



SALARY REGULATIONS

SALARY CAP YEAR 2020-21

PREMIER RUGBY LIMITED

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1. DEFINITIONS AND INTERPRETATION

Definitions

1.1. Unless otherwise stated, definitions are as set out below:

“**Academy Salary Cap**” shall have the meaning given to it in Regulation 3.16;

“**Academy Salary Cap Spend**” shall be calculated pursuant to Regulation 3.15;

“**Academy Player**” means any Player who:

- (a) on 1 September 2020 is between 16 and 24 years old (inclusive); and
- (b) whose total Salary in any Salary Cap Year has never exceeded £30,000;

“**Accountants**” means a firm of chartered accountants as instructed by the Salary Cap Director from time to time;

“**Annual Audit**” means the audit conducted by the Accountants following the end of each Salary Cap Year in accordance with Regulation 8;

“**Charge**” shall have the meaning given to it in Regulation 11.1;

“**Club**” means any rugby union football club that plays in the Gallagher Premiership in the 2020-21 Salary Cap Year;

“**Club CEO**” means the Chief Executive Officer of a Club from time to time (or any individual carrying out the role usually associated with that title);

“**Club Certification**” means the form attached at Schedule 4A to the Regulations;

“**Club CFO**” means the Chief Finance Officer of a Club from time to time (or any individual carrying out the role usually associated with that title);

“**Club Declaration**” means the form attached at Schedule 3A to the Regulations;

“**Club Director of Rugby**” means a Club’s Director of Rugby or, if a person does not hold that title, the person who is ultimately responsible for first team operations or first team selection;

“**Club Official**” means any member of the Club’s board, the Club CEO, the Club CFO, the Club SCO, a Director, the Club Director of Rugby or a Qualifying Shareholder;

“**Club Official Declaration**” means the form attached at Schedule 6 to the Regulations;

“**Club SCO**” means a Club Official nominated by the Club to carry out the role of Club Salary Cap Officer;

“**Club’s Nominated Bank Account**” means a bank account whose details have been given to the Salary Cap Director by a Club;

“**Competition**” means the Gallagher Premiership, Premiership Rugby Cup, Premiership Rugby Shield (or any other tournament or competition managed by PRL), European Rugby Champions Cup or European Rugby Challenge Cup (as such rugby competitions may be renamed or replaced);

“**Commercial Committee**” has the meaning given to it in the PRL Shareholders’ Agreement;

“**Connected Party**” means;

1. In relation to a Club:

- a) any Director, officer or employee (excluding Players) of that Club;

- b) any family member of any Director, officer or employee (excluding Players) of that Club, where family member shall mean in relation to that Director, officer or employee:
 - i) a spouse or civil partner or any other person living with them in an enduring family relationship;
 - ii) children or step-children or dependents;
 - iii) siblings; and
 - iv) parents;
- c) any agent or representative acting on behalf of that Club, excluding a Scouting Agent;
- d) any shareholder of that Club that:
 - i) has an interest in shares comprised in the equity share capital of that Club of a nominal value equal to at least 5% of that share capital; or
 - ii) is entitled to exercise or control the exercise of 5% or more of the voting rights at any general meeting of that Club;
- e) a body corporate in relation to which any of the categories of person referred to in paragraphs 1.a) to 1.d) above is:
 - i) interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least 10% of that share capital; or
 - ii) entitled to exercise or control the exercise of 10% or more of the voting rights at any general meeting of that body; and
- f) any company, trust, partnership, or other body, organisation or mechanism established or operating directly or indirectly in whole or in part for the benefit of or in respect of any or all of the categories of person referred to in this paragraph 1.

2. in relation to a Player:

- a) any family member of that Player, where family member shall mean, in relation to that Player:
 - i) a spouse, civil partner, cohabitee or any other person living with that Player in an enduring family relationship;
 - ii) children, step-children or dependents;
 - iii) siblings; and
 - iv) parents;
- b) any agent or representative acting on behalf of that Player, including a Player Agent;
- c) any body corporate in relation to which that Player or any of the other categories of person referred to paragraphs 2.a) to 2.b) above is:
 - i) interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least 10% of that share capital; or

- ii) entitled to exercise or control the exercise of 10% or more of the voting rights at any general meeting of that body;
- d) any company, trust, partnership, or other body, organisation or mechanism established or operating directly or indirectly in whole or in part for the benefit of or in respect of any or all of the categories of person referred to in this paragraph 2; and
- e) in relation to any entity other than a Club or a Player, a party “connected” to that entity for the purposes of section 1122 of the Corporation Tax Act 2010;

“**Director**” means any director or shadow director, each as defined in the Companies Act 2006;

“**DPA**” means the Data Protection Act 2018, together with any statute or statutory instruments amending or replacing it, and any other relevant data protection legislation applicable in the UK;

“**Enhanced Audit**” means an Extended Audit or a Special Audit;

“**England Rugby Academy**” means that element of the Club's academy and development programme commonly known as the Elite Player Development Group and the Club Academy including any players who are nominated England Academy Scholars contained therein, or any players provided into the Club's academy and development programme through the Club's School of Rugby;

“**Excluded Player**” has the meaning given to it in Regulation 3.25;

“**Excluded Salary**” shall have the meaning given to it in Regulation 3.5;

“**Existing Arrangement**” has the meaning given to it in Regulation 3.39.

“**Extended Audit**” means the audit procedure set out at Regulation 7.10 to 7.12;

“**Ex-Player**” means, in relation to each Club, an individual who is no longer a Player of that Club, but used to be;

“**Failure to Co-operate**” means any failure by a Participant to provide co-operation or assistance as is required in accordance with these Regulations;

“**Final Form**” means, in relation to a contract, document or arrangement, the earlier of the date on which:

- (a) the contract or document is signed by the relevant parties;
- (b) the document becomes binding on the parties; or
- (c) any form of benefit is received by or on behalf of a Player pursuant to the terms of the contract, document or arrangement;

“**GDPR**” means Regulation (EU) 2016/679 (General Data Protection Regulation);

“**Group**” has the meaning given to it in Section 474 of the Companies Act 2006;

“**Home Grown Academy Player**” means an Academy Player who has been a Player of the Club since they were 17 and who either (a) has never been a member of any other Club's England Rugby Academy or (b) has been a member of his current Club's England Rugby Academy for at least two complete calendar years prior to the current Salary Cap Year;

“**Home Grown Senior Player**” means a Senior Player who has been a Player of the same Club since they were 17 and for at least two complete Salary Cap Years prior to the current one;

“**Home Grown Senior Player Credits**” shall have the meaning given to it in Regulation 3.17;

“Injured Player” means a Senior Player who sustains an injury that has or will prevent him from playing rugby and who has not been selected in a match squad for any Competition:

- (a) for a minimum continuous period of 12 weeks within a Season; or
- (b) where the same injury spans two Salary Cap Years for a minimum of 8 weeks within the Season of the Salary Cap Year in relation to which the injury dispensation is being sought;

“Injured Player Credit” shall have the meaning given to it in Regulation 3.30;

“Injury Credit Period” shall have the meaning given to it in Regulation 3.33.4;

“Injury Certificate” means a certificate signed by a Club’s doctor in the form set out in Schedule 9 to the Regulations;

“International Qualified Player” means a Player who is selected by his Union in the current Salary Cap Year and who has played as a Senior Player for any Club continuously for at least 3 Salary Cap Years;

“International Variable Player Credit” shall have the meaning given to it in Regulation 3.21.1;

“Major Offence” means in respect of a Club that it has:

- (a) exceeded the Senior Salary Cap or Academy Salary Cap by £200,000; or;
- (b) committed a Failure to Co-operate;

“Overrun” shall have the meaning given to it in Regulation 9.1;

“Overrun Tax Notice” means a notice issued by the Salary Cap Director pursuant to Regulation 9.3;

“Paid”, “Payable” or “Payment” shall have the meaning given to it in Regulation 3.2;

“Participant” means a Club, Player, Player Agent and Club Official;

“Permitted Salary” shall have the meaning given to it in Regulation 3.4;

“Player” means any individual who:

- (a) has played rugby for a Club;
- (b) has had a rugby trial with a Club;
- (c) is employed by, or has an agreement or understanding with, a Club to be available to or to play rugby; and/or
- (d) is a member of an England Rugby Academy;

“Player Agent” means any person, company or other entity representing a Player that is not a Scouting Agent;

“Player’s Nominated Bank Account” means the details of (a) a Player’s personal current account and/or (b) the bank account of their image rights company, whose details have been given to the Salary Cap Director by the Player;

“Player Certification” means the form attached at Schedule 8A to the Regulations;

“Player Declaration” means the form attached at Schedule 7A to the Regulations;

“Prohibited Salary” shall have the meaning given to it in Regulation 3.6;

“Promoted Club” means any rugby union football club who in the 2020-21 Salary Cap Year wins promotion from the Championship, being the league in the English Clubs' championship operating immediately under the Gallagher Premiership;

“PRL” means Premier Rugby Limited (company number 3096937);

“PRL Board” means the board of directors for the time being of PRL;

“PRL Bonus Pool” means the pool of money that PRL distributes to Clubs based on their performance in any Salary Cap Year for onward distribution to Players;

“PRL CEO” means the Chief Executive Officer of PRL from time to time;

“PRL Investor Board” means the board of directors for the time being of PRL Investor Limited;

“PRL Investor Limited” means the limited company called PRL Investor Limited (company number 11894492);

“PRL Investor Shareholder” means a shareholder for the time being of PRL Investor Limited;

“PRL Rugby Director” means the Rugby Director of PRL from time to time;

“Qualifying Shareholder” means any shareholder of a Club that is:

- (a) interested in shares comprised in the equity share capital of the Club of a nominal value equal to at least 10% of that share capital; or
- (b) entitled to exercise or control the exercise of 10% or more of the voting rights at any general meeting of that Club;

“Regulations” means these Salary Regulations;

“Relegated Club” means the Club which, in the 2020-21 Salary Cap Year, is relegated from the Gallagher Premiership;

“Relevant Records” means any hard or soft copy records, documents and other information held by or under the control of a Participant including contracts, financial records, bank records, tax returns and other tax records, insurance records, emails, telephone records and any data on a mobile telephone;

“Remuneration” shall have the meaning given to it in Regulation 3.1;

“Reply” means a written reply to a Response;

“Representation Agreement” means the document recording the terms of a Player Agent's representation of a Player;

“Response” means a written response to a Charge;

“Salary” shall have the meaning given to it in Regulation 3.3;

“Salary Cap Director” means the individual appointed by PRL from time to time to carry out the role of Salary Cap Director;

“Salary Cap Governance Monitor” means the individual appointed by PRL from time to time to carry out the role of Salary Cap Governance Monitor;

“Salary Cap Year” means the period from 1 July to 30 June;

“Scouting Agent” means any person, company or other entity other than a Player Agent who or which has entered into an exclusive written arrangement with a Club to identify or contact players that a Club may wish to sign and who does not act on behalf of or represent any rugby player or any other Club;

“Season” means the period from 1 August to 31 July (inclusive);

“Senior EPS Player” means any Player nominated by the RFU to be a member of the annual senior elite player squad on or around 30 August of the relevant Salary Cap Year, but not any Players nominated thereafter;

“Senior EPS Player Fixed Credit” shall have the meaning given to it in Regulation 3.20;

“Senior EPS Player Variable Credit” shall have the meaning given to it in Regulation 3.21.2:

“Senior Player” means any Player who is not an Academy Player;

“Senior Salary Cap” shall have the meaning given to it in Regulation 3.13;

“Senior Salary Cap Spend” shall be calculated pursuant to Regulation 3.12;

“Senior Salary Credits” means the Home Grown Player Credits, International Variable Player Credits, Senior EPS Player Variable Credits, Senior EPS Fixed Credits and Injured Player Credits;

“Special Audit” means an audit ordered by a Disciplinary Panel pursuant to Regulation 12.5.2;

“Sponsorship Remuneration” shall have the meaning given to it in Regulation 3.8;

“SRUK” means Sports Dispute Resolution Panel Limited (company number 03351039), trading as Sport Resolutions UK (and any successor);

“SRUK Rules” means SRUK’s Arbitration Rules;

“Standard Form Player Contract” means the standard form player contract agreed between PRL and the Rugby Players Association, as approved by the PRL Board and as varied from time to time;

“Sub-Committee” means a committee comprising the individuals set out at Regulation 15.1;

“Summary Offence” means those offences set out in the table at Schedule 1;

“Summary Offence Notice” means the notice issued by the Salary Cap Director to a Participant where the Salary Cap Director concludes that a Participant has committed a Summary Offence;

“Tribunal” means an arbitral tribunal convened pursuant to Regulation 13; and

“Union” means any national Rugby Union for the time being in membership of World Rugby.

2. GENERAL PRINCIPLES OF THE REGULATIONS

Scope

2.1. Each Participant agrees to be bound by and comply with the Regulations.

Objectives

- 2.2. The Regulations aim to achieve the following objectives in a proportionate manner:
- 2.2.1. ensuring the financial viability of all Clubs and of the Gallagher Premiership competition;
 - 2.2.2. controlling inflationary pressures on Clubs' costs;
 - 2.2.3. providing a level playing field for Clubs;
 - 2.2.4. ensuring a competitive Gallagher Premiership competition; and
 - 2.2.5. enabling Clubs to compete in European competitions.

Operation

- 2.3. Each Club shall respect the fact that the Salary Cap Director is independent of them.
- 2.4. Each Participant agrees to act honestly, with integrity and in accordance with the spirit of the regulations.
- 2.5. A Participant shall notify the Salary Cap Director in writing as soon as reasonably practicable after becoming aware of the following:
- 2.5.1. any potential or actual loopholes, lacunae or errors in the Regulations; or
 - 2.5.2. any breach of the Regulations that they suspect may have taken place or may take place in the future.

Amendments to the Regulations

- 2.6. Save for the automatic updating of dates, any amendments to the Regulations shall require approval as follows:
- 2.6.1. by 10 or more of the directors of the PRL Investor Board eligible to vote, for any amendment first proposed at a PRL Investor Board meeting before 1 November in the Salary Cap Year preceding the Salary Cap Year in which the amendment is proposed to take effect; or
 - 2.6.2. by 100% of the directors of the PRL Investor Board, for any amendment first proposed at a PRL Investor Board meeting after 1 November in the Salary Cap Year preceding the Salary Cap Year in which the amendment is proposed to take effect.

- 2.7. A director of the PRL Investor Board shall only be eligible to vote pursuant to Regulation 2.6 where they have been appointed by a PRL Investor Shareholder that is participating in the Gallagher Premiership in the Season in which the approval is being sought.
- 2.8. Where an amendment to the Regulations is reasonably likely to materially adversely impact or materially benefit the commercial business of PRL, the Commercial Committee (with delegated authority from the PRL Board) is also required to approve the relevant decision.
- 2.9. An amendment to the Regulations may have immediate effect.

3. SALARY

Definition of Salary

- 3.1. **“Remuneration”** means any advantage, allowance, benefit in kind, bonus, expense, financial or other benefit, incentive, income, opportunity, remuneration, reward, salary, or gift.
- 3.2. **“Paid”, “Payable” or “Payment”** means Remuneration that:
 - 3.2.1. has directly or indirectly been transferred from, procured by or provided by a Club or a Club’s Connected Party to or for a Player or a Player’s Connected Party;
 - 3.2.2. is due or has been promised to a Player or a Player’s Connected Party from a Club or a Club’s Connected Party; or
 - 3.2.3. has been paid or is due by a Club to HMRC in respect of Employer National Insurance contributions relating to a Player.
- 3.3. **“Salary”** means any Remuneration that has been or will be Paid.
- 3.4. Salary can only be **“Permitted Salary”** if it is:
 - 3.4.1. the Payment of one of the types of Remuneration listed in Schedule 2A;
 - 3.4.2. save for those types of Remuneration listed in Part B of Schedule 2A, paid by a Club from a Club’s Nominated Bank Account to a Player’s Nominated Bank Account(s).
- 3.5. Salary can only be **“Excluded Salary”** if it is:
 - 3.5.1. the Payment of one of the types of Remuneration listed in Schedule 2B;
 - 3.5.2. save for those types of Remuneration listed in Part B of Schedule 2B, paid by a Club from a Club’s Nominated Bank Account to a Player’s Nominated Bank Account(s).
- 3.6. The following shall be **“Prohibited Salary”**:
 - 3.6.1. Salary that is not Permitted Salary or Excluded Salary;
 - 3.6.2. any Remuneration Paid to an Ex-Player, save where it is a market rate payment for services performed by the Ex-Player that are not services for being a Player.
- 3.7. A Club and/or a Club’s Connected Party must not pay Prohibited Salary. If they do:
 - 3.7.1. A sum equal to the value of the Prohibited Salary shall be added to the Club’s Senior Salary Cap spend in the relevant Salary Cap Year; and
 - 3.7.2. the Club shall be charged with breaching these Regulations, irrespective of whether the Club was aware of the payment.

Player Sponsorship

- 3.8. **“Sponsorship Remuneration”** is any Remuneration received by, procured for or due or promised to a Player or a Player’s Connected Party from a third party (that is not a Club or a Club’s Connected Party) relating to individual Player appearances or sponsorship, endorsement or merchandising work.
- 3.9. Subject to Regulation 3.7, Sponsorship Remuneration shall be Permitted Salary, unless it meets the following criteria, in which case it will be Excluded Salary:
- 3.9.1. the Salary Cap Director is satisfied that arrangement is genuine, on arm’s length commercial terms and has been negotiated and entered into independent of any relationship between the sponsor or third party and the Player’s Club. In reaching this decision, the following are examples of what the Salary Cap Director may take into account;
- (a) whether the arrangement was negotiated around the same time as the Player’s playing contract;
 - (b) whether the Player is paid a lump sum or as and when services are performed;
 - (c) if the commercial terms of the arrangement are typical for an arrangement of that type;
 - (d) the likely commercial justification for the sponsor or third party entering into the arrangement;
 - (e) whether a representative of the Player’s Club was involved in procuring the arrangement;
 - (f) if the party has entered into similar arrangements with other Players at the Club; and
 - (g) any other matter that the Salary Cap Director considers relevant.
- 3.9.2. the Salary Cap Director has approved the arrangement in writing in advance of it being entered into; and
- 3.9.3. the Remuneration is paid into the Player’s Nominated Bank Account, save where that is not possible because it is a benefit that cannot be transferred via a bank account.
- 3.10. The Salary Cap Director has the power at any time to withdraw approval given under Regulation 3.9 to take into account any relevant information that they were not aware of or was false or misleading when the approval was granted.

The Salary Cap

- 3.11. A Club's Senior Salary Cap Spend must not exceed the Senior Salary Cap.
- 3.12. A Club's Senior Salary Cap Spend for a Salary Cap Year is calculated by:
- 3.12.1. adding up any Salary that was Paid to Senior Players; and then
 - 3.12.2. deducting:
 - (a) any Excluded Salary Paid to Senior Players; and
 - (b) a sum equal to the value of the Senior Salary Credits that a Club is entitled to.
- 3.13. The Senior Salary Cap is £6,400,000.
- 3.14. A Club's Academy Salary Cap Spend must not exceed the Academy Salary Cap.
- 3.15. A Club's Academy Salary Cap Spend for a Salary Cap Year is calculated by:
- 3.15.1. adding up all the Salary that was Paid to Academy Players; and then
 - 3.15.2. deducting:
 - (a) any Excluded Salary Paid to Academy Players; and
 - (b) to the extent not already deducted pursuant to 3.15.2(a), any Salary that was Paid to Home Grown Academy Players.
- 3.16. The Academy Salary Cap is £100,000.

Senior Salary Credits

- 3.17. A Club is entitled to a credit equal to the Permitted Salary of each Home Grown Senior Player up to a maximum of £50,000 per player ("**Home Grown Senior Player Credits**").
- 3.18. A Club's total Home Grown Senior Player Credits cannot exceed £600,000 per Salary Cap Year.
- 3.19. A Home Grown Senior Player Credit cannot be applied against Excluded Salary.
- 3.20. A Club is entitled to a credit of £40,000 for each Senior EPS Player per Salary Cap Year ("**Senior EPS Player Fixed Credit**").
- 3.21. If a Player is unavailable for selection for a Gallagher Premiership or European Champions or Challenge Cup match, subject to Regulation 3.22, the following credits shall be available:
- 3.21.1. for an International Qualified Player, who is not a Senior EPS Player, a credit of £10,000 per match ("**International Variable Player Credit**"); and

- 3.21.2. for a Senior EPS Player a credit of £5,000 per match (“**Senior EPS Player Variable Credit**”).
- 3.22. The following Clubs shall share the International Variable Player Credit, the Senior EPS Player Fixed Credit and the Senior EPS Player Variable Credit equally:
- 3.22.1. the Player’s current Club; and
- 3.22.2. if applicable, the Club of which the Player was an International Qualified Player immediately before the current Club, provided that the Player was a Player of that Club within the previous three Salary Cap Years.
- 3.23. A Player is unavailable for selection for the purposes of Regulation 3.21 if they are not injured and are either:
- 3.23.1. selected in a match day squad by their Union and released pursuant to World Rugby Regulation 9;
- 3.23.2. absent due to EPS Rest and Blocked Weeks as defined in the Professional Game Agreement; or
- 3.23.3. released in accordance with a PRL Board Policy.
- 3.24. A Club is limited to a total of £80,000 in aggregate per Player for Home Grown Player Credits, International Variable Player Credits, Senior EPS Player Variable Credits and Senior EPS Fixed Credits.

Excluded Players

- 3.25. Subject to meeting the criteria set out in Regulation 3.26, a Club is entitled to nominate up to two Players to be excluded Players (“**Excluded Players**”).
- 3.26. A Club can only nominate a Player to be an Excluded Player who:
- 3.26.1. has been a Player of that Club for at least two full Salary Cap Years prior to the Salary Cap Year in which they are nominated to be an Excluded Player;
- 3.26.2. has not been a Player of any Club during the previous Salary Cap Year;
- 3.26.3. has been a Player of another Club during the previous two Salary Cap Years, but only as a replacement for an Injured Player on no more than one occasion; or
- 3.26.4. was a Player for the Club in the previous Salary Cap Year, but did not play for any other Club for at least one complete Salary Cap Year prior to that.
- 3.27. If a Player becomes an Excluded Player or vice versa, the following shall apply:
- 3.27.1. subject to Regulation 3.27.3, if an Excluded Player ceases to be an Excluded Player for future Salary Cap Years, his Salary in each subsequent Salary Cap Year at that

Club shall be the average of his Salary for all Salary Cap Years during which he was a Senior Player for that Club from the 2018-19 Salary Cap Year onwards;

3.27.2. subject to Regulation 3.27.3, when a Player becomes an Excluded Player, the amount of his Salary which may be excluded from the Senior Salary Cap during a Salary Cap Year is limited to the average annual Salary for all Salary Cap Years during which they were a Senior Player for that Club from the 2018-19 Salary Cap Year onwards;

3.27.3. when calculating the average annual Salary for this Regulation, if a Player has been a Senior Player for that Club for only part of a relevant Salary Cap Year, his Salary shall be calculated pro rata to give an annual Salary.

3.28. Regulation 3.27 will not apply where a Club's second Excluded Player is removed.

3.29. A Club is not entitled to know the identity of the Excluded Players of other Clubs.

Injured Player Credit

3.30. A Club is entitled to credits for the cost of replacing one or more Injured Players up to a maximum of £400,000 ("**Injured Player Credit**"), provided that on each occasion the Salary Cap Director approves the cost in advance in writing.

3.31. If the Injured Player is an Excluded Player, the cost of the replacement shall be included in the cap of £400,000.

3.32. A Club is only entitled to one Injured Player Credit per Senior Player per Salary Cap Year.

3.33. When applying for approval for an Injured Player Credit, the club must provide the Salary Cap Director with:

3.33.1. the name of the Injured Player;

3.33.2. details of the injury, including the length of time that the Injured Player is expected to be injured;

3.33.3. an Injury Certificate signed by the Club's doctor; and

3.33.4. details of the proposed replacement, including the replacement's proposed Salary and how long the replacement shall be a Player of the Club ("**Injury Credit Period**").

3.34. The Salary Cap Director shall only approve an Injured Player Credit if the relevant criteria are met and he is satisfied that:

3.34.1. the replacement was not, and they had not agreed to become, a Senior Player of the Club from the time it became known that the Injured Player would not be able to play until the Salary Cap Director gives his approval; and

3.34.2. the replacement is comparable to the Injured Player in terms of position, Salary and experience, taking into account any mitigating circumstances, such as timing and prevailing market conditions.

- 3.35. If the Injured Player is selected for a match day squad in any competitive match during the Injury Credit Period, the entitlement to the Injured Player Credit shall be lost.
- 3.36. The Injured Player Credit can be no more than the Salary that was Paid to the replacement in a Salary Cap Year.
- 3.37. The Salary Cap Director has the power at any time to revoke or vary the Injured Player Credit to take into account any relevant information that they were not aware of or was false or misleading when the credit was approved.
- 3.38. If the Salary Cap Director does not approve the Injured Player Credit, or revokes or varies the Injured Player Credit, the Club may appeal the decision to the Salary Cap Governance Monitor, who shall make a decision within 7 days of receipt of a written submission from the Club setting out why the Salary Cap Director should have approved the application.

Transitional Provisions

- 3.39. Any written arrangement that was legally binding as at 1 October 2020 which was disclosed to the Salary Cap Director before 1 October 2020 pursuant to which Remuneration is Paid to a Player or a Player's Connected Party shall be treated as an Existing Arrangement.
- 3.40. If the terms of an Existing Arrangement have been altered, amended or modified in any way after 1 October 2020, or any option to extend the duration of the arrangement is exercised by any party, the arrangement shall cease to be an Existing Arrangement.
- 3.41. If any Remuneration Paid to a Player or a Player's Connected Party pursuant to an Existing Arrangement would not have been treated as Salary for the purposes of the Salary Regulations for the Salary Cap Year 2019/20 (if such Remuneration had been Paid in that Salary Cap Year), it shall not be counted towards a Club's Senior Salary Cap Spend for the Salary Cap Years 2020/21 or 2021/22.
- 3.42. If any Remuneration Paid to a Player or a Player's Connected Party pursuant to an Existing Arrangement falls within the definition of Prohibited Salary, no disciplinary action shall be taken against the Participant in question in relation to the payment of such Prohibited Salary in relation to the Salary Cap Years 2020/21 or 2021/22 but, subject to Regulation 3.41, the Remuneration shall be included as Salary for the purposes of Regulation 3.12.1.

4. OBLIGATIONS OF CLUBS AND CLUB OFFICIALS

Club Obligations

General

- 4.1. Each Club is responsible for ensuring it complies with the Regulations.
- 4.2. Each Club CEO, Club CFO, Club SCO, Chairman and Club Director of Rugby must, and the relevant Club must procure that they, sign the Club Declaration and Club Certification.
- 4.3. The Club CEO, Club CFO, Club SCO, Chairman and Club Director of Rugby are responsible for the ensuring that the Club Declaration and the Club Certification are accurate.
- 4.4. Clubs must not employ, contract with or otherwise engage with a Club Official that has been banned from holding that position pursuant to Regulation 12.16.3.
- 4.5. A Club shall be jointly and severally liable to pay any financial penalty imposed upon one of its Club Officials.
- 4.6. A Club must identify to the Salary Cap Director all of that Club's Club Officials and procure that each complies with Regulations 4.18 and 4.19.

Club SCO

- 4.7. Each Club must appoint a Club SCO.
- 4.8. A Club shall appoint a new Club SCO if the Salary Cap Director is not satisfied that the current individual is suitably qualified for the role.
- 4.9. Each Club SCO is responsible for:
 - 4.9.1. ensuring their Club complies with the Regulations;
 - 4.9.2. acting as the primary point of contact between their Club and the Salary Cap Director; and
 - 4.9.3. assisting the Salary Cap Director with the provision of training to other individuals within their Club who are accountable for the Club's compliance with the Regulations.

Club Declaration for 2020-21 Salary Cap Year

- 4.10. By no later than 30 November 2020, each Club (excluding any Relegated Club), will provide to the Salary Cap Director, in respect of the 2020-21 Salary Cap Year:
 - 4.10.1. a Club Declaration in the form set out in Schedule 3A; and
 - 4.10.2. minutes from a meeting of the board of directors of the Club in the form set out in Schedule 5, at which the Club Declaration was formally approved by the Club.

- 4.11. A Club Declaration must set out the Club's expected Senior Salary Cap Spend and Academy Salary Cap Spend for the 2020-21 Salary Cap Year in the form of the spreadsheet at Schedule 3B.

Club Certification for 2019-20 Salary Cap Year

- 4.12. By no later than 31 October 2020, each Club (including any Promoted Club) must provide to the Salary Cap Director a Club Certification that complies with the requirements of Regulation 4.3(a) of the version of these Regulations in force in the 2019-20 Salary Cap Year, save that:
- 4.12.1. The words "*Between 1 September 2019 and by no later than 4.00 pm on 30 September 2019*" in Regulation 4.3(a) shall be disregarded; and
- 4.12.2. Any reference to the 2018-19 Salary Cap Year shall be amended to 2019-20 Salary Cap Year.
- 4.13. For the avoidance of doubt, the Club Certification referred to in Regulation 4.12 above shall be audited in accordance with the version of these Regulations currently in force.

Disclosure of contracts and documents

- 4.14. Within 14 days of being in Final Form, a Club must provide a full copy of the following to the Salary Cap Director:
- 4.14.1. playing contracts;
- 4.14.2. image rights agreements;
- 4.14.3. Injury Certificates;
- 4.14.4. all documentation relating to loans between the Club and a Player
- 4.14.5. contracts with Scouting Agents;
- 4.14.6. contracts and any written documentation evidencing payments to Player Agents;
- 4.14.7. where a Club employs any Player who was formerly a professional rugby league player employed by a rugby league club, a copy of that Player's contract with the rugby league club, save where the rugby league club objects to any applicable confidentiality provision being waived;
- 4.14.8. any other document pursuant to which a Club agrees to pay Salary to a Player; and
- 4.14.9. any amendments to any of the documents listed at Regulations 4.14.1 to 4.14.8.
- 4.15. All contracts and other legally binding documents provided in accordance with these Regulations must be dated to show when they were in Final Form.

Co-operation

- 4.16. Each Club must:
- 4.16.1. co-operate with the Salary Cap Director, in connection with the exercise of their powers;
 - 4.16.2. co-operate with the Accountants in connection with the exercise of their powers; and
 - 4.16.3. provide true and accurate information to the Salary Cap Director and the Accountants.
- 4.17. Where a Club fails to comply with Regulation 4.21.2, in addition to any other sanction available under these Regulations, the Club will be responsible for compensating PRL for all additional costs incurred as a result of such breach. Such sum must be paid within 21 days of the Club being informed in writing by the Salary Cap Director of the amount of relevant costs incurred.

Club Official Obligations

Club Official Declaration

- 4.18. By 30 January 2021, each Club Official must complete, sign and submit to the Salary Cap Director a Club Official Declaration in the form set out in Schedule 6.
- 4.19. Where any individual or body corporate becomes a Club Official after 30 January 2021, it must complete, sign and submit to the Salary Cap Director a Club Official Declaration within 14 days of becoming a Club Official.

Reporting

- 4.20. All Club Officials must:
- 4.20.1. as soon as reasonably practicable, report to the Salary Cap Director any breach or circumvention of the Regulations of which they become aware, or any attempt to do so; and
 - 4.20.2. not assist or take part in any attempt to breach or circumvent the Regulations.

Co-operation

- 4.21. Each Club Official must:
- 4.21.1. co-operate with the Salary Cap Director in connection with the exercise of their powers;
 - 4.21.2. co-operate with the Accountants in connection with the exercise of their powers; and

- 4.21.3. provide true and accurate information to the Salary Cap Director and the Accountants.

5. PLAYER OBLIGATIONS

Player Declaration for 2021-22 Salary Cap Year

- 5.1. Each Player must complete, sign and submit to the Salary Cap Director a Player Declaration in the form set out in Schedule 7A by no later than:
 - 5.1.1. 1 September 2021; or
 - 5.1.2. if a player is Effectively Registered pursuant to RFU Regulation 14 after then, within 14 days of the day they are registered.
- 5.2. A Player Declaration must include:
 - 5.2.1. the residential address of the Player and the address of any other properties they have an interest in;
 - 5.2.2. the total amounts of Salary paid, payable, provided or to be provided to the Player (or a Connected Party of the Player) in that Salary Cap Year;
 - 5.2.3. the details of the Player's Nominated Bank Account; and
 - 5.2.4. details of all companies and trusts of which the Player is an officer, shareholder or beneficiary.

Player Certification for 2020-21 Salary Cap Year

- 5.3. By no later than 1 September 2021, each Player shall complete, sign and submit to the Salary Cap Director a Player Certification in the form set out in Schedule 8A.
- 5.4. A Player Certification must include details of all Remuneration that a Player received, was entitled to receive, is due or was promised by a Club or a Club's Connected Party in the previous Salary Cap Year as set out in Schedule 8B.

Reporting

Attempts to breach or circumvent the Regulations

- 5.5. Each Player must:
 - 5.5.1. as soon as reasonably practicable report to the Salary Cap Director any breach or circumvention of the Regulations of which they become aware, or any attempt to do so; and
 - 5.5.2. not assist or take part in any attempt to breach or circumvent the Regulations.

Co-operation

5.6. Each Player must:

- 5.6.1. co-operate with the Salary Cap Director in connection with the exercise of their powers;
- 5.6.2. co-operate with the Accountants in connection with the exercise of their powers;
and
- 5.6.3. provide true and accurate information to the Salary Cap Director and the Accountants.

6. PLAYER AGENT OBLIGATIONS

Reporting

Disclosure of Contracts and Documents

- 6.1. Within 14 days of a request to do so, a Player Agent must provide the Salary Cap Director a full copy of any of the following:
- 6.1.1. Representation Agreements;
 - 6.1.2. playing contracts or image rights agreements where the Player Agent:
 - (a) acted for a Player or a Club; or
 - (b) became entitled to receive a commission or any other benefit.
 - 6.1.3. any amendments to any of the documents listed at Regulations 6.1.1 to 6.1.2.
- 6.2. A Player Agent's obligation to provide disclosure in accordance with Regulation 6.1 above arises irrespective of whether the Player's Club is party to or aware of the arrangement.

Attempts to breach or circumvent the Regulations

- 6.3. Each Player Agent must:
- 6.3.1. as soon as reasonably practicable, report to the Salary Cap Director any breach or circumvention the Regulations of which they become aware, or any attempt to do so; and
 - 6.3.2. not assist or take part in any attempt to breach or circumvent the Regulations.

Co-operation

- 6.4. Each Player Agent must:
- 6.4.1. co-operate with the Salary Cap Director in connection with the exercise of their powers; and
 - 6.4.2. provide true and accurate information to the Salary Cap Director.

7. SALARY CAP DIRECTOR

Role

- 7.1. The Salary Cap Director shall be responsible for all aspects of the operation of, and ensuring compliance with, the Regulations.
- 7.2. Where a Club, Club Official, Player or Player Agent is in any doubt as to the meaning or applicability of any of the Regulations, it shall consult with the Salary Cap Director in writing with its query. Where the Salary Cap Director concludes that the query raises an issue of application to other Participants, they will publish a copy of the guidance issued in response to that query.

Powers

Monitoring and Compliance

- 7.3. The Salary Cap Director may require:
- 7.3.1. a Participant to provide information and/or an explanation of a matter (whether by way of interview or otherwise);
 - 7.3.2. a Participant to provide Relevant Records;
 - 7.3.3. a Participant to use reasonable endeavours to procure that a Connected Party provides Relevant Records;
 - 7.3.4. a Participant to attend an interview with the Salary Cap Director;
 - 7.3.5. a Participant to use reasonable endeavours to procure that a Connected Party attends an interview with the Salary Cap Director;
 - 7.3.6. a Club to procure that any Club Official, employees, shareholders and any other persons contracted or engaged by the Club attends an interview with the Salary Cap Director;
 - 7.3.7. a Player to provide his tax returns, or the tax returns for any company that owns his image rights, for any Salary Cap Year; and
 - 7.3.8. a Player to provide bank statements associated with the Player's Nominated Bank Account.
- 7.4. Regulation 7.3.2 extends to granting the Salary Cap Director the power to compel a Participant and/or any other employee(s) of the Club to provide a copy of all information on any electronic devices within the control of the Participant and/or any other employee(s) of the Club. The Chairman, the Non-Executive Directors or Qualifying Shareholders of a Club are subject to this requirement, save that they are not required to provide information on electronic devices that are used solely for personal or other business that has no connection to rugby or these Regulations.
- 7.5. An individual attending an interview with the Salary Cap Director may be accompanied.

- 7.6. When exercising their powers, the Salary Cap Director shall, acting reasonably, inform the Participant of the deadline for compliance.
- 7.7. The Salary Cap Director is entitled to attend a Club's premises without notice and exercise their powers if they have reason to do so.
- 7.8. The Salary Cap Director may arrive at a Club and give notice that they wish to carry out one or more of their powers pursuant to Regulation 7.3 on site.
- 7.9. Where the Salary Cap Director, acting reasonably, concludes that a Club or a Connected Party of a Club is using a third party to circumvent these Regulations, the Salary Cap Director may direct that the third party is to be treated as a Connected Party for the purposes of these Regulations.

Enhanced Audits

Extended Audit

- 7.10. Each year the winner of the previous Season's Gallagher Premiership shall be subject to an Extended Audit, save where that Club was subject to an Extended Audit in the Salary Cap Year the year before that, in which case the Salary Cap Director shall select at random one of the Clubs that finished 2nd to 5th (inclusive).
- 7.11. If a Club is subject to an Extended Audit, it shall take place at the same time as the Annual Audit and shall involve the Salary Cap Director doing the following:
 - 7.11.1. subject to Regulation 7.5, interviewing at least five of the Club's Players;
 - 7.11.2. reviewing (a) the tax returns and (b) bank statements of the Player's Nominated Bank Account, of at least half of the Club's Senior Players, including at least half of the Club's best paid Players;
 - 7.11.3. subject to Regulation 7.4, reviewing messages on the mobile phones of at least two Club Officials or other employee(s) of the Club sent via any platform or app (including WhatsApp);
 - 7.11.4. reviewing the email accounts of at least two Club Officials; and
 - 7.11.5. any other action that the Salary Cap Director considers appropriate that can be exercised using their powers.
- 7.12. Unless the Salary Cap Director decides otherwise, the review described at Regulations 7.11.3 and 7.11.4 above is not intended to be a review of all messages and emails, but a selection of them between individuals and between certain dates as decided by the Salary Cap Director.

Special Audit

- 7.13. Where a Disciplinary Panel finds that a Club has committed a Major Offence, they will be subject to a Special Audit to be carried out by the Salary Cap Director.
- 7.14. The scope of the Special Audit will be determined with reference to the facts of the Disciplinary Panel decision. The purpose of a Special Audit is to carry out a comprehensive review of all

the affairs of the Club in so far as they are relevant to these Regulations, including a review of all of a Club's Relevant Records, all Player's tax returns and interview with all Players and Club Officials (subject to Regulation 7.5).

8. ANNUAL AUDIT

- 8.1. All Clubs will be subject to the Annual Audit.
- 8.2. The purpose of the Annual Audit is to:
 - 8.2.1. confirm the accuracy of each Club Declaration and Club Certification; and
 - 8.2.2. ensure each Club has complied with the Regulations.

Role of Accountants

- 8.3. In carrying out the Annual Audit, the Accountants shall have the power to investigate and review compliance in the five Salary Cap Years prior to the current one.

Powers of Accountants

- 8.4. In carrying out the Annual Audit, the Accountants shall:
 - 8.4.1. have all the powers vested in the Salary Cap Director pursuant to Regulations 7.3 to 7.8;
 - 8.4.2. be entitled to attend the premises of any Club to exercise those powers; and
 - 8.4.3. be able to require a Club to download an unedited copy of its accounting system.

Scope

- 8.5. When carrying out the Annual Audit, the Accountants must in relation to each Club:
 - 8.5.1. review the tax returns of at least two Players;
 - 8.5.2. interview at least two Players (which may take place in the presence of the Salary Cap Director); and
 - 8.5.3. interview one or more of the Club CEO, Club CFO, the Club SCO and/or the Club Director of Rugby.
- 8.6. An individual attending an interview with the Accountants may be accompanied.

Reporting

- 8.7. The Accountants shall, where reasonably possible, report to the Salary Cap Director the results of the Annual Audit of all Clubs and the Relegated Club by 31 December following the end of each Salary Cap Year.

9. OVERRUN TAX

General

- 9.1. A Club shall incur an Overrun where:
- 9.1.1. its Senior Salary Cap Spend exceeds the Senior Salary Cap by less than £200,000.00; or
 - 9.1.2. the Academy Salary Cap by any amount.

Overrun Tax Thresholds

- 9.2. Where a Club incurs an Overrun, it shall pay a tax that is calculated as follows:

Level of Overrun	Overrun Tax
Overrun of Senior Salary Cap	
£0 to £99,999.99	£0.50 for every £1 overspend
£100,000 to £199,999.99	£2 for every £1 overspend
Overrun of Academy Salary Cap	
£0 to £99,999.99	£0.50 for every £1 overspend
£100,000 or over	£2 for every £1 overspend

Overrun Tax Notice

- 9.3. Where the Salary Cap Director concludes that a Club has incurred an Overrun, the Salary Cap Director shall serve an Overrun Tax Notice on that Club.
- 9.4. An Overrun Tax Notice shall:
- 9.4.1. describe the nature and amount of the alleged Overrun;
 - 9.4.2. provide a statement of facts to be relied upon;
 - 9.4.3. provide copies of all documents or other evidence relied upon or referred to in the Overrun Tax Notice; and
 - 9.4.4. set out the automatic Overrun tax calculated in accordance with Regulation 9.2.
- 9.5. Within 10 days of receipt of the Overrun Tax Notice, the Club shall confirm to the Salary Cap Director in writing whether it:
- 9.5.1. accepts the automatic Overrun tax calculated in accordance with Regulation 9.2; or
 - 9.5.2. rejects the Overrun Tax Notice and elects for the matter to be dealt with by a Disciplinary Panel in accordance with Regulation 11.

- 9.6. Where a Club accepts the automatic Overrun tax, the Club shall make payment of the automatic Overrun tax within 21 days of such acceptance.
- 9.7. Where a Club elects for the matter to be dealt with by a Disciplinary Panel in accordance with Regulation 11:
 - 9.7.1. the Overrun Tax Notice will be treated as a Charge for the purposes of Regulation 11.1;
 - 9.7.2. the Club must provide a Response within 14 days of receipt of the Overrun Tax Notice in accordance with Regulation 11.5; and
 - 9.7.3. the provisions of Regulation 11 will otherwise apply to the proceedings.
- 9.8. The provisions of Regulation 12.18 and 12.19 shall apply to any late payment of Overrun tax.

10. BREACHES OF THE REGULATIONS

General

10.1. Subject to Regulation 10.4.1, any breach of these Regulations shall be dealt with by a Disciplinary Panel pursuant to Regulation 11.

Summary Offences

10.2. Where the Salary Cap Director concludes that a Participant has committed a Summary Offence, the Salary Cap Director shall serve on that Participant a Summary Offence Notice.

10.3. A Summary Offence Notice shall:

10.3.1. identify the provision(s) of the Regulations that the Participant is alleged to have breached;

10.3.2. provide a statement of facts to be relied upon;

10.3.3. provide copies of all documents or other evidence relied upon or referred to in the Summary Offence Notice; and

10.3.4. and confirm the fixed sanction to be imposed, as prescribed in Schedule 1.

10.4. Within 14 days of receipt of the Summary Offence Notice, the Participant must respond in writing to either:

10.4.1. accept the sanction; or

10.4.2. reject the sanction and request that the matter be dealt with by a Disciplinary Panel in accordance with Regulation 11.

10.5. Where a Participant rejects the sanction and requests that the matter be dealt with by a Disciplinary Panel in accordance with Regulation 11:

10.5.1. the Summary Offence Notice will be treated as a Charge pursuant to Regulation 11.1;

10.5.2. the Participant must, within 14 days of receipt of the Summary Offence Notice, provide its Response in accordance with Regulation 11.5; and

10.5.3. the provisions of Regulation 11 will otherwise apply to the proceedings.

11. PROCESS BEFORE A DISCIPLINARY PANEL

Charge

- 11.1. Where the Salary Cap Director concludes that a Participant has committed a breach of the Regulations, other than in relation to a Summary Offence or an Overrun, they shall serve a Charge on the relevant Participant(s) and SRUK.
- 11.2. The Charge shall:
- 11.2.1. Identify which of the Regulations that the Participant is alleged to have breached;
 - 11.2.2. Provide details of each alleged breach;
 - 11.2.3. Set out the facts relied upon; and
 - 11.2.4. Provide copies of all documents or other evidence currently relied upon or referred to in the Charge.
- 11.3. The Salary Cap Governance Monitor shall approve each Charge before it is issued.

Plea Bargain

- 11.4. Upon receipt of a Charge, a Participant may attempt to plea bargain in accordance with the procedure contained in Schedule 10 to the Regulations.

Response to the Charge

- 11.5. The Participant shall serve a Response on SRUK and the Salary Cap Director within 14 days of receipt of the Charge, which shall include the following:
- 11.5.1. An admission or denial of each breach identified in the Charge;
 - 11.5.2. A statement describing the reasons for and circumstances of any denial made by the Participant;
 - 11.5.3. Copies of all documents or other evidence relied upon or referred to in the Response; and
 - 11.5.4. Confirmation as to whether the Participant wishes the matter to be determined by a one-person or three-person Disciplinary Panel.

Reply to the Response

- 11.6. PRL may serve a Reply on SRUK and the Participant within 14 days of receipt of the Response where a Participant:
- 11.6.1. denies a Charge in full or in part; or
 - 11.6.2. accepts the Charge in full but makes submissions as to sanction.

Formation of Disciplinary Panel and Timetable

- 11.7. The Disciplinary Panel shall comprise three individuals, unless both PRL and the Participant charged agree to a one-person Disciplinary Panel.
- 11.8. Within 10 days of receipt of the Charge, SRUK shall appoint a Disciplinary Panel which shall be comprised of at least one solicitor or barrister with at least 10 years' experience (who shall act as the Chairman of the Disciplinary Panel). To the extent possible, SRUK shall appoint at least one legally qualified individual with experience of rugby.
- 11.9. The Disciplinary Panel shall as soon as reasonably practicable set a timetable for the resolution of the Charge. The Disciplinary Panel shall have the discretion to regulate its own procedure and decide all procedural and evidential matters.
- 11.10. An individual cannot sit on the Disciplinary Panel where a conflict of interest exists. A conflict of interest shall exist for these purposes where at any time an individual was a member of or has been employed by or has any material connection whatsoever with the Participant subject to a Charge, or where any other circumstances exist which may materially compromise or influence that individual's independence.
- 11.11. Any member of the Disciplinary Panel who believes that they may have a conflict of interest (as described in Regulation 11.10) shall immediately notify SRUK who shall immediately appoint a replacement member to the Disciplinary Panel.

Consolidation

- 11.12. Where the subject matter of, or facts relating to, a Charge against one or more Participants is sufficiently linked, the Salary Cap Director and/or the Disciplinary Panel shall have the power to consolidate those proceedings so that they are conducted together and may be determined at the same hearing.

Determination and Hearing

- 11.13. The parties to proceedings may agree that the matter be dealt with on paper without the need for a hearing before the Disciplinary Panel.
- 11.14. Hearings before a Disciplinary Panel shall take place in private.
- 11.15. The Disciplinary Panel shall determine whether the Participant has breached the Regulations as alleged in the Charge and its decision shall:
- 11.15.1. where the matter is determined by a three-person Disciplinary Panel, be reached by a majority vote with each member of the Disciplinary Panel having one vote;
 - 11.15.2. be in writing and shall state the reasons for its decision;
 - 11.15.3. in the event a breach of the Regulations is found, contain details of any sanction (which shall be determined in accordance with Regulation 12); and
 - 11.15.4. be served on all parties as soon as reasonably practicable.

Costs

- 11.16. A Disciplinary Panel shall have the power to make a costs award. Ordinarily the unsuccessful party shall bear the costs unless there is a good reason to depart from this principle.
- 11.17. The Disciplinary Panel shall have the power to either assess costs or to refer the matter to a cost assessment expert if that is more appropriate.

12. SANCTIONS

Clubs

Breach of Senior Salary Cap

12.1. Where the Disciplinary Panel concludes that a Club has exceeded the Senior Salary Cap in respect of any Salary Cap Year, the following sanctions will apply:

12.1.1. The applicable Overrun tax is payable pursuant to Regulation 9.2.

12.1.2. For every £1 in excess of the Overrun, a fine of £3 is payable.

12.1.3. The following number of Gallagher Premiership points shall be deducted from the Club (and which may result in the Club having a negative points balance):

Level of breach (£)	Points deduction
0 - 99,999.99	0
100,000 – 199,999.99	0
200,000 – 399,999.99	15
400,000 – 599,999.99	35
600,000 and over	50

12.2. The sanctions set out at Regulation 12.1 represent the starting point, and the Disciplinary Panel shall have the discretion to increase or decrease (to zero if appropriate) any sanction where it deems that the sanctions otherwise applicable would lead to a result not within the spirit and underlying purpose of the Regulations. In exercising this discretion, the Disciplinary Panel will take into account the following factors:

12.2.1. Whether the Club has admitted the breach identified;

12.2.2. The Club's previous disciplinary record;

12.2.3. The level of the Club's co-operation during the disciplinary process;

12.2.4. The level of breach within the relevant band;

12.2.5. Whether the breaches relate to more than one Salary Cap Year;

12.2.6. Whether the Club concealed anything from the Salary Cap Director;

12.2.7. Whether the Club consulted with the Salary Cap Director pursuant to Regulation 7.2;

12.2.8. Whether the Club was found to have deliberately or recklessly breached the Regulations; and

12.2.9. The league position of the Club and the likely impact of the points deduction on the Club (by way of example, whether the sanction would result in the Club being relegated or missing out on qualification for European competition).

- 12.3. For a breach of the Senior Salary Cap of £200,000 or more, the Disciplinary Panel may, taking into account the factors at Regulation 12.2 above, impose the following additional sanctions:
- 12.3.1. impose a further financial penalty on the Club;
 - 12.3.2. relegate the Club;
 - 12.3.3. remove titles won and/or trophies awarded in the Salary Cap Year(s) in which the relevant breach(es) took place; and
 - 12.3.4. order the return of some or all prize money awarded in the Salary Cap Year(s) in which the relevant breach(es) took place.
- 12.4. In respect of Regulation 12.1.3, the Salary Cap Year in which the points deduction is to be applied will be determined as follows:
- 12.4.1. If the Disciplinary Panel or, in the event the Disciplinary Panel's decision is challenged in accordance with Regulation 13.1, the Tribunal, reaches its final decision prior to the first match of round 22 of the Gallagher Premiership in any Season, the points deduction will be applied during that Season with immediate effect; or
 - 12.4.2. If the Disciplinary Panel or, in the event the Disciplinary Panel's decision is challenged in accordance with Regulation 13, the Tribunal, reaches its decision during or after round 22 of the Gallagher Premiership in any Season, the points deduction will be applied at the commencement of the next Season.

Failure to Co-operate / Prohibited Salary

- 12.5. Where the Disciplinary Panel concludes that a Club has committed a Failure to Co-operate or has Paid Prohibited Salary, the Disciplinary Panel shall be entitled to impose one or more of:
- 12.5.1. Any sanction available to them pursuant to Regulations 12.1 and 12.3;
 - 12.5.2. An order in such terms as it considers appropriate in respect of the scope of any Special Audit that is to follow the decision pursuant to Regulation 7.13;
 - 12.5.3. An order that the Club or any other Participant discloses one or more documents; or
 - 12.5.4. Such other sanction or order as the Disciplinary Panel considers appropriate.
- 12.6. Where a Disciplinary Panel is considering the appropriate sanction under Regulation 12.5 for a Failure to Co-operate, it must consider why the Club failed to co-operate. If the Disciplinary Panel is of the view that it was to obstruct an investigation, the sanction should be severe and, to the extent possible, commensurate with the sanction for the breach that was being investigated. A Club cannot be allowed to avoid a potential sanction by failing to co-operate with an investigation.
- 12.7. Where a Disciplinary Panel is considering the appropriate sanction under Regulation 12.5 for having Paid Prohibited Salary, it must consider in particular the Club's motivation for doing so,

the size of the payment, whether and why it was concealed from the Salary Cap Director and whether it was paid via a Connected Party. A Club cannot be allowed to increase the Salary Paid to Players by concealing Remuneration from the Salary Cap Director.

Repeat Major Offences

12.8. Where a Club is found to have committed a Major Offence more than once within five consecutive Salary Cap Years, a Disciplinary Panel may order that a suitably qualified person, who is independent of the Club, attend the Club for a period of time up to a year in order to ensure compliance with these Regulations. The terms of that person's role will be determined by the Disciplinary Panel.

Summary Offences

12.9. Where the Salary Cap Director concludes that a Club has committed a Summary Offence, they shall impose the relevant fixed sanction set out at Schedule 1.

12.10. For the avoidance of doubt:

12.10.1. It shall be considered a failure to file a document (and therefore it shall constitute a Summary Offence) where that document is not (i) in the form or format as directed by the Salary Cap Director or (ii) in a complete state.

12.10.2. Subject to Regulation 12.10.3 below, each instance of failure or breach constitutes a separate Summary Offence. For example, a failure to provide copies of two Player agreements within the relevant timeframe would be considered two Summary Offences

12.10.3. Where two or more documents relate to the same transaction (for example, a playing contract and image rights agreement entered into in respect of the same Player at the same time), the Salary Cap Director has the discretion to consider documents relating to that transaction to constitute one Summary Offence.

Players

General

12.11. Where the Disciplinary Panel concludes that a Player (i) has committed a Failure to Co-operate or (ii) knew, or ought to have known, that they were involved in any attempt to circumvent the Regulations, the following sanctions will apply, which must be applied in an equitable, consistent and proportionate manner:

12.11.1. A warning;

12.11.2. A fine of up to £250,000; and/or

12.11.3. A suspension from playing for up to one full Season.

- 12.12. In determining whether a Player knew, or ought to have known, that they were involved in any attempt to circumvent the Regulations, the Disciplinary Panel will take into account the following factors:
- 12.12.1. The factual circumstances of the attempted breach identified;
 - 12.12.2. The Player's level of experience;
 - 12.12.3. The role played by the Player Agent and professional advisors in connection with the attempted breach identified; and
 - 12.12.4. The role of the Club in connection with the attempted breach identified.
- 12.13. In exercising its discretion as to sanction, the Disciplinary Panel will take into account the following factors:
- 12.13.1. Whether the Player has admitted the breach identified;
 - 12.13.2. The Player's previous disciplinary record in connection with matters dealt with in these Regulations;
 - 12.13.3. The level of the Player's co-operation during the disciplinary process;
 - 12.13.4. Whether the breaches relate to more than one Salary Cap Year;
 - 12.13.5. Whether the Player concealed anything from the Salary Cap Director;
 - 12.13.6. Whether the Player consulted with the Salary Cap Director pursuant to Regulation 7.2; and
 - 12.13.7. Whether the Player was found to have deliberately or recklessly breached the Regulations.

Summary Offences

- 12.14. Where the Salary Cap Director concludes that a Player has committed a Summary Offence, they shall impose the relevant fixed sanction set out at Schedule 1.

Player Agents

- 12.15. The disciplining and sanctioning of Player Agents for a breach of these Regulations shall be carried out by the RFU in accordance with Regulation 19 of the RFU Regulations.

Club Officials

- 12.16. Where the Disciplinary Panel concludes that a Club Official has (i) committed a Failure to Co-operate, (ii) signed a Club Declaration or Club Certification that they knew, or ought reasonably to have known, was false or inaccurate or (iii) knew, or ought to have known, that they were involved in an attempt to circumvent the Regulations, the Disciplinary Panel shall be entitled to impose:

- 12.16.1. A warning;

- 12.16.2. A fine of up to £250,000 on either the Club Official or the Club; and/or
- 12.16.3. A ban from holding a position as a Club Official, or otherwise carrying out any duty of a Club Official, at any Club. In respect of a first offence, such a sanction shall be for a maximum of two years. In respect of a second or subsequent offence, there shall be no maximum.

Summary Offences

- 12.17. Where the Salary Cap Director concludes that a Club Official has committed a Summary Offence, they shall impose the relevant fixed sanction set out at Schedule 1.

Payment of Fines

- 12.18. Subject to Regulation 13.7, payment of all fines and or costs levied under this Regulation 12 shall be made within 21 days of the date of the relevant decision unless a longer period is ordered by the Disciplinary Panel.
- 12.19. Where any amount owed by a Club (or a Player or Club Official associated with a Club) remains unpaid 30 days after the date for due payment, the Club shall automatically be deemed ineligible for the following year's European Rugby Champions Cup and European Rugby Challenge Cup competitions and the amount outstanding of the original sanction, fine and/or costs shall be increased by 100%. For every 30 days thereafter any amount remains unpaid, that amount shall be increased by 100%.

13. ARBITRATION

- 13.1. Any dispute or difference arising out of these Regulations (including any challenge to a decision of a Disciplinary Panel or any other decision made pursuant to the Regulations and any question as to the validity or existence of the Regulations) shall be referred to SRUK for final and binding arbitration in accordance with the Full Arbitration Procedure pursuant to the SRUK Rules, which are deemed to be incorporated by reference to these Regulations.
- 13.2. Any challenge to a decision brought pursuant to Regulation 13.1 must be brought within 14 days of the decision being challenged.
- 13.3. Regulation 13.1 shall not operate as an appeal of a decision of the Disciplinary Panel or any other decision made pursuant to the Regulations and shall operate only as a forum and procedure for a challenge to the validity of such a decision under English law on the grounds of ultra vires (including error of law), irrationality or procedural unfairness, with the Tribunal exercising supervisory jurisdiction only.
- 13.4. Sections 44, 45 and 69 of the Arbitration Act 1996 are excluded and shall not apply to any arbitration commenced pursuant to these Regulations.
- 13.5. An arbitration may only be commenced in accordance with Regulation 13.1 if all other avenues of appeal under these Regulations have been exhausted.
- 13.6. In the event of any inconsistency between these Regulations and the SRUK Rules, these Regulations shall apply.
- 13.7. If a decision is challenged pursuant to Regulation 13.1, all sanctions shall be suspended pending the outcome of that challenge.
- 13.8. The Tribunal shall be appointed by SRUK and, unless the parties to the arbitration agree otherwise, the Tribunal shall consist of three arbitrators each of whom shall be either a solicitor or a barrister and at least one of whom shall be a QC.
- 13.9. As to costs, the starting point in exercising the Tribunal's discretion shall be that the unsuccessful party shall bear the costs of the arbitration. The Tribunal shall have the power to vary any decision of the Disciplinary Panel in relation to costs.

14. CONFIDENTIALITY AND PUBLICATION

Document Disclosure

- 14.1. Save as required by the Salary Cap Director for the reasonable conduct of their duties, PRL shall keep documents and information disclosed to it pursuant to the Regulations confidential.

Declaration and Certification Data

- 14.2. PRL shall prepare a report in relation to:
- 14.2.1. the Club Declarations by September of each Season in relation to the Clubs' Senior Salary Cap Spend for the Season. Such report shall be limited to total Senior Salary Cap Spend, total number of Players and each Club's name. The report shall not include individual Player names or details of the Salary of individual Players; and
 - 14.2.2. the Club Certifications by January in the following Season in relation to the Clubs' Senior Salary Cap Spend for the previous Season(s). Such report shall include but not be limited to total Senior Salary Cap Spend, total number of Players and each Club's name. The report shall not include individual Player names or details of the Salary of individual Players.

Disciplinary Proceedings

- 14.3. Subject to Regulations 14.4 and 14.5, disciplinary proceedings (including the issues in dispute, the evidence and arguments presented by the parties) shall be confidential.
- 14.4. Subject to Regulation 14.5, within 7 days of PRL issuing a Charge, PRL must publish:
- 14.4.1. the fact that a Charge has been issued against the Participant;
 - 14.4.2. a summary of the substance of the Charge; and
 - 14.4.3. the anticipated date for a hearing before a Disciplinary Panel (if relevant and known).
- 14.5. If a Player is the subject of a Charge, PRL shall not publish the name of the Player when issuing the Charge.
- 14.6. Within 7 days of a Participant's response to a Summary Offence Notice or Overrun Tax Notice pursuant to Regulation 10.4, PRL must publish either that the Participant:
- 14.6.1. has been issued with, and has accepted, a Summary Offence Notice and/or Overrun Tax Notice. Such confirmation shall also include a summary of the substance of the Summary Offence and/or Overrun; or
 - 14.6.2. has been issued with a Summary Offence Notice and/or Overrun Tax Notice, but has requested that the matter be referred to a Disciplinary Panel for determination. Such confirmation shall also include a summary of the substance of the Summary Offence and/or Overrun and the anticipated date for a hearing before a Disciplinary Panel (if relevant and known).

Disciplinary Panel Decisions

- 14.7. Within 7 days of a Disciplinary Panel decision, and subject to appropriate redaction of confidential information and those redactions necessary pursuant to the DPA or the GDPR or Regulation 14.8 below, PRL must publish a copy of the Disciplinary Panel decision.
- 14.8. Where a Player is subject to a Charge, and that Charge is not proven before the Disciplinary Commission, a Player may elect to have his name (and any text capable of identifying him) redacted from the published version of the Disciplinary Panel decision in so far as it relates to any Charge that is not proven.

15. MISCELLANEOUS

Sub-Committee

Composition of the Sub-Committee

- 15.1. The Sub-Committee shall comprise the following individuals:
- 15.1.1. at least four Club representatives;
 - 15.1.2. the PRL Rugby Director; and
 - 15.1.3. the Salary Cap Director.
- 15.2. Each Club representative shall be appointed by the PRL Board meeting in September for a term of either one or two years.
- 15.3. A Club representative may be appointed more than once.
- 15.4. The PRL Board may remove or replace any Club representative during their term.

Role of the Sub-Committee

- 15.5. The role of the Sub-Committee is to consider and advise the PRL Board on amendments to the Regulations.

Meetings of the Sub-Committee

- 15.6. The Sub-Committee shall meet from time to time and all meetings of the Sub-Committee shall:
- 15.6.1. be chaired by the PRL Rugby Director;
 - 15.6.2. have a quorum of three; and
 - 15.6.3. be conducted in private.
- 15.7. All members of the Sub-Committee, with the exception of the Salary Cap Director, shall be entitled to vote at meetings.
- 15.8. All decisions of the Sub-Committee shall be by way of majority vote.
- 15.9. Meetings of the Sub-Committee may take place by telephone. In urgent circumstances, a decision of the Sub-Committee may be reached and communicated via email and copied to all members of the Sub-Committee who would have been entitled to attend a physical meeting.

Severance

- 15.10. If any provision of the Regulations is found to be illegal, invalid or unenforceable, that shall not affect the legality, validity or enforceability of any other provision of the Regulations.

Limitation

- 15.11. A Summary Offence Notice, Overrun Tax Notice or a Charge must be served on the relevant Participant within 5 years of the end of the Salary Cap Year in which the Summary Offence, Overrun or breach of the Regulations arose.

Standard of Proof

- 15.12. The standard of proof in all matters under the Regulations shall be the balance of probabilities.

Registration of Offers

- 15.13. To assist the Salary Cap Director in monitoring compliance with these Regulations, Clubs are encouraged to register with the Salary Cap Director any contractual offer that is made (in whatever form) to a Player or his representatives.

Whistle Blowing

- 15.14. To assist the Salary Cap Director in monitoring compliance with these Regulations, all individuals are encouraged to approach the Salary Cap Director with any information relevant to any actual or potential instance of non-compliance with the Regulations by another party. The identity of the individual providing the information will not be disclosed beyond the Salary Cap Director without such individual's prior approval, unless the Salary Cap Director is required to do so.

Retention of records

- 15.15. Each Participant shall keep all documents relevant to the operation and administration of these Regulations for a period of five years from the end of the Salary Cap Year to which those documents relate. A failure to do so shall constitute a Failure to Co-operate.
- 15.16. For the avoidance of doubt, it shall constitute a Failure to Co-operate on the part of a Club in circumstances where any of its Club Officials, Players, employees, shareholders and any other persons contracted or engaged by it, contravenes Regulation 15.15.

Format of documents

- 15.17. Save for the requirement that a contract between a Club and a Player for the provision of playing services by a Player to the Club must be in the form of the Standard Form Player Contract, all other documents must be provided to the Salary Cap Director in such format as the Salary Cap Director may direct from time to time.

Data Protection

- 15.18. Each Participant shall ensure that it complies with its obligations pursuant to the DPA and the GDPR.
- 15.19. Each Participant will indemnify PRL and its employees against any loss or damage they suffer as a result of that Participant's breach of the DPA or the GDPR.

SCHEDULE 1

TABLE OF SUMMARY OFFENCES AND SANCTIONS

For the purposes of this table, where a sanction increases because the same offence has been committed more than once, only offences that have taken place in the five Salary Cap Years prior to the offence in question shall be counted.

The language under the heading “Summary Offence” below is there to make the table easier to understand. To the extent that there is any inconsistency between the table and the relevant Regulation, the latter should take precedence.

The fact that a Participant has been charged with a Summary Offence does not prevent the Salary Cap Director bringing another more serious Charge arising out of the same subject matter (e.g. the fact a Participant is summarily fined for not disclosing documents in time does not prevent the Salary Cap Director charging the same Participant with a Failure to Co-operate). Should this happen, a Disciplinary Panel may take the Summary Offence sanction into account when determining any further sanctions.

1. CLUBS

Summary Offence	Regulation(s) breached	Sanction
Failure to procure that each of the Club CEO, the Club CFO, the Club SCO, the Chairman and the Club Director of Rugby sign the Club Declaration or Club Certification.	<ul style="list-style-type: none"> Regulation 4.2 	£20,000 per individual.
Employing a Club Official that has been banned from holding that position.	<ul style="list-style-type: none"> Regulation 4.4 	£100,000
Failure to identify a Club Official to the Salary Cap Director or to procure that a Club Official complies with the obligations in relation to Club Official Declarations.	<ul style="list-style-type: none"> Regulation 4.6 	£20,000 per failure.
Failure to appoint a Club SCO	<ul style="list-style-type: none"> Regulations 4.7 and 4.8 	1st offence: £20,000 2nd offence: £30,000 3rd and subsequent offence: 2 league points
Failure to submit a Club Declaration or Club Certification signed by all Club Officials on time	<ul style="list-style-type: none"> Regulations 4.10 and 4.12 	Where provided 14 to 21 days late: £5,000 Where provided 22 to 28 days late: £10,000 Where not provided, or provided more than 28 days late:

Summary Offence	Regulation(s) breached	Sanction
		<ul style="list-style-type: none"> - £20,000; and - 2 point deduction.
Failure to date a contract or document	<ul style="list-style-type: none"> • Regulation 4.15 	1 st offence: £1,000 2 nd offence: £2,000 3 rd and each subsequent offence: £3,000
<p>Penalty for being late: Each time a Club misses a deadline to provide a document to the Salary Cap Director, including both a deadline set out in the Regulations or a reasonable deadline set by the Salary Cap Director or the Accountants when requesting Relevant Records as per Regulations 7.3.2 and 8.4.1.</p> <p>NB: this is intended to be a penalty for being late to provide documents. It can be imposed in addition to the more serious failure to co-operate charge.</p>	<ul style="list-style-type: none"> • Various 	1 st offence: £1,000 2 nd offence: £2,000 3 rd and each subsequent offence: £3,000
Failure to demonstrate that the Club has made reasonable efforts to procure that a Connected Party provides Relevant Records.	<ul style="list-style-type: none"> • Regulation 7.3.3 	£50,000
Failure to demonstrate that the Club has made reasonable efforts to procure that any Club Official, Connected Party, employees, shareholders and any other persons contracted or engaged by the Club attends an interview	<ul style="list-style-type: none"> • Regulation 7.3.5 	£10,000
Failure to provide Accountants with an unedited copy of the Club's accounting systems.	<ul style="list-style-type: none"> • Regulation 8.4.3 	£50,000.

2. CLUB OFFICIALS

Summary Offence	Regulation(s) breached	Sanction
Failure to submit a Club Official Declaration	<ul style="list-style-type: none"> Regulation 4.18 Regulation 4.19 	<p>Where provided between 14 and 21 days late: £5,000</p> <p>Where provided between 21 and 28 days late: £10,000</p> <p>Where not provided within the 28 days of when it is due:</p> <ul style="list-style-type: none"> - £20,000; and - 2 point deduction for the relevant Club.
Failure to attend an interview	<ul style="list-style-type: none"> Regulation 7.3.4 	£10,000

3. PLAYERS

Summary Offence	Regulation(s) breached	Sanction
Failure to submit a Player Declaration or Player Certification	<ul style="list-style-type: none"> Regulation 5.1 Regulation 5.3 	<p>Where provided between 1 and 7 days late: £1,000</p> <p>Where provided between 8 and 14 days late: £2,000</p> <p>Where provided between 15 and 21 days late: £3,000</p> <p>Where not provided within 21 days: Suspension from playing until Player complies.</p>
Failure to attend an interview	<ul style="list-style-type: none"> Regulation 7.3.4 	£10,000
Failure to demonstrate that the Player has made reasonable efforts to procure that a Connected Party attends an interview.	<ul style="list-style-type: none"> Regulation 7.3.5 	£10,000

Failure to demonstrate that the Player has made reasonable efforts to procure that a Connected Party provides Relevant Records.	<ul style="list-style-type: none">• Regulation 7.3.3	£10,000
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SCHEDULE 2A

PERMITTED REMUNERATION

Several guidance notes have been included below. This guidance has the binding status of a Regulation, but has been drafted in this way to add clarity and to distinguish between the definition of each category of Permitted Remuneration and how those payments are applied in practice.

1. The following are to be treated as types of Remuneration that are permitted for the purposes of the definition of Permitted Salary:

PART A

- 1.1. A one-off fixed payment as a signing on or contract renewal fee that is provided for in the Standard Form Player Contract.

Guidance Note: This payment shall be treated as having been paid the day that the Player's employment with a Club starts, irrespective of when the sum is actually paid.

- 1.2. A wage that is provided for in the Standard Form Player Contract.
- 1.3. A bonus that is provided for in the Standard Form Player Contract.
- 1.4. Image rights payments made in connection with promotional, media or endorsement work.
- 1.5. Any Remuneration arising out of a redundancy or the termination of a playing contract, irrespective of whether it is a voluntary or compulsory payment.

Guidance Note: The Remuneration shall be treated as Salary in the Salary Cap Year in which the Player's employment ended.

- 1.6. A sum paid to a Player when they first join a Club as compensation for the cost of relocation.
- 1.7. A payment for another paid role that a Player has at a Club, such as accountancy, legal, medical, marketing or promotional work.

PART B

- 1.8. Employer National Insurance contributions.

Guidance Note: If the government increases the amount of employer national insurance that Clubs are required to pay, the increase shall not be treated as Salary in the Salary Cap Year in which the government announced the change.

- 1.9. Pension contributions, including any payment for annuities, subject to paragraph 1.6 of Schedule 2B.
- 1.10. The cost of any accommodation provided to the Player and used as his main domestic residence in England (other than as constitutes Excluded Remuneration under Paragraph 1.21 of Schedule 2B).

- 1.11. The cost of any insurance or assurance premiums, excluding a Player's own personal medical insurance.
- 1.12. Any childcare or support or child maintenance (other than as constitutes Excluded Remuneration under Paragraph 1.19 of Schedule 2B).
- 1.13. Sponsorship Remuneration that is not Excluded Salary.
- 1.14. The cost of any personal travel, including flights and a car allowance paid by a Club.
- 1.15. Any Remuneration, including VAT, paid or payable by a Club to or in respect of a Player Agent.

Guidance Notes:

- (1) VAT shall be included as Salary irrespective of whether the Club elects to reclaim the VAT from HMRC.
- (2) If the government increases the VAT rate, the increase shall not be treated as Salary in the Salary Cap Year in which the government announces the change.
- (3) National insurance contributions made by a Club in respect of a Player Agent shall not be included as Salary.
- (4) The Remuneration shall be treated as Salary in the later of: (a) the Salary Cap Year in which the Player Agent provided the services or (b) the Salary Cap Year in which the contract to which the services relate commences.

SCHEDULE 2B

EXCLUDED REMUNERATION

1. The following are to be treated as types of Remuneration that are excluded for the purposes of the definition of Excluded Salary:

PART A

- 1.1. A loan that meets the following criteria:
 - 1.1.1. it is repaid in full within the same Salary Cap Year in which the loan is made;
 - 1.1.2. it is approved by the Salary Cap Director in writing beforehand; and
 - 1.1.3. it is repaid by way of a deduction from a Player's monthly wage.
- 1.2. Any reasonable and proportionate expenses incurred by a Player on behalf of a Club that arise in the ordinary course of business and are reimbursed by the Club and evidenced by receipts.
- 1.3. Any insurance premium in relation to a Player's private medical insurance, including Rugby Care.
- 1.4. Any payment a Club receives from the PRL Bonus Pool, provided that the Player receives the payment within 28 days of it being paid by PRL to the Club.
- 1.5. Remuneration for a Player who has not played or been a replacement for the Club in (i) any match in the Gallagher Premiership, European Challenge Cup, European Champions Cup, Premiership Rugby Cup or (ii) more than three matches in any other Competition¹, provided that:
 - 1.5.1. the Salary Cap Director is satisfied that the Player's limited participation has been caused by an injury; and
 - 1.5.2. the Club does not use an Injured Player Credit.
- 1.6. Pension contributions made by a Club due to automatic enrolment into a workplace pension, up to an amount equal to the minimum employer contribution required by law.
- 1.7. Remuneration paid to a Home Grown Academy Player.
- 1.8. Remuneration paid to an Excluded Player in accordance with Regulation 3.27.
- 1.9. Remuneration paid to a Player who has been loaned to a club that is not a Club for an entire Season, subject to the following:
 - 1.9.1. each Club can only use this exclusion in relation to up to three Players in any one Salary Cap Year;

¹ For the purposes of this paragraph, a sevens tournament shall count as one Competition match.

- 1.9.2. the two clubs enter into a written Loan Agreement signed by them and the Player;
- 1.9.3. the Player is registered with the club;
- 1.9.4. the Club provides the Salary Cap Director with the names of each Player and the associated Loan Agreements within 28 days of the start of the Season in which the Players are loaned;
- 1.9.5. the Player is not selected in the match day squad for a competitive fixture (other than a Premiership Rugby Shield, Premiership Rugby Cup and Premiership Rugby 7s fixtures) for the loaning Club in the Season in question on five or more occasions; and
- 1.9.6. if the Player is in the match day squad for a competitive fixture (other a Premiership Rugby Shield, Premiership Rugby Cup and Premiership Rugby 7s fixtures) for the loaning Club in the Season in question, a sum equal to the following shall not be Excluded Salary: the Player's Salary for the Salary Cap Year, multiplied by the number of fixtures, divided by the number of weeks that the player meets the definition of Player in that Salary Cap Year.

PART B

- 1.10. The cost of a visa or immigration application paid by a Club for a Player, their partner and/or their children.
- 1.11. The fees for training or further education courses for a Player with a recognised educational institution that is not a Connected Party of the Club or Player, excluding living, travel or subsistence expenses.
- 1.12. Any Remuneration from a Union to a Player that arises from a Player representing his country.
- 1.13. Any Remuneration to a Scouting Agent, provided that:
 - 1.13.1. it is paid pursuant to the terms of a written agreement between a Club and a Scouting Agent a copy of which has been provided to the Salary Cap Director as per the terms of these Regulations;
 - 1.13.2. the Remuneration is on reasonable commercial terms and no part of the Remuneration is then directly or indirectly paid to a Player or a Player's Connected Party; and
 - 1.13.3. the Scouting Agent acts exclusively for one Club.
- 1.14. Any Remuneration paid to a Senior Player as part of that Senior Player's Benefit Year, provided that the Salary Cap Director is given at least one month's notice of each relevant event and, if any of the Remuneration is paid or provided by a Club or a Connected Party of the Club, the following must be satisfied:
 - 1.14.1. the event(s) in question has not been arranged specifically for a Connected Party or the Club;

- 1.14.2. the majority of the attendees are not representatives or guests of a Connected Party or the Club;
 - 1.14.3. the event(s) in question has not been sponsored, hosted by or subsidised by the Club or a Connected Party of the Club, save for the provision of Club facilities;
 - 1.14.4. any Remuneration from the Club, a Connected Party or a representative of a Connected Party that is paid or provided is similar to any Remuneration from other guests at the event; and
 - 1.14.5. the Connected Party and Club complies with any requests from the Salary Cap Director for financial information relating to this paragraph.
- 1.15. Remuneration Paid to (i) a Connected Party of a Player from (ii) a Club, or a Connected Party of a Club, provided that the Salary Cap Director is satisfied that it is a genuine arrangement unconnected to the Player or his services on commercial terms and not an attempt to circumvent the Regulations, and has approved the arrangement in writing in advance.
- 1.16. A transfer fee paid by a Club directly to another club in connection with the transfer of a Player to that Club, provided that no part of the fee is then directly or indirectly paid to a Player or a Player's Connected Party.
- 1.17. Any development fees a Club pays: (i) to foreign Unions or their member clubs pursuant to a requirement of World Rugby; or (ii) to English rugby union clubs (other than members of PRL), whether pursuant to RFU regulations or any written agreement between the RFU and PRL, in respect of out-of-contract players;
- 1.18. Up to four match tickets per Player per match for each Club match;
- 1.19. Provision by a Club to its Players of creche facilities on match day for the care of Players' children;
- 1.20. Provision by a Club of training kit, official club blazers and other clubwear which a Club requires each Player to wear either at club training, promotional day, event or match day.
- 1.21. Provision of living accommodation to a Player by a Connected Party of a Club, provided that the Player pays rent to the Connected Party at a market rate.
- 1.22. Sponsorship Remuneration pursuant to Regulations 3.9 and 3.10.

SCHEDULE 3A

CLUB DECLARATION

[TO BE PROVIDED BY THE SCD]

SCHEDULE 3B

CLUB DECLARATION SPREADSHEET

[TO BE PROVIDED BY THE SCD]

SCHEDULE 4A

CLUB CERTIFICATION

[TO BE PROVIDED BY THE SCD]

SCHEDULE 4B

CLUB CERTIFICATION SPREADSHEET

[TO BE PROVIDED BY THE SCD]

SCHEDULE 5

BOARD MINUTES

[TO BE PROVIDED BY THE SCD]

SCHEDULE 6

CLUB OFFICIAL DECLARATION

[TO BE PROVIDED BY THE SCD]

SCHEDULE 7A

PLAYER DECLARATION

[TO BE PROVIDED BY THE SCD]

SCHEDULE 7B

PLAYER DECLARATION SPREADSHEET

[TO BE PROVIDED BY THE SCD]

SCHEDULE 8A

PLAYER CERTIFICATION

[TO BE PROVIDED BY THE SCD]

SCHEDULE 8B

PLAYER CERTIFICATION SPREADSHEET

[TO BE PROVIDED BY THE SCD]

SCHEDULE 9

INJURY CERTIFICATE

[TO BE PROVIDED BY THE SCD]

SCHEDULE 10

PLEA BARGAINING

Definitions

1.1. Unless otherwise defined herein, definitions are as set out in Regulation 1.1:

“Admitted Breaches” means the breaches subject to a Charge that the Participant is prepared to admit.

“Alternative Sanction” means the sanction proposed by the Independent QC.

“Independent QC” means a QC appointed by Sports Resolutions UK to determine a Plea Bargain Proposal in accordance with this Schedule 10.

“Plea Bargain Notice” means a written notice indicating that a Participant wishes to commence the Plea Bargain Process.

“Plea Bargain Process” means the process described in this Schedule 10.

“Plea Bargain Proposal” means a written agreement between the Salary Cap Director and the Participant containing a Statement of Facts and a Recommended Sanction in relation to the Admitted Breaches.

“Recommended Sanction” means a sanction agreed between the Salary Cap Director and the Participant for the Admitted Breaches.

“Statement of Facts” means, in relation to each of the Admitted Breaches, a list of relevant facts agreed by the Salary Cap Director and the Participant sufficient to allow an Independent QC to understand the context of each breach.

General Principles

1.2. The Plea Bargain Process shall:

1.2.1. only apply to a breach subject to a Charge; and

1.2.2. be conducted on a without prejudice basis.

1.3. The Plea Bargain Process cannot be used in relation to a Summary Offence or an Overrun Tax Notice.

1.4. The integrity of the Gallagher Premiership is best served if a Participant that has been charged pursuant to the Regulations admits a breach as early as possible because an admission avoids wasting the following:

1.4.1. significant costs for all parties; and

1.4.2. the time of all those involved, including witnesses and Disciplinary Panel members.

1.5. Upon receipt of a Charge where a Participant has been charged with one or more breach of the Regulations, it may be appropriate for the Salary Cap Director not to proceed with one or more breach, in return for a Participant admitting one or more breach, but only if:

- 1.5.1. the sanction that is likely to be imposed on a Participant for the breaches for which the Participant will be or is likely to be sanctioned is sufficient to protect the interests of rugby; and
 - 1.5.2. there is no other compelling reason to proceed with the determination of each and every breach.
- 1.6. The Salary Cap Director must satisfy himself of the full extent and nature of each breach committed by the Participant before consenting to a Plea Bargain Process.
- 1.7. Where the Plea Bargain Process is ended for any reason other than as a result of a sanction becoming final and binding in accordance with paragraph 1.19 or 1.20.1, any document created solely for the purpose of the Plea Bargain Process, including but not limited to the Plea Bargain Proposal or drafts thereof, shall not be disclosed to the Disciplinary Panel convened to determine the Charge in accordance with Regulation 11. For the avoidance of doubt, any documents relevant to whether the Participant is guilty of the Charge, save for admissions made during the Plea Bargain Process, must be put before the Disciplinary Panel should the process fail and the Disciplinary Panel have to decide the Charge,

Procedure

- 1.8. A Participant may admit every breach subject to a Charge and should be encouraged to do so by the Salary Cap Director.

Plea Bargain Notice

- 1.9. Where a Club Participant elects to engage in the Plea Bargain Process, it must serve on the Salary Cap Director a Plea Bargain Notice within 28 days of receipt of the relevant Charge.
- 1.10. Upon receipt of a Plea Bargain Notice, the Salary Cap Director shall decide whether to consent to a Plea Bargain Process taking place in accordance with this Schedule. In deciding whether to consent the Salary Cap Director shall consider the following:
 - 1.10.1. whether a Participant has acted reasonably promptly in serving the Plea Bargain Notice and, in particular, whether the time period described in Regulation 11.5 has expired;
 - 1.10.2. the nature and seriousness of each breach;
 - 1.10.3. whether the Participant has been found guilty of the same or a similar breach in the past; and
 - 1.10.4. the Participant's conduct in assisting with any investigation to date.
- 1.11. Within 7 days of receipt of the Plea Bargain Notice, the Salary Cap Director shall inform the Participant in writing whether consent is given to commence the Plea Bargain Process.
- 1.12. Where consent is given to commence the Plea Bargain Process, the proceedings before the Disciplinary Panel shall continue in parallel with the Plea Bargain Process and not be suspended or delayed in any way

Plea Bargain Proposal

- 1.13. The Salary Cap Director shall attempt to agree a Plea Bargain Proposal with the Participant as soon as soon as reasonably practical.
- 1.14. The Plea Bargain Proposal must contain a Statement of Facts and a Recommended Sanction.
- 1.15. When seeking to agree the Recommended Sanction, the Salary Cap Director must consider:
 - 1.15.1. the sanctions provided for in the Regulations;
 - 1.15.2. any aggravating or mitigating factors;
 - 1.15.3. the seriousness of each breach;
 - 1.15.4. any useful and genuine information provided by the Participant that relates to a breach of the Regulations by another Participant; and
 - 1.15.5. any other relevant factor.
- 1.16. A Plea Bargain Proposal is subject to the approval of the Salary Cap Governance Monitor.
- 1.17. Until such time as a Plea Bargain Proposal is agreed, the Participant or the Salary Cap Director may end the Plea Bargain Process and have the matter determined in accordance with Regulation 11.

Determination by the Independent QC

- 1.18. Once the Plea Bargain Proposal has been agreed, it shall be put before an Independent QC, who shall consider whether the Recommended Sanction is appropriate and either:
 - 1.18.1. approve the Recommended Sanction; or
 - 1.18.2. propose an Alternative Sanction.
- 1.19. Where the Independent QC approves the Recommended Sanction;
 - 1.19.1. the Recommended Sanction shall become final and binding on the Participant; and
 - 1.19.2. the proceedings before the Disciplinary Panel shall terminate.
- 1.20. Where the Independent QC proposes an Alternative Sanction, the Participant must elect to either accept or reject the Alternative Sanction:
 - 1.20.1. If the Participant accepts the Alternative Sanction:
 - (a) the Alternative Sanction shall become final and binding on the Participant; and
 - (b) the proceedings before the Disciplinary Panel shall terminate.
 - 1.20.2. If the Participant rejects the Alternative Sanction, the Plea Bargain Process shall terminate and the matter determined in accordance with Regulation 11.

- 1.21. Where a Recommended Sanction or Alternative Sanction becomes final and binding on the Participant, the Participant shall have no right of appeal against such determination.