

REGULATIONS TO PERFORM THE ACTIVITY OF PROFESSIONAL BASKETBALL PLAYERS AGENT

Definitions

These regulations apply to the activity of a new category: the “agents of professional basketball players” (hereinafter “Agents”) who perform their activity in the context of professional championships organized by the Italian Basketball Federation (hereinafter: “FIP”) and who are in charge for the transfer of “Italian and foreigner professional basketball players” (hereinafter “players”) from and to “professional teams” (hereinafter: “Teams”) that are associated with FIP.

These regulations will be joined and will therefore be further more integrated, to the “Executive Regulations” and the “Organic Regulations”, that are and remain the regulations that apply to all categories: members, partners and any other category above mentioned. Every category must refer to these regulations when performing their activities and for any other issue that follows.

FIP has established:

- a) the Register for Agents of professional basketball players (hereinafter: “Register”)
- b) the Executive Commission of Agents (hereinafter:

“Commission”)

Only registered agents can be “FIP authorized Agent”.

Those who perform the activity of “Agents of professional basketball players” can also represent the members of the category “Professional Coaches” (hereinafter “Coaches”).

According to these Regulations, the role, the rules, the tasks, the prohibitions and the following sanctions for a professional Coach are the same applied to a Professional Player.

1. General Provisions

Article 1

1. The Players and the Teams can request the professional support of a FIP licensed Agent.
2. An Agent is a person who, for money and after having been appointed or received specific mandate in compliance with the provisions established by these Regulations and by FIP Rules, represents a Player when signing a contract of sports activity with a Team in conformity with the Law 23 March 1981, no. 91 and the following amendments.
3. An agent takes care of the interests of a Player by giving his professional assistance to the Player when negotiating a contract, in order to establish its duration, compensation and any further

agreement.

4. The Agent assists the Player during the whole duration established by the contract and until the player is member of a Team participating into the FIP Championship. The Agent also takes care of any negotiations concerning the renewal of the Player's contract.
5. The Agent can perform his activity also for a Team.

Article 2

1. The Agent who has been appointed by a Player is the only person entitled for FIP to promote and protect the interests of his customer. He can have assistants and other people working for him but only in the administration field.
2. The Agent can perform his activity even in partnership with other agents in compliance with the Law regulating this specific issue. A copy of the deed of partnership, the statute, the following amendments as well as a complete list of partners must be sent to the Commission within 20 days after the date of each amendment.

Article 3

1. A Player can be assisted by his parents, brothers and sisters or spouse. This must be stated in the contract with the Team.

**II Qualifications and conditions for the enrolment into the
Register
Article 4**

1. The Italian citizen, as well as the foreign citizen who intends to take the examination to enter the Register of Agents (see Annexe B) must send to the Commission the relevant Application Form in compliance with the Exam Terms and Conditions as established by the Commission

The applicant shall declare:

- a) to have a high school diploma;
- b) to enjoy civil rights and not to have been judged interdicted, disqualified, bankrupt;
- c) not to have been condemned for intentional offence;
- d) not to have been condemned for any sports offence (CONI or CIO), for more than one year, in the sports field in the last ten years;
- e) not to have been sanctioned for sports offence, nor to be currently judged for the same kind of offence; nor to have been sanctioned by means of sports preclusion from any category of FIP or FIBA;
- f) not to be incompatible with the provisions here established to become a licensed Agent.

The receipt showing the payment of the Exam Fee must be sent together with the Application Form.

2. Any applicant who has not shown the relevant requirements will not be able to take part in the examinations to become a licensed agent.
3. In case of exclusion from the examination, an applicant can appeal to the Federal Court. If the Federal Court refuses the appeal, one cannot apply for the examination for two years from the date of the judgement.

Article 5

1. The registration into the Agent Register and its persistence are not compatible with any other appointment within FIP or with the activities organized and managed by FIP or by any other association, Team and organization connected to FIP activities, except for what specifically provided for in these Regulations; it is also forbidden to hold any share, direct or indirect, FIP associated limited company.
2. The termination of incompatibility mentioned in the previous paragraph must be proven with documents and/or self-certified within the date of request of first registration in the Register.

For active players, the incompatibility will be in force until the end of the sports season when they finished their agonistic activity.

Article 6

1. After the examination has been passed and once it is assessed that all the requirements for the registration are met, the Agent must provide an unconditional guarantee at first request to F.I.P. of **10.000 Euros (ten thousand) through a well known bank** or alternatively he must produce an insurance policy issued by a well known insurance company in favour of FIP. The insurance must also cover the pecuniary sanctions that might be inflicted. The conditions and the maximum sum insurable by the above mentioned policy will be examined in a following step and this will be exclusively carried out by the Commission. **As an alternative, it is also possible to settle a caution money of the same amount exclusively in favour of FIP. In case that Guarantee and caution money are even partially used to pay sanctions or to reimburse any damage, they will have to be reintegrated within 30 days from the date of levy. The Agent's licence will be suspended until the integration has been completed.** The guarantee must be constantly renewed and the relative document showing the

renewal must be produced to the Commission's Secretariat, the penalty is automatic cancellation from the Register.

2. When registering, the Agent must pay a fee for first registration. The amount will be determined each year by the Commission.
3. The applicant who has passed the examination but has not applied for registration, after 12 months from publication of the results into the FIP C.U., the registration will no longer be possible. In that case, the person can apply for a new examination.

Article 7

1. To obtain registration, the applicant who has previously passed the examination, shall subscribe the "Code of Professional Conduct" (see annexe A).
2. The Agent who does not abide by the "Code of Professional Conduct" will be sanctioned according to the provisions established in article 14.
3. In order to keep the registration, the Agent must pay an annual fee fixed by FIP, within 20 days from the publication of the amount into the C.U. or the membership will be suspended.

III Appointment conditions

Article 8

1. An Agent can represent the interests of the Player only after he has been given a specific written mandate from the Player or from his foreign Agent, who is not registered into the Italian Register, and who represents the Player. A copy of the original of this mandate or letter of appointment or declaration signed by both parties must be sent within 20 days to the Commission and in any case before the expiration to issue membership. The mandate or the commission must be written in conformity with the Commission's provisions.
2. The single mandate or appointment cannot last longer than 2 years. It can be tacitly renewed every year. In case of notice of termination, a written notice must be sent 90 days before the expiration. The notice of termination must be sent to the Commission within 20 days from the issuing date.
3. The mandate or the appointment or the declaration must clearly state its duration and a permission of personal data disclosure exclusively for what concerns the activities of FIP and according to the regulations of the federation and Law n. 675 of 31 December 1996.
4. The Agent can receive a direct compensation only by the Player or by the Team.
5. The compensation is established between the two parties. The fee payable to the Agent is generally calculated on the Player's gross annual income negotiated by the Agent with a Team. In case the compensation has not been established by the parties,

then it will be fixed to 5% of the Player's annual gross income.

6. If the contract of sports activity lasts longer than the appointment, then the Agent has the right to be paid according to the player's income even after the contract as expired. The right of the agent will be valid for the entire duration of the player's contract of sports activity.
7. The mandate, appointment or declaration must be written in three copies and be signed by the parties. The first copy will be retained by the Player or the Team, the Agent will keep the second copy and the third will be sent to the Commission.
8. The mandate, the appointment or the declaration are valid within FIP since the date the Commission has received it.

Article 9

1. The parties can by mutual consent decide to cancel the contract anytime, simply by sending to the Commission a declaration signed by both parties. The cancellation of the contract will be effective since it has been sent to the Commission and when the Commission receives it. The declaration must also clearly mention the settlement of any economic relationship between the parties.
2. A Player can cancel the Agent's contract giving a prior 30 day written notice. The cancellation must be sent to the Commission within 20 days from the date the Agent has been informed, together with the receipt of notification to the Agent.

The Player must in any case pay the Agent the fee stated in the contract until its expiration and according to terms and conditions agreed. The Agent has the right to ask for an indemnity of 5% of what the Player earns in a calendar year according to the new contract he has signed after the cancellation of the Agent's mandate. This is not the case if the cancellation is due to true and just cause, as judged by the Board of Arbitrators (hereinafter "Board").

3. An Agent can cancel the agreement with the Player by giving a prior 30 day written notice. The cancellation must be sent to the Commission within 20 days from the date the Player has been informed, together with the receipt of the notification to the Agent. The Player has the right to ask for a compensation for damage and in case of disagreement, the amount to pay would be fixed by the Board. The Player has no right to a compensation if the cancellation is due to true and just cause as judged by the Board.

IV Agent's Duties

Article 10

1. The Agent is obliged to abide by the Statute and the Regulations established by FIP, performing his activity according to the principles of uprightness, loyalty, good faith and professional conscientiousness.

2. The Agent must guarantee that each negotiation will be done only by protecting the interests of the Player and that any sports service contract signed is in conformity with FIP regulations as well as with the Italian law concerning contracts and the safeguard of workers welfare.
3. In case the contract for a sports service has been signed with the professional assistance of an Agent, the Agent must supervise that the name of the Player he represents is correctly stated and must make sure that the Player signs the agreement.

V Player's Duties

Article 11

1. The Player who wants to be represented by an Agent, must turn only to a person registered into the FIP Register.
2. The Player must give to the Agent by means of the mandate all the necessary information to perform his duties.
3. If a Player has requested to be represented by an Agent when signing a sports service contract, he must make sure that the name of the Agent and his signature are clearly stated into the contract. In case the contract has been signed without the assistance of an Agent, this must be clearly mentioned into the contract itself.

VI Team's Duties

Article 12

1. A Team that wants to sign a sports service contract with a Player can negotiate directly with the Player or with his Agent, as established in the mandate or commission agreement sent to the Commission.
2. The Team that has negotiated a contract with an Agent must make sure that the name and the signature of the Agent are clearly stated into the contract that will then be signed by the Player. If the Contract has been signed without the assistance of an Agent, the Team must clearly mention this into the contract.

VII Prohibitions

Article 13

1. An Agent cannot perform any activity regulated by a contract and payed anyhow, in favour or in the interest of athletes playing in young categories both in Italy and abroad, under the age of 18.
2. The Agent cannot approach a player who has a contract with another agent; this will only be possible 3 months before the expiration of the contract.
3. It is absolutely prohibited for the Agent during a negotiation to do his personal interests instead of the Player's interests.
4. An Agent cannot represent more than 50 Italian Players and

Coaches at the same time, according to the mandates deposited to the Commission.

5. Players cannot appoint any Agent who is not registered, as well as asking for the assistance of an Agent without a regular letter of appointment.
6. A Team cannot appoint an Agent who is not registered; it is particularly forbidden to make any payment or transaction to another Team or to FIP through a Registered Agent.

VIII Sanctions

Article 14

1. The Agent who violates his duties or abuses of his rights as established in these Regulations, according to the seriousness of the violation and considering the eventual recidivism, will be subject to the following sanctions:
 - a) Warning or reproof or disapproval
 - b) Economic sanction
 - c) Suspension from the Register
 - d) Cancellation from the Register

The sanctions can be given even simultaneously.

2. The behaviour of the Agents that violates the Article 13 will be punished by an economic sanction of Euro 5.000 and the suspension from the Register for a period of 2 years.
3. The Agent will be cancelled from the Register in case the

necessary requirements for registration are not available and anytime the Commission has verified the existence of an incompatibility.

Article 15

1. When eventual violations to the present Regulation are made in any way or at any time, the Commission for the acquisition of relative data and the verification of such violations, will involve the Federal Prosecuting Attorney's office together with any other federal body that it may consider, also asking all sorts of information to the members that are obliged to provide it. The penalty is suspension.
2. The people involved have the right to receive a prior written invitation if they are called to itemize in order to defend themselves. For this kind of hearings one can be assisted by a person of confidence, unless the Federal Prosecuting Attorney's office decides to dismiss the case.
3. The Commission, when an economic sanction has been imposed, will fix a peremptory deadline for payment not later than 30 days after the sanction. Defaulting fulfilment, beyond levy of guarantee, the Agent will automatically be suspended from the Register. Once the Agent has paid the sanction, he will be readmitted into the Register.
4. The Commission can decide the temporary suspension from

the Register for serious and urgent reasons. The temporary suspension can be performed also against those Agents who are currently being judged for any intentional offence.

5. The Commission's decisions are subject to appeal before the Federal Court, according to the terms and conditions established in R.E.
6. The Commission's decisions are executive from the date they are published into the FIP C.U.

Article 16

1. The Player who does not abide by these rules will be reported by the Commission before the Federal Prosecuting Attorney's Office can decide for the following sanctions:
 - a) Notice to observe the terms of the contract
 - b) payment of penalty according to the seriousness of the violation and in any case the amount is fixed to at least Euro 1000 (One Thousand)
 - c) disciplinary suspension from the sports activity up to 12 months

Article 17

1. The Team that violates one of the prohibitions established in these Regulations can be reported by the Commission before the

Federal Prosecuting Attorney's Office that can decide for the following sanctions:

- a) payment of penalty according to the seriousness of the violation and in any case the amount is fixed to at least Euro 10.000 (Ten Thousand)
- b) prohibition of giving membership cards to Players for a period of at least 3 months
- c) cancellation of the team's membership to FIP

Any transaction the Team does in violation of what established by the Article 13, sub-section 6 of these Regulations will be considered not valid by FIP.

Article 18

1. Exception is due for federal and statute regulations to which Agents, Players and Teams must comply with. In case of violation the sanctions established for these regulations will be added to those encountered by the present Regulations.

IX The Commission

Article 19

1. The Commission is formed by people with a stated sports and juridical experience. Four representatives shall be designated by the Series A Basketball League, League2, GIBA, USAP and 1

designated by the Agents' category association recognized by FIP (the associations recognized by FIP shall also designate the relative substitutes). The Federal President designates the President and 2 Vice Presidents and designates also, as added members, those who have been designated from the above mentioned categories. The Commission will be in any case valid and will be executive even in case one of the above mentioned categories shall not designate or withdraw its representative.

2. The Commission can ask for the cooperation of experts in the juridical field, designated by the President of the Commission, who take part in the meetings but have no right to vote.
3. The Commission can legally operate if constituted of at least 4 members. One of the members must be the President or the Vice President. In case of vote equality, the vote of the member who acts as chairman in the meeting, prevails.
4. The Commission decides about the registration into the Register of eligible applicants, after these have followed the procedure established by these Regulations.
5. The Commission has the function of examining body to judge the eligibility of an Agent and takes care of the publication of notice of competitive examination, as stated in the Article 4.
6. The Commission will be in charge of transmitting to all concerned parties the relevant documents, lists, application forms and any other information and update.
7. The Commission is in office for 2 years and is based in

Rome, in FIP headquarters.

X The Board of Arbitrators

Article 20

1. Any dispute arising will be judged by a Board of 3 members, one of which is designated by the Player or the Team and the other by the Agent. The names of the arbitrators are chosen from a list of names given by the category associations and by the Professional Leagues, while the third arbitrator, who acts also as President, is designated by the President of the Commission from the list drawn up by FIP.
2. For arbitration procedures is valid what established in the R.O. (Article 161 and so on).
3. In the acts of Mandate or Commission the parties must clearly approve and sign, according to Article 1341 C.C., subsection 2, the FIP arbitration clause and must accept the decisions made by the Board, as well as any other decision against them made by any other FIP Disciplinary Organism.
4. The appeal to an ordinary judiciary authority, without a prior request to FIP and its authorization, will be judged as a serious violation and will cause the cancellation of the Agent or the Player from the federal activity for a period of at least 4 years, and for the Team an economic sanction of at least Euro 100.000.

XI Final Provisions

Article 21

1. In order to regularize the relationship between Team and players assisted by an Agent existing at the moment of enforcement of this Regulation and following emendments and in any case within 6 months from the date of publication on the Official Bulletin, players, Team and Agents listed in the Register will care about getting in contact with the Commission either directly or by proxy and carrying out all the formalities envisaged by the Regulation.

Annexe “A”

Professional Code of Conduct of the Agent representing Basketball Professional Players

I.

The Agent is obliged to work consciousness and to behave in his professional life in a way that is suitable and respectful for his profession.

II.

The Agent must abide by the federal regulations, the Statute and the Regulations established by FIP and FIBA.

III.

The Agent must abide by the principles of truth, transparency and objectivity in his relationships with the person he assists and in the negotiations with Teams or any other party involved.

IV.

The Agent must protect the interests of the person he assists, impartially and abiding by the law and sports regulations, establishing his business relationships on the principles of transparency and legality.

V.

During the negotiations with his interlocutors and/or other parties, the Agent must always act respecting their rights. He must especially respect his colleagues' contract relationships and must refrain from any action aiming to make players cancel the mandates they have previously signed with other colleague agents, even in case this is done to establish new business relationships.

VI.

The agent must keep the accounts according to the law and he must abide by the fiscal regulations in force.

Upon request of the Federal Authorities that are conducting an investigation, the agent must be able to show the books or any other papers directly relevant to the case in question.

The agent gives his consent according to the Law n. 675 of 31 December 1996.

Place and date.....

The agent

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For FIP

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Annexe “B”

Procedure for the examination for “Agents of basketball players”

I.

1. The Examination will be a test.
2. The examination will be passed only by attaining the score as established by the Commission.
3. Each applicant will be examined on the following subjects.
 - a) Knowledge of FIP, FIBA and FIBA Europe regulations, particularly on membership, transfers, eligibility, doping, and health protection

- b) Knowledge of civil regulations (Book I Title I (image rights); Book IV Titles I-II (Contracts); Books V Title V (limited companies); D. Lgs. No. 17 January 2003 no. 5 and no. 6 and D. Lgs. No. 37/2004;
 - c) Knowledge of business relationships and social security in the field of sports, Law 23/3/81 no. 91; regulations in the field of insurance in case of accident during work of sports professionals DPR 30/6/65 no. 1124 and DLgs 23/2/00 no. 38 art. 6 and further amendments;
 - d) Knowledge of fiscal laws DPR 22/12/86 no. 917 (Chapter IV Employment Revenues art. 49 and art. 52; Chapter V Self-employment art. 53 and art. 54, Chapter VI Business Revenue art. 55 and art. 57.;
 - e) Knowledge of VAT D.P.R. 26/10/1972 no. 633, Title I artt. From 1 to 7, Title II art. From 21 to 28;
4. Each examination will have at least 20 questions (multiple choice or open) that will be decided by the Commission.
 5. According to the difficulty of each question, every correct answer will be marked by a score varying from 1 to 3. The Commission will inform applicants about the minimum score before the examination.

II.

1. The examination tests will be corrected immediately after their delivery, and the applicant will be immediately informed of

the results.

2. The applicant who does not reach the minimum score can immediately apply for another examination.
3. If the applicant does not reach the minimum score after the second time, he will have to wait two sessions before applying again for the examination.
4. The applicant who does not pass the examination after the third time will not be able to apply again for the examination for 2 years.

The agent gives his consent according to the Law n. 675 of 31 December 1996.

Annexe “C”**STANDARD SAMPLE ACCORDING TO ART. 8 OF THE
REGULATIONS FOR SPORTS AGENTS**

Agent: (Surname, Name, Place and Date of Birth, Residence and Fiscal Code)

Athlete/Coach: (Surname, Name, Place and Date of Birth, Residence and Fiscal Code)

Or

Team: (Name, FIP Code)

(Declaration of appointment)

The above mentioned (agent and player/coach/team) declare to have signed a mandate as authorization for the first party to represent – assist the second party according to the federal FIP rules.

The parties also declare to show upon request of the Commission all the relevant documentation concerning this contract.

Duration of the Contract: from 00/00/0000 until 00/00/0000 tacitly or non tacitly renewable.

Remarks:

The parties give their consent for personal data disclosure according to Law 675/96 and further amendments.

The Agent

Athlete/Coach/Team

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**EXAMINATION APPLICATION FORM FOR THE
PROFESSION OF AGENT OF PROFESSIONAL
BASKETBALL PLAYERS**

SELF AUTHENTICATION

(art. 2 Law no. 5 of 04/01/68 and Law no. 127 of 15/05/97, Law
no. 191 of 16/06/98)

The undersigned _____

Born in _____ on _____

and resident in _____ ()

address _____

telephone number _____

Italian citizen/ _____

DECLARES

Under his own responsibility:

- a) to have a high school diploma;
- b) to enjoy civil rights and not to have been judged interdicted, disqualified, bankrupt;
- c) not to have been condemned for intentional offence;
- d) not to have been condemned for any sports offence (CONI or CIO), for more than one year, in the last ten years;
- e) not to have been sanctioned for sports offence, not to be currently judged for the same kind of offence; nor to have been sanctioned by means of sports preclusion from any category of FIP pr FIBA;
- f) not to hold one of the positions that would be incompatible with the profession of agent as established by FIP Regulations.

Faithfully _____

Place and date _____

**NOTICE OF THE EXAMINATION FOR THE
PROFESSION OF AGENT OF PROFESSIONAL
BASKETBALL PLAYERS**

FIP – Italian Basketball Federation, sets the terms and conditions for the examination to practice the profession of agent of professional basketball players, that are FIP members and play in the championships organized by the Professional Leagues and by FIP itself.

To take part in the examination, the candidates shall fill out the application form (see annexe 1) and send it to the Commission of Agents c/o FIP – Via Vitorchiano 113 – 00189 Rome.

There will be two Examination Sessions that will be done in FIP headquarters in Via Vitorchiano 113 – Rome.

The first session, training-stage (as established in art 21 of the Regulations) will be held on 28 May 2004 From 13.00 to 15.00.

The application forms with enclosed a copy of at least one contract or similar declaration of commitment with a Player or a Coach, shall be delivered to the Commission Secretary's Office by 10May 2004.

The second session will be directed to all those subjects who did not perform the activity of Agents in the period 26 June 2003 and will be held on 21 June 2004 from 13.00 to 15.00.

The application forms shall come to the Secretary Office of the National Examining Commission by 7 June 2004.

The receipt of the Examination Fee payment of Euro 50,00 on the bank account no. 94861002 must be enclosed to the application form.

This notice is also a notification and all candidates who have not received a prior exclusion notice, shall be on the date and the time above mentioned and in the place notified for the examination.

For further information, please call the Secretary's Office of the Agents Commission, Ufficio Organi di Giustizia – tel. 06/36856542 fax number: 06/3330291