

CAUTIONARY:

These notes are intended to provide guidance on certain provisions of the SAFA Regulations on Working with Intermediaries (“the Regulations”) as well as identify the key points that relate to Players. These notes do not alter or replace the Regulations, which should be referred to in all cases for the complete and definitive position. In the event that there is any inconsistency between the Regulations and these guidance notes then the Regulations shall prevail. Any references in this guidance note are to the Regulations unless otherwise stated. SAFA urges the Premier Soccer League, Clubs, and the South African Football Players Union to share this information with players so that they are well aware of their rights and obligations in terms of the Regulations.

A. KEY POINTS FOR PLAYERS

- Players do not have to be represented by an Intermediary and are entitled to represent themselves.
- There is no exemption for attorneys/advocates or family members. Anyone who wishes to represent a Player as an Intermediary may do so with the written consent of the Player in the form of a representation contract.
- If a Player makes use of the services of an Intermediary they must have a written Representation Contract in place. They must ensure that they receive a copy of the contract and that it is dated and signed by both parties.
- A Player’s contract with an Intermediary should be for a period of no more than two (2) years.
- Players who are minors (below the age of 18) are prohibited from making any payments to an Intermediary.
- Representation Contracts between Players and Intermediaries under the age of 18 must also be signed by the Player’s parent or legal guardian.
- As a recommendation, Players and Intermediaries may adopt the following benchmark:
The total amount of remuneration per Transaction due to Intermediaries who have been engaged to act on a Player’s behalf should not exceed ten per cent (10%) of the Player’s Basic Gross Income for the entire duration of the relevant employment contract.
- Players are free to remunerate Intermediaries as they wish, so long as it is in accordance with the Regulations.
- A Player can pay their Intermediary by a lump sum payment, or by instalments in relation to their Basic Gross Income (excluding any bonus, benefits or privileges). Players should make sure that they agree this in advance, are happy with the arrangement, and obtain and keep a copy of the relevant document.
- If a Player is signed up to an Intermediary on an exclusive basis, he should not enter into a contract with another Intermediary at the same time and he may be liable to pay commission to two (or more) different Intermediaries if he does so. This is something that is extremely important should be avoided.

- Players entering into a contract with an Intermediary should consider taking independent legal advice or contact the legal departments of SAFA or the PSL or the Players Union affiliated to FIFPRO if they are unsure of any of the terms of the contract.

B. REPRESENTATION CONTRACTS

- The representation contract must contain the entire agreement between the parties and shall contain the minimum clauses referred to in Article 6.3 of the Regulations. Parties may add other terms so long as they are consistent with the standard representation contracts and covers the requirements of these Regulations and the FIFA Regulations on Working with Intermediaries.
- The Association has published a standard Intermediary Representation Contract which is available on the SAFA website. This standard contract is compliant with the requirements of the Regulations (as well as those of the FIFA Regulations on Working with Intermediaries). Intermediaries, Players and Clubs should ensure that they are either using these standard contracts or inserting the provisions of these standard contracts in their own templates.
- Where a Player has a Representation Contract with an Intermediary, a Club must deal with that Intermediary in relation to any Transaction covered by the Regulations and concerning the Player unless the Player provides a prior written request to the Club requesting it not to do so, such written request also to be provided by the Player to the Intermediary as soon as reasonably practicable and in any event prior to the Transaction taking place. A Player not intending to use an Intermediary he is contracted to in a Transaction must notify both the Club and this Intermediary in writing of his intention not to do so before the Transaction takes place.
- An Intermediary cannot enter into a Representation Contract with a Minor unless it is countersigned by the Minor's parent or legal guardian with parental responsibility.
- An Intermediary can only enter into a Representation Contract with a Player for a maximum duration of two years.

C. REMUNERATION/PAYMENTS TO INTERMEDIARIES

- Please refer to Article 8 of the Regulations.
- The total amount of remuneration per Transaction due to Intermediaries who have been engaged to act on a Player's or Club's behalf should be between 3% and 10%. It must not exceed the 10% benchmark.
- Where the Intermediary and the Player agree in the Representation Contract that a commission (either by way of lump sum or by instalments) is to be paid in respect of a Transaction, it shall be calculated on the basis of the Player's Gross Income as set out in the employment contract concluded by the Player in respect of which he was represented by the Intermediary.
- It is recommended that signing-on fees, loyalty fees, initiation fees, administration fee or any fee relating to image rights of a Player should form part of the Player's Basic Gross Income, (for further information, please refer to the definition of Basic Gross Income in the Regulations).

- Players and/or Clubs that engage the services of an Intermediary when negotiating an employment contract and/or a transfer agreement are prohibited from making any payments to such Intermediary if the Player concerned is a Minor.
- A Player or Club may pay an Intermediary in relation to a Transaction completed while the Player was a Minor only in the following circumstances:
 - Where the Player has attained the age of 18 before any payment is made; and
 - The result of the completed Transaction was that the Player signed a professional contract with the Club.

For the avoidance of doubt, an Intermediary is prohibited from receiving any remuneration in relation to a Player entering into a Scholarship agreement or any arrangement of a similar nature.

D. REGISTRATION OF A TRANSACTION

The Association has implemented the FIFA TMS Intermediary Regulation Tool (IRT) which is designed to facilitate compliance with the Regulations on Working with Intermediaries. All Intermediaries who are engaged in transactions involving players and clubs in their jurisdiction must be registered on the IRT system through the clubs belonging to the Premier Soccer League and National First Division. The information to be submitted to the engaging club includes:

- all agreed remunerations or payments that have been made or are to be made to an Intermediary
- the intermediary declaration form A or B (whichever is applicable)
- the intermediary representation contract
- the necessary consents and declarations about conflict of interest for all involved intermediaries as defined by the Regulations.
- the transfer agreement between the clubs
- the new employment contract of the player (which must mention the Intermediary and contain his/her signature)

The IRT system is integrated into the existing FIFA Transfer Matching System (ITMS and DTMS), thus allowing the transfer of professional players and related Intermediary involvement to be managed via one system.