

# FKF INTERMEDIARIES MANUAL

# **YEAR 2017**

#### I. FKF LEADERS

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# II. FKF ADDRESS & CONTACTS

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# RE: FIFA Regulations on Working with Intermediaries

FIFA now defines agents representing clubs or players in negotiations related to player employment contracts (either individuals or organizations) as "intermediaries." As a result, the Football Kenya Federation has released a memorandum outlining its intermediary regulations effective September 01, 2016. Intermediaries are any natural or legal persons who, for a fee or free of charge, represent players and/or clubs in negotiations toward concluding an employment contract or transfer agreement. Under FIFA Regulations, players and clubs are entitled to use the services of an intermediary when completing an employment contract between a player and club or a transfer agreement between two clubs.

#### FIFA regulations on intermediaries can be found on

http://www.fifa.com/mm/Document/AFFederation/Administration/02/36/77/63/RegulationsonWorkingwithIntermediariesII Neutral.pdf

The FKF shall administer all matters relating to Intermediaries and keep a register of intermediaries which shall be published on the FKF website or such other forum determined appropriate by the FKF. The register shall contain the names and addresses of such Intermediaries and any other details necessary to keep the database up todate.

# To: Persons acting as Intermediaries for Players or Clubs

If you attempt to act as an intermediary in Kenya, you must register yourself at the FKF as an intermediary before you start your activity as intermediary in Kenya, by submitting the registration form attached with other documentations as well as paying the registration fee ("Intermediary Registration"). You must carefully read the regulations (FKF Regulations on Intermediaries) and should make the relevant proceeding strictly according to FKF Regulations. Disciplinary sanctions can be imposed on you in case of any incompliance with FKF Regulations.

#### To: All the professional players

When you (as a professional player) utilize the service of an intermediary, you are required to register to FKF various information about the intermediary you used. Failure to do so can lead you to the disciplinary sanctions by FKF Disciplinary Committee. Importantly, you are jointly liable for the misbehavior of the intermediary who you utilize. Therefore, you must be utmost careful when choosing and contracting with intermediaries.

#### To: Head coach, coach, official or staff of a club

When you (as a head coach, coach, official or staff of a club) have any kinds of contract with an intermediary (or its company), you must report the contractual relationship to FKF.

#### General principles

The FIFA intermediary regulations require all national associations to implement a registration system for intermediaries. To register, an intermediary must satisfy the national association that they are independent, hold no conflicts of interest, and have an "impeccable reputation. To that end, the FIFA intermediary regulations require intermediaries to sign an intermediary declaration (annexed to the regulations) certifying

their agreement to comply with the regulations, that they do not hold any conflicts of interest, and have an "impeccable reputation" among other things.

# Registration of Intermediaries in Kenya

You must submit the following documents which will make up your application:

- A. a detailed C.V;
- B. a copy of good conduct;
- C. a registration fee of 100,000ksh
- D. 2 photocopies of clear and legible identification (passport, Identification Card etc);
- E. Signed and dated copy of the Football Kenya Federation Intermediary Code of Professional Conduct; and registration form.
- F. Signed and dated copy of the FIFA Intermediary Declaration form.
- G. Foreign applicants must present a valid work permit.
- H. Tax compliance certificate.

Intermediaries must follow the application procedure outlined above and submit the required documentation and fees to Football Kenya Federation at the following address:

The Football Kenya Federation Goal Project Office PO Box 12705-00400 Kasarani Attention: Robert Muthomi Secretary General/Chief Executive Officer

Registration as an Intermediary is valid from the date of approval of registration by FKF until the 31st December of every year. Registration lasts for one year, after which the Intermediary will need to renew the registration on an annual basis if they wish to continue conducting Intermediary Activity.

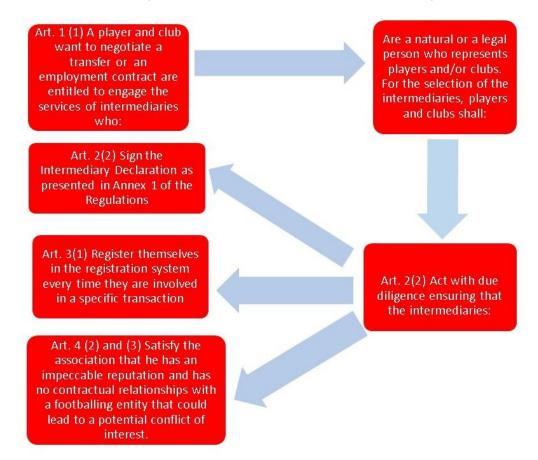
Anyone (whether they are a relative of the player, based overseas or a lawyer) who wishes to represent players or clubs on transfers or contract negotiations will have to register as an Intermediary and will be subject to the same rules.

Legal persons (i.e. companies) can also be registered as Intermediaries, though only a natural person already registered as an Intermediary himself / herself can register the company as an Intermediary and carry out Intermediary Activity on its behalf. Only natural persons can apply to The FKF for additional authorisation to deal with minors.

Intermediaries' activity in the territory of Kenya may only be carried out by natural or legal persons who are duly registered with FKF under these Regulations.

There shall be no exam when applying to be an intermediary.

# Flowchart: Becoming an Intermediary under the New FIFA Regulations



## The Representation Contract

An Intermediary must have entered into a validly executed Representation Contract with a player or club before carrying out any Intermediary Activity on his or its behalf.

The contract must contain, as a minimum, the following:

- A. the names of the parties,
- B. the scope of services,
- C. the duration of the legal relationship,
- D. the remuneration due to the intermediary,
- E. the general terms of payment,
- F. the date of conclusion.
- G. the termination provisions and
- H. the signatures of the parties

If the player is a minor, the player's legal guardian(s) shall also sign the Representation Contract and provide a copy of Identification.

These terms are relatively brief and it is open to the parties to agree additional terms (something we certainly recommend),

The maximum duration of a Representation Contract with a player remains 2 years. It may be extended for another maximum period of two years by a new written agreement.

Representation contracts signed before 01 September 2016 are required to be re-submitted by the Intermediary within 10 days of the Intermediary registering with The FKF. The Intermediary is then permitted to conduct Intermediary Activity under that pre-existing representation contract until its ordinary contractual expiration. If the pre-existing

representation contract is with a minor, it will only be enforceable following resubmission to the FKF if the Intermediary is authorised by the FKF to deal with minors.

Intermediaries can act for two or more parties to a transaction provided that all parties give their informed written consent and the dual/multiple representation rules are complied with in full.

Registered Intermediaries are entitled to use the designation "FKF Registered Intermediary" after their name in business relations.

Representation Contracts (and any variations thereof) that have not been deposited to the FKF shall not have any binding legal effect and consequently shall be considered null and void by the FKF decision-making bodies and/or judicial bodies.

FKF shall issue licenses to registered intermediaries.

#### Payment to intermediaries

The fee payable upon first registration is 100,000Ksh and each time the registration is renewed annually a renewal fee of 30,000ksh is payable. The fee upon first registration will not be waived for those who are registered lawyers, overseas agents or close relations under the old licensing system.

Please see Article 7 of FIFA's Regulations for a guide on proper payment procedures when using Intermediaries to execute an employment contract and/or transfer agreement.

The FIFA intermediary regulations also require player's intermediaries to be paid on a commission not exceeding 3% of the basic gross income for the duration of the contract. (This benchmark maybe adopted). Players must give explicit written consent for clubs to pay their intermediaries directly. Otherwise, the club pays the player his salary and the intermediary invoices the player for remuneration.

Players and clubs can remunerate Intermediaries. A player can discharge his liability to his Intermediary by: (i) paying directly, (ii) the club making deduction(s) in periodic instalments from the player's net salary, or (iii) the club paying the Intermediary on the player's behalf as a taxable benefit.

Clubs responsibility to make sure that all payments from one club to another in a transfer are not paid to intermediaries.

Players or clubs are prohibited from making payments to an Intermediary if the player concerned is a minor (i.e. under 18).

An intermediary may not own any interest in any transfer compensation, solidarity compensation or any future value of a player.

"Officials" are prohibited from receiving any payment from an intermediary of all or part of the fees paid to an intermediary. (Subject to displinary sanctions) Officials any person performing any function within a club (administrative, sporting or other).

# Disclosure and publication

Players and clubs will now be required to disclose to the Football Kenya Federation the full details of each transaction an intermediary is involved in.

The FKF will publish at the end of March every year a list of every transaction in which an Intermediary has been involved and the total consolidated amount of payments made by each club to Intermediaries. FKF shall publish a list of transactions each intermediary has been involved in.

#### Conflict of interest

An intermediary must not be an employee of any soccer club or soccer entity affiliated with the Football Kenya Federation or any of its affiliated branches/leagues, nor hold a position of an official as defined in point 11 of the Definitions section of the FIFA Statues.

Clubs/Players are responsible for ensuring no conflict of interest exists in a deal.

Player/Club can use the same intermediary in a transaction subject to prior written agreement of all parties.

Clear confirmation of which party player and /or club will remunerate the intermediary is required.

No conflict of interest would be deemed to exist if the intermediary discloses in writing any actual or potential conflict of interest he might have with one of the other parties involved in the matter, in relation to a transaction, representation contract or shared interests, and if he obtains the express written consent of all the other parties involved prior to the start of the relevant negotiations

#### Sanctions

The FKF can charge an Intermediary who breaches the Regulations with misconduct.

Sanctions may be imposed on any party under the FKF jurisdiction that does not follow the provisions of these registration requirements or the FIFA Regulations.

The possible sanctions to be applied are the following:

- A. Warning
- B. Fine
- C. Temporary suspension to be registered as an intermediary
- D. Definitive suspension to be registered as an intermediary.
- E. Ban from participating in any football related activity.

Players and clubs may be sanctioned if they do not comply.

Any dispute arising out of the intermediary regulation between and /or amongst players or clubs or intermediaries shall be determined in accordance with the dispute resolution procedure (Contained in FKF Constitution)

#### Communication

Unless otherwise provided within the regulations a communication or documentation shall be deemed have been delivered.

- 1. If issued by recorded delivery or registered post upon production of evidence.
- 2. If issued by hand or courier on the date of delivery upon evidence of delivery.

#### A. KEY POINTS FOR PLAYERS

- Players do not have to be represented by an Intermediary and are entitled to represent themselves.
- There is no exemption for attorneys/advocates or family members. Anyone who wishes to represent a Player as an Intermediary may do so with the written consent of the Player in the form of a representation contract.
- If a Player makes use of the services of an Intermediary they must have a written Representation Contract in place. They must ensure that they receive a copy of the contract and that it is dated and signed by both parties.
- A Player's contract with an Intermediary should be for a period of not more than two (2) years.
- Players who are minors (below the age of 18) are prohibited from making any payments to an Intermediary.
- Representation Contracts between Players and Intermediaries under the age of 18 must also be signed by the Player's parent or legal guardian.
- As a recommendation, Players and Intermediaries may adopt the following benchmark: The total amount of remuneration per Transaction due to Intermediaries who have been engaged to act on a Player's behalf should not exceed ten per cent (3%) of the Player's Basic Gross Income for the entire duration of the relevant employment contract.
- Players are free to remunerate Intermediaries as they wish, so long as it is in accordance with the Regulations.
- A Player can pay their Intermediary by a lump sum payment, or by instalments in relation to their Basic Gross Income (excluding any bonus, benefits or privileges). Players should make sure that they agree this in advance, are happy with the arrangement, and obtain and keep a copy of the relevant document.
- If a Player is signed up to an Intermediary on an exclusive basis, he should not enter into a contract with another Intermediary at the same time and he may be liable to pay commission to two (or more) different Intermediaries if he does so. This is something that is extremely important should be avoided.
- Players entering into a contract with an Intermediary should consider taking independent legal advice or contact the Players Union affiliated to FIFPRO if they are unsure of any of the terms of the contract.
- Check if he / she is really a licensed intermediary and this you can visit the FKF website.

#### **FKF CIRCULARS**

1. From time to time, FKF may issue circulars to clarify or even amend any content of these rules. The circular content shall supersede the content of these rules.

Clarifications of the existing rules may be communicated before, during or after any incident and they may be used for the particular incident while amendments will only come into force after they are issued.

#### MATTERS NOT PROVIDED FOR

1. Matters not provided for and force majeure will be decided by the FKF Executive Committee

#### Article 20. DECLARATION

- 1. FKF declares that these are the Intermediaries Regulations that shall be used for the 2017 season. These Regulations are adopted by the FKF Executive Committee on 10/08/2016 and come into force with immediate effect.
- 2. These rules come into force upon being signed as provided below and unless amended, these regulations shall remain in force in the seasons beyond 2017.

The circular has been sent to: All clubs that engage in professional football Kenya Footballers Welfare Association

If you have any doubts about anyone purporting to be an Intermediary please do not hesitate to contact the FKF by sending an email to info@footballkenya.org for clarification. Players and Clubs may use the FKF website <a href="www.footballkenya.org">www.footballkenya.org</a> as a starting point when seeking to engage an Intermediary.

Please direct questions or comments to the office of the FKF General Secretary.

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Mr. Robert Muthomi FKF G.S 1st of September, 2016