ providing administrative support to the decision-making bodies;
- ⑤ assisting, advising and monitoring the Licensees during the License Season;
- ⑥ informing the AFC of any event occurring after the licensing decision that constitutes a Significant Change to the information previously submitted to the Licensor;
- ⑦ serving as the contact point for and sharing expertise with the licensing departments of other AFC Member Associations and with AFC;
- (8) conducting an on-site inspection and preparing a License evaluation report.
- 9.3.4 Within the CLA, at least one staff member or an external financial adviser must have a financial background and a diploma in accountancy/auditing recognized by the appropriate national body or must have several years' experience in the above matters.
- 9.3.5 The CLA will report to the Decision-Making Bodies any cases where a Licensee fails to maintain the conditions for the issuance of a License. The CLA may delegate responsibility for aspects of monitoring Licenses to other departments with the League or KFA.
- 9.3.6 The CLA will have the power to seek clarification, further documentation and information from the License Applicant and can invite the License Applicant to provide any further evidence or explanation. Any such requests are at the discretion of the CLA.
- 9.3.7 The CLA will determine the calendar for the Club Licensing Core Process on an annual basis, taking into consideration the start date of K LEAGUE and the deadline set by AFC.
- 9.3.8 The CLA will have the power to make recommendations to the Decision-Making Bodies on any matter pertaining to the issuance of a License, sanctions, withdrawal of License and/or other related licensing matters.
- 9.3.9 If a Licensee is alleged to breach these Regulations, the CLA may investigate the case and refer the Licensee to the Disciplinary Committee
- 9.3.10 The CLA and any other advisors requested by the CLA will have the right to attend meetings of the FIB and the AB. The role of the CLA in these meetings will be to facilitate and this person will have no voting rights.
- 9.3.11 All persons involved in the licensing process must comply with strict confidentiality rules regarding information received during the licensing procedure.
- 9.3.12 The CLA will establish and manage the procedure of filing and archiving written and electronic documents and records related to the Club Licensing System. The



minimum duration for the documents and records relating to License application would be kept for at least five (5) years and actual Licensing decision for ten (10) years. All documents, information and record will be saved electronically on the league internal server.

- 9.3.13 The CLA will hold an annual review meeting with the main purpose of enhancing the effectiveness and efficiency of the K LEAGUE Club Licensing System.
- 9.3.14 The CLA shall establish a system to receive opinions on the K LEAGUE club License system from those involved in the K LEAGUE club License system.
- 9.4 Decision-making Bodies
  - 9.4.1 The licensor shall establish two decision-making bodies;
    - ① First Instance Body (FIB)
    - ② Appeals Body (AB)
  - 9.4.2 The decision-making bodies shall be independent of each other and the Licensor. They shall receive administrative support from the licensing administration of the League.
  - 9.4.3 The decision-making bodies will decide whether Licenses should be issued to a Club or not and have the power to issue a variety of sanctions as described.
  - 9.4.4 The decision-making bodies must operate according to the principles of natural justice and must as a minimum regulate the following standards:
    - ① deadlines (e.g. submission deadline, etc.);
    - 2 safeguards the principle of equal treatment;
    - ③ representation (e.g. legal representation, etc.);
    - ④ the right to be heard (e.g. convocation, hearing);
    - (5) official language (if applicable);
    - 6 time limit for request (e.g. calculation, notification, compliance, interruption, extension);
    - ⑦ time limit for appeal;
    - ⑧ effects of appeal (e.g. no delaying effect);
    - (9) type of evidence requested;
    - 10 burden of proof (e.g. License Applicant has the burden of proof);
    - 1 decision (e.g. in writing with reasoning, etc.);
    - 12 grounds for complaints;
    - (1) content and form of pleading;
    - (ii) deliberation/hearings;
    - 15 cost of procedure/administrative fee/deposit.



9.5 First Instance Body (FIB)

9.5.1 The FIB makes the following decisions based on the documents provided by License Applicants at the submission deadline set by the Licensor;

9.5.1.1 A License should be granted/refused to a License Applicant; or

9.5.1.2 Sanctions for License Applicants who fail to meet the 'B – Club Licensing Criteria' outlined in <u>Article 10.1.3</u> under these Regulations; or

9.5.1.3 A License should be withdrawn (upon application of the LM).

- 9.5.2 If the FIB makes a decision to refuse to issue a License, to revoke the License or to impose a sanction, the FIB will notify the License Applicant or Licensee concerned of the reasons for the decisions Such notification must be made in writing specifying the grounds for refusal, revocation or imposition of sanctions.
- 9.5.3 In case(s) where a License is refused due to submission of documents after the deadline determined by the Licensor and/or due to non-submission of documents required as indicated in these Regulations and/or the Manual, the decision of the FIB is final and binding and not subjected to appeal.
- 9.5.4 The FIB determines that the License Applicant or Licensee has committed a serious Club Licensing Breach, including, but not limited to, a failure to fulfill 'A - Club Licensing Criteria' or 'B - Club Licensing Criteria', non-respect of deadlines and/or failure to cooperate with the CLA, in which case the FIB may refer License Applicants or Licensee to the Disciplinary Committee.
- 9.5.5 The FIB may request an explanation from the License Applicant regarding the content of the materials submitted by the License Applicant, or may request the License Applicant to resubmit the materials or submit additional materials.
- 9.5.6 The FIB's licensing decision must consist of:
  - ① a written decision;
  - 2 reasons for the decision;
  - 3 deadline/time limit;
  - ④ notice of right to appeal.
- 9.5.7 After the expiration of the time to appeal, non-appellate decisions of the FIB are final and binding.

#### 9.6 Appeals Body (AB)

9.6.1 The AB decides on appeals and makes a final decision on whether a License should be granted, refused, or withdrawn.



- 9.6.2 The AB will review the FIB's decision and decide whether to uphold the FIB's decision if an appellant who is dissatisfied with the FIB's decision has duly filed an appeal by the deadline for appeal. If necessary, the AB may revoke the FIB's decision and make its own new decision.
- 9.6.3 The AB shall make its decision based only on the case file and evidence provided by the Licence Applicant and Licensor before the FIB. A request for appeal shall be made by the set deadline.
- 9.6.4 If the AB makes a decision to refuse to issue a License, to revoke the License or to impose a sanction, the AB will notify the License Applicant or Licensee concerned of the reasons for the decisions. Such notification must be made in writing specifying the grounds for refusal, revocation or imposition of sanctions.
- 9.6.5 A decision of the AB may be submitted by the License Applicant / Licensee and/or the Licensor by way of appeal exclusively to the Court of Arbitration (domiciled in Lausanne, Switzerland) for Sport for the final resolution of a dispute regarding a licensing decision and/or License withdrawals. It is required to pay particular attention to deadlines for K LEAGUE and/or AFC Club Competition participation.
- 9.7 Requirements of members of the decision making bodies
  - 9.7.1 The licensor appoints the members of the FIB and AB. Members will serve for a term of two (2) years and may be re-appointed.
  - 9.7.2 If a FIB or AB member falls under any of the following items, the chairman may dismiss it through a resolution of the FIB or AB, and the League Board of Directors.9.7.2.1 When it is recognized that the member is unable to carry out the duties due to a mental or physical disorder; or
    - 9.7.2.2 When there is an unsuitable act as a member of the FIB or AB, such as a misconduct in the line of duty.
  - 9.7.3 If an FIB or AB member is appointed during the FIB or AB's term of office due to a vacancy or an increase in the number of members, the chairman may appoint the FIB or AB member for the remaining term until the end of the term, with the approval of the League Board of Directors.
  - 9.7.4 Members of the decision-making bodies shall be elected or appointed by the League's statutes and must:

9.7.4.1 act impartially in the discharge of their duties;

9.7.4.2 Members of the decision-making bodies shall be elected or appointed by



the League's statutes and must abstain if there is any doubt as to their independence from the License Applicant or if there is a conflict of interest. In this regard the independence of a member may not be guaranteed if he/she or any member of his/her family (spouse, child, parent, or sibling) is a member, shareholder, business partner, sponsor, or consultant of the License Applicant;

- 9.7.4.3 not act simultaneously as the LM;
- 9.7.4.4 not belong simultaneously to a judicial statutory body of the Licensor;
- 9.7.4.5 not belong simultaneously to the executive body of KFA or the League;
- 9.7.4.6 not belong simultaneously to the management personnel of the League's affiliated club;
- 9.7.4.7 include at least one qualified lawyer and one qualified financial expert holding a qualification recognized by the appropriate national professional body;
- 9.7.4.8 Any staff, committee members, or Board of Directors of Directors from KFA and the League cannot be an AB member.
- 9.7.5 The quorum of the decision-making bodies must be at least three (3) members. In case of a tie, the chairman has the casting vote.
- 9.7.6 Members of the decision-making bodies must follow the strict confidentiality rules in the same way as members of the CLA. The Licensor defines these rules and the members have to accept them in writing.
- 9.7.7 In addition to the requirements set out above, the licensor may establish further conditions to be satisfied by members of the licensing bodies (academic, professional training, experience, etc.) to ensure that they perform their functions to high professional standards.
- 9.7.8 If the decision-making bodies' member falls under any of the items in the preceding paragraph, if there is a conflict of interest with the License Applicant or Licensee in charge of the examination, or if otherwise specified in the Regulations established by the League, the member shall immediately circumvent the examination of such License Applicant or Licensee and abstain from voting during a decision-making process.

#### 9.8 Equal treatment and Confidentiality

- 9.8.1 The licensor ensures equal treatment of all License Applicants during the Core Process.
- 9.8.2 The licensor shall guarantee the License Applicants full confidentiality with regard to



all information submitted during the licensing process. Anyone involved in the licensing process or appointed by the licensor shall sign a confidentiality agreement before assuming their tasks.

# Article 10: Criteria and Sanctions

# 10.1 Criteria

10.1.1 Criteria Gradation

The Criteria which the License Applicant must comply with in order to obtain the License are divided into <u>7 categories</u>:

- ① Sporting Criteria;
- 2 Infrastructure Criteria;
- **③** Personnel and Administrative Criteria;
- ④ Legal Criteria;
- (5) Financial Criteria;
- <sup>®</sup> Marketing and Sales Criteria; and
- ⑦ Football Social Responsibility Criteria.
- 10.1.2 The Criteria defined in <u>Articles 14</u> to <u>20</u> must be fulfilled by clubs for them to be granted a License to enter the KFA Club Competitions and/or the AFC Club Competitions (as applicable).
- 10.1.3 The Criteria described in <u>Articles 14</u> to <u>20</u> are graded into "A", "B" and "C", three (3) separate categories. This arrangement corresponds with the relevant AFC Club Licensing Regulations.
  - ① 'A-Club Licensing Criteria' Gradation:

These are mandatory Criteria to be fulfilled by the License Applicant. If the License Applicant does not fulfill any of the 'A–Club Licensing Criteria', then it shall not be granted a License to enter K LEAGUE1, K LEAGUE2, and the AFC Club Competitions.

2 'B-Club Licensing Criteria' Gradation:

If the License Applicant does not fulfill any 'B–Club Licensing Criteria', then it shall be sanctioned as defined in <u>Article 10.3</u> by the Licensor for non-fulfillment of these Criteria, however, the License Applicant may still receive a License to enter the KFA Club Competitions and/or the AFC Club Competitions.

3 'C-Club Licensing Criteria' Gradation:

These Criteria are best practice recommendations. Non-fulfillment of any 'C-Club



Licensing Criteria' does not lead to any sanction or to refusal of the License. Certain "C" Club Licensing Criteria may become "A or B" at a later stage.

- 10.1.4 The Licensor is free to increase the minimum requirements or to upgrade the Criteria gradation established by the AFC to enter the KFA Club Competitions and/or the AFC Club Competitions. The Licensor may also introduce additional Club Licensing Criteria not included in the AFC Club Licensing Regulations.
- 10.1.5 The Criteria are designed as minimum standards and so License Applicants are encouraged to implement and report on their own higher quality standards, where applicable.

#### **10.2 Exceptions Policy**

- 10.2.1 Concerning the AFC Club Competitions, under '<u>Article 4. Exceptions Policy</u>' in the AFC Club Licensing Regulations, the League may seek an exception from the application of these Regulations from the AFC General Secretariat.
- 10.2.2 Concerning the KFA Club Competitions, the League may grant an exception to any provisions in these Regulations under 'Annex 1. Exceptions policy for KFA Club Competitions'. The decisions are based on AFC General Secretariat's review.

#### 10.3 Sanctions

- 10.3.1 Disciplinary Procedures and Sanctions
  - 10.3.1.1 The following provisions shall be applied strictly to ensure compliance with these Regulations.
  - 10.3.1.2 If a Licensee or License Applicant fails to meet the 'B–Club Licensing Criteria', such Licensee or License Applicant may be subject to the following sanctions by the FIB or AB.
  - 10.3.1.3 If a Licensee or License Applicant commits a breach of these Regulations, FIB or AB may refer the License Applicant or Licensee to the Disciplinary Committee depending on the nature and seriousness of the Club Licensing Breach.
  - 10.3.1.4 In case that FIB or AB may refer the case to the Disciplinary Committee, the Disciplinary Committee may impose sanctions in accordance with the applicable league Regulations. Such matters must be heard and determined in accordance with the Disciplinary Procedure.
  - 10.3.1.5 The Club Licensing Disciplinary Notice must be communicated in writing to the License Applicant or Licensee (if applicable)



- 10.3.1.6 Concerning AFC License, if a License Applicant or Licensee violates any of its obligations under the AFC Club Licensing Regulations during the Licensing Process, AFC may refer the case to the AFC judicial bodies for further action by the relevant Regulations.
- 10.3.2 Type, form and scope of the sanctions
  - 10.3.2.1 The type, form, and scope of the Sanction must be determined by these Regulations;
  - 10.3.2.2 In determining the Sanction, the following may be considered
    - ① the nature and seriousness of the Club Licensing Breach;
    - ② if the Club Licensing Breach relates to repeated Club Licensing Breaches, including the type, nature, severity, and consequences of such Club Licensing Breach, within the same Licensing Cycle and / or the two (2) Licensing Cycles prior to the current Licensing Cycle;
    - ③ in the case of repeated or consistent Club Licensing Breaches, if cumulative sanctions are appropriate;
    - ④ if there have been any relevant prior warnings, education, or disciplinary action;
    - (5) the need to deter such conduct;
    - (6) the sanction which is required to give effect to the objects of these Regulations;
    - ⑦ any other mitigating or aggravating circumstances or any other matter that the Decision-making body reasonably considers relevant to the sanction.
  - 10.3.2.3 Where more than one (1) Club Licensing Breaches has been committed as a result of the same conduct by the License Applicant or Licensee (as applicable), the Sanction must be based on the most serious infringement, and may be increased depending on the specific circumstances.
- 10.3.3 The following sanctions may be imposed by FIB and/or AB for breaches of these Regulations irrespective of the order listed below (such as submission of falsified documents, non-respect of deadlines, sanctions against an individual, failure to cooperate with the Decision-Making Bodies or the Licensing Administration in any way), non-fulfillment of 'A–Club Licensing Criteria', or non-fulfillment of 'B–Club Licensing Criteria'.
  - 1 Warning
  - **②** Reprimand
  - ③ Obligation to submit guarantees and undertaking
  - ④ Ban on participation in the Club Competitions of AFC, KFA, and/or the League



- ⑤ Obligation to fulfill Criteria by a certain deadline
- 6 Request for more detailed financial information
- ⑦ Submission of an improvement plan
- **®** Review and Cancellation of the License
- (9) Suspension of the License
- 10 The Disciplinary Committee may impose a sanction as below.
  - Fine
  - Deduction of points
  - · Ban taking part in any football-related activity
  - Suspension of personnel
  - Match Suspension
  - Transfer ban
  - Relegation to a lower division
  - Exclusion from competitions
  - Withhold grants/prize money/subsidy
  - Playing a match without spectators
  - Playing a match on neutral territory
  - Reduction of the stadium capacity
  - Ban on playing in a particular stadium
- 10.3.4 Non-fulfillment of "B–Club Licensing Criteria Gradation", the minimum sanctions are set out as below.

| No. | Type of Club Licensing Breach   | Minimum<br>Sanction                       |
|-----|---|---|
| 1   | Fewer than two (2) unfulfilled "B" Criterion in the same Licensing Cycle  | Formal<br>Reprimand                       |
| 2   | Submission of documentation, materials, or evidence required for the satisfaction of Criteria after the submission deadline outlined in the applicable Core Process |   |
| 3   | Failure to cooperate with the CLA   | Refer to the<br>Disciplinary<br>Committee |
| 4   | Three (3) or more unfulfilled "B" Criteria in the same Licensing Cycle  |   |
| 5   | Same "B" Criterion not fulfilled for two (2) consecutive Licensing Cycles   |   |

# Article 11: The Core Process

#### 11.1 Introduction

This Article defines the assessment process (hereafter referred to as the "Core Process") of the club licensing system.

#### 11.1.1 Principle



- 11.1.1.1 The Core Process describes the procedures to be followed by the Licensor to control the issuance of a License to a License Applicant. The Core Process is also for License Applicants to perform self-assessment and for the Licensor and the AFC to verify that quality standards have been fulfilled according to the Criteria described in these Regulations.
- 11.1.1.2 The Core Process defines the procedures for the verification of the Criteria described in these Regulations (sporting Criteria, infrastructure Criteria, personnel, and administrative Criteria, legal Criteria, financial Criteria, Marketing Criteria and Football Responsibility Criteria) and thus controls the issuance of a License to a License Applicant.
- 11.1.1.3 The Core Process is aimed at:
  - helping the licensor in establishing an appropriate and efficient licensing process according to its needs and organization;
  - ② agreeing on the main requirements that the licensor has to comply with to issue the License, necessary for entering K LEAGUE and AFC club competition;
  - ③ ensuring that the decision on the granting of a club License is made by an independent body.
  - ④ ensuring that the decision-making bodies receive adequate support from the CLA of the licensor.
- 11.1.1.4 The Core Process consists of the following minimum key steps:
  - ① invitation to the License Applicants to submit their application for a License;
  - ② distribution of the licensing documentation and deadlines to the License Applicants;
  - ③ return of the licensing documents from the License Applicants to the Licensor;
  - ④ assessment of the documentation by the CLA, including visits to and/or audits of the License Applicants;
  - (5) assessment and decisions by the decision-making bodies;
  - 6 communication of the License decisions, in writing, to the License Applicants;
  - ⑦ communication of any applicable sanctions, in writing, to the License Applicants;
  - ⑧ submission of the List of Licensing Decisions for national and international Club Competitions to KFA and the League Board of Directors for the applicable competitions;



(9) submission of the AFC List of Licensing Decisions for international Club Competitions and the men's top division national competition to the AFC Licensing Administration; and

10 monitoring of Licensees throughout the Licensing Season.

- 11.1.1.5 The deadlines for the above key steps shall be clearly defined and communicated in writing to the License Applicants by the Licensor.
- 11.1.1.6 The deadline and submission date must be strictly adhered to. The CLA is responsible to determine all deadlines and submission dates. It is the responsibility of the License Applicant to ensure that all original forms, supporting documents, and necessary evidence are sent in good time and reach the CLA on or before the set deadline. Proof of submission is not proof of receipt. Should the licensing administration not receive the forms, documents, and evidence by the deadline, the License Applicant shall be considered to have not submitted these documents.
- 11.1.1.7 The CLA may, with approval of AFC and/or the FIB, alter the deadlines outlined during a cycle and communicate such changes promptly to all those involved in the Club Licensing process.
- 11.1.2 The Core Process has been set in three (3) different phases for clarity purposes:
  - ① License Application and Submission phase
  - 2 License Inspection and Assessment phase
  - ③ Licensing Decision making phase

#### **11.2 License Application**

- 11.2.1 Only clubs stipulated in Article 8.2.1 can apply for Licenses.
- 11.2.2 The License application cannot be withdrawn. Unless, at the LM's sole and absolute discretion, the LM agrees to the withdrawal in writing no later than 31 August (or 30 April for AFC Licenses) of the year in which the License was applied for.
- 11.2.3 License Application Procedures for Licenses shall be under Appendix 2 "K LEAGUE Club License Core Process Calendar" or Appendix 2 "AFC Club License Core Process Calendar" of these Regulations.
- 11.2.4 If the CLA changes the contents of the Core Process Calendars, it must promptly notify the clubs stipulated in <u>Article 8.2.1</u> and take care not to cause any inconvenience to the clubs.
- 11.2.5 The CLA shall notify clubs wishing to apply for Licenses of the License application



guidance and a set of licensing documents.

- 11.2.6 Clubs wishing to apply for the issuance of a License must prepare Licensing documents that satisfy the prescribed requirements and submit them to the CLA by the method specified in these Regulations by the specified deadline. Applications submitted after the deadline will not be accepted.
- 11.2.7 Deadline in the AFC CLAS
  - 11.2.7.1 In the AFC CLAS, the Licensor defines two deadlines for each criterion as below:
    - ① Submission Deadline: this will appear in the AFC CLAS as "submit by the clubs by…"
    - ② fulfillment deadline: this will appear in the AFC CLAS as "fulfill by the clubs by …"
  - 11.2.7.2 License Applicants must submit all their documents by its 'Submission Deadline'.
  - 11.2.7.3 The CLA will confirm whether the licensing documents submitted by the License Applicant are complete and will notify the License Applicant of the confirmation results within two weeks from the 'fulfillment deadline'. The LM may, at its absolute discretion, require the License Applicant to resubmit or correct any incompleteness in the submitted Licensing Documents.
  - 11.2.7.4 In case a License Applicant has not submitted any document(s) for a Criterion by the submission deadline, or has not completed any document(s) for a Criteria by the fulfillment deadline, the License Applicant will automatically fail to meet a deadline. In such cases, the CLA report the License Applicant to the FIB and it should be considered for the Licensing Decision.
- 11.2.8 If the License Applicant wishes to extend the deadline for submission of the Licensing documents due to circumstances not attributable to the License Applicant, the License application must apply for the extension of the deadline to the LM at least three (3) days prior to the submission deadline, along with the reason. The LM may, in its absolute discretion, review such reasons, report them to the FIB, and decide to extend the deadline for such applicant without affecting the club licensing calendar.
- 11.2.9 A License Applicant must prove the fulfillment of the Criteria necessary for the granting of the License and the truthfulness of the declarations made and the documentation produced. The burden of proof lies with the License Applicant.



- 11.3 Examination of License documents
  - 11.3.1 The licensor defines the assessment methods based on these Regulations and the Manual.
  - 11.3.2 The CLA will conduct a review based on the licensing documents submitted by the License Applicant and, at its sole and absolute discretion, conduct hearings with the License Applicant to the extent deemed necessary, request clarification of the items listed in the licensing documents, request the submission of additional materials, or conduct on-site inspections of the License Applicant's related facilities. In addition, the License Applicant shall not refuse the request for the interview survey or field survey from the CLA.
  - 11.3.3 The CLA will compile the results of their evaluation of the License Applicant into a 'License Assessment and Recommendation Report' and submit it to the FIB. The 'License Assessment and Recommendation Report' may include observations on the License Applicant, such as whether or not a License is to be issued, whether or not sanctions are necessary, and the content of the sanctions.
  - 11.3.4 The CLA may conduct a separate hearing investigation with the License Applicant to clarify the facts regarding the content of the application.

#### 11.4 Licensing Decision

- 11.4.1 After completing the investigation, the CLA will hold a decision-making meeting with the FIB on Licenses. The FIB decides whether or not to issue a License to the License Applicant and whether or not to impose sanctions. The FIB may conduct a separate interview with the License Applicant to clarify the facts of the application and may order the submission of additional materials.
- 11.4.2 The CLA shall prepare the minutes of the Licenses about the licensing decision meeting that describes the progress and outline of the meeting and the matters stipulated in each item below, and the chairman of the FIB panel must affix his/her name and seal or sign the minutes:

11.4.2.1 Names of Chairperson and Attendees/Absentees

11.4.2.2 all participants declared their independence at the beginning of the meeting; 11.4.2.3 Meeting date and place

#### 11.5 FIB Decision



- 11.5.1 The FIB makes decisions by <u>30 October</u> for the K LEAGUE1 and K LEAGUE2 Licenses and by <u>30 May</u> for the AFC License, a document specifying the content of the decision and the reason for the decision (hereafter referred to as the "FIB Decision Letter") will be sent to the License Applicant and the LM. Along with this, the CLA reports to the League Board of Directors and KFA Board of Directors.
- 11.5.2 FIB decisions may be appealed by:
  - ① License Applicants who have received a decision to refuse issuance of a License
  - 2 License Applicants who have been issued a License with sanctions
  - ③ Licensee in the event of a decision to withdraw the License
  - ④ Licensee who recognizes possession of the License, but is subject to separate sanctions
  - ⑤ LM when a decision is made to issue a License
  - 6 LM when a decision is made to issue a License with sanctions
  - $\ensuremath{\textcircled{O}}$  LM when a decision is made to approve the possession of a License
  - ⑧ LM if a decision is made to approve the possession of a License, but to impose separate sanctions
- 11.5.3 Any person with the right to appeal may file a written notice of appeal with the CLA within seven (7) days of receipt of the written FIB decision. The appellant may not submit additional new evidence in filing the appeal.
- 11.5.4 The sole grounds of any appeal to the AB by a License Applicant or Licensee (as applicable) are that:
  - ① it was not afforded a reasonable opportunity to provide information at first instance;
  - 2 the determination of the First Instance Body was affected by bias;
  - ③ the decision that was not reasonably open to the FIB having regard to the submissions before it; or
  - ④ in relation to a determination by the FIB that the License Applicant committed a Club Licensing Breach only, there was a material error in the application of these Regulations (e.g. an inaccurate assessment of a License Applicant's submissions as it relates to the fulfillment or non-fulfillment of a criterion) by the FIB or the CLA.
- 11.5.5 If the person who has the right to appeal is a License Applicant or Licensee and wishes to extend the deadline for submitting the documents necessary for filing an appeal due to reasons not attributable to them, please refer to Article 11.2.8. The Article shall apply mutatis mutandis. If no appeal is filed within the appeal period, the FIB's decision becomes final at the expiration of the appeal period.
- 11.5.6 The request for appeal must be dated and signed by the appellant and it must contain:① The FIB decision appealed against



- ② The grounds for the appeal
- ③ The legal arguments giving rise to the appeal
- ④ All supporting documents and evidence upon which the appellant intends to rely
- 11.5.7 If these requirements have not been complied with, the appeal may not be admissible. This decision will be taken by the AB.
- 11.5.8 The appellant has the burden of proof.
- 11.5.9 Upon receipt of the appeal, the CLA prepares an appeal review for the AB to review and sends to the LM (if the License Applicant appeals) or the License Applicant (if the LM appeals) and the AB. The Appeal Notice includes the FIB Decision and the Request for appeal.

#### 11.6 Appeal

11.6.1 If an appeal is filed, the CLA shall promptly set a hearing date and notify the appellant.

- 11.6.2 At the hearing, the AB shall allow the appellant to explain the reasons for the appeal. The identities of the persons representing the License appellant shall be verified. These Persons and the appellant shall tell the truth and they shall be sanctioned should they present false information or represent a false or misleading position.
- 11.6.3 The appellant may appoint professional representatives of their choice. The AB may require the representatives to establish their credentials through a written power of attorney.
- 11.6.4 The CLA will hold a meeting to decide on a License by AB after the end of the hearing date. The AB will decide whether or not to issue a License to License Applicants and whether or not to impose sanctions and details. The AB's decision should not be more prejudicial to the appellant than the FIB's decision. However, this shall not apply if both the LM and the License Applicant or Licensee have appealed.
- 11.6.5 At the License decision meeting by AB, only the decision by FIB will be subject to review, and the review will be based solely on the License application documents submitted to FIB, the FIB decision, the written appeal submitted to AB, and the any records that appear in hearing of FIB and AB. The appellant cannot present new evidence to AB.
- 11.6.6 The CLA shall prepare the minutes of the License decision meeting that describes the progress of the meeting, its outline, and the matters specified in each item below, and the chairman of the AB panel must affix his/her name and seal or sign it.

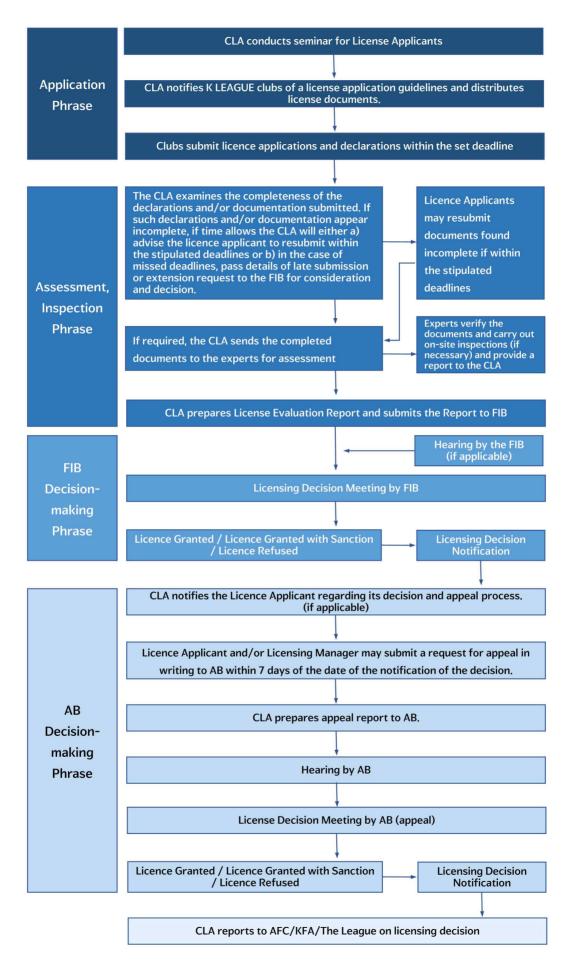
11.6.6.1 Names of Chairperson and Attendees/Absentees



11.6.6.2 all participants declared their independence at the beginning of the meeting; 11.6.6.3 Meeting date and place

- 11.6.7 A petition for appeal may be withdrawn at any time before a hearing of an appeal. If the appeal is withdrawn, the decision of the FIB shall become final at that time.
- 11.6.8 AB's decision will be reported from the CLA to the League and KFA Board of Directors, and within seven days from the date of decision, the appellant will be notified in writing of the decision results and reasons for the decision (hereafter referred to as "AB decision") will be sent.
- 11.6.9 The provisions of <u>Article 11.5.2</u> shall apply mutatis mutandis to those who have the right to appeal against the AB decision.
- 11.6.10 A person who has the right to appeal under the provisions of the preceding paragraph may file an appeal to the CAS within 21 days from the date of receipt of the AB decision. If no appeal is filed against the CAS within that period, the AB decision becomes final at the expiration of that period. Such notice of appeal shall not have the effect of suspending the validity of the AB decision. However, the CAS may make such an order with the effect of suspension on motion.
- 11.7 Conclusion of Core Process
  - 11.7.1 K LEAGUE1 and K LEAGUE2 Club Licensing Core Process will be concluded when the CLA will inform the League and KFA in writing of the list of clubs that have issued K LEAGUE1 and K LEAGUE2 Licenses by <u>30 November</u> of the year preceding the season to be Licensed.
  - 11.7.2 The AFC Club Competitions Club Licensing Core Process will be concluded when the CLA will notify the League and KFA of the list of clubs with AFC Licenses, and submit the list of clubs with AFC Licenses to AFC within the deadline separately notified by AFC.







# Article 12: Eligibility for the AFC Club Competitions

- 12.1 Eligibility for participating in the AFC Club Competitions
  - 12.1.1 In order to participate in the AFC Club Competitions, the following conditions must be met.
    - ① are registered with KFA;
    - 2 have qualified based on their sporting results;
    - ③ fulfill the applicable Criteria set out in these Regulations within the deadlines defined by the Licensor and AFC; and
    - ④ have secured a stadium that meets AFC Stadium Regulations, and AFC Stadium Lighting Guidelines.
  - 12.1.2 Unless otherwise allowed by these Regulations, all documents, information and evidences provided by the License Applicant of the AFC License for each Criterion must be submitted in English. It is the responsibility of the License Applicant to ensure that the legal translation is done.
  - 12.1.3 Examination and issuance of AFC Licenses shall be conducted in accordance with the standards and procedures for K LEAGUE Licenses set forth in these Regulations. The procedure from application to issuance of an AFC License shall be in accordance with Appendix 3 of the Issuance Regulations, "AFC Club License Core Process Calendar".
  - 12.1.4 The admission process falls under the sole jurisdiction of the AFC and its competent bodies and the competent bodies of the AFC make the final decision regarding the admission of a Club to participate in any AFC Club Competition.
  - 12.1.5 In the event of any discrepancy in the interpretation between AFC Club Licensing Regulations and these Regulations, the AFC Club Licensing Regulations shall be authoritative in respect of access to an AFC Club Competition.
- 12.2 Two-Year Rule for entering the AFC Club Competitions
  - 12.2.1 To be eligible for the AFC Club Competitions, at the start of the Licensing Cycle, the License Applicant's membership and/or contractual relationship with KFA and the League must have lasted at least two (2) consecutive years.
  - 12.2.2 To calculate <u>Article 12.2.1</u> above, the period will be interrupted by any change during this period to a License Applicant's:



12.1.2.1 legal form;

- 12.1.2.2 legal Group structure (including a merger with another entity or transfer of football activities to another entity); or
- 12.1.2.3 identity (including headquarters, name, or colors),

and which:

- 12.1.2.4 is detrimental to the integrity of competition; or
- 12.1.2.5 facilitates the License Applicant's qualification for a competition on sporting merit or its receipt of a License.
- 12.3 Extraordinary application of the club licensing system for entering the AFC Club Competitions
  - 12.3.1 If a Club qualifies for an AFC Club Competition on sporting merit but has not undergone any licensing process at all or has undergone a licensing process which is lesser / not equivalent to the License required for the competition it became eligible for, Licensor may, on behalf of such a Club, request an extraordinary application of the Club Licensing system by Annex 4 of the AFC Club Licensing Regulations.
  - 12.3.2 The details of the temporary application for the AFC License referred to in the preceding paragraph shall be by Article 15 of the AFC Club Licensing Regulations.
- 12.4 Withdrawal process of AFC License
  - 12.4.1 As soon as a License withdrawal is envisaged, the Licensor must inform the AFC General Secretariat, accordingly.
  - 12.4.2 If the AFC License is withdrawn for a club that has been completed to compete in an AFC club competition, the decision to disqualify the club from the AFC club competition will be made ultimately by the AFC.
  - 12.4.3 The final decision on the preceding paragraph shall be made by the AFC Entry Control Body. This decision will be made by the Procedural Rules Governing the AFC Entry Control Body
  - 12.4.4 Notwithstanding anything to the contrary in these Regulations, the right to sanction a Club or disqualify a Club from future AFC Club Competitions is reserved to the AFC under the relevant AFC Regulations.



### **Article 13: Final Provisions**

### **13.1 Implementing Provisions**

- 13.1.1 The League shall take the decisions and adopt, in the form of directives, the detailed provisions necessary for implementing these Regulations.
- 13.1.2 The League reserves the right to make amendments to any part of these Regulations for any reason whatsoever. Such amendments shall be duly communicated in due course.

### 13.2 Compliance Audits

- 13.2.1 Licensor may conduct compliance audits of a License Applicant / Licensee at any time.
- 13.2.2 AFC and/or its nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of the Licensor and License Applicant / Licensee in respect of access to an AFC Club Competition.
- 13.2.3 Compliance audits aim to ensure that the Licensor, as well as the License Applicant / Licensee, have fulfilled their obligations as defined in these Regulations and that the License was correctly awarded at the time of the final decision of the Licensor. Non-cooperation of the Licensor or the Licensee to execute a compliance audit shall be referred to the AFC judicial bodies for appropriate action.
- 13.2.4 The CLA will have the power to carry out compliance audits on License Applicants by attending at the club or ground without prior notice and shall be entitled to examine all documentation related to licensing, Interview the football club staff listed in the Personnel and Administrative Criteria, and to carry out checks on any aspect of Club Licensing Requirements.
- 13.2.5 If a License Applicant or Licensee is found to be in breach of these Regulations or AFC Regulations, the violator may be sanctioned in light of the nature and seriousness of the offense.

### 13.3 Matters not provided for

13.3.1 Concerning the K LEAGUE License, matters not provided for in these Regulations shall be decided by the League Board of Directors, taking into consideration that decisions made should not be in contradiction with the League Statutes, Regulations, and the AFC Club Licensing System. Such decisions are final and



binding and not appealable.

- 13.3.2 These Regulations shall be implemented according to the KFA and League Statutes, and Regulations.
- 13.3.3 In the event of any discrepancy between these Regulations and KFA or the League Regulations, these Regulations shall be authoritative.
- 13.3.4 Concerning the AFC License, matters not provided for in these Regulations shall be decided by the AFC, whose decisions are final, taking into consideration that decisions made should not be in contradiction with AFC Statutes, Regulations, and the AFC Club Licensing System.

### 13.4 Development

- 13.4.1 The Club Licensing System is a progressive system designed to provide for continuous improvement.
- 13.4.2 The relevant club licensing bodies have the authority to review the Criteria and propose relevant amendments to the present Regulations and/or Manual (if any) to the League for their consideration.
- 13.4.3 The present Regulations and the Manual (if any) may be reviewed from time to time and amended, if necessary, following the relevant procedures.

### 13.5 Language

13.5.1 These Regulations are prepared in Korean and English. If there is a difference in interpretation between the Korean version and the English version, the Korean version shall prevail.

### 13.6 In case of Force majeure

- 13.6.1 If there is a possibility that the License Applicant or the Licensee will not be able to meet each License criterion outlined in <u>Articles 14</u> to <u>20</u> due to force majeure such as natural disasters, wars, terrorism, etc., the FIB or AB may decide not to apply some of the licensing Criteria outlined in <u>Article 14</u> to <u>20</u>.
- 13.6.2 When AFC makes a decision on the preceding paragraph based on the AFC Regulations, regardless of the Article of the prior paragraph, the decision of the AFC takes precedence over the decision of the preceding paragraph in relation to the AFC License.



## 13.7 Annexes

All annexes to the present Regulations form an integral part thereof.

## 13.8 Enforcement

- 13.8.1 These Regulations were ratified by the League Board of Directors on 4 December 2023 and came into force immediately.
- 13.8.2 These Regulations shall be applicable for the granting of Licenses to participate in the 2025 K LEAGUE and the AFC Club Competitions commencing from the sporting season 2024-25 onwards.



### Article 14: Sporting Criteria

- 14.1 The objectives of Sporting Criteria
  - 14.1.1 To ensure that football players of the highest quality are nurtured and continuously produced;
  - 14.1.2 Establish a gradual development system with a clear course;
  - 14.1.3 Design and implement an academy program that emphasizes club-specific quality;
  - 14.1.4 To provide technical training for elite players backed by football-related education and supplemental theoretical training for academy players;
  - 14.1.5 To provide comprehensive medical support services for all athletes;
  - 14.1.6 To ensure that qualified personnel is engaged in the development and management of elite athletes.
- 14.2 The contents and grades of the Sporting Criteria are determined as shown in the table below.



| S.01 Criterion Description       | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------------|-----------|-----------|------|------|
| Youth Development programs (YDP) | Α         | Α         | Α    | Α    |

1. The License Applicant must have a written youth development program approved by the Licensor. The Licensor must evaluate the quality of the youth development program before approving it and verify the implementation through periodic visits to the training and games.

### 2. The program must cover at least the following areas:

- 1) Objectives, youth playing philosophy and youth development philosophy;
- 2) organization of youth sector (organizational chart, bodies involved, relation to License Applicant, youth teams, etc.);
- 3) Personnel (technical, medical, administrative, etc.) and minimum qualifications required;
- 4) Infrastructure available for the youth sector (training and match facilities, etc);
- 5) Financial resources (available Budget, contribution by License Applicant, players or local community, etc.);
- 6) Football education program for the different age groups (psychological, technical, tactical, and physical);
- 7) Education programs (Laws of the Game, anti-doping, integrity, anti-racism);
- 8) Medical support for youth players (including medical checks);
- 9) Individual performance evaluation of players in the program;
- 10) Review and feedback process to evaluate the results and the achievements of the set objectives; and
- 11) Validity of the program (at least three years but maximum seven).

#### 3. The License Applicant must further ensure that:

- 1) every youth player involved in its youth development program can follow mandatory school education under national law; and
- 2) no youth player involved in its youth development program is prevented from continuing their non-football education.



| S.02 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Youth Teams                | Α         | Α         | Α    | Α    |

1. The License Applicant must at least have the following youth teams within its legal entity, another legal entity included in the reporting perimeter, or a club affiliated with its legal entity. However, the teams stipulated in item 4) may be replaced by soccer schools or clinics of the relevant age group. License Applicants must provide technical and financial support to the academy team each year.

1) At least one under the age of 18 teams (hereafter referred to as the "U18 team");

- 2) At least one under the age of 15 teams (hereafter referred to as the "U15 team");3) At least one under the age of 12 teams (hereafter referred to as the "U12 team");
- 4) At least one under the age of 10 teams (hereafter referred to as the "U10 team").
- 2. The clubs must register the above teams stipulated in the preceding paragraph in the KFA according to the KFA registration Regulations and submit documentary evidence to the League.
- 3. Each youth team, except the under 10s, must take part in official competitions or programs played at the national, regional, or local level and recognized by KFA.
- K LEAGUE Criteria Additional Requirement:
- 4. In the case of new participating clubs, they must operate at least one youth team stipulated in the above paragraph in the first year of the K LEAGUE participation, but they must submit a concrete club youth development action plan including the operation of all youth teams from next season.
- 5. The club who is applied by the paragraph 4, completely consist of all youth teams and operate them from the second year.



| S.03 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Medical Care of Players    | Α         | Α         | Α    | Α    |

- 1. The License Applicant shall provide all players registered in the club with full access to medical support services. These shall include, but not be limited to the following:
  - 1) yearly medical examination as approved by the League Medical Committee or AFC Pre-Competition Medical Examination (PCMA) (including cardiovascular screening) for all its players in its first squad;
  - 2) yearly medical examination for all players above the age of 12;
  - 3) comprehensive medical insurance coverage for contracted players; and
  - 4) More than two (2) medical personnel for the medical support for youth teams. The medical staff must possess medical qualifications approved by the League Medical Committee or a medical treatment degree from a university/college

| S.04 Criterion Description     | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--------------------------------|-----------|-----------|------|------|
| Medical Care of Coaching Staff | Α         | Α         | Α    | Α    |

- 1. The License Applicants shall provide all coaching staff registered in the club with full access to medical support services. These shall include, but not be limited to the following:
  - 1) yearly medical examination as approved by the League Medical Committee (including cardiovascular screening) or corresponding full medical examination for all its head coach and coaches engaged in a technical capacity with the club's first team;
  - 2) comprehensive medical insurance coverage for the contracted coaching staff.
- 2. For this criterion, the term 'Coaching Staff' includes the following persons;
  - Head Coach, Coaches, GK Coach and Physical(Fitness) Coach, etc.



| S.05 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Educational programs       | Α         | Α         | Α    | Α    |

- 1. The License Applicant must ensure that players and all technical coaching staff of at least the first squad have attended a session, or an event related to:
  - 1) sports integrity matters;
  - 2) IFAB Laws of the Game;
  - 3) doping control; and
  - 4) other topics as required by the AFC, KFA, or the League

2. These sessions or events must be provided either by the License Applicant, KFA, the League or a third party in collaboration with the License Applicant/the League, during the year before the season to be Licensed.

| S.06 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |
|--|-----------|-----------|------|------|--|
| Registration of Players  | Α         | Α         | Α    | Α    |  |
| 1 All the License Applicant's players including youth players above the age of 10 must |           |           |      |      |  |

1. All the License Applicant's players, including youth players above the age of 10, must be registered with the KFA and/or its affiliated league in accordance with the relevant provisions of the FIFA Regulations on the Status and Transfer of Players.

| S.07 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Women's Team               | С         | С         | С    | С    |

- The Licence Applicant must support women's football by implementing measures and activities aimed at developing, professionalising and popularising women's football, such as:

   having a women's team within its legal entity or another legal entity included in the reporting perimeter which takes part in official competitions played at the local, national and/or regional level, as recognised by the relevant AFC Member Association;
  - 2) providing support to an affiliated women's football club; and/or
  - 3) organising other women's football initiatives.

| S.08 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |
|---|-----------|-----------|------|------|--|
| Club Youth Academy  | В         | С         | С    | С    |  |
| 1. The License Applicant must establish a Club Youth Academy with the required infrastructure and facilities as prescribed in the AFC Elite Youth Scheme. |           |           |      |      |  |



# Article 15: Infrastructure Criteria

- 15.1 The objectives of Infrastructure Criteria
  - 15.1.1 The License Applicant must have a safe and comfortable stadium where each competition can be held.
  - 15.1.2 The License Applicant has appropriate training facilities to help improve the technical skills of the athletes.
  - 15.1.3 The details and grades of facility standards are defined as shown in the table below.



| I.01 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Approved Stadium(s)        | Α         | Α         | Α    | Α    |

### K LEAGUE Criteria:

- 1. The License Applicant must have a Stadium (or Stadiums) available to play K LEAGUE matches. The License Applicant either:
  - 1) owns the Stadium(s); or
  - 2) can provide a written contract or agreement with the owner of the Stadium(s) it will use. This contract must guarantee the use of the Stadium(s) for the K LEAGUE matches for the coming season.
- 2. The Stadium must meet the requirements expressly referred to by the League competition Regulations.
- 3. The Stadium(s) must be located in the same city where the License Applicant is based. The License Applicant must host more than half of the total K LEAGUE home matches at the Stadium(s) unless otherwise approved by the League Board of Directors.

#### AFC Criteria:

- 1. The License Applicant must have a Stadium available to play the AFC Club Competitions. The License Applicant either:
  - 1) owns the Stadium; or
  - 2) provides a written contract with the owner of the Stadium it will use. This contract must guarantee the use of the Stadium for the AFC Club Competitions matches for the coming season, for which the License Applicant qualifies in sporting terms.
- 2. The Stadium must meet the requirements expressly referred to by the:
  - 1) AFC Stadium Regulations;
  - 2) Respective AFC Club Competition Regulations/AFC Competition Operations Manual.
- 3. The Stadium must be approved by the Licensor and located in the same city where the License Applicant is based. If the Stadium is not located in the License Applicant's base city, a justifiable reason should be provided.
- 4. AFC reserves the right to decide whether the stadium is available for use as a venue for the AFC Club Competitions.



| I.02 Criterion Description     | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--------------------------------|-----------|-----------|------|------|
| Stadium – Safety Certification | Α         | Α         | Α    | Α    |

# K LEAGUE Criteria:

- The Stadium must be certified for safety. The certification is defined according to national/local law and must include provisions related to safety. If such law does not exist, the Licensor shall establish the content of the Stadium certificate and the procedure in close cooperation with the appropriate body/bodies (e.g. local safety and security authorities, the local hospital, fire brigade, police, etc.)
- 2. The certificate shall comply with the requirements in the related public Act and must provide at least the following information:
  - 1) safety status of the Stadium structure and building fitness;
  - 2) compliance statement regarding the safety/security Regulations of the competent civil authority;
  - 3) approval of the entire Stadium capacity (individual seats, terraces, and total number);
  - 4) approved evacuation plan which ensures that the whole Stadium can be emptied in case of emergency according to the applicable national law;
  - 5) a color-coded floor plan diagram showing the possible evacuation routes should be prominently displayed in the Stadium; and
  - 6) an approved match security plan covering the organizational measures intended to ensure safety and security strategy covering all aspects of the organization of a football match, such as ticket distribution system, screening of spectators, segregation strategy, crowd dispersal strategy, medical service, measures taken in case of fire, loss of power supply, or other emergencies.
- 3. The Stadium is required to comply with K LEAGUE Safety and Security Guidelines.

AFC Criteria – Additional Requirement:

- 3. The certificate shall comply with the requirements in the AFC Safety and Security Regulations
- 4. The certificate issued by the appropriate body shall be valid for a maximum of two (2) years and shall be valid throughout the licensing season.



| I.03 Criterion Description         | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------------|-----------|-----------|------|------|
| Stadium – Approved Evacuation Plan | Α         | Α         | Α    | Α    |

- 1. The appropriate body (e.g. local safety and security authority, competent civil authority or other qualified and approved firms, etc.) approves the evacuation plan which ensures that the whole Stadium can be emptied in case of an emergency according to the applicable national law.
- 2. If such law does not exist, the Licensor establishes the content of the evacuation plan, including an evacuation time and the approval body, in close cooperation with the appropriate civil body (e.g. local security authorities, the local hospital, fire brigade, police, etc.).
- 3. A colour coded floor plan diagram showing the possible evacuation routes should be prominently displayed in the Stadium.
- 4. Risk analysis specific to the Stadium.
- 5. The Safety and Security Officer, stewards and club & Stadium employees shall be briefed on the evacuation plan.

| I.04 Criterion Description         | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------------|-----------|-----------|------|------|
| Training Facilities – Availability | Α         | Α         | Α    | Α    |

1. The License Applicant must have Training Facilities available throughout the year. The License Applicant either:

1) owns the Training Facilities; or

- 2) shall provide a written contract with the owner of the Training Facilities.
- 2. It must be guaranteed that the Training Facilities can be used by all teams of the License Applicant during the License Season, taking into account its youth development program.



| I.05 Criterion Description   | k league1 | K LEAGUE2 | ACLE | ACL2 |
|--|-----------|-----------|------|------|
| Training Facilities for Player Development<br>— Minimum Infrastructure | Α         | В         | В    | В    |

1. As a minimum, the infrastructure of the Training Facilities for Player Development must include:

1) outdoor Training Facilities;

2) indoor Training Facilities;

3) dressing rooms; and

4) medical room(s) or direct access to first aid at the training site.

| I.06 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Stadium – Ground Rules     | Α         | В         | В    | В    |

1. Each Stadium must have the ground rules affixed to it and visible to the spectators. These rules must provide information on at least the following:

- 1) admission rights;
- 2) abandonment or postponement of events;
- 3) description of prohibitions and penalties, such as entering the field of play, throwing objects, use of foul or abusive language, racist behavior, etc;
- 4) restrictions about smoking, alcohol, fireworks, banners, etc:
- 5) seating rules; and
- 6) causes for ejection from the ground.



# Article 16: Personnel and Administrative Criteria

- 16.1 The objectives of Personnel and Administrative Criteria
  - 16.1.1 The License Applicant shall be managed professionally.
  - 16.1.2 The License Applicant has a specialist with certain know-how, experience, and skills.
  - 16.1.3 First team and other team players are trained by qualified coaches and supported by necessary medical staff.
  - 16.1.4 The contents and grades of the personnel system and organizational management standards shall be determined as shown in the table below.



| P.01 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Club Secretariat           | A         | Α         | Α    | Α    |

- 1. The License Applicant must have an office space sufficiently spacious to run its administration with the required infrastructure.
- 2. The License Applicant must have appointed an adequate number of skilled secretarial staff according to its needs to run its daily business.
- 3. It must ensure that its office is open to communicate with the Licensor and the public and that it is equipped, as a minimum, with phone, email facilities, and a website.
- 4. A License Applicant must notify the licensor of the following information by the prescribed method.
  - 1) Location of office (if there are multiple locations, list all of them)
  - 2) Owning or leasing the office
  - 3) List of officers, employees, and employees
  - 4) Office contact phone number, fax number, official website URL, email address

K LEAGUE1 Criteria – Additional Requirement:

5. For K LEAGUE1 license applicants, the club secretariat must consist of at least the following number of employees to ensure the smooth running of a business by creating a framework for the day-to-day operations

| Licensing Cycle | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|-----------------|---------|---------|---------|---------|---------|---------|
| No. of          | More    | More    | More    | More    | More    | More    |
| Employees       | than 20 | than 22 | than 24 | than 26 | than 28 | than 30 |

6. License applicants who do not meet the minimum number of employees of the organization specified in the table of paragraph 5 above must submit a specifi recruitment plan and it will be reviewed by CLA separately to ensure timely recruitment.

| P.02 Criterion Description    | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-------------------------------|-----------|-----------|------|------|
| Representative Director / CEO | Α         | Α         | Α    | Α    |

1. The License Applicant must employ a Representative Director/CEO who is responsible for running its daily business (operational matters).

2. The appointment must have been done by the appropriate body (e.g. Executive Board of Directors) of the License Applicant.



| P.03 Criterion Description  | K LEAGUE1      | K LEAGUE2     | ACLE         | ACL2          |  |
|---|----------------|---------------|--------------|---------------|--|
| Finance Officer   | Α              | Α             | Α            | Α             |  |
| 1. The License Applicant must employ a qu   | alified Financ | ce Officer wl | ho is respon | sible for its |  |
| financial/accounting matters and the League's financial control system.               |                |               |              |               |  |
| 2. The Finance Officer must hold as a minimum one of the following qualifications: or |                |               |              |               |  |
| 1) a degree in accountancy, finance, or a related field; or                           |                |               |              |               |  |
| 2) a person with one of the following ce  | rtificates:    |               |              |               |  |
| ① Certified public accountant;  |                |               |              |               |  |
| ② Certified Tax Accountant;   |                |               |              |               |  |
| ③ Computer Tax Accounting Certification   | te;            |               |              |               |  |
| ④ Certified Financial Planner;  |                |               |              |               |  |
| ⑤ Certified Management Accountant;  | and/or         |               |              |               |  |
| 6 Other Financial accounting certifica  | te recognize   | d by the Lea  | igue.        |               |  |
| 3) Attendee in educational programs held  | d or recogniz  | ed by the L   | eague and h  | e/she must    |  |
| meet the following requirements:  |                |               |              |               |  |
| ① more than one (1) year of practica  | l experience   | in accountin  | g and financ | e             |  |
| ② a recognition of competence issued by a recognized organization of the League.      |                |               |              |               |  |
| 4) The paragraph 4) above may be removed after 31 December 2024.                      |                |               |              |               |  |

| P.04 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-----------------------------|-----------|-----------|------|------|
| Safety and Security Officer | Α         | Α         | Α    | Α    |

1. The License Applicant must appoint a qualified Safety and Security Officer who is responsible for safety and security matters.

- 2. The Safety and Security Officer must hold as a minimum one of the following qualifications:
  - 1) a certificate as a policeman or security person according to national law;
  - 2) a safety and security diploma based on a specific course issued by the government, local government, or public authorities; or
  - 3) Attendee in educational programs held or recognized by the League and he/she must meet the following requirements:
    - ① more than one (1) year of practical experience in safety & security arrangements at home matches

② a recognition of competence issued by a recognized organization of the League.

3. The Safety and Security Officer must be duly registered with the League.



| P.05 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |  |
|---|-----------|-----------|------|------|--|--|
| Media Officer   | Α         | Α         | Α    | Α    |  |  |
| 1. The License Applicant must employ a qualified Media Officer who is responsible for media matters.  |           |           |      |      |  |  |
| <ol> <li>2. The Media Officer must hold as a minimum one of the following qualifications:         <ol> <li>diploma in journalism: or</li> <li>concluded a media officer education course provided by the League or a recognized organization: or</li> <li>Attendee in educational programs held or recognized by the League and he/she must meet the following requirements:                 <ol> <li>more than one (1) year of practical experience in media-related work</li> <li>a recognition of competence issued by a recognized organization of the League.</li> </ol> </li> </ol></li></ol> |           |           |      |      |  |  |
| 3. The Media Officer must be duly registered with the League.   |           |           |      |      |  |  |

| P.06 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Club Licensing Officer     | Α         | Α         | Α    | Α    |

- 1. The License Applicant must employ a full-time Club Licensing Officer who is responsible for the preparation and application of a License for K LEAGUE and the AFC Club Competitions.
- 2. The Club Licensing Officer shall be the contact point for the CLA and must attend any workshop/seminar as requested and organized by the Licensor.
- 3. The Club Licensing Officer shall be responsible for the following:
  - 1) Prepare a plan to submit the documents as per the Core Process Calendar;
  - 2) Review all documents and verify them before the submission;
  - 3) Assist and advise the relevant department of the License Applicant in implementing the objectives of the Club Licensing System.
- 4. The Club Licensing Officer must be able to communicate fluently in English, both in writing and spoken English.
- 5. The Club Licensing Officer must be duly registered with the League.



| P.07 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Team Doctor                | Α         | Α         | Α    | Α    |

- 1. The License Applicant must have appointed at least one doctor who is responsible for medical support during matches and training as well as for doping prevention.
- 2. The qualification of the Medical Doctor must be recognized by the appropriate national health authorities.
- 3. The Medical Doctor must be duly registered with KFA and/or the League.

| P.08 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |  |
|--|-----------|-----------|------|------|--|--|
| Physiotherapist  | Α         | Α         | Α    | Α    |  |  |
| 1. The License Applicant must employ at least one (1) Physiotherapist who is responsible for medical treatment and massages for the first squad during training and matches. |           |           |      |      |  |  |
| 2. The multipletion of the Dhusistheumist  |           |           |      |      |  |  |

- 2. The qualification of the Physiotherapist must be recognized by the appropriate national health authorities or certificate approved by the League Medical Committee.
- 3. The Physiotherapist must be duly registered with KFA and/or the League.



| P.09 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Head Coach of First Team   | Α         | Α         | Α    | Α    |

- 1. The License Applicant must employ a Head Coach with a valid coaching diploma / License responsible for all football matters of the first team.
- 2. The Head Coach must:
  - 1) hold at least the Minimum Coach Education Requirement (MCER) as stipulated by the AFC Competition Operations Manual or the KFA Coach Regulations:
    - ① for AFC, the current MCER is benchmarked at the AFC "Pro" Coaching Certificate or its equivalence recognized and approved by AFC;
    - ② for K LEAGUE, the current requirement is benchmarked at the AFC "Pro" Coaching Certificate or its equivalence recognized and approved by AFC;
  - 2) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC Regulations for cases where the Head Coach of the first team does not have the required certification as defined under 1) above; or
  - 3) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 1) above.
- 3. The Head Coach must be duly registered with the KFA and the League and undertaken by the appropriate body of the License Applicant.

| P.10 Criterion Description    | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-------------------------------|-----------|-----------|------|------|
| Assistant Coach of First Team | Α         | Α         | Α    | Α    |

1. The License Applicant must employ an Assistant Coach with a valid coaching diploma/ License assisting the Head Coach in all football technical matters of the first team.

- 2. The Assistant Coach must:
  - 1) hold at least the Minimum Coach Education Requirement (MCER) as stipulated by the AFC Competition Operations Manual or the KFA Coach Regulations:
    - ① for AFC, the current MCER is benchmarked at the AFC "A" Coaching Certificate or its equivalence recognized and approved by AFC;
    - ② for K LEAGUE, the current requirement is benchmarked at the AFC "A" Coaching Certificate or its equivalence recognized and approved by AFC;
  - 2) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC Regulations for cases where the Assistant Coach of the first team does not have the required certification as defined under 1) above; or
  - 3) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 1) above.
- 3. The Assistant Coach must be duly registered with the KFA and the League and undertaken by the appropriate body of the License Applicant.



| P.11 Criterion Description      | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---------------------------------|-----------|-----------|------|------|
| Head of Youth Development (HYD) | Α         | Α         | Α    | Α    |

1. The License Applicant must employ a Head of Youth Development (hereafter referred to as the "HYD") with a valid coaching diploma/License responsible for managing and implementing all aspects of youth development matters including the Youth Development program (YDP).

### 2. The HYD must:

- 1) have more than 3 years of instruction experience in a registered team in Korea or overseas as an academy director or head coach as the person in charge of the youth academy training.
- 2) hold at least the AFC 'A' diploma/License or its equivalence recognized and approved by AFC; or
  - ① already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 2) above;
- 3) have specific youth coaching experience and/or supplementary certification/ qualification related to coaching and managing young players; and
- 4) have strong management and administration skills to ensure the efficient implementation of the program, activities, roles, and duties in collaboration with other relevant personnel.
- 3. The HYD must be undertaken by the appropriate body of the License Applicant.
- 4. The HYD must be duly registered with he League.



| P.12 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Youth Coaches              | Α         | Α         | Α    | Α    |

- 1. For each mandatory youth team outlined in S.02, the License Applicant must have appointed at least one qualified coach who is responsible for all football matters related to that team.
- 2. The License Applicant must appoint a Head Coach with a valid coaching diploma/License as stipulated by KFA Coaching Regulations for each youth team.
- 3. At least two (2) Youth Coaches must:
  - 1) hold at least AFC 'B' coaching diploma/License or its equivalence recognized and approved by AFC;
  - 2) have specific youth coaching experience and/or supplementary certification/ qualification related to coaching and managing young players; and
  - 3) have strong competencies to ensure the efficient implementation of the technical program to develop elite youth players in collaboration with other relevant personnel.
- 4. The other Youth Coaches must hold the minimum qualification as defined by KFA which shall not be below the KFA 'C' coaching diploma/License or its equivalence recognized and approved by AFC.
- 5. The youth coaches must be duly registered with KFA and undertaken by the appropriate body of the License Applicant.

| P.13 Criterion Description                       | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--|-----------|-----------|------|------|
| Safety and Security organization<br>- Stewarding | A         | Α         | Α    | Α    |

- 1. The License Applicant must have engaged qualified stewards to ensure safety and security at home matches. For this purpose, it must:
  - 1) employ the stewards; or
  - 2) conclude a written contract with the Stadium owner providing the stewards; or an external security company providing stewards.
  - 3) The License Applicant must appoint a certified security instructor for every home match.



| P.14 Criterion Description          | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-------------------------------------|-----------|-----------|------|------|
| Rights, Responsibilities and Duties | Α         | Α         | Α    | Α    |

1. The rights, responsibilities, and duties of the License Applicant's personnel mentioned in these Regulations must be defined in writing.

| P.15 Criterion Description                         | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--|-----------|-----------|------|------|
| Duty of Replacement during the<br>Licensing Season | A         | Α         | Α    | Α    |

1. If a function defined in these Regulations becomes vacant during the season, the Licensee must ensure that, within a period of a maximum of sixty (60) days, the function is taken over by someone who holds the required qualification.

- 2. In the event that a function becomes vacant due to illness or accident, the Licensor may grant an extension to the sixty (60) day period only if reasonably satisfied that the person concerned is still medically unfit to resume duties.
- 3. The occurrence of vacancy and replacement must be notified to the Licensor within seven (7) working days of the respective event.
- K LEAGUE Criteria Additional Requirement:
- 4. As an exceptional case about the vacancy and replacement of P.09 Head Coach of First Team, at the end of the sixty (60) days period for replacement, if a club has less than five (5) K LEAGUE matches remaining (except for the K LEAGUE Promotion-Relegation Playoff) till the end of the season, the Licensor may grant another extension for the period to 31 December of the year before the Season to be Licensed, provided that the club shall employ a new Head Coach of First Team who holds the required qualification within the same year. However, the club will be sanctioned if a Head Coach of the First Team remains vacant after sixty (60) days from when the position became vacant. It will be fined 10,000,000 Won per every following K LEAGUE matches in the absence of the head coach.



| P.16 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Legal Advisor              | Α         | В         | В    | В    |
|                            |           |           |      |      |

1. The License Applicant must appoint a qualified legal advisor who is responsible to handle all legal matters in the License Applicant's activities.

2. The legal advisor shall have the necessary legal qualifications.

| P.17 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Club Technical Director    | В         | В         | В    | В    |

1. The License Applicant must employ a Club Technical Director.

2. He should have at least an AFC 'A' Coaching diploma/License and supplementary qualities like extensive playing and work experience at the professional club level or have been a long-serving dedicated member of the club as a player, coach, manager, or advisor.

3. He must have strong management skills, be visionary, and lead the technical development of the club.

4. He shall be responsible for but not limited to the following:

- 1) establish and/or implement club philosophy;
- 2) establish Youth and Player Development Structures and programs;
- 3) ensure technical standards are maintained and enhanced;
- 4) monitor and evaluate all technical and developmental programs;
- 5) talent scouting;
- 6) management of the Club's Youth Academies;
- 7) recruitment and management of coaches and talent scouts; and
- 8) management of match analysis processes.
- 5. The Club Technical Director must be undertaken by the appropriate body of the License Applicant.



| P.18 Criterion Description     | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--------------------------------|-----------|-----------|------|------|
| Goalkeeper Coach of First Team | Α         | В         | В    | В    |

- 1. The License Applicant must employ a qualified Goalkeeper Coach with a valid coaching diploma/License for the first team.
- 2. The Goalkeeper Coach must:
  - 1) hold at least the Minimum Coach Education Requirement (MCER) as stipulated by the AFC Competition Operations Manual or the KFA Coach Regulations:
    - ① for AFC, the current MCER is benchmarked at the AFC "GK Level A" Coaching Certificate or its equivalence recognized and approved by AFC;
    - ② for K LEAGUE, the current requirement is benchmarked at the AFC "GK Level A" Coaching Certificate or its equivalence recognized and approved by AFC;
  - 2) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC Regulations for cases where the Goalkeeper Coach of the first team does not have the required certification as defined under 1) above; or
  - 3) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 1) above.
- 3. The goalkeeper Coach of the First Team must be duly registered with KFA and undertaken by the appropriate body of the License Applicant.



| P.19 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-----------------------------|-----------|-----------|------|------|
| Fitness coach of First Team | В         | В         | В    | В    |

- 1. The License Applicant must have appointed a qualified Fitness Coach with a valid coaching diploma/License for the first team.
- 2. The Fitness Coach must:
  - 1) hold at least the Minimum Coach Education Requirement (MCER) as stipulated by the AFC Competition Operations Manual or the KFA Coach Regulations:
    - ① for AFC, the current MCER is benchmarked at the AFC "Fitness Level 2"/KFA "Fitness Level 3" Coaching Certificate or its equivalence recognized and approved by AFC;
    - ② for K LEAGUE, the current MCER is benchmarked at the AFC "Fitness Level 1"/KFA "Fitness Level 2" Coaching Certificate or its equivalence recognized and approved by AFC;
    - ③ From the 2027 Season, the MCER for K LEAGUE will be benchmarked at AFC 'Fitness Level 2'/KFA "Fitness Level 3" Coaching Certificate or its equivalence recognized and approved by AFC.
  - 2) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC Regulations for cases where the Fitness Coach of the first team does not have the required certification as defined under 1) above; or
  - 3) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 1) above.
- 3. The Fitness Coach of the First Team must be duly registered with KFA and undertaken by the appropriate body of the License Applicant.



| P.20 Criterion Description      | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---------------------------------|-----------|-----------|------|------|
| Goalkeeper Coach of Youth Teams | С         | С         | С    | С    |

- 1. The License Applicant must appoint a qualified Goalkeeper Coach with a valid coaching diploma/License for the Youth teams.
- 2. The Goalkeeper Coach must:
  - 1) hold at least the Minimum Coach Education Requirement (MCER) as stipulated by the KFA Coach Regulations:
  - 2) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC Regulations for cases where the Goalkeeper Coach of the first team does not have the required certification as defined under 1) above; or
  - 3) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under 1) above.
- 3. The goalkeeper Coach of the Youth Teams must be duly registered with KFA and undertaken by the appropriate body of the License Applicant.

| P.21 Criterion Description             | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--|-----------|-----------|------|------|
| Football Social Responsibility Officer | С         | С         | С    | С    |

1. The License Applicant must appoint a qualified Football Social Responsibility Officer who is responsible for the club's contribution to the social values and responsibilities.

- 2. The Football Social Responsibility Officer takes responsibility for implementation of K LEAGUE's social responsibility policy and must attend related workshop/seminar as requested and organized by the League.
- 3. The Football Social Responsibility Officer must be duly registered with the League.



| P.22 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Child Safeguarding Officer | С         | С         | С    | С    |

- 1. The License Applicant must appoint a qualified Child Safeguarding Officer who is responsible for planning and implementation to protect and safeguard children from potential abuses and to promote their well-being within football when participating in activities organized by the License Applicant.
- 2. The Child Safeguarding Officer must attend related workshop/seminar as requested and organized by the League.
- 3. The Child Safeguarding Officer must be duly registered with the League.

| P.23 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Marketing Officer          | С         | С         | С    | С    |

- 1. The Licence Applicant must appoint a Marketing Officer who is responsible for marketing and commercial matters including creating an effective marketing strategy.
- 2. The Marketing Officer must hold a minimum one of the following qualifications:
  - 1) a bachelor's Degree in Marketing, Business or equivalent; or
  - 2) worked two years (within the last five years) in the area of Sports Marketing; or
  - 3) Attendee in educational programs held or recognized by the League and he/she must meet the following requirements:
    - ① more than one (1) year of practical experience in marketing-related work
    - 2 a recognition of competence issued by a recognized organization of the League.
- 3. The Marketing Officer must be duly registered with the League.



# Article 17: Legal Criteria

| L.01 Criterion Description  | K LEAGUE1     | K LEAGUE2    | ACLE       | ACL2        |
|---|---------------|--------------|------------|-------------|
| Declaration in respect of the participation in<br>K LEAGUE and the AFC Club Competitions  | Α             | Α            | Α          | Α           |
| <ol> <li>The License Applicant must submit a legally valid declaration confirming that:         <ol> <li>it recognizes as legally-binding the statutes, rules, and Regulations, and decisions of FIFA, the AFC, KFA, and the League as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of th AFC Statutes;</li> <li>it recognizes the exclusive jurisdiction of the Court of Arbitration for Sport</li> </ol> </li> </ol> |               |              |            |             |
| (domiciled in Lausanne, Switzerland)<br>in particular involving FIFA and/or th<br>3) it recognizes the prohibition on reco  | ne AFC;       |              |            |             |
| Statutes;<br>4) at the national level, it will play in competitions that are recognized and endorsed<br>by KFA (e.g. K LEAGUE, FA Cup);   |               |              |            | id endorsed |
| <ol> <li>at the international level, it will part<br/>by the AFC and/or FIFA. To avoid<br/>friendly matches;</li> </ol>   |               |              | -          |             |
| <ol> <li>6) it will abide by and observe the participation licensing Regulations;</li> </ol>  | rovisions and | d conditions | of the K L | EAGUE club  |
| <ol> <li>its reporting perimeter is defined in<br/>any consequences of an entity inclu<br/>and observing this declaration</li> </ol>  | -             |              |            |             |
| 8) all submitted documents are complete   | e and correc  | t;           |            |             |
| 9) it authorizes the competent Licensor and the AFC to examine documents and seek<br>information and, in the event of any appeal procedure, to seek information from<br>any relevant public authority or private body according to national law;  |               |              |            |             |
| 10) it acknowledges that AFC reserves the right to execute compliance audits at the national level under Article 13.2.  |               |              |            |             |
| <ul> <li>11) notify the Licensor of material changes, events, or circumstances of major economic importance and subsequent events that occur after submission of the Licensing Documents within the stipulated deadlines;</li> </ul>  |               |              |            |             |

months before the corresponding deadline for its submission to the Licensor.



| L.02 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Legal Documents            | Α         | Α         | Α    | Α    |

1. The License Applicant must submit the following documents:

- 1) a copy of its current company articles, constitution, statutes, or similar type governing document;
- 2) an extract from a public register (e.g. trade register) that demonstrates that the License Applicant is a legal entity that contains the following minimum information;① registered name;
  - 2 popular name;
  - ③ address of headquarters;
  - ④ legal form;
  - (5) list of authorized signatories and;
  - (6) type of signature (e.g. individual, collective).
- 3) (if applicable) the agreement between the License Applicant and the relevant member which has the right to participate in affiliated competitions of KFA



| L.03 Criterion Description     | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--------------------------------|-----------|-----------|------|------|
| Ownership and Control of Clubs | Α         | Α         | Α    | Α    |

- 1. To safeguard the integrity of national matches and competitions, Licence Applicants must be committed to ensuring that they conform to the highest ethical and sporting standards regarding matters of ownership and Control.
  - In this regard, the Licence Applicant must comply with the following criteria:
  - 1) the Licence Applicant shall not, either directly or indirectly:
    - ① hold or deal in the securities or shares of any other participating club(s) in the same national competition;
    - ② be a member of any other participating club(s) in the same national competition:
    - ③ be involved in any capacity whatsoever in the management, administration and/or sporting performance of any other participating club(s) in the same national competition; and/or
    - (4) have any power whatsoever in the management, administration and/or sporting performance of any other participating club(s) in the same national competition,

if there is a material risk that this would actually or potentially jeopardise the integrity of the national competition;

- 2) No one connected to the Licence Applicant shall simultaneously be involved, either directly or indirectly, in any capacity whatsoever in the management, administration and/or sporting performance of the Licence Applicant and any other participating club(s) in the same national competition, if there is a material risk that this would actually or potentially jeopardise the integrity of the national competition.
- No individual or legal entity connected to the Licence Applicant shall have Control or influence over any other participating club(s) in the same national competition, if there is a material risk that this would actually or potentially jeopardise the integrity of the national competition. In assessing whether or not Control or influence exists in this context, the following factors shall be taken into account:
   nolding a majority of the shareholders' voting rights in the relevant clubs;
  - ② having the right to appoint or remove a majority of the members of the administrative, management, or supervisory body of the relevant clubs;
  - ③ being a shareholder and alone controlling a majority of the shareholders' voting rights pursuant to an agreement entered into with other shareholders of the relevant clubs; and/or
  - ④ being able to exercise by any means a decisive influence in the decision making of the relevant clubs.
- 2. The Licence Applicant shall submit a legally valid and binding declaration outlining the ownership structure and Control mechanism of the club, and confirming its compliance with the criteria set out above. If the Licence Applicant considers that it may contravene any of the criteria, this should be explained in the declaration (with evidence). The declaration must be executed by an authorised signatory no more than three (3) months prior to the corresponding deadline for its submission to the Licensor.



| L.04 Criterion Description                              | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---|-----------|-----------|------|------|
| Legal Group Structure and Ultimate<br>Controlling Party | A         | Α         | Α    | Α    |

1. The License Applicant must provide the Licensor with information on the legal group structure at the Statutory Closing Date prior to the deadline for the submission of the application to the Licensor. It must be presented in a chart and duly approved by management. The Licensor must be informed of any changes there may have been to the legal Group structure during the period between the Statutory Closing Date and the submission of the chart to the Licensor.

2. This document must clearly identify and include information on:

- 1) the License Applicant and, if different, the Registered Member of the KFA;
- 2) any Subsidiary of the License Applicant and, if different, the Registered Member of the KFA;
- 3) any Associate entity of the License Applicant and, if different, the Registered Member of the KFA;
- 4) any direct or indirect Controlling entity of the License Applicant, up to and including the ultimate Controlling party;
- 5) any party that has 10% or greater direct or indirect ownership of the License Applicant, or 10% or greater voting rights;
- 6) any party with a Significant Influence over the License Applicant;
- 7) any other football club, in respect of which any of the parties identified in 1) to 6) or any of their key management personnel have any ownership interest, voting rights, and/or any involvement or influence whatsoever in relation to the governance of its financial and operating policies; and
- 8) the reporting perimeter as defined in Article 18.1 must also be clearly identified in the document.
- 3. If deemed relevant the Licensor may request the License Applicant/Licensee to provide additional information other than that listed above (e.g. information about any subsidiaries and/or Associates of the ultimate Controlling entity and/or direct Controlling entity).
- 4. The following information must be provided in relation to all entities included in the legal Group structure:
  - 1) Name of legal entity;
  - 2) Type of legal entity;
  - 3) Main activity of legal entity; and
  - 4) Percentage of ownership interest (and, if different, percentage of voting power held).
- 5. For any Subsidiary of the License Applicant/Licensee and, if different, the Registered Member of the KFA, the following information must also be provided:
  - 1) Share capital;
  - 2) Total assets;
  - 3) Total revenues; and
  - 4) Total equity.
- 6. Without prejudice to the foregoing, the Licensor shall ensure that it assesses the information provided by the Licence Applicant under Criterion L.04 to determine the accuracy of the Licence Applicant's declaration under Criterion L.03.

Accordingly, the Licence Applicant shall ensure that it clearly identifies and includes information regarding its compliance with the various components of the declaration under Criterion L.03 when providing the Licensor with information on its legal Group structure under Criteria L.04.



| L.05 Criterion Description         | k league1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------------|-----------|-----------|------|------|
| Written Contract with Professional | ٨         | ٨         | ٨    | ٨    |
| Players                            | A         | A         | A    | A    |

1. The professional players of the License Applicant must have a written contract with the License Applicant in accordance with the relevant provisions of the FIFA Regulations for the Status and Transfer of Players(or for amateur players, a valid memorandum of understanding with the Licence Applicant) and shall incorporate all key provisions required by the relevant national law and of FIFA, the AFC, the KFA and the League.

| L.06 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---|-----------|-----------|------|------|
| Disciplinary Procedure and Code of<br>Conduct for Players and Officials | Α         | В         | В    | В    |

- 1. The License Applicant shall establish a legally binding code of conduct for players and officials in compliance with the relevant national law, and the Statutes of FIFA, the AFC, KFA and the League.
- 2. The code of conduct should be supplemented by a legally binding disciplinary regulation under which the infringement of the code of conduct, club rules, club Regulations, and club decisions shall be prosecuted and sanctions may be applied.



### Article 18: Financial Criteria

### 18.1 Reporting entity and Reporting perimeter

- 1) The License Applicant determines and provides to the Licensor the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (e.g. single entity, consolidated, or combined financial statements) has to be provided.
- 2) The reporting perimeter must include:
  - ① the License Applicant and, if different, the Registered Member of the KFA;
  - ② any Subsidiary of the License Applicant and, if different, the Registered Member of the KFA;
  - ③ any other entity included in the legal Group structure which generates revenues and/or performs services and/or incurs costs in respect of the football activities defined in paragraph 3) ③ to ⑩ below;
  - ④ any entity, irrespective of whether it is included in the legal Group structure, which generates revenues and/or performs services and/or incurs costs in respect of football activities as defined in paragraph 3) ① and ② below.
- 3) Football activities include:
  - ① employing/engaging personnel (as defined in Criteria F.04) including payment of all forms of consideration to employees arising from contractual or legal obligations;
  - 2 acquiring/selling players' registrations (including loans);
  - ③ ticketing;
  - ④ sponsorship and advertising;
  - (5) broadcasting;
  - 6 merchandising and hospitality;
  - ⑦ club operations (e.g. administration, matchday activities, travel, scouting, etc.);
  - (a) financing (including financing secured or pledged against the assets of the License Applicant);
  - (9) use and management of Stadium and Training Facilities; and
  - 10 youth sector.



- 4) An entity may be excluded from the reporting perimeter only if:
  - its activities are entirely unrelated to the football activities defined in paragraph
     above and/or the locations, assets or brand of the football club; or
  - ② it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph 3) ① and ② above; or
  - ③ the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter.
- 5) The License Applicant must submit a declaration by an authorized signatory that confirms:
  - that all revenues and costs related to each of the football activities indicated in paragraph 3). have been included in the reporting perimeter and provide a detailed explanation should this not be the case; and
  - ② whether any entity included in the legal Group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to paragraph 4).
- 18.2 For further information on the mandatory reporting period and the minimum requirements on the format of reporting and accounting, as well as a detailed explanation of each of the Criteria below, please refer to the AFC Club Licensing Financial Handbook.



| F.01 Criterion Description            | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---------------------------------------|-----------|-----------|------|------|
| Annual Financial Statements - Audited | Α         | Α         | Α    | Α    |

- 1. Regardless of the legal structure of the License Applicant, Annual Financial Statements based on the local legislation for incorporated companies shall be prepared and Audited by an independent auditor.
- 2. The auditors who conduct external audits on the financial statements of license applicants under paragraph 1 above are as follows:
  - 1) Accounting firm under the Certified Accountant Act; or
  - 2) Accounting firm registered with the Financial Services Commission as an auditor for a listed company; or
  - Among the revised provisions of Article 2, paragraph 1) will come into effect on 1st January 2025, and paragraph 2) will take effect on 1st January 2028. However, Paragraph 1) will be abolished upon enforcement of Paragraph 2).
- 3. The club's CEO and accounting executives (if there is no accounting executives, refers to the employee who carries out accounting duties) are responsible for directly preparing the club's financial statements, and the club must conduct its bookkeeping for internal management throughout the year.
- 4. The relevant club's auditor and the certified public accountants affiliated with the auditor shall not engage in any acts prescribed by the Presidential Decree, such as preparing the club's financial statements on behalf of the CEO and accounting executives or responding to advice on accounting processing related to the preparation of financial statements. Further, the club must not request such actions from the auditor or the certified public accountant affiliated with the auditor.
- 5. The Audited Annual Financial Statements submitted for AFC shall be in respect of the Statutory Closing Date immediately prior to the deadline for submission of the List of Licensing Decisions to AFC (i.e. FY2023 for the 2023/24 cycle). The Audited Financial Statements submitted for the K LEAGUE for the 2023 cycle shall be in respect of the 2022 fiscal year (i.e. 1 January 2022 31 December 2022).
  - The statements must consist of:
  - 1) a balance sheet;
  - 2) a profit and loss account;
  - 3) a statement of changes in equity
  - 4) a cash flow statement;
  - 5) notes, comprising a summary of significant Accounting Policies and other explanatory notes;
  - 6) a financial Review by management.



- 6. The audit report submitted by the club must receive an unqualified opinion from the auditor.
- 7. The auditor must review whether the relevant club has complied with the matters set forth in F.07 'Internal Accounting Control System' and reports on operational status and express a comprehensive opinion on the results of the review or audit in the audit report.1) This rule takes effect from January 1, 2028.

### AFC Criteria - Additional Requirement:

- 3. The Audited Annual Financial Statements shall meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook.
- 4. If the Audited Annual Financial Statements do not meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook, then Supplementary Information must be prepared by the License Applicant and assessed by the auditor.



| F.02 Criterion Description   | K LEAGUE1   | K LEAGUE2   | ACLE | ACL2    |  |
|--|---|---|------|---------|--|
| Financial Statements for the Interim<br>Period – Reviewed                          | A A A A   |   |      |         |  |
| K LEAGUE<br>1. If the Statutory Closing Date of the                                | AFC<br>1. If the Statutory Closing Date of the  |   |      |         |  |
| License Applicant is more than 6 month<br>before the fulfillment deadline of the K |   |   |      | six (6) |  |
| LEAGUE License, then the License<br>Applicant shall prepare and submit an          | submi   | submission of the list of Licensed clubs  |      |         |  |
| interim financial period up to 30 June   | prepa   | to AFC, then the License Applicant shall<br>prepare and submit additional financial |      |         |  |
| every year which must be reviewed or<br>audited by independent auditors.           | statements covering the interim period<br>and must be reviewed or audited by<br>independent auditors. |   |      | •       |  |

- 2. If the Financial Statements for the Interim Period are prepared and submitted, they should cover the Interim Period up to date within six (6) months preceding the deadline for submission of the List of Licensing Decisions to AFC and must be reviewed or Audited by an independent auditor.
- 3. The club's CEO and accounting executives (if there is no accounting executives, refers to the employee who carries out accounting duties) are responsible for directly preparing the club's Financial Statements for the Interim Period, and the club must conduct its bookkeeping for internal management throughout the year.
- 4. The relevant club's auditor and the certified public accountants affiliated with the auditor shall not engage in any acts prescribed by the Presidential Decree, such as preparing the club's financial statements on behalf of the CEO and accounting executives or responding to advice on accounting processing related to the preparation of financial statements. Further, the club must not request such actions from the auditor or the certified public accountant affiliated with the auditor.
- 5. The audit report submitted by the club must receive an unqualified opinion from the auditor
- 6. The Financial Statements for the Interim Period must consist of:
  - 1) a balance sheet;
  - 2) a profit and loss account;
  - 3) a statement of changes in equity
  - 4) a cash flow statement;
  - 5) notes, comprising a summary of significant Accounting Policies and other explanatory notes;
  - 6) a financial Review by management.

#### AFC Criteria – Additional Requirement:

7. The Interim Financial Statements shall meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook.



| all it has n<br>at footbal<br>activitie                                   | A<br>Al<br>icense Applica<br>no overdue p<br>I clubs arisin  | •   | A  |
|---|--|---|--|
| all it has n<br>at footbal<br>activitie                                   | icense Applica<br>no overdue p   | ant must pro  | we that  |
| all it has n<br>at footbal<br>activitie                                   | no overdue p   | •   | wo that  |
| at footbal<br>activitie   | •  |   | we mat   |
| activitie   | l clubs arisin   | payables tow  | ards   |
|   |  | g from trans  | fer  |
| the sea   | es as at 31 [  | December pr   | eceding  |
|   | the season to be licensed.   |   |  |
| e, Should there be any payables overdue,                                  |  |   | overdue,   |
| the License Applicant must prove that, by the License Applicant must prov |  |   | /e that,   |
| by the  | following 31   | March.  |  |
|   |  |   |  |
|   |  |   |  |
| opened proc   | eedings with<br>tration tribun   | the national<br>al contesting   | l or<br>g liability  |
| ever, if the  | licensor cons  | iders that s  | uch claim  |
| •   | •  | •   | •  |
|   | -  |   | buy  |
| e considered  | l as an overc  | lue payable.  |  |
|   |  |   | •  |
|   | has been dee<br>opened proc<br>relevant arbit<br>vever, if the<br>ogs have been<br>set out in t<br>be considered<br>e satisfaction | has been deemed admissi<br>opened proceedings with<br>relevant arbitration tribun<br>vever, if the licensor cons<br>igs have been opened for<br>s set out in these Regulat<br>be considered as an overc | has been deemed admissible by the co<br>opened proceedings with the national<br>relevant arbitration tribunal contesting<br>vever, if the licensor considers that su<br>ags have been opened for the sole pu<br>is set out in these Regulations (i.e. to<br>be considered as an overdue payable. |

the Status and Transfer of Players).



| F.04 Criterion Description  | k league1 | K LEAGUE2 | ACLE | ACL2 |
|---|-----------|-----------|------|------|
| No Overdue Payables towards Employees<br>and social / tax authorities | Α         | Α         | Α    | Α    |

| K LEAGUE                                 | AFC                                       |
|--|---|
| 1. The License Applicant must prove that | 1. The Licence Applicant must prove that, |
| it has no payables overdue towards       | in respect of contractual and legal       |
| employees and social/tax authorities in  | obligations with its current/former       |
| respect of contractual and legal         | employees and social/tax authorities it   |
| obligations which arose with its         | has no overdue payables as at 31          |
| employee as of 30 June every year.       | December preceding the season to be       |
|  | licensed, unless by the following 31      |
| Should there be any payables overdue,    | March they have been fully settled,       |
| the License Applicant must prove that,   | deferred by mutual agreement with the     |
| by the following 31 August.              | creditor or are subject to a not          |
|  | obviously unfounded dispute submitted     |
|  | to a competent authority.                 |
|  |   |

- 1) It has been fully settled; or,
- 2) Deferred by mutual agreement; or,
- 3) It has brought a legal claim which has been deemed admissible by the competent authority under national law or has opened proceedings with the national or international football authorities or relevant arbitration tribunal contesting liability in relation to overdue payables: however, if the licensor considers that such claim has been brought or such proceedings have been opened for the sole purposes of avoiding the application deadlines set out in these Regulations (i.e. to buy time) the relevant amount will still be considered as an overdue payable.
- 2. The term "employees" shall include but not be limited to:
  - 1) all professional players according to the applicable FIFA Regulations on the Status and Transfer of Players; and
  - 2) the administrative, technical, medical, and security staff specified in these Regulations.
- 3. Payables are all forms of consideration due in respect of employees as a result of contractual or legal obligations including wages, salaries, image rights, bonuses, and other benefits.
- 4. It is able to demonstrate to the reasonable satisfaction of the relevant decision-making bodies that it has taken all reasonable measures to identify and pay the creditor club(s) in respect of payables overdue towards employees and social / tax authorities.



| F.05 Criterion Description                                 | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|--|-----------|-----------|------|------|
| Written Representations prior to the<br>Licensing decision | A         | Α         | Α    | Α    |

- 1. Within seven (7) days prior to the date on which the licensing decision is to be made by the FIB, the License Applicant must make written representations to the Licensor.
- 2. The written representations shall confirm:
  - 1) That all documents submitted to the Licensor are complete and correct;
  - 2) Whether or not any Significant Change in relation to all the licensing Criteria has occurred;
  - 3) Whether or not any Events or Conditions of Major Economic importance have occurred that may have an adverse impact on the License Applicant's financial position since the balance sheet date of the preceding Audited Annual Financial Statements or reviewed Interim Financial Statements (if applicable). If Any Events or Conditions of Major Economic Importance have occurred, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made; and
  - 4) Whether or not the License Applicant (or the Registered Member of the KFA which has a contractual relationship with the License Applicant within the meaning of Article 8.2.1.2) or any Parent company of the License Applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or Regulations within the 12 months preceding the License Season.
- 3. Approval by management must be evidenced by way of a signature on behalf of the executive body of the License Applicant.



| F.06 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------|-----------|-----------|------|------|
| Future Financial Information | Α         | Α         | Α    | Α    |

- 1. The License Applicant must prepare and submit Future Financial Information in order to demonstrate to the Licensor its ability to continue as a Going Concern until the end of the License Season.
- 2. Future Financial Information must cover the period commencing immediately after the later of the Statutory Closing Date of the Annual Financial Statements or, if applicable, the balance sheet date of The Interim Financial Statements, and it must cover at least the entire License Season.
- 3. Future Financial Information consists of:
  - 1) a budgeted profit and loss account, with comparative figures for the immediately preceding Financial Year and Interim Period (if applicable);
  - 2) a budgeted cash flow, with comparative figures for the immediately preceding Financial Year and Interim Period (if applicable); and
  - 3) explanatory notes, including a brief description of each of the significant assumptions (with reference to the relevant aspects of Historic Financial Information) that have been used to prepare the budgeted profit and loss account and cash flow statement, as well as of the key risks that may affect the future financial results.
- 4. Future Financial Information must be prepared, on a quarterly basis.
- 5. Future Financial Information must be prepared on a consistent basis with the Audited Annual Financial Statements and follow the same Accounting Policies as those applied for the preparation of the Annual Financial Statements, except for accounting policy changes made after the date of the most recent Annual Financial Statements that are to be reflected in the next Annual Financial Statements, in which case details must be disclosed.
- 6. Future Financial Information with the assumptions upon which they are based must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the Reporting Entity.

AFC Criteria – Additional Requirement:

7. Future Financial Information must meet the minimum disclosure requirements as set out in the AFC Club Licensing Financial Handbook. Additional line items or notes must be included if they provide clarification or if their omission would make the Future Financial Information misleading.



| F.07 Criterion Description         | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------------|-----------|-----------|------|------|
| Internal Accounting Control System | С         | С         | С    | С    |

- 1. In order to prepare and disclose reliable accounting information, the club must have internal accounting management regulations that include the following matters and an organization to manage and operate them (hereinafter referred to as "internal accounting control system"):
  - 1) Matters related to identification, measurement, classification, recording and reporting methods of accounting information;
  - 2) Matters regarding how to control and correct errors in accounting information;
  - 3) Matters related to internal verification, such as regular inspection and adjustment of accounting information;
  - 4) Matters concerning management methods for ledgers (including magnetic tapes, diskettes, and other information storage devices) that record and store accounting information and control procedures to prevent forgery, alteration, damage, and destruction;
  - 5) Matters pertaining to the division of duties and responsibilities of executives and employees related to the preparation and disclosure of accounting information;
  - 6) Other matters prescribed by the Presidential Decree as necessary for the preparation and disclosure of reliable accounting information.
- 2. The company's representative is responsible for the management and operation of the internal accounting control system, and appoints one full-time director in charge (if there is no director in charge, the person who executes the director's duties) as an accounting manager (hereinafter referred to as "internal accounting manager") must be designated.
- 3. The criterion gradation is upgraded as follows:
  - 1) This criterion will be revised and implemented as the 'B-Club Licensing Criteria' from 1st January 2025.
  - 2) This criterion will be revised and implemented as the 'A-Club Licensing Criteria' from 1st January 2026.

| F.08 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |
|---|-----------|-----------|------|------|--|
| Impaired capital  | С         | С         | С    | С    |  |
| 1. The license applicant must prove that there was no complete capital erosion as of 31<br>December of the previous year. |           |           |      |      |  |
| 2. This criterion will be revised and implemented as the 'A-Club Licensing Standard' from                                 |           |           |      |      |  |

2. This criterion will be revised and implemented as the 'A-Club Licensing Standard' from 1 January 2031.



#### Subsequent Information

Criteria F.09 and F.10 apply to Licensees after the Licensing Decision. Criterion F.09 (duty to notify Subsequent Events) applies to all Licensees. Criterion F.10 (duty to update Future Financial Information) only applies to those Licensees who exhibited a breach of one or more of the indicators.

| F.09 Criterion Description       | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------------|-----------|-----------|------|------|
| Duty to notify subsequent events | Α         | Α         | Α    | Α    |

- 1. Following the licensing decision by the decision-making body, the Licensee must promptly notify the Licensor in writing about any Subsequent Events that may cast significant doubt upon the Licensee's ability to continue as a Going Concern until at least the end of the season for which the License has been granted.
- 2. Compliance with this criterion shall be assessed by the Licensor in respect of the following licensing cycle.



| F.10 Criterion Description      | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---------------------------------|-----------|-----------|------|------|
| Duty to update Future Financial | ٨         | ٨         | ٨    | ٨    |
| Information                     | A         | A         | A    | A    |

1. If the Licensee is in breach of one or more of the below indicators, then the Licensee must prepare and submit an updated version of the Future Financial Information (prepared according to F.06). In addition, the prepared information shall include a comparison of Budget to actual figures including explanations of variances. The updated version of the Future Financial Information must be prepared, as a minimum, on a six (6) month basis.

#### Indicator 1: Going concern

The auditor's report in respect of the Annual or Interim Financial Statements submitted in accordance with F.01 and F.02 includes an emphasis on the matter or a qualified opinion/ conclusion in respect of the Going Concern.

#### Indicator 2: Negative equity

The Annual Financial Statements (including, where required, the Supplementary Information) submitted in accordance with F.01 disclose a net liabilities position that has deteriorated relative to the comparative figure contained in the previous year's Annual Financial Statements, or the Interim Financial Statements submitted in accordance with F.02 (including, where required, the Supplementary Information) disclose a net liabilities position that has deteriorated relative to the comparative figure at the preceding Statutory Closing Date.

2. Compliance with this criterion shall be assessed by the Licensor in respect of the following licensing cycle.

#### AFC Criteria – Additional Requirement:

3. The updated Future Financial Information shall meet the minimum disclosure requirements set out in the AFC Club Licensing Financial Handbook.



## Article 19: Marketing and Sales Criteria

| M.01 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |
|--|-----------|-----------|------|------|--|
| Annual Marketing Plan / Strategy   | С         | С         | С    | С    |  |
| 1. The Licence Applicant must establish a comprehensive Marketing Plan / Strategy to |           |           |      |      |  |

1. The Licence Applicant must establish a comprehensive Marketing Plan / Strategy to increase ticket sales and attendance.

| M.02 Criterion Description    | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-------------------------------|-----------|-----------|------|------|
| Club Website and Social Media | С         | С         | С    | С    |

- 1. The License Applicant must develop digital PR tools to promote the football and social activities of the club to its fan base and to prospective fans.
- 2. The License Applicant must create the club website containing club news, features, fixtures and Player and coach profiles of first team, etc.
- 3. The License Applicant must engage in at least two (2) Social Media platforms including providing information and interacting with fans.
- 4. The English content on the License Applicant's website and/or social media shall be up to date to extend beyond attracting the interest of fans around the world.

| M.03 Criterion Description    | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|-------------------------------|-----------|-----------|------|------|
| LED Display Advertising Board | С         | С         | С    | С    |

- 1. The License Applicant must install perimeter LED displays on the Field of Play in the stadium to offer completely captivating image quality and the best way to communicate compelling messaging to sponsors and fans.
- 2. At least one (1) more LED Display Advertising Board shall be installed around the pitch in the stadium.



# Article 20: Football Social Responsibility Criteria

| R.01 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |
|--|-----------|-----------|------|------|--|
| Racial Equality Practice   | Α         | В         | В    | В    |  |
| <ol> <li>The License Applicant must establish a policy to tackle racism in football.</li> <li>All players and staff of the License Applicant shall acknowledge the policy by signing the policy document.</li> </ol> |           |           |      |      |  |
|  |           |           |      |      |  |
| R.02 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |  |

| R.02 Criterion Description | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|----------------------------|-----------|-----------|------|------|
| Grassroots Programs        | Α         | В         | В    | В    |
|                            |           |           |      |      |

- 1. License Applicants shall hold regular events and activities (hereafter referred to as the "Program") for a wide variety of people regardless of age, gender, disability, etc., residing in their Hometown.
- 2. The program will encourage public participation, increase interest in the game, enhance opportunities for social inclusion, support healthy lifestyles, and support youth development in both sport and education. be something to do.



| R.03 Criterion Description                        | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---|-----------|-----------|------|------|
| Corporate Social Responsibility (CSR)<br>Programs | В         | С         | С    | С    |

1. The License Applicant to establish strategies and implementation programs to promote the club, and the game and to address current issues in football and society.

- 2. Support should be provided for initiatives and campaigns to implement strategies and programs as promulgated by either the License Applicant, KFA, the League, AFC, or FIFA.
- 3. Such programs connect and create links with the community which will facilitate the following:
  - 1) establishment and enlargement of their fan base;
  - 2) creation of a pool of volunteers;
  - 3) organization of grassroots football activities, initiatives, and events for and within the community;
  - 4) creation of strong links with the community; and
  - 5) creation of a market base for branding, merchandising, sponsors, and commercial partners.

| R.04 Criterion Description   | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|------------------------------|-----------|-----------|------|------|
| Child Protection and Welfare | В         | С         | С    | С    |

- 1. The License Applicant must establish and apply measures, in line with any relevant AFC policies and guidelines, to protect and safeguard children from potential abuses and to promote their well-being within football when participating in activities organized by the License Applicant.
- 2. The License Applicant should work with locally based child protection expertise and have a child safeguarding officer within its administration to develop and implement such measures, including having a child safeguarding policy.



| R.05 Criterion Description  | K LEAGUE1 | K LEAGUE2 | ACLE | ACL2 |
|---|-----------|-----------|------|------|
| Examination for the Environmental Impact<br>of the Football Events and Activities | С         | С         | С    | С    |

- 1. The License applicants must measure and manage Greenhouse gas (GHG) data on direct and indirect energy sources used in the club's various activities and establish a management system to set and achieve reduction goals.
- 2. Environmental data managed by the license applicant must include at least the following:
  - 1) Setting roadmap including a timeline to achieve Greenhouse gas reduction goal and action plan;
  - 2) Data on annual club Greenhouse gas emissions (Stadium, Office, Club House);
    - Scope1: Fossil fuels directly used at the club and stadium gasoline, diesel, kerosene, natural gas, etc.
    - ② Scope2: Energy purchased and used at the club and stadium electricity, steam, etc.
    - ③ Scope3: Energy used by stakeholders movement of fans to watch games, F&B, goods production, etc.
  - 3) Annual stadium waste emissions and water usage.
- 3. The data in Paragraphs 2) and 3) of Article 2 above must include the minimum standard items required by the League, and must be submitted through the environmental data platform provided by the League.
- 4. This criterion will be revised and implemented as the 'B-Club Licensing Standard' from January 1, 2025.



## Annex 1: Exceptions policy for KFA Club Competitions

- A. Principle
- 1. This exception policy only applies to K LEAGUE1 and K LEAGUE2.
- 2. The League may, in accordance with Article 10.2.2 grant exceptions on the following matters:
  - 1) non-applicability of a minimum requirement concerning the Core Process defined in Article 11 due to national law or any other reason;
  - 2) non-applicability of a minimum assessment procedure defined in Article 11.3 due to national law or any other reason;
  - 3) non-applicability of a certain criterion defined in Articles 14 to 20, due to national law or any other reason;
  - 4) extension of the introduction period for the implementation of a criterion or a category of criterion defined in Articles 14 to 20.
- 3. Exceptions related to items 1), 2), and 4) may be granted to all clubs which are registered with KFA and which submit a licensing application to enter the K LEAGUE. Exceptions related to item 3) are granted to the individual club that applies for a License.
- 4. In principle, an exception is granted for a period of one season. Under specific circumstances, this period may be extended and the club may be placed on an improvement plan.
- 5. A renewal of the exception is possible upon a new request.
- B. The Process
- 1. The League General Secretariat is the decision-making body on an exception request.
- 2. An exception request must be in writing, clear, and well-founded.
- 3. Exceptions related to items defined under Article 2 in A. The principle must be submitted by the License Applicant to the Licensing Administration thirty (30) days prior to the start of the Core Process.
- 4. The League uses the necessary discretion to grant any exception within the limits of these Regulations after AFC General Secretariat's review.
- 5. The decision will be communicated to the License Applicant. The decision shall be in writing and state the reasoning.
- 6. Appeals can be lodged against decisions made by the League General Secretariat in writing to the League Board of Directors whose decision is final and binding.



# Annex 2: Extraordinary application of the Club licensing system for K LEAGUE2

- 1. The extraordinary application shall only apply to the newly affiliated clubs to enter the K LEAGUE2. The application should only apply for the new club's first season.
- 2. The minimum Criteria applicable for the extraordinary application of the Club Licensing System as specified in Article 7.9.2 shall be the same as in Article 14 to 20 of these Regulations.
- 3. The CLA must notify the newly affiliated clubs / or potential newly affiliated clubs of the application in writing of the clubs concerned latest by 30 September of the year preceding the season to be Licensed.
- 4. The CLA shall be responsible for providing the Criteria to the club concerned for the assessment for the extraordinary procedure. The Licensing Administration must also take immediate action with the club concerned to prepare for the extraordinary procedure.
- 5. The club concerned must provide the necessary documentary proof by the 31 October of the year preceding the season to be Licensed to the Licensing Administration that will assess the club against the fixed minimum standards.
- 6. The decision making bodies (cf Article 9.4) bases its decision on the documentation received and grants License permission to enter the K LEAGUE2, if all the set Criteria are fulfilled.



| Step | Requirements  | Deadline                  |
|------|---|---------------------------|
| 1    | The CLA invites Clubs to notify the League in writing of their intention to apply for a K LEAGUE1 or K LEAGUE2 License.   |                           |
| 2    | The Licensing Applicants notify the Licensing Manager of their intention to apply for the K LEAGUE1 or K LEAGUE2 License (Please use an attached form)  |                           |
| 3    | The CLA produces and distributes the K LEAGUE Club Licensing Templates to License Applicants.   |                           |
| 4    | The License Applicants complete the documents providing the required<br>evidence for each criterion as necessary (Questionnaires, templates, etc).<br>These documents must be submitted online via the AFC Club Licensing<br>Administration system. No documents will be accepted via hardcopy and/or<br>hand-delivered and/or email. |                           |
| 5    | The CLA reviews the submitted documentation for all Criteria and prepares<br>written feedback to each License Applicant advising on further information<br>being required or existing documentation being amended/rectified.  |                           |
| 6    | The License Applicant re-submits documentation following the advice of the CLA.   |                           |
| 7    | The CLA or License Evaluation Team to conduct an inspection (If necessary)  | Further                   |
| 8    | The License Applicant must prove that it has no overdue payables towards<br>football clubs arising from transfer activities, current/former employees,<br>and social/tax authorities as of 30 June preceding the season to be<br>Licensed.  | notice<br>via<br>circular |
| 9    | With respect to the above-mentioned Step 8, they have been fully settled, deferred by mutual agreement with the creditor, or are subject to a not obviously unfounded dispute submitted to a competent authority by the following 31 March.   |                           |
| 10   | The CLA prepares a report on each K LEAGUE License Application for the FIB and submits documentation to FIB.  |                           |
| 11   | The FIB reviews the K LEAGUE License Applications and decides on the grant/refusal of the K LEAGUE1/2 License. The written decision is sent to each License Applicant.  |                           |
| 12   | Unsuccessful License Applicants appeal the FIB Decision in writing to the Licensing Administration setting out reasons for the appeal within 7 days of the FIB Decision.  |                           |
| 13   | AB reviews appeals and decides on cases of Appeal. The written decision is sent to the appellant.   |                           |
| 14   | The CLA informs AFC, KFA, and the League of the list of Licensing decisions by 30 November every year.  |                           |

# Annex 3: K LEAGUE Club Licensing Core Process Calendar



# Annex 4: AFC Club Licensing Core Process Calendar

| Step | Requirements  | Deadline                  |
|------|---|---------------------------|
| 1    | The CLA invites Clubs to notify the League in writing of their intention to apply for an AFC License.   |                           |
| 2    | The Licensing Applicants notify the Licensing Manager of their intention to apply for the AFC License (Please use an attached form).  |                           |
| 3    | The CLA produces and distributes the K LEAGUE Club Licensing Templates to License Applicants.   |                           |
| 4    | The License Applicants complete the documents providing the required<br>evidence for each criterion as necessary (Questionnaires, templates, etc).<br>These documents must be submitted online via the AFC Club Licensing<br>Administration system. No documents will be accepted via hardcopy and/or<br>hand-delivered and/or email. |                           |
| 5    | The CLA reviews the submitted documentation for all Criteria and prepares<br>written feedback to each License Applicant advising on further information<br>being required or existing documentation being amended/rectified.  |                           |
| 6    | The License Applicant re-submits documentation following the advice of the CLA.   |                           |
| 7    | The CLA or License Evaluation Team to conduct an inspection (If necessary).   | Further                   |
| 8    | The License Applicant must prove that it has no overdue payables towards football clubs arising from transfer activities, current/former employees, and social/tax authorities as of 31 December preceding the season to be Licensed.   | notice<br>via<br>circular |
| 9    | With respect to the above-mentioned Step 8, they have been fully settled, deferred by mutual agreement with the creditor, or are subject to a not obviously unfounded dispute submitted to a competent authority by the following 31 March.   |                           |
| 10   | The CLA prepares a report on each K LEAGUE License Application for the FIB and submits documentation to FIB.  |                           |
| 11   | The FIB reviews the K LEAGUE License Applications and decides on the grant/refusal of the K LEAGUE1/2 License. The written decision is sent to each License Applicant.  |                           |
| 12   | Unsuccessful License Applicants appeal the FIB Decision in writing to the Licensing Administration setting out reasons for the appeal within 7 days of the FIB Decision.  |                           |
| 13   | AB reviews appeals and decides on cases of Appeal. The written decision is sent to the appellant.   |                           |
| 14   | The CLA informs AFC, KFA, and the League of the list of Licensing decisions by 30 November every year.  |                           |



# K LEAGUE Club Licensing Administration

# www.kleague.com

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