

FOOTBALL FEDERATION AUSTRALIA

‘NEW LEAGUES WORKING GROUP’

RECOMMENDATIONS REPORT

31 MARCH 2019

Introduction and Overview by the Chair

As was the case with the Congress Review Working Group work in 2018, this report and the associated recommendations of the New Leagues Working Group are the result of hundreds of hours of work over the past 6 weeks by the individuals listed at the end of this report, many of whom are volunteers.

The unity of purpose comes from a shared passion for outcomes that deliver for the good of Australian football.

The legal, constitutional, commercial and social issues that underpin the New Leagues Working Group mandate are in many places intertwined, hence added complexity for the NLWG in delivering on this mandate within such a short timeframe.

Full credit to all those involved. The calibre and depth and breadth of the presentations, submissions, analysis and debate over the last six weeks is singularly impressive.

PART 1 - NEW LEAGUES WORKING GROUP

1. Pursuant to Special Resolution 2 passed by the Members of Football Federation Australia Limited (**FFA**) at the General Meeting held on 2 October 2018, the New Leagues Working Group (**NLWG**) was established to consider and propose an Alternate A-League Governance Model for the Professional Australian Football Leagues, comprising of the A-League, W-League and the Y-League. (the **Professional Leagues**). A copy of that resolution is attached as Appendix 1.

2. In terms of NLWG members, Item 2 of Special Resolution 2 provides that:

“The NLWG will comprise of the following members:

- (a) nine (9) Presidents of State Body Members;*
- (b) five (5) A-League Club Chairs;*
- (c) two (2) members of the PFA executive;*
- (d) two (2) members of the Women’s Football Council;*
- (e) two (2) FFA Directors;*
- (f) members of FFA management, as required; and*
- (g) an independent, non-voting Chair.”*

3. Item 4 of the Special Resolution 2 provides that the NLWG “...must provide its recommendations by 31 March 2019.”
4. With respect to implementation of the NLWG’s recommendations, it is important to note the following sections of Special Resolution 2.
5. Item 5 of Special Resolution 2 provides as follows:

“To implement the NLWG recommendations, the recommendations must be:

- (a) considered, and if thought fit endorsed, by the FFA Board; and*
- (b) considered, and if thought fit approved, by the Members specified in item 6 of this resolution 2 by Special Resolution.” (i.e. ...” a resolution that requires at least 75% of the votes cast by the Members entitled to vote on the resolution.”).*

6. Item 6 of Special Resolution 2 provides as follows:

“When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval by way of a Special Resolution, only the nine State Body Members and the three Women’s Football Council Members elected by the State Body Members will be entitled to vote on the resolution and the following Members are not entitled to and must not vote on such resolution:

- (i) The A-League Club Members;*
- (ii) The PFA;*
- (iii) The Women’s Football Council Members, other than those elected by State Body Members; and*
- (iv) Any New Members.”*

7. Item 7 of Special Resolution 2 provides as follows:

“When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval in accordance with item 6 of this resolution 2, the Members acknowledge and agree that this will have included a review of the constitution of the Company, Professional Leagues governance to ensure that the changing interests in FFA, as a result of the NLWG recommendations for the Alternate A-League Governance Model, are reflected in the FFA Member composition, representation and weighting of, and construct of voting structures, and Professional Leagues governance and competition structures.”

8. The first meeting of the NLWG was held on 6 February 2019 and the Secretary (Tim Holden) was appointed on the same date.
9. An independent Chair of the NLWG (Judith Griggs) was appointed on 15 February 2019.
10. Given the very short time within which the NLWG was required to provide its recommendations (31 March 2019), it was agreed that the NLWG members could nominate proxies to attend NLWG meetings and/or join calls, should the relevant individual member(s) be unable to do so.
11. In addition, working protocol agreements and confidentiality agreements, were also entered into regarding the NLWG's work.
12. The NLWG members and their proxies met on numerous occasions both in person and by telephone. In addition, discussions and deliberations between smaller groups and individual members of the NLWG took place throughout the process.

PART 2 - NLWG SUBMISSIONS AND PRESENTATIONS

13. Between 6 February 2019 and 29 March 2019, a number of submissions and presentations were made and received by the NLWG. A list of the written submissions is as follows:

	<i>Document Title</i>	<i>Stakeholder</i>
1.	NLWG - Leagues Strategy Discussion Paper – 12 February 2019	FFA
2.	NLWG - Preparing Football for Next Chapter – 20 February 2019	
3.	Hyundai A-League Commercial Model Review – 16 November 2016	
4.	FFA FY19 Budget and FY19 Budget Attribution	
5.	Better Together – The Football Network – March 2019	
6.	Football Data and Footprint – March 2019	
7.	FFA Financial Forecast - 2024 to 2027	
8.	FFA Proforma Financials 2020-2023	
9.	APFCA Blueprint for An Independent Future – February 2019	Australian Professional Football Clubs
10.	APFCA Financials Summary – March 2019 - DRAFT	
11.	APFCA Independent League Strategic and Financial Overview – March 2019 - DRAFT	

	Document Title	Stakeholder
12.	Letter from APFCA to NLWG Chair - 28 March 2019	Association (APFCA)
13.	Letter from APFCA to NLWG Chair dated 29 March 2019	
14.	The Development of Football in Australia – March 2019	
15.	Professional Leagues Principles - 30 March 2019	
16.	NLWG Guiding Principles	PFA
17.	Player Pathway Study 2017	
18.	Better Together: Vision of the Careers of Australia's professional footballers – CBA 2019-2023	
19.	Letter from PFA to NLWG Chair dated 29 March 2019	
20.	Independent A-league Match Officials Submission to the New Leagues Group – March 2019	Professional Football Referees Association
21.	Fox Sports Australia's submission to the A-League Clubs Working Group – March 2019	Fox Sports Australia
22.	Letter from Chair of National Second Division Working Group to NLWG Chair dated 27 March 2019	National Second Division Working Group

14. Whilst the commercial negotiations around structure and the nature and extent of licence fees and other consideration that might be payable by a new Professional Leagues entity were not settled, the FFA and the Clubs shared considerable financial information and modelling relating to FFA's current business, including the Professional Leagues, as well as draft modelling for an Alternative A-League Governance Model (referred to hereafter in this report as a **New Professional Leagues Model**).
15. The NLWG recognises that the financial modelling for a New Professional Leagues Model remains a work in progress and recommends that the FFA and the Clubs and Member Federations, in particular, continue to share information and modelling and finalise the priorities, sensitivities, sources and quantum of funding/investment required going forward from the Clubs and/or a new Professional Leagues entity and/or third-party investors.

Football Federation Australia

16. FFA made a number of submissions and presentations to the NLWG regarding its thoughts on an Alternative A-League Governance Model and drawn from a number of sources including:
 - (a) The FFA's own analysis and experience;
 - (b) Research and case studies in Australia and overseas (see in more detail below);
 - (c) work with external consultants such as Deloitte, Gemba and others.

17. FFA's principal submission can be divided into the following topics:
 - (a) Operating Model Design Principles
 - (i) Drive greater accountability
 - (ii) Increase enterprise values and add capital with a new operating model and ownership structure that aims to bring capital to the game and attracts strong ownership interest in addition to adding value to the current licence holders' assets;
 - (iii) Bring additional expertise to the game;
 - (iv) Provide clubs with greater input into the running of the game and including greater decision-making;
 - (v) Align objectives (including individual club alignment of objectives)
 - (vi) Reduce cost to serve and optimise use of scarce resources and reduce duplication.
 - (b) FFA Leagues Strategy
 - (i) The FFA's Leagues Strategy for the A-League and W-League is to grow the product locally and internationally: -
 - (A) Connect locally – engaging the largest participant base and connecting them to the A-League and W-League
 - (B) Think globally – leverage the global and diverse elements of football to gain a strategic advantage
 - (C) Digitally engaging – engage with football families via a medium that they connect with
 - (D) Female friendly – align the brands of W-League and the A-League and continuing to grow female connectedness to Leagues
 - (E) Brand aligned - align football across all football touchpoints
 - (F) Innovate – create innovative product offerings that connect with football families

- (G) Whole of game - connecting via National teams as well as Leagues to create super fans
 - (H) Communicate effectively; be inclusive' engage for feedback.
- (c) Football Ecosystem

The FFA's strategy emphasises the need for the football ecosystem needs to align national teams, Professional teams and grass roots with a sustainable growth future and in the FFA's words ***"to be the largest and most popular sport in Australia"***.
- (d) Case Studies
 - (i) In terms of case study work, the FFA looked at:
 - (A) **Australian competitions** such as the AFL, NRL, NBL and Basketball Australia, V8 Supercars; and
 - (B) **Overseas Professional Leagues** such as in Spain (La Liga), Germany (Bundesliga), England (English Premier League), Italy (Serie A), France (Ligue 1) Portugal (Primeira Liga), Japan (J-League) and USA (MLS).
 - (ii) Key conclusions by the FFA from its case study work include:
 - (A) Football leagues across the world adopt different governance models to suit local dynamics and 4 were chosen for review – Bundesliga, EPL, J-League and MLS;
 - (B) There is no one-size fits all model, with successful models adopting differing approaches;
 - (C) There are unique features and pros and cons of each league that drive corresponding behaviours and outcomes;
 - (D) Other leagues in Australia with community and private equity ownership have delivered varying results;
 - (E) Basketball in Australia suffers from not bundling their rights and has sought to re-bundle;
 - (F) A purely European approach may not be the best approach for the A-League;
 - (G) An EPL style model would make the A-League more unstable due to performance payments weighted towards the big clubs
 - (H) A fully separated 'EPL style' model may not be optimal, appears more risky and would deliver less value to football overall;
 - (I) League benchmark – central support – J-League operates with ~65 FTE but is a more decentralised league with large clubs;
 - (J) League benchmark – commercial resourcing - there is room for FFA and some the A-League clubs to improve sales performance;

- (K) League benchmark – cost to serve – Australia is a higher cost destination but a strong league on many metrics;
- (L) League benchmark – financial performance – the A-League has reasonable player wage costs yet have work to do on commercial revenues;
- (M) League benchmark – impact of foreign players – in local competitions has a moderately positive relationship on the national ranking;
- (N) League benchmark – league impact on national teams – a strong correlation between the ranking of the local league and national teams (lower ranking);
- (O) League benchmark – foreign players – Australian and New Zealand players make up 80% of total players;
- (P) League benchmark – centralisation vs decentralisation – larger UK clubs are 30 times larger than the A-League clubs who appear to require greater central support;
- (Q) League benchmark – centralisation vs decentralisation – best practices in the EPL for ‘big 6’ clubs is around 350-400 larger than FFA and all the A-League clubs combined.”

(e) Structural Considerations

In addition, some important considerations were articulated by the FFA for the NLWG members to consider in the context of shaping the NLWG’s recommendations and the *Professional Framework Guidance – Key Principles*’ document (Appendix 2):

- **Structural ‘Options’**

The FFA posed different ‘structural’ options for an Alternative A-League Governance Model for consideration by the NLWG, ranging from “*Separation*” options - for example: a) a newly separated FFA ‘Business Unit’; b) an FFA domiciled A-League; c) partial separation; or d) a fully separate A-League business; and

“*Ownership*” options such as a) Long term licence; b) Joint Venture; c) Co-investment; or d) Club owned (single/multiple owners).

- **Key Principles including Governance Questions**

The FFA also articulated a series of key principles including governance elements for discussion by the NLWG members which are set out below.

These principles were informative for wider NLWG discussions around the creation and development of a draft non-binding *Professional Leagues Framework – Key Principles* document (Appendix 2)

- **Asset ownership** - (the A-League licence, A-League/Club IP, participant data access, A-League infrastructure);
- **Business entity** - (ownership structure, ownership proportion, type of shares/(holding), impact of expansion on share ownership, payment for shares/(holding));
- **Board representation** - (Percentage of elected Board members, super majority, nomination process, term of seat, Chair election, sub-committee board, voting rights);
- **Commercial Rights**
 - **Share tradability** - (share liquidity, minimum holding term, ownership conditions);
 - **Profit sharing** - (dividend sharing);
 - **Licence fee** - (valuation of licence fee, distribution of fees);
 - **Revenue distribution rights** - (amount of revenue allocated to the A-League, mechanism of grant distribution, prize money);
 - **Capital obligations** - (initial capital input, capitalisation requirements, including capital calls);
 - **Negotiation rights** - (Broadcasting negotiation ownership, sponsor negotiation ownership)
- **How will it operate**
 - **Accreditations and Standards** – (referee, coach, player accreditation and ground standards);
 - **Shared services and marketing** – (services provided by FFA to Professional Leagues Co);
 - **Judicial and Disciplinary Regulation** – (grievance procedure, club sanction, player sanction, fan sanction);
 - **Statutes compliance** – (national registration, A-League competition, W-League competition, Y-League competition, national disciplinary, A-League and W-League disciplinary regulation, code of conduct, A-League operations manual);
 - **International relationship ownership** - (AFC relationship owner, FIFA relationship owner);
 - **A-League and W-League operations** - (fixture allocation, number of rounds, FFA Cup, season window, final series management);
 - **Player management** – (player salary cap regulation, roster competition, player contract, transfer fees, player roster

number, player recruitment, the A-League youth development agreement, release to national team);

- **Community & Football Development** – (community engagement strategy, junior teams, Y League and W-League requirements, grassroots development, participant conversion);
- **How will it be governed - Decision rights** – (shareholder entry approval, share reclassification, financing, encumbrance, securities, board rights, budget plans, CEO nomination, expansion, promotion/relegation, licence term, licence rights and obligations, W-League and Y League structure, asset disposal and acquisition).

State Body Members

18. Each of the FFA's State Body Members were represented in the NLWG and were vocal in articulation of their views across the range of issues under consideration by the NLWG.
19. Key to these were a set of 'core principles that the State and Territory Member Federations are intending and seeking to protect and advance for the 'Good of the Australian Game' through the negotiations with the Clubs and which are as follows (in their words):
 - *Illustrate the vast and diverse Australian football eco-system – and safeguard the financial and determination of commitment to all levels of it;*
 - *Safeguard and strengthen the relationship between the stakeholders of Australian football;*
 - *Reinforce, define and formalise the interdependence between the stakeholders;*
 - *Ensure that the FFA remains the governing body for - the regulation of, national strategy for, and pathway of grassroots to elite - football in Australia;*
 - *Recognise and protect the contribution the football family has made to the A-League & W-League;*
 - *Future-proof the funding into the education, development and delivery of the game throughout Australia;*
 - *Ensure our National Team programs continue to become stronger and evermore competitive.*
20. In addition, the FFA State Body Members have strong and heartfelt views in the context of the NLWG deliberations regarding the development of football in Australia and potential new 'co-operation agreements' and which are articulated as follows (in their own words):

“THE DEVELOPMENT OF FOOTBALL IN AUSTRALIA

The development of football in Australia must be recognized with an equitable level of support, alignment and commitment. In order to develop the game, there must be co-ordination between the clubs competing in Professional Leagues and the Member Federations (MF) operationally, strategically and commercially. All stakeholders will work together to develop and implement a strategic plan for the development of football at all levels with a view to ensuring:

- (a) The importance of positive engagement between each Member Federation and professional Club/s in their region and the benefits that can flow from such positive engagement.*
- (b) Consistent with the obligations imposed by the Member Federation Charter dated 8 October 2010 that each A League Club enter into a mutually beneficial and appropriate **Co-operation Agreements (CA)** with a Member Federation to promote football (including specifically **Football Development Programs**) in that State / Territory / Region.*
- (c) That any **Co-operation Agreement** will include but not be limited to measures to:*
 - (i) Support and guide the MF and any professional club in the promotion of the W-League;*
 - (ii) Assist the MF, district and junior associations and clubs within the MF with the implementation of **Football Development Programs**;*
 - (iii) Within the constraints of each party’s respective sponsorship arrangements, provide beneficial offerings (e.g. discounted memberships, invitations to Club events/functions) to players registered with the MF and exchange information, including access to MF databases for the purpose of promoting such beneficial offers and the growth of football in the MF Territory;*
 - (iv) Make Players available on a regular basis for game promotional and development initiatives such as attendances at football clinics, registration days, presentation events, community, fundraising and charity events that link all levels of football and the community;*
 - (v) Work together in the area of talent identification and player recruitment and retention in particular by jointly providing a continuous player pathway for talented footballers to deliver the maximum benefit to MF competitions, the national professional competitions and individual players;*
 - (vi) Make coaching staff available on a regular basis for promotional and development initiatives such as hosting*

- Club football clinics, attendances at MF football clinics, registration days, presentation events;*
- (vii) Provide game development opportunities for players or coaches registered with MF's including access to match day and training environments;*
 - (viii) Website links;*
 - (ix) Joint branding on shared initiatives (subject to standard FFA approval);*
 - (x) Actively pursue new ways to work together for the benefit and growth of football;*
 - (xi) Subject to the application of applicable privacy laws, to proactively grow the football database of players and registrations and further openly share this data for participation and attendances at local, national football competitions and national team's game attendances, building connections and goodwill with the game at all levels; and*
 - (xii) Work together to promote the game of football whenever possible."*

The purpose of Football Development Programs is to:

- (a) Improve the overall technical standard of the Australian player base;*
- (b) Design and oversee the delivery of the best participation experience in Australian sport;*
- (c) Identify, attract and retain participants particularly in the 12- 16 age group;*
- (d) Convert football participants to life-long fans of the Australian game;*
- (e) Attract and retain more volunteers to the sport of football;*
- (f) Increase the number of accredited coaches and referees;*
- (g) Ensure that facilities keep pace with demand.*

Football Development Programs fall into two categories:

- (a) Game Development - The aim of Game Development is to educate, support, resource and service all football participants through:*
 - (i) Participation (e.g. including futsal and small sided football);*
 - (ii) Coach education;*
 - (iii) Referee education;*
 - (iv) Club development;*

- (v) *Facilities;*
 - (vi) *Football in schools;*
 - (vii) *Inclusive initiatives;*
 - (viii) *Indigenous programs;*
 - (ix) *Women's football;*
 - (x) *Futsal.*
- (b) *Talented Player Development - The aim of Talented Player Development is to provide a pathway for talented players, coaches and referees with associated high-quality programs and resources. These include:*
- (i) *The National Curriculum and National Training Centres;*
 - (ii) *National Junior and Youth Championships;*
 - (iii) *National Futsal Championships;*
 - (iv) *National teams and national competitions;*
 - (v) *Coach and player Scholarships."*
21. It is well recognized that a whole of game approach is needed when any New Professional Leagues Model is put together, including in particular football pathways and development work on a National Second Division strategy and framework.
22. The State Body Members also provided a detailed submission on 30 March 2019 outlining a series of principles that are intended to "... *protect and serve Australian football through a definitive set of attributes that should be enshrined into any entity established and dedicated to govern, operate and commercialise Australian Professional Leagues on behalf of the stakeholders of Australian football.*" The submission's executive summary stated as follows:

"Executive Summary

This document (The Member Federation Professional Leagues Principles) seeks to summarise and share the consolidated principles of the nine Member Federations to assist the New Leagues Working Group (NLWG) achieve its stated objectives pursuant to the resolution of the Football Federation Australia (FFA) Congress in October 2018.

The Member Federations recognise and acknowledge the diverse nature of football's domestic environment and stakeholders, particularly within the broader global environment that stimulates the prosperity and growth of football throughout the world.

*The Member Federations are therefore united by a deeply held fundamental ethos to serve the “**Good of the Australian Game**”.*

Consequently, the Member Federations are obliged and compelled to be faithful and accountable to a NLWG decision-making process that will always focus on outcomes for the professional leagues that also support the interests of Australian Football.

The following immutable pillars have been established to aid the Member Federations and Australian football stakeholders to collaborate in pursuit of consensus and outcomes that contemplate the complexities of the challenge.

1. Stakeholder Roles

The NLWG provides an opportunity to both clarify and improve the efficiency and effectiveness of the roles and responsibilities of FFA; professional leagues, clubs and players; Member Federations and the amateur game for both men and women. In so doing, the core functions and interdependency of the stakeholders can be reset and reenergised with active and focussed purpose.

2. Football Development

The game is not achieving its football potential. The Congress Review Working Group (CRWG) and NLWG have provided a moment of reflection for stakeholders to recalibrate and emphasise football as the absolute priority. The game is paramount and that is our purpose. The Member Federations have tremendous aspiration for the game and its role in and for Australia.

3. Market Development

The game is not achieving its economic potential. The NLWG process provides an opportunity to analyse and stimulate the Australian football economy, including driving out inefficiency, unlocking capital and investment and promoting opportunity and innovation.

4. Risk Management

The NLWG and FFA Congress are responsible for the welfare of the game in Australia and future generations. The Member Federations acknowledge that change and reform are required to achieve the shared benefits of a healthy, growing and prosperous sport led by a strong and aspirational FFA. This means that decisions and strategies must establish mechanisms to both support market opportunities and mitigate downside risks.

*The Member Federations are deeply committed to collaborating with our colleagues and fellow stakeholders to serve our vision of the **Good of the Australian Game**, including:*

- The Socceroos and Matildas winning and being heroes to Australia and the world*
- More people playing, participating and enjoying football*
- Focus on fans and entrenching football as the number 1 sporting experience*
- Integrated pathways that produce amazing footballers, coaches, officials and administrators*
- More professional clubs and opportunities for Australians with expanded professional leagues connected though to state football competitions (the NPL)*
- The Australian football economy growing and attracting investment*
- The professional leagues and professional clubs' IP increasing in value*
- Increased market growth, distributions and investment in the game, and*
- More dedicated football facilities and infrastructure for both community and professional football.*

Significantly, the Member Federations do acknowledge the benefits of an entity dedicated solely to the governance, operation and commercialisation of the professional leagues, so long as that entity is wholly integrated, duty-bound and equally committed with all stakeholders to developing Australian football as its core purpose and objective.”

23. A summary of the topics outlined in the submission included the following:

- League Co structure and objects;
- League Co (and Club) Capitalisation;
- FFA “Stake’ in Leagues Co;
- Leagues Co governance;
- Regulating Relationship (e.g. the Special Share / the Good of the Australian Game Share);
- Licence Agreement between FFA and Leagues Co, including:
 - Recognition in accordance to Article 2.2 of the FFA Constitution and Article 20(1) of the FIFA Statutes;
 - Performance Conditions;
 - FIFA and AFC Club Competitions;
 - Conduct of the Leagues;
 - Compliance with FIFA, AFC and FFA Statutes;
 - Responsibility for Collective Bargaining Agreement;
 - Release of players for National Teams;
 - Engagement of Referees and Match Officials;
 - Compliance with integrity policies;

- Reporting and Review;
- AFC Club licensing;
- Disciplinary and Tribunals;
- Engagement with FIFA, AFC and WLF;
- Licence and transfer of Intellectual Property;
- Distributions to Football;
- Commercial Benefits;
- Rights to AFC Club Competitions;
- Football Purposes;
 - Strategy
 - 2nd Division
 - History and Records
 - Cooperation Agreement
 - Player Compensation and Transfer Fees
- Government Grants 'Cooperation';
- FFA Governance, including a review of stakeholder representation in the FFA Congress;
- Integration of Leagues Co Clubs with member Federation competitions; and
- Responsibility for Separation costs (FFA and Leagues Co).

24. Despite the very short timeframe ahead of the 31 March 2019 deadline, the NLWG made significant progress in its deliberations and it is the recommendation of the NLWG that the robust debate and detailed negotiations continue after the NLWG's recommendations are submitted with the same speed, momentum and focus to drive decisive binding agreements ideally by 30 June 2019.

A-League Clubs and the APFCA Blueprint for an Independent Future

25. The NLWG heard a series of submissions and presentations from the A-League club owners and representatives including from APFCA, principally centred around a body of work tabled to the NLWG and entitled "APFCA Blueprint for an Independent Future".
26. The key recommendations set out in the Blueprint are as follows (in their words):

“The APFCA calls for the transition to an independent A-League based on the following 18 principles in readiness for the 2019/20 season:

- 1. The APFCA recommends an orderly transition to an independent, autonomous and self-governing A-League, in readiness for the 2019/20 A-League season*. *footnote – Under the APFCA Blueprint, the FFA will still retain ‘football wide responsibilities’ throughout Australia. FFA representatives will be granted observer status on the board of the Independent League, and the FFA will retain influence over certain decisions related to the League.*
- 2. The APFCA recommends that the FFA should be fully aligned with FIFA Statutes and best international practice and this should extend comprehensively to the contractual obligations between the FFA as the Member Association, APFCA members and Australian professional players. In particular, the APFCA recommends that as part of the formation of the independent A-League the FFA is aligned fully with Article 15.d of the FIFA Statutes.*
- 3. The APFCA commits that an independent League will provide transparent financial reporting aligned with best practice and will continue to advocate the same for the FFA for the benefit of all of its stakeholders.*
- 4. The APFCA recommends as part of the transition to an independent League, the revision of the contractual obligations imposed upon clubs and players through the CPA, SPA and the CBA and the creation of a formal, contractual, direct working relationship between the APFCA and the PFA.*
- 5. The APFCA commits that an independent League will consult directly with the PFA on a range of matters impacting its members, including, but not limited to, collective bargaining agreements, salary cap policies and a Code of Practice for the League, improving disciplinary policies and procedures, and partnering on community and commercial programs.*
- 6. The APFCA commits that an independent League will evolve its relationships with the Federations to support the development and promotion of the game nationally, as well as in their respective states and territories.*
- 7. The APFCA membership recommends retaining at least the current limit of five overseas players per A-League club with a commitment to ongoing evaluation of this limit in the context of League expansion (in which more clubs will be competing for the same amount of local talent).*
- 8. The APFCA recommends an expansion of the limit on allowable substitutes in A-League matches from 5 to 7, with these additional two spots on the bench to be reserved for Australian players aged 23 or younger.*
- 9. The APFCA recommends the ongoing recognition of FIFA Windows and better coordination and cooperation between an independent Leagues body and the FFA around the development of National Women’s and Youth sides.*
- 10. The APFCA recommends that loans and transfers should be allowed between A-League clubs during current trading windows, with an agreed limit of 3 inward or outward loans*

per club in any given season, noting that the existing salary cap provides the League with built-in protection against excessively inflationary wage pressures.

- 11. The APFCA recommends the establishment of a Professional Game Match Officials body in Australia, primarily funded by the League, that is mandated to train and develop professional referees and non-professional assistant referees for the competition. The APFCA also recommends recruiting experienced officials from other countries as “guest referees” and/or consultants to work with and mentor Australia’s most promising refereeing talent.*
- 12. The APFCA recommends that moving forward the revenue from the FFA broadcast deal (2017/18 to 2022/23) is distributed in proportion to the relative share of value contributed by the different properties, based on independent analysis.* *footnote – Under the APFCA Blueprint for an Independent League, all future broadcast rights for the competition.....will be sold independently of other Australian rights e.g. National Team rights.*
- 13. The APFCA recommends the return of all club commercial assets to the clubs and the introduction of a ‘hybrid opt-in’ model for the sale of commercial inventory associated with the League in which participating clubs generally sell their own commercial assets but have the option of assigning certain elements of their inventory to a central pool for packaging with the assets of other clubs for combined marketing and sale by a newly-created, independent, dedicated marketing company.*
- 14. The APFCA recommends the development of a transparent roadmap for A-League expansion by an independent League in conjunction with the PFA, that develops optimal identified licences and evaluates bidders for those licences on a range of factors, including their financial sustainability, commercial potential and proposed match day infrastructure.*
- 15. The APFCA recommends giving participating clubs autonomy to invest in the development and deployment of their own digital platforms, allowing increased engagement across the web and mobile apps, and allowing an independent League to create its own platform integrating and showcasing club digital platforms.*
- 16. The APFCA recommends that an independent League will allocate a percentage of its broadcast revenue to state and regional Member Federations to support grassroots football and to the PFA Player Welfare Fund. The League will also create a dedicated sinking fund to provide additional security to participating clubs facing financial difficulties. The League’s payments to the state and regional Member Federations and the PFA Player Welfare Fund will constitute its licence fee to the FFA.*
- 17. The APFCA recommends that professional clubs should be granted greater autonomy in relation to their youth player recruitment, training and development activities in consultation with the FFA and state and regional bodies. Specifically, the APFCA proposes that the existing limit of 6 “scholarship players” per club should be expanded or removed to allow each A-League club to recruit a full senior academy squad of players.*

18. *The APFCA recommends that an independent League body should operate the A-League, W-League and National Youth League (NYL), including the organisation and execution of the respective competitions and management of financial distributions. The APFCA also recommends the expansion of the W-League as a matter of priority.”*
27. As was the case with certain aspects of the FFA’s submissions and presentations, the APFCA Blueprint generated robust debate within the NLWG discussions around the individual principles and the pros and cons of each. Some of the Blueprint principles went unchallenged and were not contentious. Others invoked lively discussion and debate and all of which went on to inform the thinking and subsequent input by the FFA and the Clubs into the draft non-binding *Professional Leagues Framework – Key Principles* document (Appendix 2).

Professional Footballers Australia

28. The PFA’s involvement in the NLWG process is, in their words, anchored in the timeless principle that a precondition to the wellbeing of the players is the wellbeing of the game and that decisions that go to the core of the game’s structure and governance in Australia are indivisible from the interests of the players.
29. In its submission to the NLWG, the PFA referenced its “For the Fans” document and also made the strong point that:
- (a) it has a direct and vested interest in ensuring the ongoing success of the Professional Leagues and has considerable intellectual capacity to ensure optimal decision making in the NLWG process; and
 - (b) it remains critical for the PFA’s position to be grounded in active principles that it believes will enhance football in Australia and enhance the careers of Australian footballers domestically and internationally.
30. The PFA’s Guiding Principles and framework for the NLWG’s work were articulated as follows:
- 1. **Whole of Game Integration**
 - a. *Building unity – football’s network is significant, but its unity of purpose is negligible and its core weakness is the fragmentation and disconnect that exists within the critical mass – from global fan to local participant; From local participant to local fan; From community club to professional club; From social*

player to community club; from Futsal to outdoor; from talented youngster to our National Teams;

- b. Alignment – ensure that competitions at all levels are integrated and complement each other;*
- c. Harmonisation – must be reached in areas such as player availability, talent management principles across the country, Professional League pathways and state-based pathways.*

2. Building an Identity

- a. The Game - Tell the story; Football has a moral and historical mandate to continue to shape Australian society for the better whether through the empowerment of women, entrenching and promoting the success of multicultural Australia and promoting reconciliation with our indigenous peoples;*
- b. The Leagues – The A-League itself must have very clear characteristics in order to achieve success. These characteristics include:*
 - i. Quality: playing standards must be a world class standard and the media production must match same;*
 - ii. Atmosphere: Boutique stadiums will provide an atmosphere that only football can create;*
 - iii. Community: embrace local communities through grassroots engagement.*

3. Becoming a Global Player

- a. Global Economy – building a league model with the right number of teams, the right location of teams with the right market size; regulating the economic model to ensure the distribution mechanisms between the clubs is optimal; implementing labour market regulations that allow clubs to build value into their business and their players.*
- b. Internationally Competitive Players*
- c. Attracting Global Talent*

4. Investing for Success

- a. Gender Equality – giving women and men the equal opportunity to thrive; implement minimum standards across women's football in areas of fundamental importance, such as equality of access, privacy and safety.*
- b. Player Personal Development*
- c. Youth Development*

5. **Progressive Governance**

- a. *Independence and Composition –*
- b. *A “social licence to operate”*
- c. *Partnership – treating players as partners*
- d. *Licence Agreement.*

31. It is important to note that the PFA strongly advocated to the NLWG that the Board of the Professional Leagues entity be an independent commission with an independent Board of directors, rather than have representatives appointed by the Clubs. The Clubs view is that they are all personally invested in currently loss-making club licences and that their cumulative losses in some cases extends to many tens of millions of dollars per club. The Clubs feel strongly that the right to appoint directors should absolutely rest with the owners of those clubs.
32. It is important to also note that in its submissions to the NLWG, the PFA strongly supported the establishment of an independent Professional League operation and that in its view, whilst the character of such independence remains for debate and negotiation, but as between the Clubs and the PFA such ‘first principle’ is settled.
33. In one of its submission to the NLWG, the PFA also made important points in relation to the Women’s Game and the W-League. They were as follows:

“Women’s football has an entirely different economy and a different global model to Men’s football, so different opportunities present – however the guiding principles should be the same.

The economy of Women’s football provides an opportunity for Australia to be a world-class competition – one with a global audience. Equally, the global architecture of women’s football has not yet calcified, so there remains a window of opportunity to influence the design of the goal structure to work for Australia, rather than against it.

Accordingly, its structure and its positioning need to be different from the A-League.

Ultimately, coupling the W-League and the A-League is attractive. However, coupling should not come at a disadvantage either.

The PFA’s experience to date demonstrates that the infrastructure, efficiencies and intellectual property of the A-League supports the W-League more effectively than a stand-alone model. This however is not absolute – and flexibility should be afforded for the W-League to build its own footprint across Australia based on, for example, the most attractive available investment, the depth of community engagement and location of the best talent.”

34. The PFA also noted the following in respect of youth development:

“We must shift the perception of youth development being a cost...to becoming an investment.” The decline in consistent and growing transfer value of Australian players our lack of international success at age group level and the drop in Australian men playing in the world’s leading competitions are testament to the lost opportunity.”

Women’s Football Council

35. The FFA Women's Council was established as part of the congressional review undertaken by Football Federation Australia in October 2018. The Council has the driving intent and value proposition set out in its Charter, Frame and Principles as follows:

“Charter: to ensure equality in football for women and girls

Frame: to use evidence to shape the strategy for equal outcomes in football for women and girls

Principles: including:

- *a commitment to equality of care;*
- *being evidence (and solution) driven;*
- *having a questioning mindset;*
- *being bold, innovative and forward thinking*
- *challenging thinking; and*
- *placing women and girls at the centre of all decisions.”*

36. The Council's vision and approach is aimed at aligning with FIFA's 5 key pillars for women in football, being:

- (a) development and growth
- (b) showcase (or providing a showcase)
- (c) communication and commercialisation
- (d) governing, leading and normalising women in football; and
- (e) educating and empowering beyond the field of play.

37. In approaching its stakeholder role as part of the NLWG, the Women's Football Council carefully considered the merits of the transition of the W-League to a new Professional Leagues company as opposed to the W-League remaining within the purview and operation of the FFA.

38. Having regard to the development required to accelerate growth in the women's game, the operational integrity and requirements of the professional game (men's and women's) in Australia and the Women's Football Council's focus on making and increasing the women's game a priority for all stakeholders, the Women's Football Council formed the view that as part of any new league it would be important that:
- the W-League transitioned with the A-league into a new operational structure;
 - the Women's Football Council mandate be broad enough to ensure it has oversight of, and can make valued recommendations in respect of, the development of the Women's game in totality (including grassroots, professional and national teams), with the form of that reporting and oversight to be determined once the NLWG principles are approved;
 - the Women's Football Council continue to support, educate and hold all football stakeholders (whether as part of the FFA or any new professional league entity) to account; and
 - given the importance of the development of the grassroots women's game to support growth in both the professional game and national teams, the FFA look to establish a Women's Development Fund to set a baseline contribution required to be made to the development of pathway programs and participation at all levels as part of any new structure.
39. The reporting structures through both the FFA and any new Professional Leagues Company are important to the mandate of the Women's Football Council and ensuring that its role is recognised, respected and proactive at all levels of women's football in Australia.

National Teams

40. The above comment around youth development leads well into input received by the NLWG from the National Men's Team Coach, Graham Arnold, who presented to the NLWG in person and who at time of this report had recently returned from Cambodia having successfully coached the Olyroos at the AFC U23 Championship Qualifiers (a qualifying tournament for the Tokyo Olympics in 2020) to wins against Chinese Taipei, Cambodia and to a draw 2-2 against Korea. In respect of the Korea match, Graham informed the Chair that the tie was against "a powerhouse in Asia..." and that "a minor miracle has happened. Great kids that don't play weekly at their clubs with so much energy." He made the point that "we must feed the pot from underneath and do everything we can to make it happen for the good of the next 4 years and the future of the Socceroos" in the context of the importance of the Olyroos program.

41. Graham was most appreciative of the agreement and spirit of the A-League Clubs and owners who released players for Cambodia and he was thankful to the Club management with whom he spoke directly, as being a former A-League club coach he well understood their concerns. At the same time, he also expressed concern about the lack of resources and lack of fitness, as in his view the players do not have enough game time at their clubs.
42. Graham also reminded the NLWG that Australia hasn't qualified for the Olympics in football since Beijing in 2008. Some of the statistics he referenced included:
- At the 2006 FIFA World Cup there was a combined total of 501 caps (5 x players with 40+ and 10 x players with 25+);
 - At the 2018 FIFA World Cup there was a combine total of 319 caps (1 x player with 40+ and 6 x players with 25+);
 - During the period from 1999 to 2008:
 - the U23 Team qualified 3 out of 3 times for the Olympics;
 - The U20 Team qualified 4 out of 5 times for the U20 FIFA world Cup;
 - The U17 Team qualified 4 out of 4 times for the U17 FIFA World Cup
 - During the period from 2009 to 2018:
 - the U23 Team qualified 0 out of 2 times for the Olympics;
 - The U20 Team qualified 2 out of 6 times of the U20 FIFA world Cup;
 - The U17 Team qualified 3 out of 6 times for the U17 FIFA World Cup
 - 17 x Players with 50 + Socceroos Caps played in Youth Tournaments between 1999 and 2009;
 - Of 80 Olympic U23 players – 70 of them played for Socceroos (87.5%).
 - Bresciano, Wilkshire, Holman, Culina, Valeri, Grella all debuted for the Socceroos after the Olympics and then went on to play a combined 383 caps;
 - Cahill, Neill, Miligan, Vidmar, Muscat and Viduka all had less than 10 Socceroo caps before playing at Olympics. They all went on to play a combined 447 caps;
 - Since 2014, the U23 Team has averaged less than 5 games each year.
 - Since 2014, the U20 Team has averaged less than 10 games each year.
 - Australia has not won a game at a FIFA World Cup since 2010.

Fox Sports Australia

43. Given the significance in terms of revenue contribution and positive impact on the A-League of the existing multi-year FFA – Fox Sports Australia media and broadcast rights contract, the NLWG recognised the importance of inviting a submission from FOX Sports.
44. The submission made for sober reading and the NLWG recognised that under whatever New Professional Leagues Model is adopted, the relationship between the Professional Leagues entity and Fox Sports Australia will be paramount just as will preservation of the respective rights and obligations of the FFA and Fox Sports Australia under that contract.

National Second Division

45. The NLWG's mandate under Special Resolution 2 relating to the National Second Division talks of the need for "integration and development of a National Second Division" in the context of developing a New Professional Leagues Model. Significantly, running in parallel with the NLWG has been the work of the National Second Division Working Group chaired by an FFA Director, Remo Nogarotto.
46. In a very short space of time, a great amount of work has been done within that working group to take the concept of a National Second Division to the next stage with a detailed plan to consider a range of issues, including assessments around feasibility, timing and promotion and relegation.
47. As that plan is still very much in its development, it would not be appropriate to include any initial drafts or workings around the plan. It is however important to note and record the following advice from the Chair of the National Second Division Working Group:

"Within the current Australian football ecosystem there is a significant divide in standards between the professional men's top tier competition (the Hyundai A-League or HAL) and the semi-professional men's second tier competition (the National Premier Leagues or NPL). This divide exists in several areas, including the levels of professionalism and standards (for players, officials and clubs), playing opportunities and revenues available, to name a few.

While Football is the largest participation sport in Australia, it has never been harder for talented Australian players to gain opportunities to play professional football and gain regular game time.

Over the last two years a significant body of work has been undertaken to assess the viability of, and possible structures for a national second division. The Association of Australian Football Clubs (AAFC) along with the FFA, the Professional

Footballers Association (PFA) and Football Victoria (FV) have all developed their own plans on this issue.

This whitepaper outlines a combined plan to take the concept of a national second division forward to the next step. The objectives of the National Second Division should be:

- *Connect the game;*
- *Enable Australia to remain internationally competitive;*
- *Create depth and provide new talent pathways;*
- *Improve Football Professionalism and industry standards;*
- *Unlock market opportunity for investment in Australian Football;*
- *Create a sustainable competition that supports and challenges the Hyundai A-League.”*

PART 3 - NLWG MANDATE OBJECTIVES

48. A great deal of time and effort has been committed by the NLWG members and their proxies, and significant progress has been made, to try and arrive at a New Professional Leagues Model that “...achieve[s] the necessary **control, alignment, accountability, transparency and compliance** desired by all stakeholders of the Australian game” as required by the NLWG mandate’.
49. The NLWG believes that this could be achieved by ensuring:

Control:

- ensuring that the on-going rights, roles and responsibilities of the FFA, in relation to the on-going success of the Professional Leagues as well as that of the FFA’s core business outside of the Professional Leagues are: 1) consistent with FFA’s status as a Member Association of FIFA; 2) consistent with the FFA Statutes; 3) consistent with the FFA Regulations; 4) consistent with the role of the FFA Board and the duties of its directors; 5) drive success for the good of football in Australia; 6) conducive to accelerated growth in football for women; and 7) capable of optimising community and grass roots football across all disciplines and geographies;
- ensuring that appropriate control and influence over the stability and financial viability of the Professional Leagues can be achieved through the exercise of appropriate ‘golden share’ rights for the FFA;
- ensuring operational and commercial management of the Professional Leagues entity by those who are most invested in its success;

- ensuring there is both a proper implementation period and a proper transition period for whichever New Professional Leagues Model is selected in order to best manage 1) the protection of Leagues IP, Club IP and associated Leagues rights 2) preservation of asset value 3) compliance with existing third-party contractual obligations 4) knowledge transfer and 5) a smooth transition;

Alignment:

- ensuring that within any new Professional Leagues Master Licence framework there will be created a newly balanced set of rights, obligations, deliverables and measures designed to enable the Professional Leagues to prosper within the football ecosystem of Australia and at the same time enable the FFA to effectively and efficiently carry out its own roles and responsibilities as the national regulator and to monitor the performance and compliance of the Professional Leagues entity and participating licensed Clubs;
- continuing consultation with, and involvement by, all FFA Members in relation to any New Professional Leagues Model having regard to both the FFA's responsibilities under the FFA Constitution and the roles, responsibilities and contributions of other stakeholder groups;
- ensuring consultation with the wider football family of stakeholders including Fox Sports Australia, A-League sponsors, W-League sponsors, Y-League sponsors, the National Second Division working group, the AAFC and NPL clubs, National Men's Team Coach, National Women's Team Coach, the Referees Association, Coaches Association, National Football fans and supporters, FFA suppliers and others as necessary;
- improved governance and strategic integration across the football stakeholders to minimise inefficiencies and optimise growth opportunities.

Transparency:

- ensuring that there will be a requirement for financial transparency on any new Professional Leagues entity and that any Master Licence Agreement would include a requirement to comply with IFRS for Financial Reporting to its shareholders/Members including the FFA.
- ensuring reporting standards to facilitate information sharing, accountability and innovation.
- ensuring a framework that enables the Clubs and Players in the Professional Leagues to participate in a stable, well-funded and commercially sustainable structure.

Compliance:

- ensuring that any new Professional Leagues entity will be required to comply with all applicable FIFA, AFC and FFA Statutes as well as the agreed obligations under a licence agreement with FFA. A list of key licence agreement terms and conditions are set out in Section 5 of the *Professional Leagues Framework – Key Principles* document (Appendix 2); and
 - clarifying specific roles and responsibilities of stakeholders and articulate areas of collaboration and codependence.
50. Another objective of the NLWG is that any New Professional Leagues Model for the Professional Leagues should also aim to “achieve appropriate financial arrangements and distributions to serve the interests of the Australian football stakeholders, including State Bodies”.
51. The NLWG believes that this could be achieved by:
- (a) ensuring that key contracts and revenue streams (in particular contracted revenue from the current Media and Broadcast rights agreement between FFA and Fox Sports Australia and from other current commercial agreements) are maintained and attributed in a fair and balanced way on a go forward basis;
 - (b) allowing for any new Professional Leagues entity to manage and commercialise all Club commercial inventory and, if the Clubs so choose, allow for a ‘hybrid opt-in’ model for the sale of commercial inventory associated with the Professional Leagues in which participating clubs generally sell their commercial assets but have the option of assigning certain elements of their inventory to a central pool for packaging with the assets of other clubs for combined marketing and sale by the Professional Leagues entity or a newly-created, independent, dedicated marketing entity or unit owned or controlled by it;
 - (c) recommending that the FFA’s commercial team and Professional Leagues commercial team work hand in hand and, where appropriate and desirable, co-sell, co-market and/or bundle commercial inventory relating to other football properties managed by the FFA such as National Teams, Under 23s, [National Second Division], FFA Cup and community programs (such as ALDI MiniRoos);
52. The NLWG mandate requires that any New Professional Leagues Model for the Professional Leagues should do the following:
- “set out the role of the Professional Australian Leagues in the context of the Australian football ecosystem”

- *“consider international best practices and how these might benefit the characteristics of the Australian sports market”*
 - *“determine the optimal governance relationship between FFA and the Professional Australian Leagues, which may be governed by a founding agreement or licence agreement”*
 - *“consider the role of the A-League and the W-League to maximise commercial and football returns to the Australian football family”*
 - *“be designed to ensure the greatest opportunity for the A-League to contribute to the Australian game at large; and*
 - *“be designed to eliminate conflicts of interest in league-related decisions through appropriate governance structures.”*
53. The NLWG Members believe that the submissions and presentations by the NLWG Members and the work in progress on the *Professional Leagues Framework – Key Principles* have been careful to capture and address the above objectives.
54. In addition, the NLWG Members believe that their work under this mandate has considered and taken into account the following:
- *“the ability to call on stakeholders to have provided insights and submissions that will allow the best possible governance model to be created”*. See list of submissions and presentations referred to above.
 - *“in the interest of gender equality (and in consideration of the FIFA Statutes, in particular article 15(j)) and the need for the rapid development of the Women’s game, the considerations of the W-League and prioritisation of the evolution and timing of the Women’s Football Council to achieve maximum independence”*; The Women’s Football Council has been embedded in the NLWG process throughout its mandate.
 - *“in consideration of the benefit of maintaining the integrity of football pathways, the considerations of the Y-League”*; The NLWG considered and taken into account the submissions and presentations in relation to the Y-League but notes that further consideration is required.
 - *“the inclusion of other leagues where suitable – for example, Futsal and beach soccer”*; The NLWG has considered and taken into account the submissions and presentations of the FFA Members in relation to other leagues.
 - *“that insight is needed from both State Body Members (as defined under the constitution of the Company) that do have an A-League, W-League and Y-League footprint, and those that do not”*; The NLWG has considered and taken into account insights from both.
 - *integration with, and development of, a national second division competition*; The NLWG has considered and taken into account and worked in close alignment with

the parallel work being undertaken by the National Second Division Working Group and input made by that group to the NLWG.

- *the inter-relationship with the broader competitions eco-system and associated pathways;* The NLWG has considered and taken into account in particular the submissions of the State Body Members in this regard
- *review the structures of the bundled Professional Leagues to maximize the strategic, financial and pathway dividends to the Australian football family.* The NLWG has considered and taken into account submissions and presentations from the respective stakeholders on this objective.

55. Special Resolution 2 also provides that the NLWG be established to:

- *“consider, evaluate and negotiate terms for all legal and commercial aspects pertaining to the new governance model for the Professional Leagues and:*
 - *the fiduciary duty of the FFA Directors;*
 - *the existing commercial arrangements that will require novation; and*
 - *the need for Congress to make constitutional changes to accommodate the recommendations of the NLWG and the derived financial relationships.”*
- *“formulate the funding responsibilities of the professional game to grass roots elements of football.”*

56. With this in mind and having regard to the other elements of Special Resolution 2, the NLWG created, negotiated and developed a *Professional Leagues Framework – Key Principles* document (Appendix 2) on a non-binding basis and which should be read together with all of the submissions and presentations made to the NLWG including in particular the State Member Body submissions as well as financial presentations and financial modelling work, it being understood that the latter is not definitive, exhaustive or conclusive nor are the discussions and negotiations around those submissions, presentations and financial modelling.

PART 4 – NLWG RECOMMENDATIONS

57. This section sets out the NLWG's recommendations having regard to the foregoing provisions of this report and to each of the submissions and presentations made to date.

Recommendation 1: Continuance of Negotiations and Nominated Negotiators

58. It is **recommended** that the following form the basis for expeditious continuing legal, commercial and constitutional negotiations between all parties and stakeholders in respect of a New Professional Leagues Model:
- (a) the recommendations of the NLWG contained in this report;
 - (b) each of the submissions and presentations made to the NLWG;
 - (c) the deliberations of the NLWG; and
 - (d) the framework outlined in the Professional Leagues Framework Guidance – Key Principles document in Appendix 2 and submissions in relation thereto.
59. To keep momentum after 31 March 2019, it is **recommended** that the FFA, A-League Clubs, Member Federations, Women's Council and PFA nominate lead negotiators and advisors to continue detailed negotiations on a New Professional Leagues Model for the conduct, operation and commercialisation of the Professional Leagues (and, where agreed, E League) having regard to the recommendations in paragraph 57 above.

Recommendation 2: Special Resolution 2

60. It is **recommended** that all stakeholders have regard to item 5, item 6 and item 7 of Special Resolution 2 following submission of this report.

Recommendation 3: FFA Constitutional Review

61. The NLWG recognises that there are key constitutional questions to be addressed and evaluated in the context of (and in parallel with) any New Professional Leagues Model and **recommends** that a constitutional analysis be prioritised and involve all Members of FFA.

Recommendation 4: Further Financial Due Diligence

62. It is **recommended** that FFA and the Clubs and the Member Federations continue to share further financial due diligence and financial modelling in relation to:
- (a) the existing business of the Professional Leagues; and
 - (b) the conduct, management and commercialisation of any New Professional Leagues Model focused on future stability and sustainability of the Leagues as well as acceleration of growth of the W-League.

Recommendation 5: Leagues Assets and Intellectual Property

63. It is recommended that a detailed analysis of all relevant FFA owned or controlled assets be undertaken relating to the Professional Leagues (and in that context the A-League, W-League, Y-League and, where applicable, E-League) including the intellectual property assets outlined in the Professional Leagues Framework Guidance – Key Principles document in Appendix 2.
64. It is recommended that this analysis occur before final decisions are made or binding agreements are reached on whether some or all of those assets should be transferred or licensed (and if so to which entity/entities) or retained by the FFA.
65. Third party specialist advice may also be required for the benefit of the proposed contracting parties.

Recommendation 6: Valuations

66. It is **recommended** that third party advice be taken as soon as possible following the analysis referred to above in relation to valuation, not only with respect to what FFA assets should constitute 'Leagues IP' and/or 'Club IP', but also on any other FFA assets that might be contemplated in any transfer or new licence transaction relating to any New Professional Leagues Model.
67. As the sums involved could be material, it is **recommended** that specialist advice be sought by both the FFA and the Clubs for their respective rights and interests.

Recommendation 7: Taxation

68. In addition to valuation advice, it is **recommended** by the NLWG that specialist advice should be taken by the FFA and the Clubs in relation to taxation requirements and tax treatment of any transaction, transfer or licence being contemplated, including capital gains tax, GST and stamp duty considerations.
69. As the time required to seek and obtain that advice may be significant, it is **recommended** that such advice (and if necessary, a tax ruling) be sought as soon as practicable following definitive work (even if non-binding) on key structural and commercial components and/or options for any New Professional Leagues Model.

Recommendation 8: Media and Broadcast Obligations

70. The NLWG recognises the significance and high percentage of overall revenue contribution to the Professional Leagues that is derived from a current multi-year contract between the FFA and Fox Sports Australia for media and broadcasting rights.
71. The NLWG also recognises the importance of that contract and of ensuring that the rights and obligations of the FFA and Fox Sports Australia under that contract are preserved and maintained.
72. In recognition of their status as a long term and valued media broadcast partner of the FFA, it is **recommended** that there is pro-active consultation with Fox Sports Australia in relation to any New Professional Leagues Model on as broad a basis as practicable.

Recommendation 9: Commercial Partner/Sponsorship Rights and Obligations

The NLWG understands that there is a series of important sponsorship and commercial contracts in place between the FFA and relevant counterparties relating to the Professional Leagues and/or FFA controlled properties, including the National Teams. The NLWG also understands that some of those contracts include 'bundled' commercial sponsorship inventory - that is to say sponsorship inventory relating to one or more of the Professional Leagues as well as sponsorship inventory relating to other FFA controlled properties, including for example the National Teams.

73. In recognition of their status as long term and valued partners of the FFA, it is **recommended** that there is pro-active consultation with FFA's partners - including Hyundai, Westfield, Qantas, NAB, Telstra and other key sponsors in relation to any New Professional Leagues Model.

Recommendation 10: Bundling of Rights

74. The NLWG understands there are different positions between the stakeholders regarding the pros and cons of bundling rights, both from a media and broadcasting perspective and from a sponsorship/commercial inventory perspective. FFA's position, having regard to and external advice sought by it, is that there is a premium to be derived from bundling rights in certain cases. While the Club's seek to control all rights relating to the Professional Leagues going forward, they recognise that a case by case approach to 'bundling' rights may be best going forward.
75. In any case, the commercial teams of the FFA, any new 'Professional Leagues Co', the Clubs, and State Body Members in relation to their rights and assets, should work closely together and collaborate with each other with the aim of optimising added value from bundling where considered appropriate. It is **recommended** that further time and analysis be given to this issue in the detailed negotiations.

Recommendation 11: W-League, Development and National Teams

76. It is **recommended** that all stakeholders continue discussions in respect of:
- (a) the strategy, structure and steps required to make the W-League the premier women's league in the world;
 - (b) the role and structure of the Y-League in football development;
 - (c) how best to align pathway to ensure the development of football at all levels; and
 - (d) the release of players by Clubs to participate in National Team activities.

Recommendation 12: Ongoing Key Stakeholder Involvement with State Body Members, WFC and PFA

77. It is **recommended** that the State Body Members, each Women's Football Council Member and the Players' Member continue to be recognised as essential and interested stakeholders and continue to be consulted in relation to the conduct, organisation and commercialisation of any New Professional Leagues Model.

Recommendation 13: Other Stakeholder Consultation

78. It is **recommended** that other football family stakeholders (separately and in addition to the FFA Members) such as the Association of Australian Football Clubs, National Second Division Working Group, Professional Football Referees Association, Football Coaches Association, Football Supporters Association continue to be engaged with as deemed appropriate.

Recommendation 14: Collective Bargaining Agreements

79. It is **recommended** that the negotiations between FFA, PFA and the Clubs in respect of the A-League and W-League Collective Bargaining Agreements (as well as for the National Teams) continue as a priority in parallel with the other recommendations of this report.

Recommendation 15: Timeline

80. It is **recommended** that all parties and stakeholders, through their nominated lead negotiators and advisors, seek to conclude their negotiations for a new Professional Leagues Model as soon as practicable following 31 March 2019 and, having done so, to document and execute all consequential and/or necessary binding long form agreements and do all things reasonably necessary to give effect to such agreements by 30 June 2019 (including submission of any proposed FFA constitutional changes to the Members of FFA).

Thank you

81. The Chair of the New Leagues Working Group wishes to sincerely thank all of the NLWG members and their representatives, advisors, proxies as well as all stakeholders for their commitment of time, effort and valuable contribution over the past 6 weeks in the interests of the football family of Australia including all who made presentations or submissions and otherwise contributed to the NLWG process:

FFA Board	<p>Chris Nikou, FFA Chairman</p> <p>Joseph Carozzi, FFA Director</p> <p>Crispin Murray, FFA Director</p> <p>Remo Nogarotto, FFA Director and Chair of the National Second Division Working Group</p> <p>Kelly Bayer Rosmarin, FFA Director</p>
A-League Clubs	<p>Paul Lederer, Chairman, Australian Professional Football Clubs Associations and Western Sydney Wanderers FC</p> <p>Simon Pearce, Director, Melbourne City Football Club</p> <p>Scott Barlow, Chair, Sydney FC</p> <p>Tony Sage, Chair, Perth Glory</p> <p>Rob Morrison, Chair, Wellington Phoenix</p> <p>Anthony Di Pietro, Chair, Melbourne Victory</p> <p>Christopher Fong, Chair, Brisbane Roar</p> <p>Greg Griffin, General Counsel, APFCA</p>
State Body Members	<p>Anter Isaac, President, Football NSW</p> <p>Kimoni Taliadoros, President, Football Victoria</p> <p>Sam Ciccarello, President, Football Federation South Australia</p> <p>Liam Twigger, President, Football West</p> <p>Greg Blycha, COO, Football West</p> <p>Mark O'Neill, President, Capital Football</p> <p>Ben Richardson, President, Football Queensland</p> <p>Stuart Kenny, President, Football Northern Territory</p> <p>Bill Walker, President, Football Federation Northern New South Wales</p> <p>Bob Gordon, President, Football Tasmania</p> <p>Matthew Buckley, CEO, Football Tasmania</p>
Professional Footballers Australia	<p>John Didulica, CEO</p> <p>Angela Collins, General Counsel</p> <p>Francis Awaritefe, Executive Committee Member</p>
Women's Football Council	<p>Ros Moriarty, Chair, Women's Football Council</p> <p>Caroline Carnegie, Women's Football Council Member</p> <p>Janette Spencer, Women's Football Council Member</p>

Australian Association of Football Clubs:	Rabieh Krayem, Chairman, Australian Association of Football Clubs and Deputy Chair, National Second Division Working Group
Foxtel / Fox Sports Australia	Patrick Delany, CEO, Foxtel Australia Peter Cambell, CEO, Fox Sports Australia
Football Referees Association	Strebrel Delovski
Football Supporters Australia	Pablo Bateson
FFA Management	David Gallop, Chief Executive Officer Mark Falvo, Chief Operating Officer Greg O'Rourke, Head of Leagues Graham Arnold, Head Coach Australian National Men's Team Tim Holden, Head of Legal, Business Affairs and Integrity and NLWG Secretary
Sports Rights Management	Tom Rischbieth, Commercial Director, Sports Rights Management



Judith Griggs
Chair
New Leagues Working Group

31 March 2019

APPENDICES

Appendix 1 Special Resolution 2 of the FFA General Meeting – 2 October 2018

Appendix 2 Professional Leagues Framework – Key Principles draft - 27.3.2019

APPENDIX 1

FFA General Meeting – 2 October 2018

Special Resolution 2

1. A New Leagues Working Group (**NLWG**) will be established to:
 - (a) Consider and propose an Alternate A-League Governance Model for the Professional Australian Leagues, comprising of the A-League, W-League and the Y-League. The:
 - new governance model must:
 - achieve the necessary control, alignment, accountability, transparency and compliance desired by all stakeholders of the Australian game;
 - achieve appropriate financial arrangements and distributions to serve the interests of the Australian football stakeholders, including State Bodies;
 - set out the role of the Professional Australian Leagues in the context of the Australian football ecosystem;
 - consider international best practices and how these might benefit the characteristics of the Australian sports market;
 - determine the optimal governance relationship between FFA and the Professional Australian Leagues, which may be governed by a founding agreement or licence agreement;
 - consider the role of the A-League and the W-League to maximise commercial and football returns to the Australian football family;
 - ensure the greatest opportunity for the A-League to contribute to the Australian game at large; and
 - eliminate conflicts of interest in league-related decisions through appropriate governance structures; and
 - proposal must consider and take into account:
 - the ability to call on stakeholders to provide insights and submissions that will allow the best possible governance model to be created;
 - in the interest of gender equality (and in consideration of the FIFA Statutes, in particular article 15(j)) and the need for the rapid development of the Women's game, the considerations of the W-

-
- League and prioritisation of the evolution and timing of the Women's Football Council to achieve maximum independence;
 - in consideration of the benefit of maintaining the integrity of football pathways, the considerations of the Y-League;
 - the inclusion of other leagues where suitable – for example, Futsal and beach soccer;
 - that insight is needed from both State Body Members (as defined under the constitution of the Company) that do have an A-League, W-League and Y-League footprint, and those that do not;
 - integration with, and development of, a national second division competition;
 - the inter-relationship with the broader competitions eco-system and associated pathways; and
 - review the structures of the bundled Professional Leagues to maximize the strategic, financial and pathway dividends to the Australian football family.
- (b) Consider, evaluate and negotiate terms and make recommendations to FFA Board in relation to legal and commercial aspects pertaining to the new governance model for the Professional Australian Leagues. The financial implications and terms of the new arrangements will be considered and reached in-principle, understanding:
- the fiduciary duty of the FFA Directors;
 - the existing commercial arrangements that will require novation; and
 - the need for Congress to make constitutional changes to accommodate the recommendations of the NLWG and the derived financial relationships.
- (c) Formulate the funding responsibilities of the professional game to grass roots elements of football.
2. The NLWG will comprise of the following members:
- (a) nine (9) Presidents of State Body Members;
 - (b) five (5) A-League Club Chairs;
 - (c) two (2) members of the PFA executive;
 - (d) two (2) members of the Women's Football Council;
 - (e) two (2) FFA Directors;
 - (f) members of FFA management, as required; and
 - (g) an independent, non-voting Chair.
3. The Chair may co-opt additional non-voting members as required.
4. The NLWG must provide its recommendations by 31 March 2019.
5. To implement the NLWG recommendations, the recommendations must be:

-
- (a) considered, and if thought fit endorsed, by the FFA Board; and
 - (b) considered, and if thought fit approved, by the Members specified in item 6 of this resolution 2 by Special Resolution.
 - 6. When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval by way of a Special Resolution, only the nine State Body Members and the three Women's Football Council Members elected by the State Body Members will be entitled to vote on the resolution and the following Members are not entitled to and must not vote on such resolution:
 - (a) the A-League Club Members;
 - (b) the PFA;
 - (c) the Women's Football Council Members, other than those elected by the State Body Members; and
 - (d) any New Members.
 - 7. When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval in accordance with item 6 of this resolution 2, the Members acknowledge and agree that this will have included a review of the constitution of the Company, Professional Leagues governance to ensure that the changing interests in FFA, as a result of the NLWG recommendations for the Alternate A-League Governance Model, are reflected in the FFA Member composition, representation and weighting of, and construct of voting structures, and Professional Leagues governance and competition structures.

APPENDIX 2

NEW LEAGUES WORKING GROUP

Professional Leagues Framework

Key Principles

*This document is an overview of key principles discussed among stakeholder groups as part of the NLWG as at **27 March 2019** only.*

The principles are non-binding and represent the position of the parties discussed to date, as at the date of this document only. Once the key items have been agreed in principle, and the recommendations of the NLWG adopted, the stakeholders will need to work together on detailing the principles in a manner acceptable to all stakeholders and implementing the principles set out in this report with a view to governance of the Leagues transitioning to a new independent entity from season 2019/2020.

Table of Contents

1. BACKGROUND	3
2. RELATIONSHIP ARCHITECTURE.....	4
3. AUSTRALIAN PROFESSIONAL LEAGUES COMPANY	5
4. THE FOOTBALL FAMILY GOLDEN SHARE	7
5. LICENCE AGREEMENT	9
6. LEAGUE INTELLECTUAL PROPERTY	12
7. CLUB INTELLECTUAL PROPERTY	13
8. COMMERCIAL RIGHTS AND BENEFITS	14
9. FEES AND COMMERCIAL BENEFITS.....	16
10. FFA ROLE AND RESPONSIBILITIES.....	18
11. WOMEN'S FOOTBALL	21
12. COLLECTIVE BARGAINING	22
13. FOOTBALL PATHWAYS.....	22
14. MATCH OFFICIALS	23
15. STRATEGIC COOPERATION.....	24
16. TRANSITIONAL ARRANGEMENTS	24
17. FFA CONGRESS AND CONSTITUTIONAL AMENDMENTS	25
18. PROPOSED TRANSACTION STRUCTURE AND TIMELINE	26

New Leagues Working Group

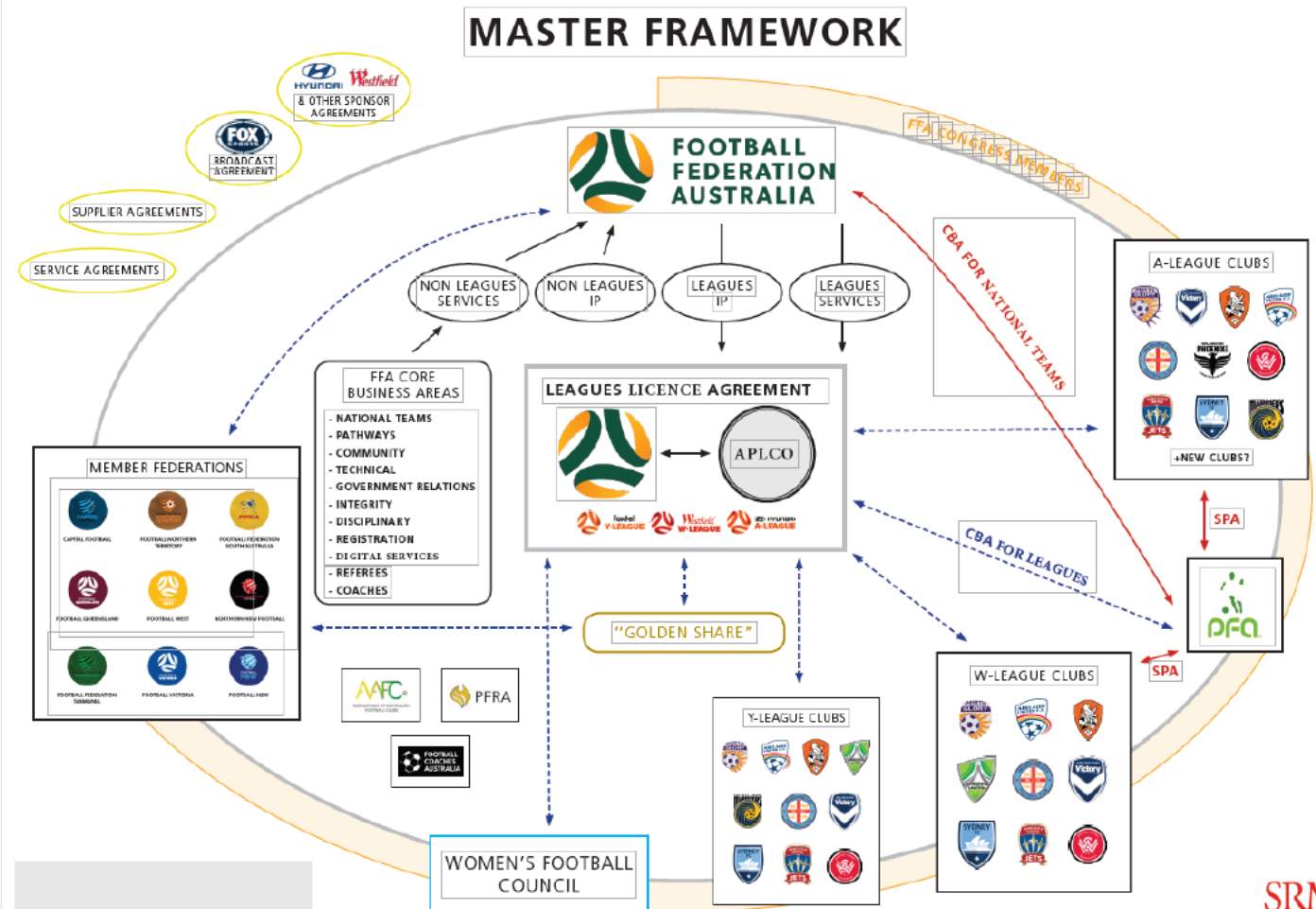
Professional Leagues Framework Guidance

Key Principles

1. Background

- 1.1 FFA is the national governing body for Football in Australia and member association of the Asian Football Confederation (*AFC*) and Fédération Internationale de Football Association (*FIFA*).
- 1.2 In accordance with Article 2.2 of the FFA Constitution, FFA has established the A-League, W-League, Y-League national club competitions as well as the E-League (together the *Leagues*) and is responsible for their conduct, administration and commercialisation.
- 1.3 On 2 October 2018, the members of FFA passed a special resolution to establish a New Leagues Working Group (*NLWG*) in order to consider and propose an alternate governance model for the Leagues in accordance with the terms of the special resolution set out as Annexure A.
- 1.4 It is proposed to restructure the conduct, organisation and commercial exploitation of the Leagues and as a consequence, the respective roles, responsibilities and contributions of the FFA, Clubs, Member Federations and PFA in respect of the Leagues will be impacted by the restructure.
- 1.5 The Clubs that currently participate in the A-League wish to establish an entity which, together with the FFA, they would co-own – ‘Australian Professional Leagues Co’ (*APLCO*) – to assume the conduct, administration and commercial exploitation of the Leagues.
- 1.6 On and from an agreed date (but with a view to APLCO conducting the 2019/2020 A-League Season) preceded by a smooth transition period, FFA will:
 - (a) cease its conduct, operation and commercial exploitation of the Leagues; and
 - (b) permit APLCO to be responsible for the conduct, operation and commercial exploitation of the Leagues subject to a Licence Agreement to be negotiated and entered into between the FFA and APLCO and subject to a new governance structure.

2. Relationship Architecture



3. Australian Professional Leagues Company

3.1 APLCO Entity

APLCO will:

- (a) be an independent, autonomous, self-governing organisation whose business is the promotion of football in Australia; and
- (b) conduct, administration and commercial exploitation of the Leagues.

The objects of APLCO will include a requirement for APLCO to have regard to the best interests of football in Australia in its decision making.

Note: APLCO not-for-profit entity considerations subject to external advice to be taken by the Clubs

3.2 Shareholders / Membership*

- (a) Adelaide United Football Club Pty Ltd (ACN 136 768 539)
- (b) Brisbane Roar Football Club Pty Limited (ACN 136 768 566)
- (c) Central Coast Mariners FC Pty Ltd (ACN 111 321 674)
- (d) Melbourne City FC Pty Ltd (ACN 128 569 264)
- (e) Melbourne Victory Ltd (ACN 111 441 868)
- (f) MSW No.1 Pty Limited (ACN 628 254 982)
- (g) Newcastle Jets Club Pty Limited (ACN 602 270 664)
- (h) Okewood Pty Ltd (ACN 053 910 133)
- (i) Sydney Football Club Pty Ltd (ACN 110 877 668)
- (j) Welnix LP (New Zealand Corporation No. 2553524)
- (k) WMG Football Club Ltd (ACN 631 204 003)
- (l) Western Sydney Wanderers FC Pty Ltd (ACN 156 634 016)
- (m) Football Federation Australia Limited (ACN 106 478 068) as holder of special class of shares / membership, including the 'Golden Share' rights – see section 4.

**Type of entity to be subject to external advice.*

3.3 Shareholders / Membership Agreement

- Each club to hold an equal membership / share of the same class (and dilute equally on expansion)
- FFA to hold a separate class of membership / share with the rights set out in section 4 attaching to that class

- 'Fit and Proper Person Test' to apply to any new members (whether by way of new licence, assignment of licence, or change of control in the relevant club).

Note: The 'Fit and Proper Person Test' is to be agreed between FFA and APLCO and will be enshrined in the Constitution or Shareholders / Membership Agreement.

3.4 Board

The Board of APLCO will consist of the following:

- (a) 1 x Director nominated by each Club shareholder / member;
- (b) 1 x Independent Chair elected by the Club shareholders / members;
- (c) [1 x Director nominated by FFA and 1 x representative (observer status) appointed by FFA/MFs (possibly 1 x football expertise and 1 x commercial expertise)];
- (d) 1 x representative (observer status) from any W-League Club that does not participate in the A-League for all W-League related matters.

Note:

- Consideration to be given to an FFA Director sitting on the APLCO nominations committee.
- Nominations for Directors by Clubs should have regard to diversity and skillset;
- It is to be an objective of APLCO that the 40/40/20 Principle is reflected within the Directors of APLCO.

3.5 Capitalisation of APLCO

APLCO will receive necessary working capital designed to achieve its objectives and strategic imperatives.

4. The Football Family Golden Share

FFA to be issued with a 'golden share' in APLCO and notwithstanding any provision in the Constitution of APLCO to the contrary, the following matters will be only effective with the consent in writing of FFA and without such consent must not be done or caused to be done:

- (a) Change in definition of "Special Share Shareholder" (ie the golden share holder)."
- (b) Changes to the following items of the APLCO constitution:
 - (i) the objects,
 - (ii) criteria for membership; and
 - (iii) number of Directors, and criteria and process for appointments and re-appointments;
- (c) Adherence of rules common to the League and other leagues in Australia and Adherence to FFA rules;
- (d) Change of APLCO Company Name;
- (e) [Coordination and enforcement of international match dates]
- (f) Obligation of each club to enter the FFA Cup;
- (g) Multiple club investments except where APLCO holds a surrendered licence;
- (h) Changes to any rights attaching to any shares in APLCO;
- (i) The criteria for promotion to and relegation from the Leagues;
- (j) Change of name of any of the Leagues;
- (k) Contraction of the Leagues;
- (l) [Expansion of the Leagues, including process, timing and geography]
- (m) Ratification of the independent chair of APLCO [and CEO];
- (n) Definition of 'Leagues Revenue';
- (o) Definition of 'distributions' relating to Leagues Revenue, including the criteria, methodology and the components thereof;
- (p) [Relocation of any existing clubs (whether within Australia or otherwise)];
- (q) Change to APLCO 'Fit and Proper Person Test';
- (r) Any sale, transfer or securitisation of all or substantially all of the assets of APLCO or the business of APLCO;
- (s) The winding up of APLCO
- (t) Adherence to any Statutes, Regulations or policies of FFA;
- (u) The making and adoption of or any amendment to removal of or waiver of any of the provisions of rules (agreed or ratified as at the establishment of APLCO) which relate to:
 - (i) the name of any of the Leagues administered by APLCO;
 - (ii) the commitment to support the FFA in relation to international matches;

- (iii) any rules related to the conduct of the Leagues administered by APLCO;
and
- (iv) [foreign and visa players regulations].

DRAFT

5. Licence Agreement

FFA and APLCO agree that APLCO will conduct, organise and commercialise the Leagues and FFA will recognise APLCO accordingly in accordance to Article 2.2 of the FFA Constitution and Article 20(1) of the FIFA Statutes on the terms and conditions set out in a licence agreement.

Key terms of the licence agreement to include the following.

5.1 Conduct of the Leagues

APLCO to:

- (a) conduct, organise and commercialise the Leagues;
- (b) respect the Laws of the Game and principles of “integrity, sportsmanship and fair play”;
- (c) be responsible for the Leagues’ rules and regulations. FFA and APLCO to agree the process for FFA to provide approval to ensure compliance with FIFA Statutes, FFA Statutes as well as the ‘Golden Share’ matters;
- (d) determine the fixture for each season of the Leagues in consultation FFA and in conjunction with its broadcasters. APLCO to acknowledge that FFA will retain the overall responsibility for the Australian Calendar (i.e. A-League vs FFA Cup; national team, etc.);
- (e) maintain the professional standards of the Leagues, including in relation to play, match presentation, behaviour and broadcast.

5.2 FIFA, AFC and FFA Statutes

APLCO to:

- (a) comply with the FIFA, AFC Statutes and FFA Statutes;
- (b) ensure that each shareholder / member of APLCO (i.e. the Clubs) as well as each official, player, coach, staff member is registered with FFA and comply with the FIFA, AFC and FFA Statutes;
- (c) ensure that it complies with all FIFA and AFC Statutes concerning the participation of clubs outside of Australia.

5.3 Collective Bargaining Agreements

APLCO to be responsible to negotiate Collective Bargaining Agreements for the Leagues with the PFA.

5.4 National Teams

APLCO and each Club participating in the League to acknowledge the requirement to release players to participate in National Teams in accordance with the FIFA Statutes. FFA and APLCO to work together in good faith in respect of international matches/tournaments/camps, including outside FIFA windows, co-ordination of dates and the arranging of fixtures on or prior to specified international match dates.

5.5 Referees and Match Officials

APLCO to only engage FFA accredited referees and match officials for the Leagues.

5.6 Integrity and Anti-Doping

- (a) APLCO and each of its participants, including players and coaches, to be bound and comply with FFA's integrity policies;
- (b) APLCO to enforce the FFA Anti-Doping Policy and implement a reasonable Anti-Doping testing and education regime to be agreed with FFA.

5.7 Reporting and review

- (a) APLCO to comply with IFRS for Financial Reporting for reporting to FFA and Members.
- (b) APLCO to provide FFA with a copy of its annual business plan for the Leagues, including relevant marketing information;
- (c) APLCO to conduct an annual review of the Leagues and provide FFA with a copy of that review, including financial information;

5.8 Club licensing (AFC)

See section 10

5.9 Disciplinary and Tribunals

See section 10

5.10 Engagement with FIFA, AFC and WLF

- (a) FFA to recognize APLCO as the exclusive Australian member of the World Leagues Forum.
- (b) FFA to positively promote and support the Leagues in relation to its interactions with FIFA and AFC.

- (c) FFA and APLCO to communicate openly and in coordinated way in respect of communications to FIFA and AFC that relate to the Leagues.
- (d) APLCO not to communicate with FIFA, AFC or any other FIFA member without advising FFA and providing FFA with a copy of all communications made if requested.

Note: *Consideration to be given to additional key terms, including:*

- Conditions precedent and subsequent;
- Deliverables;
- Warranties;
- Indemnities;
- Compliance and consequence of breach;
- Third party consents (FIFA/AFC / commercial / government);
- Assumption of risk and insurance

6. League Intellectual Property

[Subject to external advice and agreement as what constitutes League IP]

6.1 Licence of IP

FFA to grant in perpetuity an exclusive licence to APLCO of the following League IP:

- (a) Name of League (registered trade mark – i.e A-League, W-League, Y-League, E-League)
- (b) Logo of League (registered trade mark) a substantial part of which (the ribbon ball) is also separately owned by FFA
- (c) Broadcast footage – i.e. audio and visual footage of matches (cinematographic films and sound recordings)
- (d) Domain names and websites, including website design look and feel and underlying software code
- (e) Still images including photographs from matches (although some may be licensed to FFA by Getty, not owned by FFA)
- (f) Other A-League branding elements from Brand Guidelines (to the extent protected) e.g. use of particular fonts, colours and imagery in combination to create the brand look and feel
- (g) Promotional slogans / tag lines (e.g. “It’s football but not as you know it”, to the extent protected)
- (h) A-League rules, regulations, policy documents and commercial agreements (in which copyright subsists)
- (i) Business confidential information and trade secrets in relation to the administration of the league (which may be comprised in internal operational documents, market research, commercial sales decks or employee knowledge etc)
- (j) Any properties associated with themed League rounds (e.g. Female Football Round)
- (k) A-League All-Stars (name and logo are registered trade marks)
- (l)

Note:

- *Consideration to be given to what League IP (if any) the FFA and/or other stakeholder groups will require an ongoing sub-licence of will be required.*
- *Consideration to be given to the manner in which the FFA/football fan database can be commercialised and optimised by all stakeholders (having regard to obligations at law)*

7. Club Intellectual Property

[Subject to external advice and agreement as to what constitutes Club IP]

7.1 Transfer of IP

FFA to transfer to each Club their respective Club IP (or, to transfer the collective to APLCO) including:

- (a) Names of each club (mostly registered trade marks, but some unregistered)
- (b) Logos of each club (mostly registered trade marks, but some unregistered; copyright ownership in artworks)
- (c) Domain names and website for each club, including website design look and feel and underlying software code
- (d) Kit design (including playing strip) of each club
- (e) Other club indicia including any club songs, slogans (e.g. "We Sing For Wanderers" trade mark), mascot etc

Note:

- *If the Club IP is to vest in each Club, then consideration will need to be given as to what step in rights are required for APLCO should any one of the Clubs cease to exist or lose their licence.*

8. Commercial Rights and Benefits

8.1 Grant and/or Exercise of Commercial Rights

FFA to cease to exercise the Commercial Rights set out in Article 28 of the FFA Constitution in respect of the Leagues subject to the Licence Agreement and adherence to the conditionality to be agreed in relation to existing commercial rights agreements and third party requirements.

8.2 Existing Commercial Contracts

FFA has multiple commercial contracts that cover the "whole of game", including the Leagues, National Teams, FFA Cup and grassroots football properties. Detailed consideration needs to be given to the treatment of these agreements, including impact of the structure on enforceability and responsibility for compliance.

A summary of key contracts relevant to the Leagues include:

(a) Media Rights Agreements

- (i) Fox Sports – holds the media rights to all A-League, W-League, FFA Cup and National Team content. Agreement also provides Foxtel with sponsorship benefits, including naming rights to the Y-League.
- (ii) IMG – holds the right to distribute A-League, W-League, FFA Cup and National Team content in all territories outside of Australia, NZ and Oceania.
- (iii) SKY NZ – holds the media rights to all A-League, W-League and FFA Cup content in NZ.

(b) Sponsorship Agreements:

- (i) Hyundai – official motor vehicle partner of the A-League, W-League and National Teams as well as the naming rights sponsor of the A-League.
- (ii) Bet365 – official betting partner of the A-League, W-League, FFA Cup, Socceroos and Matildas.
- (iii) NAB – official financial services partner of the A-league, W-League, National Teams, FFA Cup and MiniRoos and naming rights partner of the Young Footballer of the Year Award for both the A-League and the W-League.
- (iv) Qantas – official airline partner of the A-League, W-league and National Teams. All team travel is delivered by Qantas with preferential booking rates and service levels to accommodate excess baggage requirements of traveling teams.
- (v) Westfield – official partner of the W-League (naming rights), Matildas and W-League Clubs in the retail shopping and retail property category.

(c) Supplier Agreements:

[insert]

8.3 FFA Retained Rights (not exhaustive)

For the avoidance of doubt, FFA is to retain all commercial rights to any FFA controlled competition, including FFA Cup, Second Division, Futsal, Beach Soccer, etc.

If FFA obtain the media rights to AFC properties (including AFC Club Competitions in which APLCO members participate) from the AFC or otherwise, FFA to use a part of those media rights fees to assist Clubs with the cost of meeting minimum participation requirements as required by the AFC, where the AFC participation cost subsidy does not cover such costs.

If FFA receive any participation cost subsidies from AFC on behalf of participating Clubs in the Asian Champions League, such participation cost subsidies shall be passed onto participating A-League Clubs in full.

9. Fees and Commercial Benefits

9.1 Licence Fee

FFA to receive an annual licence fee from APLCO equivalent to the higher of:

- (a) [x times the largest “Distribution” from APLCO to a Club based on calculation of all “Leagues Revenue” (media rights, sponsorship, licensing, signage, digital, etc)]; or
- (b) [insert% of gross “Leagues Revenue”].

Note:

- *Licence fees received from recent A-League expansion to be used to fund distribution to expansion clubs and are separate to the above model.*
- *The definition of “Distribution” and “Leagues Revenue” to be agreed.*
- *FFA to establish criteria for payment of a proportion or amount of the licence fee into a Women’s Development Fund in order to set a baseline for contribution to the development of the Women’s Game (contribution requirements (criteria and amounts) to be discussed)*
- *FFA to also establish criteria for payment of a proportion or amount of the licence fee into a Game Development Fund (e.g. Futsal, Pararoos, Indigenous, etc. (contribution requirements (criteria and amounts) to be discussed)*
- *Revenue amounts from existing commercial agreements will be attributed as between FFA and APLCO as per FY19*
- *[Treatment of stranded costs and transaction costs to be agreed]*

9.2 Sale or Transfer of APLCO assets

As further consideration for FFA entering into the licence agreement FFA shall have an enforceable entitlement to receive [insert%] of any exit event including a sale, transfer or securitisation of APLCO and/or its assets.

Note:

- *Percentage is to be agreed.*
- *FFA membership/shareholding in APLCO and any carry equity/entitlement is to be determined once the structure of APLCO is confirmed.*

9.3 Other Fees

- (a) FFA to receive a [insert%] of international transfer fees of Australian Players.
- (b) FFA to receive a [insert%] of international transfer fees for International Players (excluding Visa Players), subject to age cap (23 years - TBC) and length of time in the relevant League.

- (c) FFA to receive [insert%] of any new Club licence fees received from future expansion of the A-League.
- (d) [FFA to receive [insert%] of any sale of any League Club.] - Not accepted by the Clubs but possibly open to a different success-based mechanism.

9.4 Commercial Benefits

- (a) FFA to receive commercial benefits to all League Games (including Pre-Season, Regular Season, Finals and FFA endorsed International Friendly):
 - (i) Tickets
 - (ii) Hospitality
 - (iii) Match Day Inventory – subject to sponsor conflict
- (b) APLCO to receive commercial benefits at National Team matches.
- (c) FFA to receive a licence to use Club IP and Player Images for game development purposes.

10. FFA Role and Responsibilities

10.1 Background

As the national governing body of football in Australia and as a condition of being a member association of FIFA, there are certain roles and responsibilities that FFA is obliged to fulfil. These functions include the need for FFA to take responsibility for regulating certain matters, many of which apply to the Leagues.

Article 15(g) FIFA Statutes, with which FFA is bound to comply, mandate that FFA take primary responsibility for the regulation of matters relating to:

- (a) Refereeing;
- (b) the fight against doping;
- (c) the registration of players;
- (d) club licensing;
- (e) the imposition of disciplinary measures, including for ethical misconduct; and
- (f) the imposition of measures required to protect the integrity of competitions.

FFA is also required under the FIFA Statutes to establish independent judicial bodies to hear and determine disputes – see Articles 15(d) and 59. The current judicial bodies of FFA are the Disciplinary and Ethics Committee and the Appeals Committee, each of which have jurisdiction to deal with particular matters relating to the Leagues (including on- and off-field matters).

The examples below illustrate the boundaries of where FFA is obliged to regulate and where the league may be responsible to regulate and administer.

10.2 Disciplinary measures

To comply with the FIFA Statutes, FFA is required to continue to regulate on-field disciplinary matters as well as off-field disciplinary matters particularly where they relate to the integrity of the competition or involve ethical misconduct. Related to this, FFA must ensure that all League stakeholders agree to respect the Laws of the Game and principles of “integrity, sportsmanship and fair play”.

Accordingly, it is proposed that FFA continue to set the disciplinary regulations for the Leagues (typically on-field matters) and the Code of Conduct (typically off-field matters) and continue to administer those regulations, including via FFA’s judicial bodies where applicable.

However, it is worth noting that FFA has in the past regulated further matters in the Leagues via the Competition Regulations which have involved “disciplinary measures”. These include league-specific matters that may not need to be regulated by FFA under a separate league ownership model. Such matters would include, for example, disciplinary measures for failing to adhere to Commercial Policies and Procedures (such as failing to display league sponsor signage) or Event Operations matters (such as failing to adhere to specific venue requirements).

10.3 Registration

FFA regulates registration of Clubs and participants (including players, coaches, officials) in the Leagues via both the National Registration Regulations and the Player Contracting Regulations that apply to each competition. Any league-specific regulations applying to player eligibility in a League must always remain subject to FFA's registration regulations which incorporate the minimum requirements of FIFA as set out in the FIFA Regulations on the Status and Transfer of Players. Accordingly, FFA retains the role of administering and regulating registration of League Clubs and participants to FFA.

10.4 Club Licensing (AFC)

FFA is primarily responsible for regulating Club Licensing for AFC competitions. The AFC Club Licensing Regulations also apply to FFA as a member association of the AFC and in relation to club's eligibility to be licensed to participate in the AFC Champions League. In accordance with the AFC Club Licensing Regulations, FFA may delegate certain functions in the club licensing system to the league, which must receive AFC approval prior to implementation, but FFA will remain responsible for the proper implementation of the club licensing system. Therefore, it will be a matter for FFA and the league to agree the extent of any such delegation.

10.5 Refereeing

FFA establishes and administers (including via its Member Federations) the accreditation of all referees in Australia. Whilst all referees must be accredited by FFA and comply with FFA's applicable rules and regulations, the employment, training and appointment of referees to League matches (and any process for resolving disputes about referee performance) are matters that FFA is not obliged to be responsible for.

10.6 Anti-Doping

FFA regulates and administers Anti-Doping matters via the FFA National Anti-Doping Policy. All stakeholders in the Leagues are and will remain to be required to comply with the FFA National Anti-Doping Policy, which will continue to be administered by FFA. As part of this role, FFA will continue to investigate matters (in conjunction with ASADA), determine whether to issue notices alleging breach, consider any response and convene and administer the FFA Anti-Doping Tribunal. The scope of any testing program to be conducted by ASADA in respect of League players should be subject to annual agreement between FFA and APLCO in consultation with ASADA.

10.7 Administration of independent judicial bodies and tribunals

FFA's independent judicial bodies (being the Disciplinary and Ethics Committee and Appeals Committee) have jurisdiction to hear and determine certain matters related to the Leagues. FFA provides significant administrative support to these independent judicial bodies, including advising parties on procedural matters, arranging a panel to hear matters (often on short notice and with limited availability of parties and panel members), liaising with the parties and Chair including on any pre-hearing directions, providing materials for the hearing, providing an Administrator to assist the panel and providing a hearing venue and associated

facilities (to name a few). FFA also engages disciplinary counsel to represent its interests at such hearings and to assist the judicial body hearing the matter.

In relation to the A-League specifically (and to a limited extent, the W-League and Y-League), FFA also engages and administers an expert independent Match Review Panel to review incidents and provide efficient determinations on sanction for on-field disciplinary matters. This type of panel is commonly used in Australian football codes and is familiar to the sporting public.

In addition to these bodies, FFA administers a number of other independent arbitral bodies to deal with disputes that may arise in the Leagues context. Each require significant administrative support from FFA in a similar manner to the FFA judicial bodies. These tribunals include:

- (a) **National Dispute Resolution Chamber:** This specialised body has jurisdiction to deal with a range of disputes that may relate to the Leagues, primarily in connection with the Collective Bargaining Agreement framework agreed between FFA, the League clubs and the PFA. Importantly, this body provides an independent mechanism for League clubs and their players to resolve disputes with each other, including disputes regarding player payments. This independent arbitration tribunal is established in accordance with the FIFA Regulations on the Status and Transfer of Players, article 22(b) and is administered by FFA pursuant to the National Dispute Resolution Chamber Regulations.
- (b) **National Arbitration Tribunal:** This tribunal deals with contractual legal disputes including those between League clubs or between such clubs and FFA. It also has jurisdiction to deal with disputes between clubs in relation to training compensation and solidarity contributions. This is an independent and duly constituted tribunal for the purposes of Article 59(3) of the FIFA Statutes and is administered by FFA in accordance with the FFA National Arbitration Tribunal Regulations.
- (c) **National Anti-Doping Tribunal:** As noted above, FFA administers the National Anti-Doping Tribunal pursuant to the requirements set out in the FFA National Anti-Doping Policy (which is derived from the WADA Code and complies with the FIFA Anti-Doping Regulations as well as national laws and the National Anti-Doping Scheme);
- (d) **Football Independent Banning Appeals Committee (FIBAC):** Since 2016, FFA has operated its national program relating to banned spectators (principally arising out of incidents in the A-League) under the FFA National Banning Regulations. These regulations provide a multi-layered process for investigating and considering incidents, putting allegations to spectators and allowing them an opportunity to be heard before ultimately issuing any ban. Upon FFA issuing a ban, a banned spectator has a right to appeal the ban and be heard before the FIBAC. This independent body then hears and determines the outcome of any banning appeal. Given the significant workload in administering the banning program (including the administration of FIBAC) results largely from A-League incidents, discussion should be had as to the responsibility of FFA and the league in administering the Banning Regulations going forward.

10.8 Other matters

It is also worth noting that there may also be certain functions that FFA is required to fulfil as a result of its status as an NSO recognised by Sport Australia and its position as a Sports Controlling Body (e.g. under gaming legislation) which may impact upon the regulation of the Leagues. One example is FFA's regulation of member protection issues via the FFA National Member Protection Policy, which also applies to the Leagues and its constituents.

11. Women's Football

Women's Football in Australia must be recognised and positioned appropriately, with an equitable level of thought, care, alignment and sentiment given to the Women's Game and the development of it. In order to develop the game, there must be co-ordination between the A-League, the W-League and the National Youth League both operationally, strategically and commercially. Accordingly, APLCO will be responsible for the conduct of the W-League and all stakeholders will work together to develop and implement a strategic plan for the development of the Women's Game at all levels, with a view to ensuring:

- (a) participation levels increase across all levels of the game and there is a clear pathway and talent pipeline for women and girls; and
- (b) communications and strategic direction are set having regard to the unique challenges facing women in sport (as players, coaches, administrators and officeholders).

[insert re football pathways]

All stakeholders intend to work together to position the W-League as the pre-imminent women's professional league globally.

Note:

- *APLCO will work towards developing and investing in the W-League in order to ensure that within an appropriate time period after migration to APLCO, each Club granted an A-League licence is able to sustain and be licensed for a W-League team.*
- *Consideration will need to be given to the length of the W-League season and playing conditions (including remuneration) and facilities for W-League players with a view to ensuring the W-League meets or exceeds benchmarks set by competitor leagues.*
- *Consideration will need to be given to the manner in which APLCO can (and should) work with the NWSL in order to ensure the integrity of the Australian competition.*

12. Collective Bargaining

APLCO to be responsible for negotiating with PFA the Leagues employment framework.

Note:

- *The PFA has a fundamental commitment to the employment and wellbeing of its Australian members and a critical guardianship of the career of Australian players; ensuring the player rules forming part of the Leagues safeguard the interests of Australian football.*
- *FFA, Club and PFA are working collaboratively in parallel with the NLWG process to reach agreement on a renewal of the A-League and W-League CBA (as well as National Team CBAs).*
- *FFA, APLCO and PFA to agree terms to novate current CBAs from FFA to APLCO.*
- *It is acknowledged any use of IP that includes Player Images will be subject to terms of an agreed Collective Bargaining Agreement.*

13. Football Pathways

13.1 National Second Division

[see separate paper for National Second Division to follow]

13.2 Y-League

In addition to the A-League and W-League, the governance of the Y-League is to shift to align with the 'Alternate A-League Governance Model' that is proposed for the management and control of the Professional Australian Leagues by APLCO.

Insofar as expressly applicable to the Y-League, the Resolution requires the consideration of the Y-League in the context of the Australian football ecosystem and the Y-League's importance to maintaining the integrity of football pathways.

In determining the nature and model of the Y-League, APLCO will work with the FFA, the PFA and the Member Federations to balance the necessary football and sustainability considerations.

Such considerations will include:

- ensuring the Y-League plays a critical role in the development of more players from across Australia;
- driving greater pathway integration between the A-League and the Member Federations; and
- that the stakeholders each agree that the success of Australia's youth and senior National Teams and the success of the Professional Leagues are inherently interdependent.

13.3 Game Development

[insert]

14. Australian Professional Game Match Officials

The stakeholders acknowledge that signification additional investment is required to improve the training and development of professional match officials and non-professional assistance referees for the Professional Leagues.

In terms of structure, the manner and method by which that additional investment, training and development should occur (and whether or not is should occur through the establishment and funding of a new body dedicated to Australian Professional Game Match Officials) is an important piece of work for the FFA and Clubs to complete. Alignment on the required amounts and sources of funding as well as responsibly for that funding and for the key deliverables in return will be essential.

In addition, FFA and APLCO will explore ways to recruit experienced officials from other countries as “guest referees” and/or consultants to work with and mentor Australia’s most promising refereeing talent.

15. Strategic Cooperation

FFA, APLCO and Member Federations to work collaboratively with each other and all stakeholders of the football ecosystem:

- (a) to develop existing relations to grow the game of football, engender cooperation, transparency and mutual prosperity;
- (b) to deliver football participation, education and development programs in accordance with the national frameworks and strategies developed by FFA, services and initiatives;
- (c) to increase participant support for, and engagement with, the Clubs;
- (d) to approach negotiations with Government in a coordinated and strategic way;
- (e) to drive commercial revenues and commercial alignment with a whole of game focus in regards to commercial rights and inventory;
- (f) in respect of any National Club Licensing or Academy System developed and implemented by the FFA.

As part of the framework of co-operation and acknowledging the development required for the Women's Game, FFA and APLCO will work together to ensure that any recommendations of the Women's Football Council (established by the FFA) have a whole of game approach and that the Women's Football Council is relevant to, and considers recommendations for, APLCO in respect of the strategic framework for the Women's Game and the impact on the professional Women's Game in Australia.

Note:

- *The Women's Football Council is established under the FFA Constitution. A conduit to ensure that there is a whole of game (grassroots to international) strategy and approach taken to Women's Football and which is recognised by APLCO will be required. Form to be confirmed.*

16. Transitional Arrangements

16.1 Transitional Services from FFA to APLCO

[insert summary of any transitional services to be provided by FFA – e.g. digital, marketing, sponsorship servicing, League administration]

16.2 Transitional approach to FFA Commercial Contracts

[insert]

17. FFA Congress and Constitutional Amendments

17.1 Review of FFA Congress

Representation at Congress to be considered (e.g. Clubs, WFC, and PFA). Timing of consideration to be agreed.

17.2 Constitutional Amendments

It will be necessary to make changes to the FFA Constitution to accommodate the new agreements for the Leagues and derived financial relationships.

18. Proposed Transaction Structure and Timeline

18.1 Phase 1 – February/March 2019

- (a) Develop NLWG Recommendations in accordance with the Special Resolution dated 2 October 2018.
- (b) NLWG to deliver recommendations by 31 March.

18.2 Phase 2 – April 2019

- (a) FFA Board to consider, and if thought fit, endorse the recommendations.
- (b) If endorsed by the FFA Board, a special resolution then put to 12 FFA Members as per the Special Resolution dated 2 October 2018.

18.3 Phase 3 – April to June 2019 (Subject to Board/Congress approval)

	Action	Parties	Comment
1.	Communications Plan (internal and external stakeholders)		
2.	Due Diligence	FFA / APLCO	
3.	Leagues Transfer Transaction Agreement	FFA / APLCO	
4.	APLCO Constitution / Shareholders Agreement	APLCO Shareholders	
5.	Leagues Licence Agreement	FFA and APLCO	
6.	IP Transfer / Licence Agreements	FFA and APLCO	
7.	Transitional Services Arrangements	FFA and APLCO	
8.	Termination Agreement – Club Participation Agreements	FFA and Clubs	
9.	Rights Holder Termination / Novation / Assignment / Replacement Agreements	FFA and sponsor/supplier	
10.	Develop resolution for Constitutional Amendments	FFA	
11.	[Insert other]		

Annexure A

FFA General Meeting – 2 October 2018

Special Resolution 2

1. A New Leagues Working Group (**NLWG**) will be established to:
 - (a) Consider and propose an Alternate A-League Governance Model for the Professional Australian Leagues, comprising of the A-League, W-League and the Y-League. The:
 - new governance model must:
 - achieve the necessary control, alignment, accountability, transparency and compliance desired by all stakeholders of the Australian game;
 - achieve appropriate financial arrangements and distributions to serve the interests of the Australian football stakeholders, including State Bodies;
 - set out the role of the Professional Australian Leagues in the context of the Australian football ecosystem;
 - consider international best practices and how these might benefit the characteristics of the Australian sports market;
 - determine the optimal governance relationship between FFA and the Professional Australian Leagues, which may be governed by a founding agreement or licence agreement;
 - consider the role of the A-League and the W-League to maximise commercial and football returns to the Australian football family;
 - ensure the greatest opportunity for the A-League to contribute to the Australian game at large; and
 - eliminate conflicts of interest in league-related decisions through appropriate governance structures; and
 - proposal must consider and take into account:
 - the ability to call on stakeholders to provide insights and submissions that will allow the best possible governance model to be created;
 - in the interest of gender equality (and in consideration of the FIFA Statutes, in particular article 15(j)) and the need for the rapid development of the Women's game, the considerations of the W-League and prioritisation of the evolution and timing of the Women's Football Council to achieve maximum independence;

- in consideration of the benefit of maintaining the integrity of football pathways, the considerations of the Y-League;
 - the inclusion of other leagues where suitable – for example, Futsal and beach soccer;
 - that insight is needed from both State Body Members (as defined under the constitution of the Company) that do have an A-League, W-League and Y-League footprint, and those that do not;
 - integration with, and development of, a national second division competition;
 - the inter-relationship with the broader competitions eco-system and associated pathways; and
 - review the structures of the bundled Professional Leagues to maximize the strategic, financial and pathway dividends to the Australian football family.
- (b) Consider, evaluate and negotiate terms and make recommendations to FFA Board in relation to legal and commercial aspects pertaining to the new governance model for the Professional Australian Leagues. The financial implications and terms of the new arrangements will be considered and reached in-principle, understanding:
- the fiduciary duty of the FFA Directors;
 - the existing commercial arrangements that will require novation; and
 - the need for Congress to make constitutional changes to accommodate the recommendations of the NLWG and the derived financial relationships.
- (c) Formulate the funding responsibilities of the professional game to grass roots elements of football.
2. The NLWG will comprise of the following members:
- (a) nine (9) Presidents of State Body Members;
 - (b) five (5) A-League Club Chairs;
 - (c) two (2) members of the PFA executive;
 - (d) two (2) members of the Women's Football Council;
 - (e) two (2) FFA Directors;
 - (f) members of FFA management, as required; and
 - (g) an independent, non-voting Chair.
3. The Chair may co-opt additional non-voting members as required.
4. The NLWG must provide its recommendations by 31 March 2019.
5. To implement the NLWG recommendations, the recommendations must be:
- (a) considered, and if thought fit endorsed, by the FFA Board; and

- (b) considered, and if thought fit approved, by the Members specified in item 6 of this resolution 2 by Special Resolution.
- 6. When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval by way of a Special Resolution, only the nine State Body Members and the three Women's Football Council Members elected by the State Body Members will be entitled to vote on the resolution and the following Members are not entitled to and must not vote on such resolution:
 - (a) the A-League Club Members;
 - (b) the PFA;
 - (c) the Women's Football Council Members, other than those elected by the State Body Members; and
 - (d) any New Members.
- 7. When the NLWG recommendations for the Alternate A-League Governance Model are put to the Members for approval in accordance with item 6 of this resolution 2, the Members acknowledge and agree that this will have included a review of the constitution of the Company, Professional Leagues governance to ensure that the changing interests in FFA, as a result of the NLWG recommendations for the Alternate A-League Governance Model, are reflected in the FFA Member composition, representation and weighting of, and construct of voting structures, and Professional Leagues governance and competition structures.