IN THE MATTER OF AN APPEAL AGAINST THE DECISION OF AN INDEPENDENT REGULATORY COMMISSION UNDER SECTION 9 OF THE FA HANDBOOK

BETWEEN:

CHELSEA FOOTBALL CLUB

Appellant

and

THE FOOTBALL ASSOCIATION

Respondent

WRITTEN DECISION AND REASONS OF THE APPEAL BOARD

Appeal Board:

Richard Whittam KC (Chair) Independent Specialist Panel Member

James Drake KC, Independent Specialist Panel Member

Paul Gott KC, Independent Specialist Panel Member

Secretary to the Appeal Board:

Paddy McCormack

Hearing:

18 May 2026, Wembley Stadium

Chelsea Football Club:

James Segan KC

Tom Leary

Rowan Stennett

The Football Association:

Brian O’Neill KC

Tom Day

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EXECUTIVE SUMMARY

1. The Football Association ("**The FA**") brought a charge of misconduct against Chelsea Football Club (the "**Club**") arising out of a number (74) of breaches of The FA Regulations relating to Agents, Intermediaries and Third Party Investments the majority of which related to events between 2010 and 2016.

2. The Club accepted the charge.

3. After a hearing on 8 December 2025, The FA Regulatory Commission imposed the following sanctions:

    3.1. A fine in the sum of £10m, to be paid by 30 April 2026.

    3.2. A sporting sanction of a deduction of six points.

    3.3. The sanction of a deduction of six points was suspended until the end of the football season 2026-7.

4. In addition, the Club was ordered to pay in full the costs of the Regulatory Commission.

5. The principal reason the Regulatory Commission imposed the sporting sanction was that the Regulatory Commission found that the Club intended to gain a sporting advantage and did gain an actual sporting advantage by its misconduct.

6. At the hearing before The FA Appeal Board on 18 May 2026, the Club pursued three grounds of appeal against the sporting sanction only:

    6.1. The Regulatory Commission failed to give the Club a fair hearing before making findings that the Club intended to gain a sporting advantage and did gain an actual sporting advantage and in the manner in which it imposed a suspended points deduction;

    6.2. The Regulatory Commission erred in making the said findings because there was no proper or lawful basis for those findings or inferences; and

    6.3. The Regulatory Commission erred in ordering a suspended points deduction, which was an excessive sanction in all the circumstances.

7. The Appeal Board did not make a finding on the first ground of appeal, but decided that:

    7.1. There was insufficient evidence identified to support the findings that the Club did gain an actual sporting advantage, and

7.2. For the reasons set out in the decision at §175, the sanction of a suspended points deduction was excessive.

8. The Appeal Board allows the appeal against the imposition of the sporting sanction of a deduction of six Premier League points, suspended until the end of the 2026/27 Premier League season. That part of the sanction is quashed and the Appeal Board exercises its power to impose a sporting sanction of a registration ban for two complete and consecutive transfer windows which should be suspended from the date of the decision of the Regulatory Commission, 12 January 2026, until the conclusion of the 2026/27 season, i.e. up to and including 30 June 2027. If at any time, including after the period of suspension has come to an end, it comes to the attention of The FA that there has been a potential breach or breaches of the same or a similar nature as those which form the subject matter of these charges during the operational period of this sanction, then The FA, in its absolute discretion, may apply to a Regulatory Commission to activate the registration ban in whole or in part, in addition to bringing any charges in respect of the events which gave rise to the alleged breach or breaches. It will be for the Regulatory Commission to determine whether it has been proven that there was a breach or breaches and if so, whether to activate the registration ban and if so, to what extent, in addition to any further sanction which the Regulatory Commission may impose in respect of the events which gave rise to the alleged breach or breaches.

A. INTRODUCTION

1. The FA brought a charge of misconduct against Chelsea Football Club arising out of a number (74) of breaches of The FA Regulations relating to Agents, Intermediaries and Third Party Investments. The majority of those charges related to events between 2010 and 2016. The Club accepted the charge. After an oral hearing on 8 December 2025 the Regulatory Commission gave written reasons for its decision on 12 January 2026. The sanctions imposed were:

   1.1. The Club was fined £10 million, to be paid by 30 April 2026.

   1.2. The Club was subject to a sporting sanction of a deduction of six Premier League points, which was suspended until the end of the 2026/27 Premier League season, subject to the right of the Premier League to make written representations to the Regulatory Commission by 26 January 2026. The principal reason the Regulatory Commission imposed that sanction was that the Regulatory Commission found that the Club intended to gain a sporting advantage (the "**Motivational Finding**"), and did gain an actual sporting advantage (the "**Actual Advantage Finding**") by its misconduct.

   1.3. The Club was ordered to pay in full the costs of the Regulatory Commission.

   1.4. Having received written representations from the Premier League, and further written submissions from The FA and the Club, the Regulatory Commission provided an addendum to the reasons for its decision on 4 March 2026. That addendum confirmed the sanctions as set out in §§1.1-1.3 above.

B. THE GROUNDS OF APPEAL

2. The Club appealed against the sanctions. The appeal was confined to the sporting sanction of a deduction of six Premier League points, suspended until the end of the 2026/27 Premier League season.

3. Initially, the Club relied on four grounds of appeal:

   3.1. The Regulatory Commission failed to give the Club a fair hearing before making the Motivational Finding and/or the Actual Advantage Finding and in the manner in which it imposed a suspended points deduction;

   3.2. The Regulatory Commission erred in making the Motivational Finding and/or the Actual Advantage Finding because there was no proper or lawful basis for those findings or inferences;

3.3. The Regulatory Commission erred in ordering a suspended points deduction, which was an excessive sanction in all the circumstances; and

3.4. The Regulatory Commission was tainted by apparent bias.

4. In its skeleton argument dated 5 May 2026 the Club abandoned the fourth ground of appeal.

C. OWNERSHIP OF THE CLUB

5. The ownership of the Club is highly relevant to the case. The Club was acquired by Roman Abramovich in June 2003. His ownership of the Club came to an end shortly after the Russian invasion of Ukraine in February 2022. On 2 March 2022, following media speculation about the potential imposition of economic sanctions, Mr Abramovich announced that he was going to sell the Club. In fact he was sanctioned by the Office of Financial Sanctions Implementation on 10 March 2022. The Club was sold to its new owners, a consortium known as BlueCo22 Limited ("**BlueCo**"), on 30 May 2022. On 27 May 2022, during the due diligence process and prior to the completion of the sale, the Club, at the instigation of its new owners, wrote to The FA stating that it wished to report "*football regulatory issues*" arising from transactions which were the subject of an ongoing HMRC investigation. On 3 June 2022, BlueCo wrote to The FA stating that the HMRC investigation *"only came up late in our due diligence process".*

6. The purchase price as reported in BlueCo's accounts was £2,535.8m. The accounts for the Club indicate that £150m of the purchase price had been withheld in respect of "*proceedings in relation to events"* prior to acquisition.

7. It is relevant that:

7.1. BlueCo became aware of football regulatory issues during its due diligence process in May 2022.

7.2. The matter was first reported to The FA by the Club at the instigation of BlueCo on 27 May 2022, before the sale and purchase of the Club had been completed.

7.3. The Club's new owners acted at the earliest possible stage.

8. Further, there is no suggestion that there was a change in ownership to avoid a condign punishment.

D. OTHER FINANCIAL MISCONDUCT PROCEEDINGS BROUGHT AGAINST THE CLUB

INTRODUCTION

9. The charges brought by The FA and the sanctions imposed by the Regulatory Commission were not the only misconduct proceedings faced by the Club.

10. First, the Club entered into a Settlement Agreement with the UEFA Club Financial Control Body ("**UEFA**") on 16 March 2023. As a result the Club agreed to pay an unconditional financial contribution of €10 million to UEFA, in two equal instalments, in the 2023/24 and 2024/25 seasons. The Club informed UEFA that it had identified 29 payments to various third parties, made between May 2012 and November 2018, for a total amount of approximately €58 million. In the event, breaches of the UEFA Club Licensing and Financial Fair Play Regulations ("**CL&FFP**") for the years 2016 to 2017 were time barred. The misconduct considered by UEFA was for the reporting periods ending in 2018 and 2019. In addition, UEFA concluded that the Club breached club monitoring requirements for the periods ending in 2018 and 2019.

11. Secondly, in May 2022, the Club self-reported to both The FA and to the Premier League. In addition to the proceedings brought by The FA, the Club entered into a Sanction Agreement with the Premier League. That agreement was in two parts ("**Phase 1**" and "**Phase 2**"). Both phases were executed on 16 March 2026.

 11.1. In relation to Phase 1, the Club admitted that between 2011 and 2018 payments totalling £47.5 million were made by "3P Entities" to 12 individuals or corporate entities.

 11.2. In relation to Phase 2, in March 2025 the Club made disclosure of a significant tranche of information (the "[redacted] **notebooks**"). The [redacted] notebooks, which revealed further regulatory breaches, first came to the Club's attention on 26 February 2025, and the Club notified The FA about their contents and the related issues on 27 February 2025. The Club admitted six instances involving the registration, or proposed registration, of an Academy Player in the seasons 2019/20, 2020/21 and 2021/22.

12. It is significant that the disclosures made by the Club to The FA and to the Premier League, and the respective investigations by both The FA and the Premier League, were associated in time. Extracts from the Phase 1 Sanction Agreement show:

> "*Agreed Facts*
>
> *Investigation*

3. In late May 2022, at the instigation of the Club's prospective owners (the 'New Owners'), the Club contacted the League, and The Football Association ('The FA'), to self-report certain facts and matters that evidenced potential breaches of the Rules. This report was made prior to the New Owners completing their purchase of the Club.

4. In early June 2022, following their completion of the purchase of the Club, the New Owners contacted the League and The FA to explain the seriousness with which they took the facts that had been identified. The New Owners and the Club committed to conducting an investigation into these facts, the results of which would be disclosed to the League (and The FA) once completed, and to maintaining an ongoing dialogue throughout the course of the Club's planned investigation.

5. In early July 2022, the Club provided the League and The FA with the interim results of its investigation. Amongst other matters, the Club confirmed that it had identified a series of payments made by a number of third party entities which, it is understood, were associated with the Club's previous owner, Mr Roman Abramovich, to a number of parties in respect of Club football-related matters ('3P Entities'). The Club also disclosed that it had identified, amongst other matters, a number of transactions which involved the use of, and the making of payments to, unregistered football agents. The Club's interim report confirmed its commitment to maintaining a collaborative dialogue with the League and The FA and progressing its investigation in parallel with any investigations its domestic regulators chose to commence.

6. In early August 2022, the League formally notified the Club of the commencement of its own investigation (the 'Investigation') and made a number of requests for documents and information from the Club relating to events occurring from Season 2011/12 onward (the 'Relevant Period'). Substantial additional requests for documents and information were made by the League, and responded to by the Club, throughout the course of 2022, 2023, 2024 and 2025. Amongst other matters, the Investigation has involved the League:

> *a. reviewing in excess of 10,000 documents which were produced by the Club and other parties in response to requests for documents and information;*
>
> *b. reviewing factual overviews, narratives and explanations in respect of 183 football-related transactions undertaken by the Club in the Relevant Period;*

c. reviewing and conducting detailed financial analysis and financial modelling, including to assess the Club's historical compliance with the Profitability and Sustainability Rules ('PSR') in the Relevant Period;

d. conducting interviews with various current and former employees, officers and Directors of the Club;

and

e. assessing the compliance of relevant football transactions and other financial dealings with the versions of the Rules applicable to the Club in the Relevant Period.

7. In mid-September 2022, The FA commenced its own investigation into the Club (the 'FA Investigation'). Substantial requests for documents and information were made by The FA, and responded to by the Club, throughout the course of 2022, 2023, 2024 and 2025. The League also reviewed the documents and information produced by the Club to The FA for the purposes of its own Investigation.

8. In September 2025, following the conclusion of The FA Investigation, The FA issued charges against the Club (the 'FA Charges'). The majority of The FA Charges (some of which concern transactions addressed in the League's Investigation and this Sanction Agreement) relate to the use of, and the making of payments (including by the 3P Entities) to, unregistered agents and the Club's submission of related documentation to The FA which concealed, or misrepresented, the substance or reality of certain football transactions."

E. UEFA SETTLEMENT AGREEMENT IN MORE DETAIL

13. On 3 June 2022, following the completion of their purchase of the Club, BlueCo notified UEFA that some historic transactions had been identified in the due diligence process, before its takeover of the Club in May 2022, that might give rise to football regulatory issues. It was explained that this related to a civil tax investigation in the United Kingdom conducted by HMRC, focusing on transactions dating back to 2011.

14. On 8 February 2023, the Club informed UEFA of transactions involving two of the Club's former directors who were associated with Mr Abramovich. The Club indicated that it would provide further details on the extent to which these transactions were directly connected to the activities of the Club.

15. On 21 April 2023, the Club wrote to UEFA and disclosed information in respect of transactions relating to three companies. UEFA was told that 29 payments were made by

those three companies to various third parties between May 2012 and November 2018 for a total amount of approximately €58 million.

16. On 5 May 2023, UEFA opened proceedings in respect of the Club's compliance with the provisions of the CL&FFP. Having considered the reporting periods ending in 2016, 2017, 2018, 2019, 2020, 2021 and 2022, UEFA decided that the breaches of the CL&FFP relating to the reporting periods ending in 2017 or earlier were time-barred.

17. Based on the information provided by the Club, UEFA concluded that the Club had failed to comply with the club licensing criteria related to the definition of the reporting perimeter and preparation of CL&FFP annual financial information for the reporting periods ending in 2018 and 2019.

18. UEFA also concluded that additional club monitoring requirements were breached due to incomplete break-even submissions in the 2018/19 and 2019/20 seasons. However, UEFA acknowledged that the Club would still remain break-even compliant (ie either an aggregated break-even surplus or deficit within the acceptable deviation) in each of the relevant monitoring periods assessed under the CL&FFP.

19. Given that:

19.1. The Club had self-reported and proactively engaged with UEFA (and other relevant football authorities);

19.2. To the best knowledge and understanding of those persons currently owning and managing the Club, the Club was not involved with the three companies in any kind of transactions other than those indicated in the Club's letter to UEFA dated 21 April 2023;

19.3. The last payment by one of the three companies was made in November 2018; and

19.4. The compliance audit performed by PricewaterhouseCoopers AG between 27 and 31 March 2023 confirmed that the Club's reporting perimeter for the reporting period ending in 2022 is in line with the CL&FFP;

UEFA and the Club agreed to enter into a Settlement Agreement.

20. That Settlement Agreement was signed by the Club on 28 July 2023. Although the breaches of the CL&FFP relating to the reporting periods ending in 2017 or earlier were time-barred, Annex 1 to the Settlement Agreement identified 29 payments to various third parties between May 2012 and November 2018 for a total amount of approximately €58 million. For example, the parents of one of the players, [redacted], received two payments of

€300,000 one in 2013 and one in 2014. [redacted] was a player who featured in The FA case against the Club.

21. The Club agreed to pay an unconditional financial contribution of €10 million to UEFA in two equal instalments in the 2023/24 and 2024/25 seasons.

F. PREMIER LEAGUE SANCTION AGREEMENT IN MORE DETAIL

22. The Club entered into a Sanction Agreement with the Premier League. As indicated above, that agreement was in two parts, Phase 1 and Phase 2. Both phases were executed on 16 March 2026.

23. In Phase 1, the Club admitted that between 2011 and 2018 payments totalling £47.5 million were made by “3P Entities” to 12 individuals or corporate entities.

24. The relevant chronology of the investigation is set out in §12 above.

25. The Premier League concluded that in addition to making the voluntary and proactive disclosure to the Premier League, the Club had demonstrated exceptional co-operation throughout the course of the investigation.

26. Further, the Premier League concluded that the Club had undertaken an extensive review of its football operations, which was not limited to transactions involving the 3P Entities. Where that extensive review identified relevant documents or other information evidencing potential breaches of the Premier League Rules (the “**Rules**”), the Club provided that material to the Premier League (and The FA) on a voluntary basis.

27. The Club admitted that:

    27.1. Between 2011 and 2018, payments totalling £47,524,925.74 were made by the 3P Entities to 12 individuals or corporate entities, each of which implicated one or more of the Rules; and

    27.2. Each of these payments was made for the benefit of the Club and should be treated as having been made by the Club.

28. As to the nature of those payments:

    28.1. Payments totalling £23,069,624.26 were made by the 3P Entities to seven unregistered agents (or entities associated with them) in connection with the transfer and registration of seven players with the Club, namely Eden Hazard, Robert Kenedy Nunes do Nascimento, [redacted], Ramires Santos do Nascimento, David Luiz Moreira Marinho, Andre Schurrle and Nemanja Matić. Five of those seven players featured in The FA case against the Club;

28.2. Payments totalling £1,371,619.48 were made by the 3P Entities to three individuals (or entities associated with them) and should be treated as though they were remuneration of the individuals on behalf of the Club;

28.3. Payments totalling £19,282,200 were made by the 3P Entities to two entities in connection with the transfer and registration of two players with the Club, Willian Borges da Silva and Samuel Eto'o, and should be treated as though they were transfer fees paid on behalf of the Club. Both those players featured in The FA case against the Club; and

28.4. Payments totalling £3,801,482 were made by the 3P Entities to one entity in connection with the transfer and registration of one player, [redacted], with the Club and should be treated as though they were paid in connection with [redacted]'s registration with the Club. [redacted] was a player who featured in The FA case against the Club.

29. It was agreed that the payments made by the 3P Entities:

29.1. Occurred with the knowledge and approval of senior former officers and/or directors of the Club;

29.2. Were made via the 3P Entities with funds which, it is understood, were controlled by or associated with the then owner of the Club, Mr Abramovich; and

29.3. Were not reported to the Premier League, whether in the Club's obligatory financial filings to the Premier League or otherwise.

30. Further, it was agreed that the agreements the Club entered into with [redacted] in January 2014 and July 2014, were not, prior to their execution, disclosed to the Premier League for approval in accordance with the Rules.

31. The Premier League accepted:

31.1. As far as it was aware, no current employee, officer or director of the Club was involved in, or had knowledge of, the payments involving the 3P Entities;

31.2. The former employees, officers and directors of the Club who were involved in, or had knowledge of, the payments involving the 3P Entities, declined to participate in the investigation and were (at the time of the investigation) outside the jurisdiction;

31.3. Documents potentially held by the 3P Entities were outside the jurisdiction of the Premier League and not within the control of the Club;

31.4. Facts had primarily been established through a comprehensive review of Club documents; and

31.5. Factual gaps and inconsistencies in respect of a number of transactions had been resolved on the basis that the Club was willing to make concessions, assumptions and inferences, which are adverse to it, in furtherance of its willingness to co-operate with the investigation.

32. The Premier League accepted that the payments made did not breach, or bring about a breach of, the Profit and Sustainability Regulations (the "**PSR**").

33. In assessing what sanction to impose, the Premier League considered the aggravating factors, which included:

33.1. The period over which the misconduct occurred;

33.2. The size and number of payments that were made. The payments totalled £47,524,925.74 to 12 people or entities on behalf of the Club and 36 payments were made on behalf of the Club;

33.3. Payments made by the 3P Entities occurred with the knowledge and approval of some senior former officers and/or directors of the Club;

33.4. Each of the payments were made using funds which (it was understood) were controlled by or associated with Mr Abramovich;

33.5. The breaches involved deception and concealment. The obligation to act in utmost good faith requires clubs to act honestly and fairly in their dealings with the Premier League, including, in particular, by fully, frankly and accurately disclosing all financial information to the Premier League, which is relevant, or likely to be material, to any decisions to be made under the Rules. Failure to do so is not only a breach of Rule B.16 (as it then was), it also aggravated the other breaches of the Rules admitted by the Club.

34. The mitigating factors considered by the Premier League are set out fully in the Phase 1 decision. In summary, they included:

34.1. The payments made did not cause the Club to breach the PSR;

34.2. The Club proactively and voluntarily approached the Premier League and self-reported historical breaches of the Rules. Had it not done so, a number of the rule breaches now the subject of the Sanction Agreement may never have come to the attention of the League;

34.3. After the initial voluntary disclosures, the level and nature of the Club's co-operation with the investigation was exceptional. In addition to the steps the Club was ordinarily obliged to undertake, that exceptional co-operation had included, amongst other matters:

34.3.1. The identification of potential rule breaches and explanations where no such rule breaches were apparent, for scrutiny by the Premier League;

34.3.2. A review of approximately 200,000 documents, which included the Club adopting a fully transparent approach in regularly explaining and modifying its search parameters upon request by the Premier League;

34.3.3. Assistance in facilitating interviews with former employees of the Club no longer within the jurisdiction of the investigation; and

34.3.4. The Club's voluntary disclosures having continued during the course of the investigation. For example, in October 2024 and prior to their subsequent publication, the Club proactively informed the Premier League (as well as The FA and UEFA) of allegations that had been put to the Club by media outlets regarding historic matters under the Club's previous ownership. Upon doing so, the Club agreed to undertake additional searches to identify material of potential relevance to the allegations put to the Club by the media outlets and subsequently provided further documents to the Premier League (and The FA) to consider.

34.4. The approach the Club adopted in relation to disputed issues and factual gaps. Disputed issues and factual gaps in respect of a number of transactions were largely resolved on the basis that the Club was willing to make concessions, assumptions and inferences which were adverse to it in furtherance of its willingness to cooperate with the investigation.

34.5. Many of the Club's admissions had been made against the Club's own interests in furtherance of its willingness to co-operate with the investigation. If the Premier League had been put to proof by the Club before a Commission, it may have been difficult to establish, to the relevant standard, certain aspects of the rule breaches recorded in the Sanction Agreement. Some rule breaches had therefore been established as a direct result of the Club's own admissions.

34.6. The amount of time, effort and resource required by the Premier League to pursue the investigation was significantly reduced by the Club's exceptionally co-operative approach to the investigation. This had resulted in a substantial saving of costs for the Premier League.

34.7. The breaches recorded in this Sanction Agreement occurred under the Club's previous ownership (which has no connection with the new owners);

34.8. As far as the Premier League was aware, based on the documents it had reviewed, former employees, officers and directors of the Club who had knowledge of the payments by the 3P Entities recorded in the Sanction Agreement were no longer employed by the Club; and

34.9. The fact that the Club had already received a substantial financial penalty from UEFA. Further, The FA Regulatory Commission was likely to impose a significant sanction upon the Club in respect of The FA's charges, a number of which concerned transactions which were the subject of the Sanction Agreement.

35. In considering the appropriate sanction for the breaches described above, the Premier League also had regard to:

35.1. The aims of the Rules, which include protecting the integrity of the Premier League and ensuring that clubs deal with the Premier League with honesty and the highest possible standards of professional behaviour and sporting integrity;

35.2. The need to punish the Club for the breaches and to vindicate those clubs who have complied with the relevant rules over the relevant period;

35.3. The importance of deterring breaches (whether by the Club or other clubs);

35.4. The need to preserve public confidence in the fairness of the competition;

35.5. Potential benchmarks including, but not limited to:

35.5.1. The financial penalty agreed between the Club and UEFA for conduct arising out of the same matters considered in the investigation;

35.5.2. Earlier financial penalties given to clubs for breaches of any similar rules to those which were the subject of the Sanction Agreement; and

35.5.3. The potential sanction which may be imposed upon the Club as a consequence of The FA's charges; and

35.6. The range of sanctions imposed upon clubs in earlier football regulatory proceedings, including the circumstances in which sporting sanctions have, or have not, been imposed.

36. In all the circumstances, the Premier League considered that an appropriate sanction for the breaches described above should involve both a financial penalty and a sporting sanction.

37. The Premier League decided that a fine of £10 million would appropriately reflect the Club's admitted conduct, including the aggravating and mitigating factors, and would achieve (when taken together with the sporting sanction) an appropriate set of sanctions giving effect to the sanctioning aims described above. In so concluding, the following matters in particular were borne in mind by the Premier League:

37.1. A fine of £10 million would greatly exceed any fine previously imposed by the Premier League for breach of the Rules;

37.2. It was a financial penalty in addition to the €10 million already paid by the Club to UEFA for its conduct arising out of the same matters as those considered in the investigation;

37.3. It was the figure for a fine which the Premier League regarded as appropriate, given the significance of the breaches involved, but without taking into account any of the aggravating and mitigating factors referred to above;

37.4. But for those mitigating factors, the aggravating factors taken together warranted a fine of no less than £20 million;

37.5. Those mitigating factors should be recognised by a reduction of 50% in the size of the otherwise applicable fine; and

37.6. Therefore, the appropriate fine was £10 million.

38. Having regard to all of the above, the Premier League identified two sporting sanctions as being potentially appropriate:

38.1. A registration ban; and

38.2. A points deduction.

39. The Premier League concluded that a registration ban would be appropriate but that a points deduction would not because:

39.1. A registration ban would appropriately reflect the character and effect of the impermissible transfer activity which lay at the heart of the rule breaches admitted by the Club; and

39.2. A points deduction on the other hand was not appropriate, having regard to the mitigating factors.

40. But for that self-reporting and cooperation, the Premier League would have regarded as appropriate a ban from registering new players for two complete and consecutive registration periods from the date the Sanction Agreement became effective. However, the proactive and voluntary self-reporting and the exceptional co-operation of the Club persuaded the Premier League that this ban should be suspended for a period of two years.

41. Phase 2 related to a further self-report made by the Club, to the Premier League and The FA, on 27 February 2025, in relation to the [redacted] notebooks. As a result, the Premier League commenced an investigation into events from the 2019/20 season onwards. In early March 2025 The FA broadened the scope of its investigation into the Club to include regulatory issues relating to those documents.

42. In September 2025, The FA issued charges against the Club. The Premier League described those charges in this way (at §7 of the Phase 2 Sanction Agreement):

> "*7. In September 2025, following the conclusion of The FA Investigation, The FA issued charges against the Club (the 'FA Charges'). Certain of The FA Charges related to conduct and football transactions described in the First Sanction Agreement, as well as conduct and football transactions which are now recorded in this Sanction Agreement. On 10 October 2025, the Club admitted The FA Charges in full.*"

43. In relation to the Premier League, the Club admitted six instances involving the registration or proposed registration of an Academy Player during the 2019/20, 2020/21 to 2021/22 seasons. The Club made an approach to and/or communicated with the Academy Player, directly and/or indirectly, without the prior written consent of the club with which the Academy Player was registered at the relevant time.

44. Further, in respect of four separate regulatory processes (each known as a '5 Step Review') conducted by the Premier League in respect of the proposed registration of four of the six Academy Players referred to above, the Club failed to comply with its duty of utmost good faith to the Premier League. This occurred, for example, through the Club's concealment or misrepresentation of certain facts and matters relevant to the 5 Step Review investigations which were conducted by independent investigators appointed by the Premier League in each case.

45. Significantly, the Club's admissions were made notwithstanding there being differences between the Premier League and the Club as to the nature and extent of that misconduct.

46. The six relevant Academy Players were: [redacted], [redacted], [redacted], [redacted], [redacted] and [redacted]. Five of these six Academy Players featured in The FA case against the Club.

47. The aggravating features identified by the Premier League included:

47.1. The age of the Academy Players and the fact that the Youth Development Rules were designed to protect young players.

47.2. The number of breaches;

47.3. The fact that the misconduct occurred as a direct result of the conduct of a former senior member of the Club's Academy ([redacted]);

47.4. The nature and seriousness of the breaches; and

47.5. The Club's antecedents, namely the Club's historical breaches relating to Academy Players.

48. The mitigating factors identified by the Premier League included:

48.1. The near immediate disclosure of the documents received from a third party, before the Club had time to gain a full understanding of the misconduct identified in those documents;

48.2. The Club's co-operation in the investigation that followed;

48.3. The Club admitted the misconduct; and

48.4. The fact that substantially all of the breaches recorded in Phase 2 occurred under the Club's previous ownership (which had no connection with the current ownership) and the evidence suggested that the earliest prohibited approach of each relevant Academy Player occurred under the Club's previous ownership. There was also no evidence that the current ownership was aware of those breaches which occurred after it assumed control of the Club.

49. In considering the appropriate sanction for this misconduct, the Premier League also had regard to:

49.1. The fact that the Rules were designed to protect Academy Players and ensure that clubs deal with the Premier League with honesty and the highest possible standards of professional behaviour and sporting integrity;

49.2. The need to punish the Club for the breaches and to vindicate those clubs who had complied with the Rules over the period of the misconduct;

49.3. The importance of deterring breaches (whether by the Club or other clubs);

49.4. The need to preserve public confidence in the fairness of the Premier League's competitions and the regulatory processes that underpin those competitions; and

49.5. The need to ensure, so far as is appropriate, consistency with potential precedents and benchmarks including, but not limited to, prior penalties given to clubs for breaches of any similar rules to those which were the subject of this Sanction Agreement.

50. The Premier League decided that an appropriate sanction for the breaches in relation to the Academy Players should involve both a financial penalty and a sporting sanction:

50.1. A fine of £750,000 was appropriate;

50.2. As to the sporting sanction, the Premier League determined that a nine-month Academy registration ban was appropriate.

51. The Premier League decided that the sanctions appropriately reflected the Club's admitted conduct, considering the aggravating and mitigating factors present, and other relevant matters (see §§47-49 above).

G. THE FA CHARGES

52. The discovery of the instant breaches by BlueCo during the course of its due diligence came about as a result the investigation by HMRC. That investigation concluded with a payment of £[redacted] million being made by the Club to HMRC, of which £[redacted] was paid by way of voluntary restitution.

53. In addition to reporting these matters to The FA and the Premier League, the Club also self-reported these matters to both UEFA and FIFA.

54. On 11 September 2025, The FA charged the Club with a total of 74 charges in respect of 44 transactions relating to 32 different players. The Club admitted all of the breaches on 10 October 2025.

55. In its Executive Case Summary, The FA put its case in this way:

55.1. The Club faces a charge of misconduct pursuant to FA Rule E1.2. The charge arises from 74 breaches of The FA Regulations relating to Agents, Intermediaries and Third Party Investments in respect of 44 transactions relating to 32 different players. The dates range from July 2009 to August 2022, the 2009/10 season to the 2022/23 season, 14 seasons in all.

55.2. The breaches were at their peak over the six seasons from 2010/11 to 2015/16. All of the transactions, save two, took place when the Club was beneficially owned by Mr Abramovich. It was accepted by The FA that the breaches in respect of two transactions in July and August 2022 (after Mr Abramovich had sold the Club) took place without the knowledge of the Club's current owners.

55.3. The 74 charges were as follows:

55.3.1. 22 charges under Regulation J1 of The FA Football Agents Regulations which were in effect from 4 July 2009 to 31 March 2015.

> "*A Club must not at any time use the services, either directly or indirectly, of an Unauthorised Agent in relation to any Agency Activity. A Club must not directly or indirectly make any payments to any Unauthorised Agent in respect of any Agency Activity.*"

55.3.2. 27 charges under Regulation C2 of The FA Football Agents Regulations which were in effect from 4 July 2009 to 31 March 2015.

> "*A Club, Player or Authorised Agent must not so arrange matters as to conceal or misrepresent the reality and/or substance of any matters in relation to a Transaction or Contract Negotiation.*"

55.3.3. 9 charges under Regulation A2 of The FA Regulations on Working with Intermediaries which came into effect on 1 April 2015.

> "*A Player or Club must not use or pay any person for Intermediary Activity unless that person is registered as an Intermediary and is entitled to act under a valid Representation Contract. An Intermediary must not carry out any Intermediary Activity in the place of, or on behalf of, or as agent or representative of, any person other than the Player and/or the Club he is engaged to act for (unless in accordance with Regulation B6).*"

55.3.4. 10 charges under Regulation A3 of The FA Regulations on Working with Intermediaries which came into effect on 1 April 2015.

> "*A Club, Player, Intermediary or other Participant must not so arrange matters as to conceal or misrepresent the reality and/or substance of any matters in relation to a Transaction.*"

55.3.5. Five charges under Regulation A1 of The FA Third Party Investment in Players Regulations which came into effect on 4 July 2009.

> "*No Club may enter into an agreement with a Third Party whereby that Club makes or receives a payment to or from, assigns any rights to or incurs any liability in relation to, that Third Party as a result of, or in connection with, the proposed or actual registration (whether permanent or temporary), transfer of registration or employment by it of a Player.*"

55.3.6. One charge under Regulation B3 of The FA Third Party Investment in Players Regulations which came into effect on 4 July 2009.

> "*A Club is permitted to enter into an agreement with an Overseas Player whereby it acquires a right (whether optional contingent or otherwise) to employ that Overseas Player at a future date. All such agreements must be disclosed in advance to The Association. Clubs are reminded of their obligations to the player's current club under the Rules and Regulations of The Association, relevant League Rules and under the FIFA Regulations for the Status and Transfer of Players in relation to approaches to players.*"

55.4. Although the Agents Regulations were replaced by the Intermediaries Regulations in 2015, the underlying objectives and principles remained the same and for the purposes of this case the breaches by CFC were of the same nature.

H. FA FACTS

56. The Case Summary drafted by The FA is over 300 pages long. The Executive Case Summary comprised 64 pages. Given that the appeal is confined to the sporting sanction of a deduction of six Premier League points, suspended until the end of the 2026/2027 season, it is not necessary to set out the facts in detail. It is, however, important to consider the material that is relevant to the Motivational Finding and the Actual Advantage Finding.

57. The Club was well aware of its duty not to use Unauthorised Agents/Unregistered Intermediaries and its obligation to declare to The FA the identities of any individuals who had performed Agency/Intermediary Activity. Nonetheless, a well-established practice existed throughout the Club to use Unauthorised Agents/Unregistered Intermediaries, to pay them, and to conceal their involvement and those payments from The FA. In some cases, sham agreements, contracts and roles were created, in order to avoid detection and to acquire players, seemingly at all costs.

58. The FA summarised the key findings of its investigation in this way (§10-18 FA Submissions on Sanction, 18 November 2025):

> *"KEY FINDINGS OF THE INVESTIGATION*
>
> *10. Consistent with the position recorded in the Club's self-reporting, the FA Investigation has determined that, over the course of 14 seasons, the Club, at the very highest level, had a well-established practice of using Unauthorised Agents/Unregistered Intermediaries for Agency/Intermediary Activity in order to secure the registration of the player in question at all costs. That usage included making substantial payments to Unauthorised Agents/Unregistered Intermediaries, sometimes via the 3P Entities in order to disguise the same.*
>
> *11. Moreover, when it came to filing the necessary paperwork, regarding a transfer for example, the relevant form would not reveal the involvement of the Unauthorised Agents/Unregistered Intermediaries, which would be concealed by the inclusion of the name of someone who was authorised or registered or by stating that one or both of the parties had not used the services of an Agent.*
>
> *12. The FA Investigation also determined that some of the Transactions involved the Club making improper payments to minors' families, family friends and their representatives, particularly those based overseas, in order to secure their registration. Such behaviour was expressly prohibited, for obvious reasons, as the Club under its then owner well knew.*
>
> *13. In addition, the FA Investigation has determined that 6 players were also the subject of breaches of the TPI Regulations.*
>
> *14. The FA Investigation determined that senior individuals at the Club such as [redacted], [redacted], [redacted] and [redacted] were significantly involved in, or were a party to communications relating to, the offending conduct for or on behalf of [redacted]. Two other senior individuals [redacted] and [redacted], and other less senior individuals, such as [redacted], [redacted] and [redacted], were also involved, albeit at a lower level, in the offending conduct, or were a party to relevant communications relating to the conduct.*
>
> *15. The conduct, which was deliberate and intentional, occurred at a time when [redacted] was [redacted], both [redacted] and [redacted] were [redacted] and [redacted] was intimately involved in and responsible*

for (among other things) the Club's [redacted].

16. This is not a case of individuals acting 'on frolics of their own'. The senior individuals referred to above were ultimately acting for and on behalf of [redacted] in accordance with his directions and wishes, and the less senior individuals implemented the instructions of [redacted]. This was the Club's well-established practice, which is why it is the Club that is being charged and why it is the Club that falls to be sanctioned. As matters currently stand, the view of The FA is that it would not be appropriate to bring charges against senior individuals without that process also involving [redacted]. [redacted] is not presently a Participant and is unlikely to become a Participant within the jurisdiction of The FA for the foreseeable future.

…

18. In addition, [redacted] and [redacted] were involved in administering the 'Player Project' for or on behalf of [redacted]. This was a long-standing, well-organised and well-funded programme of investment which involved offshore entities acquiring the economic and other rights to professional football players. The majority of transactions undertaken in pursuit of the Player Project did not have a nexus with the Club. However, whilst it is accepted that the mere existence of the Player Project did not result in breaches of The FA Rules and/or Regulations, 11 players came to be registered with the Club as a result of transactions involving entities associated with the Player Project, including the 3P Entities. There were breaches of The FA Rules relating to Agents and Intermediaries and the TPI Regulations in respect of transactions involving 9 of those 11 players."

59. The FA dealt with motivation in this way at §§27- 31 of the Executive Case Summary:

"27. While one inference is that the Club was motivated to act as it did in the hope of gaining a sporting advantage, such a determination is not necessary in order to justify the imposition of a sporting sanction. Furthermore, the motivation of [redacted] and others to have so acted is inevitably opaque and not capable of being determined conclusively.

28. Accordingly, the Commission is not invited to make any determination on whether the conduct was motivated by an intention to secure a sporting advantage, let alone whether any sporting advantage was obtained. Irrespective of motive however, the very serious nature of this conduct at the highest levels of the Club over a protracted period *and the impact that such conduct has on the integrity, and the perceived integrity of the game, are such that a financial sanction alone would be wholly insufficient to mark the gravity of the Club's misconduct and a sporting sanction is required in addition thereto.*

29 Six Transactions also breached the TPI Regulations. Given the high profile of two of the Players concerned, Eto'o and Willian, CFC plainly disregarded the TPI Regulations in order to secure the registrations of those Players over more scrupulous Clubs.

30. Moreover, some payments to Agents were made by the Club via a Third Party. This meant that such payments were not just concealed from The FA, but that they never even featured in the Club's accounts.

31. While it is not always possible to divine why the Club chose to use an Unauthorised Agent/Unregistered Intermediary, or chose not to disclose the involvement of an Authorised Agent/Registered Intermediary, there are a number of likely reasons for so doing:

> *(i) The Club believed that, because of the relationship between the Player and the Unauthorised Agent/Unregistered Intermediary, this was the best or only way to secure the Player's registration.*
>
> *(ii) In many cases, the Player was under 16 years old at the time. The Regulations did not permit a minor under the age of 16 to enter into a representation agreement nor for a Club to pay an Agent in respect of that Player. Nonetheless, CFC used the services of an Agent who had sway over him and his family in order to ensure, insofar as it could, that he ultimately signed with CFC when permitted to do so. In those circumstances, CFC could not declare the Agency Activity, irrespective of whether the Agent was authorised or not.*
>
> *(iii) In other cases, an Agent was declared to have acted on behalf of the Club rather than the Player in order to avoid tax obligations for the Player. It is not suggested that any of the Players in the Transactions giving rise to the charges in this case were knowingly involved in tax avoidance or tax evasion.*"

60. In the Case Summary, reference was made to the importance of tax considerations with regard to a number of players, for example:

60.1. With regard to [redacted] at §290:

"In July 2013, CFC did not declare that [redacted] had performed Agency Activity on behalf of [redacted] but instead declared that he had acted on behalf of CFC during the negotiation of the first Transaction, which is a breach of Regulation C2 of the Agents Regulations. This misrepresentation appears to have taken place, at least in part, to avoid tax liabilities on [redacted] as a result of the Club paying the Player's Agent, which would be a benefit in kind."

And at §331:

"On 18 May 2013, having been reminded that the Agent's fees would be £150,000 upon signing the scholarship and the same upon signing the professional contract, [redacted] emailed [redacted]: "Ok please send your address and agent licence number - I assume we are getting you to work on our behalf so there is no tax for the player - the dad will need to sign a close relative form as you are 100 per cent working for us?"

60.2. With regard to Willian Borges da Silva, at §502-504:

"502. [redacted] and [redacted] performed Agency Activity on behalf of Willian in relation to CFC obtaining his registration, which was not disclosed to The FA in the AG1 and AG1/P forms.

503. CFC purchased Willian from FC Anzhi Makhachkala ('FCAM') in August 2013. In September 2013 and October 2014, Leiston made payments totalling €24 million to two companies registered in the BVI: Fernington Invest Corp ('Fernington') and Tobeo Services Inc ('Tobeo'). The ultimate recipients of those sums were people associated with FCAM.

504. In July 2016, Willian agreed a contract extension with CFC, in relation to which [redacted] performed Agency Activity but this was not disclosed to The FA in the AG1 or AG1/P forms."

And at §537-538:

"537. On 11 July 2016, [redacted] emailed [redacted] with concerns about the calculation of the image rights:

"There is a mistake in the calculation the image rights are split 70/30 and so the tax has to be calculated on 70 % at a tax rate of 20% and 30 Brasilian company at 12%. Currently the numbers say 50/50 and 20% on the English and 0 % on the Brasilian."

538. [redacted] forwarded that email to [redacted] and [redacted], leading to discussion about the image rights. [redacted] then forwarded the entire chain to [redacted] and *commented: [redacted]: "These guys keep moving the goalposts they are now talking about adding another agent. With the HMRC on their backs rather than add an agent we have not asked to represent us the safest way would be through dual representation."*

60.3. In relation to [redacted], [redacted] was a family friend who was under contract with the Club for the provision of welfare support for "*100k per annum*". The FA summarised at §§ 374 and 375 in this way:

"374. On 26 August 2014, [redacted] sent a draft response to [redacted] for [redacted] consideration. [redacted] also mentioned the consultancy agreement, primarily as it concerned tax implications, but revealing that the consultancy agreement was a vehicle through which payment for Agency Activity could be provided …

375. The contract extension was agreed by 29 August 2014. [redacted] emailed [redacted] requesting a draft playing contract incorporating the agreed terms. [redacted] sent an email on the same day to [redacted], again making clear that the consultancy agreement was a sham to pay [redacted] for his Unauthorised Agency Activity: "[redacted] will sign the 5 year option today at 3pm (on the terms we discussed/agreed). … I will now progress and agree an agent fee (consultant – approx. 10% of the contract) – with [redacted] going on international duty tomorrow I felt it was more important to sign the contract today."

60.4. The summary continued at §385:

"385. On 9 September 2014, [redacted] emailed [redacted] attaching revised versions of the welfare consultancy agreement and scouting agreement. In addition, [redacted] laid bare the deception being perpetuated by CFC and [redacted] and raised concerns about tax and regulatory issues:

"I attach the two agreements amended in the light of your comments – however, I do have concerns and propose the following -

The welfare agreement is for two years, to commence after the expiry of the current agreement. The payments are 100k p.a. falling due on 1/07/15 and 1/07/16. The consultancy agreement is for two years from 1/09/14 to 30/08/16. The payments are 125k p.a., falling due on 1 October each year. As per our discussions and the advice I have been given at my end (and aside from the issues under the FA Agents Regulations):

- *The risk of HMRC trying to look through these agreements is high. That puts a risk on the player, of being assessed* *as liable to pay tax, and on the club for failing to deal with the tax position correctly, which would lead to interest and penalty charges. It also raises a risk of HMRC wanting to look at other agreements to see if they have been dealt with correctly.*

- *It is therefore imperative that these agreements are bona fide and performed by [redacted], with records kept. In relation to the new observation agreement, you and [redacted] will need to agree a method and style of reporting and those reports will need to be produced diligently. Further the position is much weaker if [redacted] is paid twice for the same period for the same services, as that isn't credible. For that reason I have reduced the welfare agreement to two years but retained the payment date as 1 July, so it falls due after the expiry of the current agreement.*
- *Of course, the position could be simpler if a licensed agent was involved but I don't think that is the case or is likely to be the case.*

Let's discuss later today or meet later in the week?"

60.5. With regard to Juan Cuadrado, at §785:

"785. In January 2015, CFC and AFC Fiorentina ('Fiorentina') agreed terms on the transfer of Cuadrado to CFC. [redacted] performed Agency Activity in facilitating the transfer and registration of Cuadrado with CFC. [redacted] was recorded on the AG1 as having acted on behalf of CFC. [redacted] was recorded as having acted on behalf of Cuadrado. In fact, the evidence reveals that [redacted] conducted Agency Activity on behalf of Cuadrado but this was not declared to The FA. It appears that the decision not to declare [redacted]'s Agency Activity on behalf of Cuadrado was motivated by a desire to evade tax."

60.6. And at §§810-811:

"Conclusions

810. It is apparent from the email dated 28 January 2015 from [redacted] to [redacted] that he was [redacted]. Further, the original schedule 2 properly identified [redacted] as such and made provision for his payment accordingly. The conversation relayed by [redacted] at 0030 on 30 January 2015 reveals that it was explained to [redacted] that there would be a tax cost if the Club paid the Player's Agency fees. Later that morning when it was *suggested that [redacted] did not have a representation agreement with Cuadrado, the agreement shifted to Cuadrado being represented by a lawyer and [redacted] simply representing CFC.*

811. No explanation has been provided as to why [redacted] did not have a representation agreement with him and nor why a representation agreement could not be drawn up. One explanation is that CFC misrepresented the reality so as to find an excuse to avoid the tax consequences of paying some of [redacted]'s fees as the [redacted]. The alternative is that CFC misrepresented reality to avoid revealing that they had used the services of an Agent who was not acting in accordance with a valid representation agreement."

61. In addition to the registration of Willian (see §60.2 above) payments were made to companies registered in the BVI, see Samuel Eto'o (Executive Case Summary at §97):

> *"97. CFC purchased Eto'o from FC Anzhi Makhachkala ('FCAM') in August 2013. In September 2013 and October 2014, Leiston made payments totalling €24 million to two companies registered in the BVI. The ultimate recipients of those sums were people associated with FCAM."*

I. WRITTEN SUBMISSIONS ON SANCTION

62. The FA submitted a detailed written submission on sanction dated 18 November 2025.

63. The reasons that The FA submitted that a registration ban was appropriate were identified as follows (FA submissions on sanction, §7):

> *"(i) The deliberate and intentional behaviour by CFC, which was carried out by individuals at the highest levels of the Club or under their direction and with their full knowledge and approval.*
>
> *(ii) The number and seriousness of the breaches where Unauthorised Agents/Unregistered Intermediaries were used and/or paid to secure the registration of particular players.*
>
> *(iii) The additional aggravating factors in respect of certain of these breaches particularly those concerning the registration of minors typically based overseas.*
>
> *(iv) The deliberate and intentional concealment thereof from The FA by submitting false and misleading documentation.*
>
> *(v) The seriousness of the breaches of the TPI Regulations to secure the registration of particular players which was carried*

out by individuals at the highest levels of the Club or under their direction and with their full knowledge and approval.

(vi) *The deliberate and intentional concealment thereof from The FA.*

(vii) *The plain and obvious inference that many of these breaches were committed in order to secure the registration of the player in question at all costs.*

(viii) *The period of time over which the breaches took place – 14 seasons and/or financial years from 2009/10 to 2022/23. The breaches primarily relate to events which occurred between the 2010/11 to 2015/16 playing seasons.*

(ix) *The overall number of breaches of The FA's Rules and Regulations, 74 in respect of 44 transactions relating to 32 different players.*

(x) *Of the 32 players who feature in the charges, 18 were minors and of the 44 transactions, 24 of them related to those 18 minors. As was observed in FIFA Circular 1843 at paragraph (a) (ii): "registration bans are the sanction that is most often imposed for infringements relating to international transfers involving minors"."*

64. The FA submitted that the following mitigating factors were present:

"(i) *The new ownership regime, BlueCo, brought matters to the attention of The FA at the earliest possible opportunity, including before it had acquired the Club.*

(ii) *In October 2023 the Club made The FA aware of a letter which it had received from The Guardian newspaper containing various allegations (some of which were new and unknown to the parties); the Club also disclosed its investigations into those matters to The FA.*

(iii) *In addition the Club made disclosure of the existence of "the [redacted] notebooks" and the potential further regulatory breaches contained therein as soon as the notebooks came to the Club's attention.*

(iv) *The level of cooperation with The FA and its representatives throughout the course of the investigation has been exceptional.*

(v) That cooperation has included the provision of a substantial body of significant evidence, the provision of summaries and agreed facts in respect thereof and a preparedness to make concessions.

(vi) Assistance in facilitating interviews with current and former employees of the Club.

(vii) The cooperative approach of the Club has in turn led to significant savings of both time and costs for The FA and its advisers.

(viii) Save for the breaches in respect of the registrations of [redacted] *and* [redacted]*, in* [redacted] *and* [redacted] *respectively, which based upon the current evidence took place without the knowledge of the new ownership regime, the breaches in question were committed under the previous ownership regime.*

(ix) The key architect of the breaches, [redacted]*, is no longer employed by the Club, and others who were involved in the breaches have since left the Club or are no longer responsible for the Club's transfer business and player contract renewals.*

(x) Had the Club not brought these matters to the attention of The FA it is unlikely that they would have been discovered.

(xi) The disclosures by the Club have included information concerning the involvement of other active Participants in English football in potential historical breaches of PL and FA Rules and/or Regulations which is akin to whistleblowing."

65. At §71, The FA observed:

> *"71. There appears to have been a policy within the Club of seeking to reduce the player's tax liability for each transaction. Where an Intermediary was acting for the Club, that gave rise to a corporation tax liability of around 19%, whereas when an Intermediary was acting for the player, that led to a benefit in kind to the player, taxed at 45% for some players. This was reported to HMRC by the Club and repaid in full, including the tax on behalf of the players, a total of £1.35m"*

66. The FA submitted that a financial penalty alone was an insufficient sanction, and that in addition there should be a sporting sanction. The FA submitted that the Club should pay a financial penalty of £10m and the sporting sanction should be a suspended registration ban.

67. The Club submitted a written submission on sanction dated 26 November 2025. The Club supported The FA's submissions on sanction and did not address the facts in any detail, given the Club's level of self-reporting, co-operation and acceptance of the charges. The Club's submissions on sanction were much shorter than The FA's submissions on sanction, and included (at §7):

> "*In light of the Club's willingness to accept The FA's proposed sanction, the Club does not respond to each of the points raised in The FA Submissions. The fact that the Club does not respond to a particular point should not be taken as its acceptance of the same. The Club reserves the right to address such points in due course if necessary to do so.*"

68. The Club did, however, address the Premier League's PSR at §40.1:

> *"40.1. The Club agrees that it is unnecessary for the Regulatory Commission to make any determination as to whether the conduct of the Club's former ownership was motivated by an intention to secure a sporting advantage. In any event, it has been established through a report produced by Ernst & Young LLP that the Club would not have breached the upper loss threshold of the Premier League's Profit and Sustainability Rules, if the payments made by offshore entities in certain of the transactions that are the subject of the Charges[20] were treated as having been made by the Club."*

69. Footnote 20 read:

> *"Eden Hazard, [redacted], Samuel Eto'o, Willian Borges Da Silva, [redacted], [redacted] and Robert Kenedy Nunes do Nascimento"*

70. Further those submissions included at §40.3.3 and the footnote to that paragraph:

> *"40.3.3 Third, when considering the historical actions of the Club, it is important that those actions are viewed in the context of how football operated at the time[22] (in particular, when the conduct in question occurred between the 2010/11 to 2015/16 playing seasons), as opposed to how it operates now. It would not be fair for the Club to receive a heavy sanction by reference to the standards of today, without regard to the standards that existed at the relevant time. Nor would it be fair for the Club to be treated differently to other Participants."*

71. Footnote 22 read:

"22 By way of summary, the Club notes the following evidence as to the broader industry approach that existed at the relevant time: (i) evidence arising out of the Premier League's amnesty in 2015 in respect of the payment of inducements to Academy Players; (ii) publicly available material in relation to unauthorised agents, including instances of so-called "lawyer fronting" (including in relation to individuals who appeared on a number of the Club's transactions) and, (iii) public statements made by HMRC as to the scale of the player / agent transactions that have been identified by HMRC as giving rise to tax issues. For example, it has been reported that: "In the year ending March 31, 2024, HMRC opened investigations into 20 football clubs, 83 football players, and 21 football agents. Over £384m in unpaid taxes has been collected as a part of these crackdowns in the last five years". The number of clubs and agents involved in HMRC's investigations, and the fact that such a considerable amount of tax has been paid, is further evidence that agents and clubs will have engaged in conduct that amounted to a breach of The FA's Rules and Regulations. This is further supported by The FA's disciplinary case in relation to Brighton & Hove Albion."

72. The Club set out the mitigating factors it relied on, relying principally on the exceptional way in which the Club had dealt with matters:

72.1. The fact that the self-reporting and whistleblowing was without precedent.

72.2. The Club has co-operated in full with The FA's and the Premier League's (and UEFA's) investigations, a level of co-operation going far beyond any previous cases.

72.3. The basis upon which the Club's admissions have been made, notwithstanding that significant facts remain uncertain even after the vast amount of investigative work undertaken. The Club has been willing to interpret factual gaps and The FA's Rules in a manner that is adverse to the Club, with a view to enabling The FA to bring its investigation to a conclusion.

72.4. The Club's admissions were made at the earliest possible stage, in the Club's response to the charges, thereby avoiding the need for The FA to establish liability in respect of the breaches of FA Rules and Regulations set out in the charges.

72.5. The Club has also adopted, under its new ownership, a fully co-operative approach to addressing the historical matters with HMRC, the Premier League, UEFA and FIFA.

72.6. The Club's admissions related to conduct which not only occurred under a previous ownership regime, but many years ago, in most cases more than a decade ago. There was no need to punish the Club, or its fans, in 2025, to bring about a change in approach. As was evidenced by the Club's approach to this matter, that change has already occurred.

J. WARNING BY REGULATORY COMMISSION IN ADVANCE OF THE HEARING

73. As we have noted above, the hearing before the Regulatory Commission was on 8 December 2025. On 3 December 2025 by an email, sent through the Judicial Services Manager at The FA Judicial Services Department, the Chair of the Regulatory Commission raised with The FA and the Club why a particular individual had not been interviewed. He also indicated that it was the intention of the Regulatory Commission to raise at the outset of the hearing The FA's decision to charge only the Club, and not certain individuals named in the charging documents, whose conduct would appear to be in breach of regulations and call into question the propriety of them being involved in the running of a football club. The Chair added, "*I do not wish to take the FA or CFC, or their counsel by surprise by raising this for the first time at the hearing…"*.

K. THE HEARING BEFORE THE REGULATORY COMMISSION

74. In contrast to the UEFA Settlement Agreement and the Premier League Sanction Agreement, the proceedings before The FA Regulatory Commission were adversarial. That is in contrast to the disciplinary systems in some other sports that are inquisitorial.

75. The Regulatory Commission received a great deal of material, including:

75.1. The FA's Executive Case Summary, dated 11 September 2025;

75.2. The FA's Case Summary, dated 11 September 2025;

75.3. The FA's submissions on sanction, dated 18 November 2025; and

75.4. The Club's submissions on sanction, dated 26 November 2025.

76. Despite the adversarial nature of the proceedings, the Regulatory Commission was effectively faced with an agreement between The FA and the Club as to sanction, namely a financial penalty of a fine of £10 million and registration ban for two entire consecutive registration periods windows, suspended for two years.

77. Both The FA and the Club accepted that the sanction was a matter for the Regulatory Commission, irrespective of what may have been agreed between the parties, and that is in line with the settled law regarding criminal prosecutions in the Crown Court, including

Deferred Prosecution Agreements and appeals in the Court of Appeal Criminal Division. It is worthy of note that in a Deferred Prosecution Agreement, the public interest requires the court to scrutinise rigorously any such agreements and the court can decline to conclude that the agreement reached between the prosecution and the defence is in the interests of justice and/or that its terms are fair, reasonable and proportionate.

78. At the outset, Leading Counsel for The FA preferred not to describe it as an agreement, but characterised it in this way, "*The FA has set out its position which the Club does not oppose*".

79. Amongst other observations, the Chair said (tp 2, lines 17-25 and tp 3, lines 1-25):

> "*The next observation we make is this: we note that the reference to the sanction of a points deduction is, if we may say so, conspicuous by its absence, save in relation to those cases where such a sanction was imposed. And we would appreciate your assistance as to why it would not be appropriate for us to consider and/or impose such a sanction, taking into account the principles elucidated in the Forest, Everton and Luton cases, albeit that the circumstances may warrant the suspension of such a sanction.*
>
> *In the context of the sanction of a points deduction, we will be interested to hear from both of you, notwithstanding that neither of you invites us to reach a conclusion as to whether these breaches were motivated by a desire to achieve a sporting advantage, as to which we note that whereas we are not being invited to, that is a different position from being invited not to. And we would appreciate submissions as to what conclusion we should draw as to the motive which lay behind the commission of these offences; and if we were to conclude that it was a sporting advantage −− although, of course, we accept that we could not speculate as to whether that was achieved −− why that would not trigger consideration or should not trigger consideration of a points deduction as an appropriate sanction.*
>
> *And, finally , at this stage, during the course of your submissions it is likely that we will raise certain issues ; and we will appreciate, particularly, an explanation to us which lies behind −− and this will obviously come from you, Mr O'Neill −− which lies behind The FA's decision to charge only the Club and not any of those employed or engaged by the Club whose suitability to be involved in the governance and management of any club, let alone one of the standing of Chelsea Football Club, may be called into question.*"

80. A little later in the hearing, the Chair asked Leading Counsel for The FA, *"what other motive could there possibly have been other than the acquisition of a sporting advantage?"* , which prompted this exchange:

> *"MR O'NEILL: We've dealt with that at page 38 of our sporting sanction section submission; and that's where you find the start of The FA's submission. And we've acknowledged at paragraph 115 that one possible inference is that the Club was motivated to act as it did in the hope of gaining a sporting advantage.*
>
> *THE CHAIR: That's prompted me to ask you: what other motive might it have had?*
>
> *MR O'NEILL: Part of the difficulty, of course, with answering that is that no one around this table –– neither those who are presently running the Club or acting for the Club, nor The FA –– has any way of enquiring of the likes of [redacted], [redacted], etc, etc, as to what their motive was or motives were in acting as they did.*
>
> *THE CHAIR: So we have to come to our own conclusions; evidence based conclusions without speculation.*
>
> *MR O'NEILL: Evidence based conclusions.*
>
> *THE CHAIR: Yes.*
>
> *MR O'NEILL: And, in my respectful submission, as the Regulator we submit there is no clear and compelling evidence ––*
>
> *THE CHAIR: We have to be satisfied on a balance of probabilities.*
>
> *MR O'NEILL: Yes, but that still has to be on the basis ––*
>
> *THE CHAIR: So you say –– of course it does. One of the ways of answering this question is to ask you, on behalf of The FA, to put forward any other potential motives that [redacted] and [redacted], might have had. Help us, because Joe Public will think, understandably, that whether or not they acquired any sporting advantage, apart from the signature of the players, that can only have been why they did it as deceptively and for such a long time as they did. What we must not do is conclude that without it they wouldn't have had had the success they did. That would be speculation, because who knows how the players which would have been picked would have done? But I would require some assistance as to why we shouldn't conclude, on a balance of probabilities , that it's likely that this scheme, this continued and egregious conduct, as it's described by both parties ,*

continued for such a length of time. What was –– why do it? What's the reason? I 'm sorry to be difficult .

MR O'NEILL: No, no. Not at all. [redacted]*, such as* [redacted]*, may have all manner of reasons for acting in ways that are not immediately obvious to those of us who don't have quite as much money as he did. He clearly had an interest in acquiring footballers for the sake of gaining a financial advantage, hence the Player Project which was being run on his behalf not for the benefit of Chelsea Football Club –– though, on occasions, they were – there were transactions involving players who came to Chelsea –– but perhaps for the thrill of the chase; just for wanting to be able to buy something because he could buy it and that prevented somebody else from buying it.*

THE CHAIR: Yes.

MR O'NEILL: And there are possible reasons like that to explain his behaviour; and it's difficult for me to point to any clear and compelling evidence that he and those acting on his behalf were motivated to acquire the players they did acquire, whether that was at a young age, an age where they were taking a chance, and somebody who might be coming through, or more established individuals for a sporting advantage. The evidence which we have seen in this case, and you will get an idea of how much there was when we couldn't get a case summary to below 300 pages, does not, as I recall it, spell out the desire to acquire a particular individual because it would better their chances in any particular competition if they had him as opposed to X club or Y club having him. (tp45 line 25 to tp47 lines 23)

81. The Chair of the Regulatory Commission commented on the *"conspicuous"* absence of any reference to a points deduction in the written submissions by The FA and the Club (tp3 line 17 to tp4 line 15).

82. Leading Counsel for the Club relied on the fact that The FA had not put its case, at any stage, that there was a sporting advantage or that the misconduct warranted a points deduction. He also relied on the fact that the Premier League, who is the competition organiser (in which competition any points deduction would apply), did not in the Sanction Agreement consider a points deduction to be appropriate. The Chair drew the distinction between that agreement and these adversarial proceedings.

83. Further reliance was placed by the Club on its submission that, in order to consider whether there was a sporting advantage, it was necessary to assess each transaction separately and not reach an inference on a global basis. The Club relied on the examples of Willian and Eto'o and the payment being made in the BVI (see §§60.2 and 61 above) and,

moreover, the Ernst & Young conclusion that the PSR would not be breached had the money been injected into the Club.

84. The Chair identified that there were two issues, whether there was a desire to achieve a sporting advantage and whether a sporting advantage was achieved.

85. Leading Counsel for The FA drew the Regulatory Commission's attention to the minutes from a Football Regulatory Authority meeting on 7 March 2011, which read:

> *"In the event that a charge is found proven which may result in the imposition of a points deduction (or expulsion from a Competition) the Regulatory Commission shall notify the Competition concerned and it shall be open to the relevant League or Competition to make representations (orally or in writing) before the Regulatory Commission in respect of sanction. It is a matter for the Commission alone to consider what weight is to be given to any such representations in the particular circumstances of any case."*

L. THE WRITTEN REASONS

86. On 12 January 2026 The FA Judicial Services Manager circulated the Regulatory Commission's "Written Reasons" (the "**Written Reasons**") in this case to the parties by email. It stated:

> *"The attached document has been disclosed to the parties at this stage to enable them to identify any typographical errors and/or factual mistakes: it is not an opportunity to reargue the case, or to suggest editorial changes. Should your party have any relevant observations to highlight, please provide them via Reply All before 4pm on Monday, 19 January 2026."*

87. At §79 the Regulatory Commission summarised its decision (subject to the relevant Appeal Regulations):

    87.1. The Club was fined the sum of £10m, to be paid by 30th April 2026.

    87.2. The Club was subject to a sporting sanction of a deduction of six points.

    87.3. The sanction of a deduction of six points should be suspended until the end of the football season 2026-7, subject to the right of the Premier League to make written representations to the Regulatory Commission, by 26th January 2026.

    87.4. The Club was ordered to pay in full the costs of the Regulatory Commission.

88. The Regulatory Commission identified two "*very unusual, if not unique*" aspects of the case (§5):

88.1. The investigation arose out of the Club's self-reporting and that it was unlikely that the matters would ever have come to light without that self-reporting.

88.2. The FA had proposed a package of sanctions with which the Club did not disagree. In those circumstances the Regulatory Commission saw its role as one that scrutinised the proposed sanctions it was invited to impose, including considering a sporting sanction of a points deduction which The FA and the Club invited the Regulatory Commission not to impose.

89. The Regulatory Commission had a particular concern about two factors (§6):

89.1. The fact that no individual had been charged, and

89.2. The FA had not proposed a sporting sanction of a points deduction. In those circumstances it was not surprising that the Club had agreed with The FA's proposals.

Further, the Regulatory Commission would not simply 'rubber-stamp' the approach that was proposed. That said, the extent of the co-operation and collaboration between the parties had been of considerable assistance to the Regulatory Commission.

90. Having summarised the charges and observed in doing so the gravity of the misconduct, the Written Reasons stated (§8):

> *"… those who were then … in control of the Club and running its activities on a day-to day basis, reveals a shameful and arrogant disregard for the Rules of the game, and which has done so much to bring the game of football in general, and the name of CFC into disrepute.*"

91. Having considered the purpose behind The FA Regulations (§§11-16) and the role of some individuals, the Regulatory Commission moved on to consider how it should ascertain the motive of the Club and accepted that it was more difficult to do so with any degree of certainty, not least as the burden of proving the case rested "*formally and properly*" on The FA on the balance of probabilities (§22). The Regulatory Commission accepted that making any finding as to motive was difficult but observed that it would be failing in its duty if it did not make its decision on motive clear. The Regulatory Commission concluded that it was satisfied that the actions and omissions by the Club over a 13 year period were carried out for a number of specific reasons:

91.1. Out of the six breaches of the TPI Regulations, in the cases of two high profile players (Eto'o and Willian) the Club disregarded the Regulations in order to secure the registration of those players ahead of more scrupulous clubs;

91.2. The Club deliberately used Unauthorised Agents and Unregistered Intermediaries because it believed that this was the easiest, if not the only, way to secure a particular player's registration;

91.3. In order to register players under 16 the Club was prepared to ignore the principle behind the Regulations which was to protect young and perhaps impressionable players from exploitation; and

91.4. On occasions, Agents were declared as acting for the Club rather than the player in order for the latter to "*unwittingly*" avoid any tax liability.

92. The cumulative effect of those four reasons led the Regulatory Commission to conclude (§25):

> *"25. That the principal and overall motive behind the Club's conduct was to gain a sporting advantage. Furthermore, in certain respects, CFC did gain a sporting advantage. In particular, by its actions and omissions, it was able to acquire a squad of players whose depth of talent at every level was greater than it would have been had they complied with the various Regulations of which they were in breach. It also obtained a sporting advantage by depriving Clubs with which it was in direct competition of a fair opportunity of having them in their squad."*

93. Further, having considered the submission by The FA that wealthy people may act in a way that others might find irrational, the Regulatory Commission observed (§25):

> *"Equally, in our judgment, if the object of the exercise – to obtain a sporting advantage – had not been obtained, at least in the minds of those in control at CFC, then the practice might well have ceased long before RA sold CFC. That said, whilst a reasonable inference can be drawn from the evidence as to the obtaining of a sporting advantage in relation to its ability to acquire players by unlawful means and inducements, and to prevent others from similarly strengthening their squads, we agree that we cannot and should not seek to reach a conclusion as to whether the Club did gain a sporting advantage in terms of its results over the relevant period. That would be to indulge in speculation, in which fact-finding Commissions and Tribunals indulge at their peril.*"

94. Having said that, in the next paragraph, the Regulatory Commission then summarised the success of the Club under Mr Abramovich's ownership in this way (§26):

> *"… the Club enjoyed unprecedented success. Some of that success was enjoyed before the period in which the Club's breaches of the Regulations took place, but during the relevant period, CFC won no fewer than 2 UEFA Champions' League titles, 3 Premier League titles, 3 FA Cups, out of a total of 13 major trophy wins. Even though this Commission has made it clear that we should not, and will not, speculate as to whether CFC actually gained a sporting advantage, as far as its success on the field is concerned during if not throughout the 13 year period under investigation, the Court of Public Opinion will form its own view and if that is one adverse to the Club and those who were at its helm, they can have no one to blame but themselves.*"

95. Having considered the circumstances in which The FA became involved in the investigation of the Club and the Club's antecedent history, the Written Reasons set out the Regulatory Commission's rationale in relation to sanctions. As there is no appeal against the financial penalty imposed, we do not rehearse the rationale behind that decision. The Written Reasons turned to the question of a sporting sanction and identified three questions:

95.1. Whether the case, taken as a whole, necessitated the imposition of a sporting sanction in addition to a fine;

95.2. If so, what should it be; and

95.3. If it merited a sporting sanction, should that sanction be suspended.

96. The Regulatory Commission adopted The FA's submissions as to whether there should be a sporting sanction and cited the relevant paragraphs from The FA's written submissions. In short (§§47-48):

96.1. The Club was well aware of its duty not to use Unauthorised Agents/Unregistered Intermediaries and to make the appropriate declarations to The FA. Nonetheless, a well-established practice existed at the highest levels of the Club to use Unauthorised Agents/Unregistered Intermediaries and to pay them and to conceal their involvement and those payments from The FA;

96.2. The six breaches of the TPI Regulations, including the two high profile players previously mentioned in order to secure the registration of those players;

96.3. A sporting sanction was required because:

96.3.1. The conduct was deliberate and intentional, conducted at the highest level over the course of many seasons;

96.3.2. That conduct was exceptionally serious being unprecedented in terms of scale and consistent with there being a historic culture of rule-breaking;

96.3.3. Culpability was at the highest level although the actual harm was not capable of financial measurement, the degree of reputational harm to the integrity of the sport was plainly of the highest level.

97. Having concluded that a sporting sanction was necessary, the Regulatory Commission identified what it regarded to be the available sanctions:

97.1. Expulsion from the competition;

97.2. A points deduction; and

97.3. A registration (transfer window) ban.

98. The Club had submitted that the sanctioning exercise was "*highly fact sensitive*" and that it was appropriate to consider each charge on a transaction by transaction basis. The Regulatory Commission accepted that there was a degree of overlap between this case and the charges brought by UEFA and the Premier League and concluded that because there was such frequency of offending over a protracted period it had to form a view of "*the overall seriousness of [the Club's] offending and its culpability, and then have regard to the principles of totality in order to achieve a realistic outcome, and one which was fair" (*§50).

99. Further, the Club's submission that the Regulatory Commission should examine *"apposite comparators"* was rejected on the basis that the previous decisions were not remotely comparable to the offending in this case (§51).

100. The aggravating features identified by The FA and acknowledged by the Club as set out in §63 above were repeated and the Regulatory Commission repeated its finding of an intent to obtain and the obtaining of a sporting advantage.

101. Reliance was placed on The FA's submission that the use of Unauthorised Agents/Unregistered Intermediaries and payments in some cases via 3P Entities in the BVI was to disguise payments "*in order to secure the registration of the player at all costs*" (§59).

M. SUBMISSIONS FROM THE PREMIER LEAGUE

102. In accordance with the invitation to the Premier League to make written representations, the Premier League did so on 26 January 2026.

103. In a carefully worded and temperate letter, the Premier League indicated that the proposed points deduction, if implemented, would have very serious implications not only on the Club, but also potentially significant ramifications for other clubs playing in the same competition.

104. The Premier League submitted that there is a strong consensus among regulators in the game that:

104.1. Sporting outcomes should be decided on the pitch, wherever possible; and

104.2. Points deductions (where warranted) should, in all but the most exceptional circumstances, be a matter for the league running the competition in question.

105. It was made clear that its submissions were made in the interests of coordinated regulation of the professional game and the integrity and stability of the Premier League's competition. No submission was made to advance one way or the other in the present case, but *"rather to ensure that those interests form part of the Regulatory Commission's thinking when reaching its final decision."*

106. With regard to process, The FA was invited to adopt in future cases a procedure in which:

106.1. The Premier League is notified at the stage when a points deduction affecting its competition is first seriously in contemplation; and

106.2. An opportunity is afforded for written and/or oral submissions to be made by the Premier League in advance of the issuance of any decision, even in draft.

107. Such an approach would be consistent with the Premier League's understanding of The FA's own approach - that a points deduction in the Premier League is only imposed in the most serious circumstances under the Premier League's own regulatory framework. The Regulatory Commission was invited to exercise great caution before imposing a points deduction that affects the Premier League's competition with such a sanction being reserved for truly exceptional cases.

108. The Premier League submitted that caution should be even greater when in bringing the case The FA as the prosecutor considered that this very high threshold had not been reached. It was emphasised that, as there was a total absence of an upheld points deduction in the Premier League by an FA Regulatory Commission in its over thirty year history:

> *"Therefore, at a point where such a deduction is being considered, we believe the League should be provided with the opportunity described above. This would allow the League to comment, in advance, not only on the concept and appropriateness of a deduction in such circumstances,*

but also to assist the Regulatory Commission and provide representations in relation to the quantum of any such deduction (making appropriate comparisons if they exist with any other points sanctions).

109. The Premier League emphasised the unprecedented nature of a deduction of points in the Premier League by an FA Regulatory Commission. Further, it identified that there was a comprehensive regulatory and sanctions regime within the Premier League. It continued:

> "*In the present case, as the Regulatory Commission is aware, the Club's misconduct (insofar as it falls within the League's remit) has been scrutinised in detail through a multi-year investigative process and is the subject of a Sanction Agreement ratified by three members of the League's Disciplinary Panel. Certain of the misconduct addressed in that agreement overlaps with conduct which has formed the basis of the charges admitted by the Club in these proceedings, although (of course) distinct regulatory provisions and charges have been engaged in each case. The sanctions recorded in that agreement were the product of a careful assessment by the League's Board of the appropriate package of sanctions available to the League under its Rules for the relevant misconduct. Those ratified sanctions did not include any points deduction in the League's competition.*"

110. Having observed that there is not a regulatory vacuum in the Premier League that The FA needed to fill, in regard to the availability of sporting sanctions within The FA's remit the Premier League stated:

> *"In line with the interests identified … above, the League would ask the Regulatory Commission expressly to address in its final decision on sporting sanctions whether it is more appropriate that any sporting sanction which it chooses to apply in this case should operate in (or at least impact) a competition operated by the prosecuting regulator, rather than one which is felt solely by a competition operated by a different (albeit related) regulator. In that regard, the League notes, for example, that certain forms of sporting sanction, such as a registration ban, would have effect across all competitions in which the Club participates, whereas a points deduction would not.*"

N. SUBMISSIONS FROM THE FA AND THE CLUB IN RELATION TO THE SUBMISSIONS FROM THE PREMIER LEAGUE

111. Both The FA and the Club made supplementary submissions in response to the written submissions from the Premier League.

112. Broadly speaking, in its written submissions dated 3 February 2026, The FA maintained its position in relation to sanction, and adopted the Premier League's submission that wherever possible sporting outcomes should be decided on the pitch.

113. On 10 February 2026, the Club reiterated the submissions made at the hearing and additionally submitted that the proposed sporting sanction resulted from procedural unfairness:

113.1. The question of a potential points deduction was raised for the first time at the hearing, without notice;

113.2. The FA did not seek such a sanction;

113.3. The FA did not allege that the Club was motivated by a desire to seek a sporting advantage and nor did it allege that any sporting advantage was obtained;

113.4. The FA did not call any evidence to prove a motivation to achieve a sporting advantage, nor that one was achieved; and

113.5. The FA submitted that the evidence did not support such a finding.

114. On 18 February 2026, the Regulatory Commission responded by indicating that The FA "*had chosen not to address*" the submission by the Club that the Regulatory Commission has reached its decision through a procedural irregularity. The Regulatory Commission invited The FA to clarify its stance. The FA did so on 24 February 2026. It maintained its position that the appropriate sporting sanction was a registration ban not a points deduction, although, ultimately, sanction was a matter for the Regulatory Commission. The FA did not support the Club's submission that there had been a procedural irregularity, as the question of a potential points deduction was raised at the outset of the hearing, and repeated during the hearing. The following day, The FA added to its written submission, and addressed the submission from the Premier League that in future cases the Premier League should be notified at the stage when a points deduction was first seriously in contemplation, and the Premier League should be given the opportunity to make submissions at an earlier stage and before any decision was issued, even in draft.

115. The Regulatory Commission noted that the procedural unfairness submissions had been raised at a late stage. The FA was given a further (and final) opportunity to make submissions as to the procedural steps the Regulatory Commission could make in order to correct "*what The FA now say was a flawed approach to the imposition of a points deduction".* The FA responded by inviting the Regulatory Commission to:

"(i) Consider those submissions as though they had been received when a points deduction was first under serious consideration, as opposed to when any draft or provisional decision had been reached; and

(ii) Determine the nature and extent of the sporting sanction upon the basis of the submissions of the parties and of the Premier League."

116. The Club responded by agreeing with that invitation, "*without prejudice to whether it is possible for the Commission now to assess the matter afresh.*"

O. THE ADDENDUM TO THE WRITTEN REASONS

117. Having considered the submissions from the Premier League, and further submissions from The FA and the Club, on 4 March 2026 the Regulatory Commission produced an "Addendum to Written Reasons" (the "Addendum").

118. There was no change to the original reasons. The Addendum addressed the Premier League's submissions and, in particular, commented that the Regulatory Commission had acted in accordance with the letter and spirit of the minutes of the Football Regulatory Authority dated 7 March 2011.

119. The Regulatory Commission addressed the Premier League's submissions, noting that wherever possible, sporting outcomes should be decided on the pitch. The Regulatory Commission sought to emphasise that its Written Reasons dated 12 January 2026 were provisional, not least because the Regulatory Commission had invited submissions from the Premier League. The Regulatory Commission emphasised that this was a truly exceptional and unprecedented case which called for an exceptional sanction.

120. Further, the Regulatory Commission considered whether it was appropriate to impose a sporting sanction which has an impact on a competition operated by a different (albeit related) regulator, as opposed to one which would have an impact across all competitions. The Regulatory Commission accepted that it was a valid point for its consideration, but decided that it was not determinative and that there was an intrinsic link between The FA and the Premier League.

121. With regard to the claim of procedural unfairness, the Regulatory Commission noted that The FA rejected any suggestion that "*the Commission's provisional decision was affected by procedural unfairness, serious or at all*". The Regulatory Commission stated that had The FA's submissions left it in any doubt it would have considered carefully whether to give the parties the opportunity of a further oral hearing. It noted that the procedural unfairness point had been raised for the first time in the Club's submissions of 10 February 2026. The Regulatory Commission was prepared to, and did, revisit the question of whether it was

appropriate to impose a sporting sanction which has an impact on a competition operated by a different (albeit related) regulator. It determined:

> " … *we have now asked ourselves whether, if a sanction akin to a points deduction is to be considered and imposed, a sanction in respect of a competition which was under The FA's direct control, namely The FA Challenge Trophy [FA Cup] would be more appropriate. In our judgment, it would not. The conduct of CFC [whether actions or omissions] was designed to achieve an unquantifiable sporting advantage in all competitions in which it competed, but primarily in the PL, over a prolonged period of time, and it is to that competition to which we have concluded that such a sanction, if any, should apply.*"

P. GROUNDS OF APPEAL AND THE FA'S RESPONSE

122. The Club appealed against the decision of the Regulatory Commission, setting out four grounds of appeal (see §3 above).

123. The FA responded by submitting that the alleged procedural unfairness could have been negated by an application for more time, which was not made. The FA submitted that the Regulatory Commission was entitled to look at the conduct of the Club globally to consider sanction, as it could when considering the motivation for the misconduct. However, The FA conceded that the Regulatory Commission should not have adopted that approach when considering whether the Club had achieved a sporting advantage. That submission was repeated with regard to the second ground of appeal. The FA submitted that it was not open to the Regulatory Commission to conclude that the Club had actually gained a sporting advantage.

Q. THE SKELETON ARGUMENTS

124. The Club's skeleton argument dated 5 May 2026 reflected its grounds of appeal, save that the Club abandoned its initial Ground 4, that the Regulatory Commission was tainted by bias.

125. In support of ground 1, procedural unfairness, the Club directly linked it to FA Disciplinary Regulation 9 C 2.1, "*failed to give the Participant a fair hearing*". The Club emphasised well known principles, such as the opportunity to be heard on any issue that is relevant to the decision, and that unfairness may also arise from conducting a hearing in a manner that puts a party under unreasonable pressure. In addition, the Club submitted that the ability to make representations only after a decision has been taken will usually be insufficient to satisfy the demands of common law procedural fairness.

126. With regard to ground 2, unreasonableness, the Club directly linked it to FA Disciplinary Regulation 9 C 2.3, "*came to a decision to which no reasonable such body could have come*". The Club accepted that every case depends on context and submitted that the Appeal Board may examine the route by which the Regulatory Commission reached its decision and the ultimate decision reached.

127. Ground 3, excessive sanction, the Club directly linked it to FA Disciplinary Regulation 9 C 2.4, "*imposed a penalty, award, order or sanction that was excessive*." The Club submitted that an excessive sanction was one that was materially more than was necessary or proportionate in the circumstances of the case.

128. The FA responded to that skeleton argument with one of its own, dated 12 May 2026. The FA addressed the issue of motivation at §10. The FA accepted that in its submission on sanctions (and its Executive Case Summary) The FA had submitted that the Regulatory Commission was not invited to make a determination on the Club's motivation to secure a sporting advantage (see §59 above). At the appeal, in its skeleton argument on behalf of the Respondent, The FA stated, "*Notwithstanding that submission, it was plainly open to the Commission to draw the inference which it did as to motivation*" (§10(vi) and (vii)). The Club provided a responsive skeleton argument dated 14 May 2026, to which was annexed a helpful summary of each ground of appeal and the 'sub-grounds' in support of each ground, which were:

128.1. Ground 1:

128.1.1. No proper or adequate forewarning of concerns.

128.1.2. Unfairness of Actual Advantage Finding.

128.1.3. Globalised findings.

128.1.4. Failure to address the Club's case.

128.1.5. No forewarning of the Commission's sanction methodology.

128.1.6. Failure to invite representations by the Premier League at the appropriate time.

128.2. Ground 2:

128.2.1. Speculation concerning the Actual Advantage Finding.

128.2.2. Failure to analyse specific transactions.

128.2.3. The Motivation Finding was perverse.

128.3. Ground 3:

128.3.1. Sanction based on the Motivation Finding and the Actual Advantage Finding.

128.3.2. Departure from The FA's proposed sanction.

128.3.3. Failure to consider all mitigating factors.

128.3.4. Failure to distinguish the Motivation Finding and the Actual Advantage Finding.

128.3.5. Failure to take into account the Premier League and UEFA investigations.

128.3.6. Failure to consider The FA's position on the Premier League.

128.3.7. Unprecedented sanction.

R. THE APPEAL

129. The oral submissions before the Appeal Board reflected the careful written submissions. Counsel for both parties were concise, helpfully referred to the hearing bundles as appropriate and did not rehearse the totality of their written submissions.

S. THE REGULATORY AND LEGAL FRAMEWORK

130. Proceedings before a Regulatory Commission are adversarial in nature. That is in contrast to the Settlement Agreement agreed with UEFA and the Sanction Agreement agreed with the Premier League.

131. The FA characterised the position between the parties not as an agreement, but one where The FA had proposed a package of sanctions with which the Club did not disagree.

132. The parties accepted that the Regulatory Commission was not bound by that approach, however it was characterised. Sanction was a matter for the Regulatory Commission to the civil standard of proof, on the balance of probabilities.

133. Part 9C of The FA Handbook 2025 addresses non-fast track appeals. A distinction is drawn between the grounds of appeal available to The FA (Regulation 9, C 1) and to a Participant (Regulation 9 C 2):

> *"1 The grounds of appeal* ***available to The Association*** *shall be that the body whose decision is appealed against:*

1.1 misinterpreted or failed to comply with the Rules and/or regulations of The Association relevant to its

decision; and/or

1.2 came to a decision to which no reasonable such body could have come; and/or

1.3 imposed a penalty, award, order or sanction that was ***so unduly lenient as to be unreasonable.***

2 The grounds of appeal available to Participants shall be that the body whose decision is appealed against:

2.1 failed to give that Participant a fair hearing; and/or

2.2 misinterpreted or failed to comply with the Rules and/or regulations of The Association relevant to its decision; and/or

2.3 came to a decision to which no reasonable such body could have come; and/or

2.4 ***imposed a penalty, award, order or sanction that was excessive****."*

(**emphases** added)

134. The conduct of the appeal is set out at FA Regulation 9, C 12:

"An appeal shall be by way of a review on documents only and shall not involve a rehearing of the evidence considered by the body appealed against. The parties shall however be entitled to make oral submissions to the Appeal Board. Oral evidence will not be permitted, except where the Appeal Board gives leave to present new evidence under paragraph 10 above."

135. The powers of the Appeal Board at FA Regulation 9, C 21:

"21 The Appeal Board shall have power to:

21.1 allow or dismiss the appeal;

21.2 exercise any power which the body against whose decision the appeal was made could have exercised, whether the effect is to increase or decrease any penalty, award, order or sanction originally imposed;

21.3 remit the matter for re-hearing;

21.4 order that any appeal fee be forfeited or returned as it considers appropriate;

21.5 make such further or other order as it considers appropriate, generally or for the purpose of giving effect to its decision.

21.6 order that any costs, or part thereof, incurred by the Appeal Board be paid by either party or be shared by both parties in a manner determined by the Appeal Board."

136. We were provided with a great deal of authorities (54). Perhaps the most relevant were with regard to the fairness of the proceedings or findings of fact unsupported by the evidence as follows:

136.1. *Re W,* [2017] 1 WLR 2415 which, in support of the contention that a judge may chose not to make findings outside the parameters of the parties' pleaded case, stated at §95 and 96:

"95. Where, during the course of a hearing, it becomes clear to the parties and/or the judge that adverse findings of significance outside the known parameters of the case may be made against a party or a witness consideration should be given to the following:

(a) ensuring that the case in support of such adverse findings is adequately put to the relevant witness(es), if necessary by recalling them to give further evidence;

(b) prior to the case being put in cross examination, providing disclosure of relevant court documents or other material to the witness and allowing sufficient time for the witness to reflect on the material;

(c) investigating the need for, and if there is a need the provision of, adequate legal advice, support in court and/or representation for the witness.

96. In the present case, once the judge came to form the view that significant adverse findings may well be made and that these were outside the case as it had been put to the witnesses, he should have alerted the parties to the situation and canvassed submissions on the appropriate way to proceed. One option at that stage, of course, is for the judge to draw back from making the extraneous findings. But if, after due consideration, it remains a real possibility that adverse findings may be made, then the judge should have established a process that met the requirements listed in para 95 above."

136.2. In *R(Law Society) v Lord Chancellor*, [2019] 1 WLR 1649, Carr J, as she then was, stated at §98:

"A decision may be challenged on the basis that there is a demonstrable flaw in the reasoning which led to it - for example, that significant reliance was placed on an irrelevant consideration, or that there was no evidence to support an important step in the reasoning, or that the reasoning involved a serious logical or methodological error. Factual error, although it has been recognised as a separate principle, can also be regarded as an example of flawed reasoning - the test being whether a mistake as to a fact which was uncontentious and objectively verifiable played a material part in the decision-makers reasoning: see E v Secretary of State for the Home Department [2004] QB 1044."

136.3. In *The FA v Sturridge*, (Appeal Board, 2 March 2020), at §85, Sir Wyn Williams stated that the circumstances in which an appellate court is justified in reviewing findings of fact made at first instance and departing from such findings has been the subject of detailed consideration in the Supreme Court in *Henderson v Foxworth Investments and Another,* [2014] I WLR 2600 at §67*:*

"67 It follows that, in the absence of some other identifiable error, such as (without attempting an exhaustive account) a material error of law, or the making of a critical finding of fact which has no basis in the evidence, or a demonstrable misunderstanding of relevant evidence, or a demonstrable failure to consider relevant evidence, an appellate court will interfere with the findings of fact made by a trial judge only if it is satisfied that his decision cannot reasonably be explained or justified."

137. With regard to sanction, Lord Dyson in *Nottingham Forest FC v The FA*, 27 February 2025, commented on the difficulty faced by a Regulatory Commission where there was an absence of guidelines for the misconduct of the kind that had occurred in that case. Further, he observed that what had been described as a "*generous and significant margin of appreciation*" had its foundation in the appeal of *The FA* v *Klopp,* which was an appeal by The FA and therefore was in relation to the submission that the sanction imposed was *"so unduly lenient as to be unreasonable"* and that in a Non-Fast Track Appeal by a Participant (as this is) the question to be decided is whether the sanction imposed was "*excessive*" (§65). Lord Dyson stated at §66:

"66. We have no doubt that we should accord a margin of appreciation to the Commission's decision. The appeal is by way of review and not a rehearing. It is against a decision which, if it is not an exercise of discretion, is an exercise of judgment. It is not a hard-edged decision on a question to which there can only be one answer. We note that Regulation 33 of The FA Non-Fast Track Regulations provides that the Commission "may impose any penalty that it considers to be appropriate

in accordance with its general powers as set out in paragraphs 39 to 53 of Part A: General Provisions."

138. In *Everton Football Club v the Premier League,* 26 February 2024 (the "**Everton case**", where an appeal was allowed, reducing the points reduction for a breach of the PSR) the Appeal Board stated:

> *"25. The principle of equal treatment is equally applicable to the PSR. A breach of FFP Regulations by a club is unfair to other, compliant clubs in the same competition, which may be put into the invidious position of having to choose between (i) complying with the FFP scheme and suffering a sporting disadvantage (and accompanying financial disadvantage), and (ii) themselves spending in breach of the regulations causing (as Mr Lewis put it) "an arms race" which, irrespective of the financial support available to the first club in breach, may put these other clubs (and, thus, the competition) in jeopardy. That is one reason why, as noted in Dynamo Moscow at [81] (albeit in the different context of a UEFA competition), it is important that effective sanctions are imposed where there is a breach so that clubs are not able to take an unfair advantage of their breach."*

139. With regard to cooperation being a mitigating factor the Appeal Board in the Everton case stated at §91:

> *"91. We are not of course dealing here with criminal proceedings: we are dealing with a regulatory scheme which forms part of a joint venture to which all PL clubs are a party, each of which has agreed to the standard of required conduct and the enforcement regime provided in the PL Rules. Because the PL is a joint venture, the costs of enforcement against one club inevitably falls on all the clubs by reducing the money available for distribution. In that context, we consider that the reasonable level of cooperation to be expected of clubs in respect of the PSR mechanics and process is relatively high. A club cannot plead cooperation at that level as a mitigating circumstance. Only where the level of cooperation is exceptional (i.e. above the level reasonably expected) would it be a mitigating circumstance. Where a club's cooperation falls below that level, then that may be an aggravating circumstance.*

and continued at §113:

> *"113. The Club said that it had behaved openly and responsibly in its dealings with the PL in relation to its PSR challenges, and that behaviour*

should stand as mitigation. But, as we have described (see paragraphs 90-91 above), reasonable cooperation and openness is a requirement of the contractual relationship between the PL clubs, and not in itself mitigation. We do not accept that, if cooperation with the PL in PSR matters is not positively rewarded in the form of a reduction in sanction, then clubs would be reluctant to bear what Mr Rabinowitz called "the risk of cooperation". We do not think that fairly describes what the Rules require from clubs as part of a sporting league that is also a joint venture. They require active and genuine cooperation, and accurate, true and fair financial reporting in accordance with recognised accounting standards and the Rules themselves. Compliance with such requirements is to be expected of clubs; and, welcomed by the PL as it no doubt is, that expected level of cooperation with the PL as the regulating/enforcing authority under the joint venture contract does not in itself reduce culpability (however that is defined) and is not mitigation. Something over and above that is required: in the word used by the Commission, something "exceptional"."

140. With regard to proportionality, the Appeal Board in the Everton case stated at §195:

> *"195. That requires us to consider the following issues, which we do in turn below:*
>
> *(i) the legitimate aims of sanctions in the context of the PSR;*
>
> *(ii) whether a points deduction is reasonably required to achieve those aims (as the PL submit), or whether some other, lesser sanction would fulfil those aims (as the Club submits); and*
>
> *(iii) if a points deduction is reasonably required to achieve those aims, what is the minimum points deduction that will do so and should the deduction be suspended in whole or in part.*

and, at §197:

> *"197. In Derby County at [20]-[23], an EFL Disciplinary Commission said that any sanction for breach of the EFL P&S Rules should serve four purposes, namely (i) to punish the club for the breach, (ii) to vindicate other clubs which had not engaged in conduct that breached the P&S Rules, (iii) to deter future breaches of the P&S Rules, whether by the relevant club or other clubs and (iv) to restore/preserve public confidence in the fairness of the EFL competition. In our view, (iv) necessarily incorporates the aim of ensuring that the competition is in fact fair. The Disciplinary Commission went on to say that, consequently,*

"proportionality" in this context meant that any sanction should go no further than reasonably necessary to achieve those four aims, such that any sanction that went beyond the achievement of those aims would be disproportionate, and conversely any sanction that failed to achieve those aims would be inadequate."

141. It decided that sanctions in this area are not necessarily punitive. The principal purpose is to protect the integrity of the relevant competition, §199:

> *"199. However, in our view, it is important that the underlying purpose of the PSR as an FFP scheme should remain at the forefront. Therefore, insofar as the Commission's Decision suggested that punishment is the overriding or even main aim of sanction in this area of football regulation, we would respectfully disagree. Whilst a sanction may result in (possibly severe) adverse consequences, including financial, sporting and/or competitive consequences, for the relevant club, sanctions in this field are not essentially punitive: their primary purpose is to protect the integrity of the relevant competition by restricting the level of financial risk a club might take, in the case of the PL, to a level and in the manner in which the PL clubs agree. Therefore, in our view, as an aim of any sanction, punishment is far less important than maintaining the integrity of the competition and thus the sport of football, with deterrence being an important overlapping aim."*

142. In general, the principle of totality applies when a sanction is being imposed for multiple instances of misconduct and/or for dealing with a Participant who has already been sanctioned (for example, *Southampton Football Club Limited v The Football League*, 1 June 2026, §92). When assessing what sanction to impose the overriding principle is that the overall sanction should reflect all of the offending behaviour with reference to overall harm and culpability, together with the aggravating and mitigating factors and be just and proportionate (*Sentencing Council Overarching Guidelines: Totality)*.

143. In addition to the authorities that were cited to us both orally and in writing, we considered *R v McIlkenny & Others* (the 'Birmingham Six' case), a criminal case in which the prosecution did not resist the appeal, Lloyd LJ stated at §9, page 312:

> "*For an adversarial system to work, there must be an adversary. One of our difficulties in the present appeal has been that we have listened to the fresh evidence … without the benefit of hearing any cross-examination … But the effect of (the prosecution's) decision was, inevitably, that we have not heard the other side put, if indeed there is another side."*

T. DISCUSSION

INTRODUCTION

144. As we have noted, FA regulatory proceedings are adversarial. Whilst accepting that the sanction was a matter for the Regulatory Commission, by effectively agreeing as between themselves what the sanction should be, the parties put the Regulatory Commission in a difficult position. It is understandable why the Chair of the Regulatory Commission asked counsel for The FA, "*what other motive could there possibly have been other than the acquisition of a sporting advantage?*", and a little later, "*One of the ways of answering the question is to ask you, on behalf of The FA to put forward any other potential motives*". Counsel for The FA was constrained by the available evidence, and the way in which The FA had put its case. Despite the frequency and duration of the misconduct admitted by the Club it was not suggested that the Club had breached the CL&FFP or the PSR.

GROUND 1, PROCEDURAL FAIRNESS

"The Regulatory Commission failed to give the Club a fair hearing before making the Motivational Finding and/or the Actual Advantage Finding and in the manner in which it imposed a suspended points deduction."

145. In an email dated 3 December 2025, the Chair of the Regulatory Commission put the parties on notice that he was going "*to express his concern at the outset of the hearing with The FA's decision to charge only the club ... when there are individuals named whose conduct would appear to be in breach of the regulations and call into question the propriety of them being involved in the running of a football club*". The purpose of that advance notice was to ensure that the parties were not taken by surprise. Although important, whether individuals should have been investigated was perhaps not as significant to the Club as a potential points deduction. That was raised with the parties for the first time at the hearing on 8 December 2025.

146. By not giving the parties advance notice that the Regulatory Commission had in the forefront of its considerations whether a points deduction was appropriate, it deprived The FA and the Club of preparing specific submissions on whether such a sanction was appropriate for the misconduct admitted by the Club, and if so, the correct approach to determining what the points deduction should be. That resulted in the Regulatory Commission not receiving written and oral submissions from both parties as to the appropriateness of a points deduction in this case (including in particular how any such points deduction might be calculated).

147. By not inviting the Premier League to make written submissions in accordance with the minutes from a Football Regulatory Authority meeting on 7 March 2011, the Regulatory Commission deprived itself of the benefit of the carefully drafted submissions from the

Premier League dated 26 January 2026. Although the Regulatory Commission stated in its Addendum to the Written Reasons that it did revisit its approach to sanction in the way suggested by The FA, not all of the concerns expressed by the Premier League were addressed.

148. The Written Reasons do not suggest that they were in draft or provisional form. The email from The FA's Judicial Services that attached the Written Reasons was disclosed to the parties to enable them to identify any typographical errors and/or factual mistakes. It expressly stated that it was not an opportunity to re-argue the case, or to suggest editorial changes.

149. The minutes of the Football Regulatory Authority were only drawn to the attention of the Regulatory Commission at the very end of the hearing. In its Addendum to the Written Reasons, the Regulatory Commission suggests that it had acted in accordance with the letter and spirit of those minutes. The minutes state:

> *"In the event that a charge is found proven which **may** result in the imposition of a points deduction (or expulsion from a Competition) the Regulatory Commission shall notify the Competition concerned and it shall be open to the relevant League or Competition to make representations (orally or in writing) before the Regulatory Commission in respect of sanction. …"* (**Emphasis** added).

150. That anticipates the Premier League being notified at a time when the charge has been found proved and the imposition of a points deduction is being considered. Clearly the Regulatory Commission had considered that the admitted charges might result in the imposition of a points deduction before the hearing commenced. The Regulatory Commission was unaware of the minute before it was raised by The FA at the end of the hearing.

151. Once the potential sanction of a points deduction had been raised by the Regulatory Commission, it was open to the Club to have applied for time to prepare its response. That may have included an application for an adjournment. No application was made for more time or for an adjournment.

152. Had the Regulatory Commission warned the parties in advance of the hearing that it was considering a potential points deduction, it would have received submissions, and possibly more evidence, on the topic. In addition, The FA might have brought the Regulatory Board minute to the attention of the Regulatory Commission earlier. Had it done so, the Regulatory Commission could have decided when to invite written submissions from the Premier League, and not issued the Written Reasons before receipt of those submissions.

153. Although it would have been fairer to have notified the Club and the Premier League of the potential sanction of a points deduction in advance of the oral hearing on 8 December 2025, given our conclusion on whether the sanction was excessive, it is unnecessary for us to decide whether ground one of the appeal is made out.

<u>GROUND 2, NO PROPER BASIS</u>

"The Regulatory Commission erred in making the Motivational Finding and/or the Actual Advantage Finding because there was no proper or lawful basis for those findings or inferences."

154. Both during the oral hearing, and in the Written Reasons, the Regulatory Commission cautioned against speculation.

155. In the oral hearing (set out more fully at §80 above), the Chair commented in his exchange with Leading Counsel for The FA:

> *" … whether or not they acquired any sporting advantage, apart from the signature of the players, that can only have been why they did it as deceptively and for such a long time as they did. What we must not do is conclude that without it they wouldn't have had had the success they did. That would be speculation, because who knows how the players which would have been picked would have done? But I would require some assistance as to why we shouldn't conclude, on a balance of probabilities, that it's likely that this scheme, this continued and egregious conduct, as it's described by both parties, continued for such a length of time …"*

156. Having determined that motive is relevant to the sanctions (Written Reasons §22), albeit potentially difficult to determine conclusively (Written Reasons §23), the Regulatory Commission identified four reasons why the Club committed the misconduct it admitted over a 13 year period (see §§91-92 above and Written Reasons §24). The relevance of a sporting advantage was emphasised (Written Reasons §57):

> *"… the members of the Commission regard the intent to obtain and the obtaining of a sporting advantage as highly relevant to sanction in general, and the choice of sanction in particular.*"

157. The Regulatory Commission set out its finding with regard to the overall motive and actual sporting advantage in its decision at §25 (this is set out above at §92 but bears repeating here):

> *"25.The cumulative effect of the reasons set out at [i] to [iv] above leads us to the conclusion that the principal and overall motive behind the*

Club's conduct was to gain a sporting advantage. Furthermore, in certain respects, CFC did gain a sporting advantage. In particular, by its actions and omissions, it was able to acquire a squad of players whose depth of talent at every level was greater than it would have been had they complied with the various Regulations of which they were in breach. It also obtained a sporting advantage by depriving Clubs with which it was in direct competition of a fair opportunity of having them in their squad."

158. At §26 (and set out more fully at §93 above) the Regulatory Commission stated that it could not and should not reach a conclusion as to whether the Club did gain a sporting advantage in terms of its results over the relevant period:

> *" …we agree that we cannot and should not seek to reach a conclusion as to whether the Club did gain a sporting advantage in terms of its results over the relevant period. That would be to indulge in speculation, in which fact-finding Commissions and Tribunals indulge at their peril.*"

159. Further, also in §26 (and set out more fully at §94 above), the Regulatory Commission summarised the success enjoyed by the Club:

> *"… during the relevant period, CFC won no fewer than 2 UEFA Champions' League titles, 3 Premier League titles, 3 FA Cups, out of a total of 13 major trophy wins. Even though this Commission has made it clear that we should not, and will not, speculate as to whether CFC actually gained a sporting advantage, as far as its success on the field is concerned during if not throughout the 13 year period under investigation …"*

160. It follows that the Regulatory Commission decided that both the motivation (intention) to obtain a sporting advantage and the actual obtaining of a sporting advantage were highly relevant to the sanction. It expressly stated that it would not and could not speculate about any actual sporting advantage being reflected in results or in winning trophies. It confined its findings to an inference that the Club had "*in certain respects*" gained a sporting advantage by acquiring "*a squad of players whose depth of talent at every level was greater than would have been achieved had they complied with the various Regulations of which they were in breach. It also obtained a sporting advantage by depriving clubs with which it was in direct competition of a fair opportunity of having them in their squad*."

161. Although one of the four specific reasons the Regulatory Commission found that the Club had committed the misconduct was to avoid or evade tax liability, it approached the assessment of the motivation of the Club and its finding of an actual sporting advantage by way of a global assessment, and not on a transaction by transaction basis. A consideration of some of the individual cases, as we have set out in §§60 and 61 above, indicates that the

avoidance or evasion of tax was a factor in relation to the registration of players of significance (Willian & Eto'o) and Academy Players. The Club was not alone in making arrangements that led to a considerable number of HMRC investigations (see §71 above). Notwithstanding that, it is significant that The FA accepted that it was open to the Regulatory Commission to draw the inference that the Club was motivated to gain an actual sporting advantage (see §128 above).

162. The "*certain respects*" of sporting advantage referred to by the Regulatory Commission (see §157 above) are not defined, save for obtaining "*a squad of players whose depth of talent at every level was greater than would have been achieved had they complied with the various Regulations of which they were in breach. It also obtained a sporting advantage by depriving clubs with which it was in direct competition of a fair opportunity of having them in their squad*." No specific evidence was identified by the Regulatory Commission as the basis for these findings. It was an inference drawn from the four specific findings: obtaining two significant players (Willian and Eto'o); the use of Unauthorised Agents and Unregistered Intermediaries; devices to register players under 16; and tax avoidance or evasion. Further, no direct evidence was identified as supporting the conclusion that the squad of players had a depth of talent at every level that was greater than the Club could have achieved without the misconduct which is, of course, the relevant question. Nor was any evidence identified to support the finding that the misconduct deprived clubs, with whom the Club was in direct competition, of having the players in their squads.

163. The FA, as the regulatory authority, submitted that in determining whether any actual sporting advantage had been achieved, the assessment should have been made on a transaction by transaction basis.

164. We conclude that it was open to the Regulatory Commission to infer that one of the motivations for the Club's misconduct was a sporting advantage, however, there was insufficient evidence identified to support the finding of actual sporting advantage.

<u>GROUND 3, EXCESSIVE SANCTION</u>

"The Regulatory Commission erred in ordering a suspended points deduction, which was an excessive sanction in all the circumstances."

165. It was accepted by both The FA and the Club that the misconduct did warrant a sporting sanction. Although the Club submitted that the Regulatory Commission should have received submissions on, and given greater clarity as to, the process by which it arrived at the level of points deduction, the principal submission was that the sporting sanction should not have been a points deduction.

166. Further, no issue has been taken about the sporting sanction of a points deduction being suspended. The issue that is taken is whether the sporting sanction of a points deduction

by the Regulatory Commission should have been imposed at all. The legitimate route to a suspended sanction is to decide what sanction is appropriate and then to consider whether, in all the circumstances, that sanction should be suspended.

167. This was an exceptional case in terms of the duration of the misconduct, involving deliberate actions at a very high level in the Club, although it also had exceptional mitigation as identified in the *Everton* and *Nottingham Forest* cases. The self-reporting by the Club was made before the purchase of the Club was complete. It was extensive: the Club assisted the investigations carried out by UEFA and the Premier League; assisted with interviews; provided The FA with summaries and agreed facts; and made concessions that, in other circumstances, the Club might have either contested the facts or at the very least put The FA to proof. That saved The FA both time and costs. When further evidence of misconduct came to light, the Club disclosed that evidence before it had been able to assess the significance of that misconduct. Save for two instances, all the offending occurred under the previous ownership regime. It was accepted that in the latter two cases there was no evidence that the new owners were aware of those breaches. Of real significance was the fact that the misconduct may never have been detected had the Club not brought it to the attention of The FA (and other regulatory authorities).

168. As we have indicated, the principle of totality applies when a sanction is being imposed for multiple instances of misconduct and/or when dealing with a Participant who has already been sanctioned. When assessing what sanction to impose the overriding principle is that the overall sanction should reflect all of the offending behaviour with reference to overall harm and culpability, together with the aggravating and mitigating factors and be just and proportionate. In contrast to assessing the misconduct in specific transactions to understand the motivation behind the misconduct, and whether there was an actual sporting advantage, when assessing totality it is important to step back and look at the sanction as a whole.

169. The general approach to sanction was set out in *Derby*, as endorsed by the decision in *Everton*, albeit for breaches the EFL PSR. With regard to proportionality the Rt Hon Sir Gary Hickinbottom said:

> *"… "proportionality" in this context meant that any sanction should go no further than reasonably necessary to achieve those four aims, such that any sanction that went beyond the achievement of those aims would be disproportionate, and conversely any sanction that failed to achieve those aims would be inadequate."*

and

"… in our view, as an aim of any sanction, punishment is far less important than maintaining the integrity of the competition and thus the sport of football, with deterrence being an important overlapping aim."

170. The Regulatory Commission applied those principles (Written Reasons §§62-63). Further, clearly the Regulatory Commission had the totality of the sanctions in mind, although it did not specifically consider the impact of imposing a points deduction that would be in addition to the registration sanction imposed by the Premier League.

171. Although the Regulatory Commission sought to distinguish the misconduct considered by the Premier League in the Sanction Agreement, it is notable that the misconduct in that case included PSR and player registrations. Further, as we have indicated, a number of players feature in both the Premier League and The FA cases. In *Everton*, the Appeal Board emphasised the need to maintain the integrity of the competition. It is significant that the Premier League, who run the competition in which the points deduction was made, positively chose not to impose a points deduction (Phase 1 Sanction Agreement, §22 b). The reason that it did not impose a points deduction was because of the mitigating factors available to the Club.

172. In its written submissions to the Regulatory Commission, the Premier League emphasised the "*strong consensus*" among regulators of the game, that sporting outcomes should be decided on the pitch, wherever possible and, where warranted, in all but the most exceptional circumstances a points deduction should be a matter for the league running the competition in question.

173. It was relevant that despite the admitted misconduct it was not suggested that the Club had breached the CL&FFP or the PSR.

174. The available mitigation in this case was exceptional and easily fell within what was described as exceptional in the *Everton* case*.* Whilst protecting the game and the competition, there is a very strong public interest in encouraging not just exceptional co-operation, but the disclosure of misconduct that may well never have come to light but for the self-reporting.

175. Given our conclusion on ground 2, despite the acceptance that the sanction should include a sporting sanction, and affording a margin of appreciation as described by Lord Dyson in *Nottingham Forest v FA* to the judgment of the Regulatory Commission, we are of the view that the sporting sanction of a points deduction was excessive. As a result of the Regulatory Commission's decision, the total sanction for the misconduct dealt with by UEFA, the Premier League and The FA collectively amounted to a severe financial penalty (about which there is no complaint), a registration ban and a points deduction. Given the exceptional mitigation that was available, including: (a) the fact that the misconduct may

never have come to light but for the self-reporting; (b) the exceptional co-operation on the part of the Club; (c) the fact that it occurred under the Club's previous owner, without the knowledge of the current owners; (d) that the Club did not gain a sporting advantage over the relevant period; (e) the need to encourage co-operation on the part of all clubs as well as deter such misconduct; (f) the fact it is preferrable that sporting outcomes are determined on the pitch; and (g) that the sanction imposed impacted on a league administered by another sporting regulatory body, we consider the sanction of a points deduction to be excessive.

U. CONCLUSION

176. The finding by the Regulatory Commission that the Club did gain an actual sporting advantage was not reflected by the evidence and so a sporting sanction of a points deduction, albeit suspended, was an excessive sanction.

177. The Appeal Board allows the appeal against the imposition of the sporting sanction of a deduction of six Premier League points, suspended until the end of the 2026/27 Premier League season. That part of the sanction is quashed and the Appeal Board exercises its power to impose a sporting sanction of a registration ban for two complete and consecutive transfer windows which should be suspended from the date of the decision of the Regulatory Commission, 12 January 2026, until the conclusion of the 2026/27 season, i.e. up to and including 30 June 2027. If at any time, including after the period of suspension has come to an end, it comes to the attention of The FA that there has been a potential breach or breaches of the same or a similar nature as those which form the subject matter of these charges during the operational period of this sanction, then The FA, in its absolute discretion, may apply to a Regulatory Commission to activate the registration ban in whole or in part, in addition to bringing any charges in respect of the events which gave rise to the alleged breach or breaches. It will be for the Regulatory Commission to determine whether it has been proven that there was a breach or breaches and if so, whether to activate the registration ban and if so, to what extent, in addition to any further sanction which the Regulatory Commission may impose in respect of the events which gave rise to the alleged breach or breaches.

V. COSTS

178. In respect of FA Disciplinary C Regulation 21.6, we reserve any decision as to the costs of the appeal to ourselves. If either party considers that the circumstances of the appeal are such that FA Disciplinary C Regulation 23 applies, that must be set out fully in writing. The Club has 14 days from the date of this decision to submit any written application for costs. The FA has seven days thereafter to respond.

Richard Whittam KC (Chair) 30 July 2026

James Drake KC

Paul Gott KC