



FREQUENTLY ASKED QUESTION'S – FAQs

TRAINING COMPENSATION AND SOLIDARITY CONTRIBUTION



TRAINING COMPENSATION

1. What is Training Compensation?

i Training Compensation (TC) is a financial compensation that is paid to the clubs that were involved in the training and education of a player through his formative years. This is payable upon a player signing his first professional contract with a club and/or on each subsequent transfer until his 23rd birthday. The amount payable is calculated on a pro rata basis, based on the period spent on training with each club between the ages of 12 and 21. It is defined under Article 26 and Annexe 4 of the AIFF Regulations on the Status and Transfer of Player 2023 (AIFF RSTP).

2. When does Training Compensation get triggered?

i TC is triggered in two cases. First, when a player signs his first professional contract (amateur to professional), it shall be payable to all the former club(s) who have trained the player. Second, TC is triggered for every subsequent transfer as a professional player (professional to professional), in this case, only the immediate former club will be eligible to receive the compensation. Article 2(1) of Annexe 4 of the AIFF RSTP, 2023.

3. Who and when to pay the Training Compensation?

i The new club is responsible to pay the TC to the former club(s) that has trained the player between the ages 12 to 21. TC has to be paid within 30 days of registering the player on the Centralised Registration System (CRS). This shall be payable up to the age of 23. Article 3(1) of Annexe 4 of the AIFF RSTP, 2023.

4. How is the players' age determined?

i The season of the players birthday will be taken into account. This means that if a player's 21st birthday is during the football season (June to May), for purposes of age determination he will be considered eligible for TC for the season.

Example - ABC, a player is born on 1st October 2000, then he will turn 21 in the 2021-22 Season i.e., in October 2021 which is in the 2021-22 Season, as the Season starts from June 2021 and ends on 31st May 2022.

5. What are the additional criteria to be eligible for Training Compensation?

i For a player to be deemed to be eligible for TC, it is mandatory that the former club(s) have got the players been registered on the AIFF Central Registration System (CRS).

6. How is the Training Compensation calculated?

i In order to calculate the TC, the clubs are divided into four different categories as mentioned in the table. This table specifies an amount for each corresponding category and that amount is the training cost for that particular category. Article 4(1) of Annexe 4 of the AIFF RSTP, 2023.

Categories	Clubs	Costs (INR)
Category I	Clubs participating in the Hero Indian Super League	1,20,000
Category II	Clubs participating in the Hero I-League	75,000
Category III	Clubs participating in the Hero 2nd Division League	33,750
Category IV	All Other Clubs which are participating in Competitions/ Leagues registered on AIFF Competition Management System.	25,000

At the time of calculation, it shall be considered as though the new club itself trained the player for the 'x' number of years that he actually was trained by the former club(s). Therefore, the corresponding amount attached to the category of the new club shall be paid to the former club(s):

TC for the first professional contract and subsequent transfer:

Training Costs corresponding to the new club (C) x Number of years spent at the former club(s) (N) (can be on pro-rata basis i.e., no of days also). **Therefore, TC = C x N.** Article 5(2) of Annexe 4 of the AIFF RSTP, 2023

Exception - For a player's 12th to 15th birthday, the TC shall be capped at the training cost of a category IV club i.e., Rs. 25,000 INR, no matter which category the new club belongs to. Article 5(3) of Annexe 4 of the AIFF RSTP, 2023.



7. When is Training Compensation not to be payable?

- i** I. When a player **moves to a category IV club**. Under no scenario will a category IV club be liable to pay.
- II. If the player's contract was terminated by the former club without just cause. In this case, the termination of a contract with the former club **WITHOUT JUST CAUSE** would have been determined by the AIFF Player Status Committee or Appeal's Committee of the AIFF. If such a decision is issued against the former club, then the new club will not be liable to pay the TC.
- III. If it is evident that the player has already terminated the training period before the age of 21. AIFF will have the sole discretion to determine whether the player has terminated the training or not.

8. How does Training Compensation work for loans?

- i** TC for loans will be regulated under the same rules as a permanent transfer. The chain of transfers for TC is not broken if a player is sent out on loan.

The loanee club (club taking the player on loan) will never have to pay TC to a loaner club (club sending the player on loan). When the player moves to the new club, the new club will have to pay to both the loaner and loanee clubs separately. The amount will be calculated on pro rata basis i.e., no. of days the player was trained by the loaner and loanee clubs.

9. What if the player was not registered with any club over the CRS for the previous year?

- i** In event, the player was not registered with any club on the CRS for the previous year or any year, then the new club will not have to pay TC to anyone for that particular year. The TC is payable only when the former club(s) have trained the player.



10. What is the administrative fee under Annexe 4 and to the AIFC RSTP?

- i** AIFC is entitled to collect an administrative fee amounting to 4% of any TC amount, AIFC keeps 2% of this amount and the remaining 2% distributes equally between the releasing State FA (1%) and District FA (1%). This administrative fee is payable by the new club. Article 6(1) of Annexe 4 of the AIFC RSTP, 2023.

11. Whether the administrative fee is to be paid above the amount of the Training Compensation Due?

- i** AIFC is entitled to collect an administrative fee amounting to 4% of any TC amount, AIFC keeps 2% of this amount and the rest 2% distributes equally to the release State FA (1%) and District FA (1%). This administrative fee is payable by the new club. Article 6(1) of Annexe 4 of the AIFC RSTP, 2023.

12. Is there a commencement date for Training Compensation?

- i** The payment of TC will commence from 1st August 2020 and for the purpose of calculation of TC, the players' CRS history as provided in the AIFC CRS shall be considered from the commencement of the 2019-20 Season. To clarify, the player CRS history for the purposes of TC will be considered from 2019-20 season, no former clubs will be entitled to the TC prior to 2019-20 season. Article 5(4) of Annexe 4 of the AIFC RSTP, 2023.

13. Can the New Club transfer its liability to pay Training Compensation to any other club or entity?

- i** No, as per the regulations the new club is the only one liable to pay the TC regardless of what is agreed between the new club and the former club or any other entity.

14. What if the new club does not pay the TC within 30 of registering the player over CRS?

- i** In event, the new club does not pay the former club within 30 days of registering the player on the CRS, the former club can remind the new club once, along with the bank details, of the amount that is still due. If the TC remains unpaid, the former club can lodge an official claim to the AIFC Players' Status and Registration Department at psd@the-aiff.com. The claim will be filed under the Annexe 4 of the AIFC RSTP and will have to fulfil certain basic criteria laid out in article 10 of the Rules Governing the Procedure of the AIFC Player Status Committee, 2021. The basis criteria are – the claim must be in a PDF, it must state the facts, the party against which it is filing the claim, the grounds along with the proof of reminder notice, the player profile of CRS, and the prayer stating the specific amount it wishes to claim from the new club. The AIFC Player Status Committee will adjudicate and pass a decision on the same.



15. Situation - The former club has trained a player at the age of 22 then the player at age 23 moves to a new club, is the Training Compensation due to the former club?

i *No, since TC is only payable for the training done till the age of 21. In simple words, clubs which have trained the player till the age of 21 are only eligible to claim training compensation. However, club(s) which have trained the player till 21 can claim the TC up to the age of 23. No TC will be due after the age of 23.*

16. Situation - A player is with a club from age 20 till age 23 and at age 24 moves to a new club then is the new club liable to pay training compensation to the former club till the age 21?

i *In this case, no TC will be due to the former club since the player got transferred after the age of 23 to the new club. Therefore, the new club will not have to pay any TC.*



SOLIDARITY CONTRIBUTION

1. What is Solidarity Contribution?

i Solidarity Contribution (SC) is form of compensation given to the clubs who have helped train and develop the player from the ages between 12 to 23 years. Every club that had registered the player on the AIFF CRS between the age of 12 to 23 is entitled to receive Solidarity Contribution. It is defined under Article 27 and Annexe 5 of the AIFF Regulations on the Status and Transfer of Player 2023 (AIFF RSTP).

2. When does Solidarity Contribution get triggered?

i The SC is triggered when the player is transferred during the contract and when it involves a transfer compensation. Both conditions should be met. It shall be payable to all the former clubs who have trained the player from the age 12 to 23. Article 1(1) of Annexe 5 of the AIFF RSTP, 2023.

3. Who and when to pay the Solidarity Contribution?

i The new club is responsible to pay the SC to the former club(s) that has trained the player between the ages 12 to 23 within 30 days of registering the player on the Centralised Registration System (CRS). Article 2 (1) &(2) of Annexe 5 of the AIFF RSTP, 2023.

4. How is players' age determined?

i The season of the players birthday will be taken into account. This means that if a player's 23rd birthday is during the football season (June to May), for purposes of age determination he will be considered eligible for SC for the season.

Example - ABC, a player is born on 1st October 2000, then he will turn 21 in the 2021-22 Season i.e., in October 2021 which is in the 2021-22 Season as the Season starts from June 2021 and ends on 31st May 2022.



5. How is Solidarity Contribution calculated?

i Based on specific breakdown provided for by the regulation, each of former club(s) will be entitled to solidarity payment. The total breakdown of the payment will be 5% of the total transfer compensation or fee. If a player transfers after the age of 23, the whole 5% will be retained and divided accordingly. The chart for calculation of SC:

Season of 12th birthday: 5% (i.e. 0.25% of total compensation)

Season of 13th birthday: 5% (i.e. 0.25% of total compensation)

Season of 14th birthday: 5% (i.e. 0.25% of total compensation)

Season of 15th birthday: 5% (i.e. 0.25% of total compensation)

Season of 16th birthday: 10% (i.e. 0.5% of total compensation)

Season of 17th birthday: 10% (i.e. 0.5% of total compensation)

Season of 18th birthday: 10% (i.e. 0.5% of total compensation)

Season of 19th birthday: 10% (i.e. 0.5% of total compensation)

Season of 20th birthday: 10% (i.e. 0.5% of total compensation)

Season of 21st birthday: 10% (i.e. 0.5% of total compensation)

Season of 22nd birthday: 10% (i.e. 0.5% of total compensation)

Season of 23rd birthday: 10% (i.e. 0.5% of total compensation)

6. How does Solidarity Contribution work for loans?

i Loans are subject to the same rules as apply to the transfer of players, including provisions on the SC. If there is a monetary compensation involved in the loan agreement, the relevant amount will be subject to the payment (deduction) of the 5% SC.

7. What are the differences between Training Compensation and Solidarity Contribution?

- i**
- i. The main difference between the two is that SC only gets triggered when there is any compensation (transfer fee) involved between the clubs and the player moves during his existing contract with the former club, whereas TC is owed even when the player moves for free at the end of his contract.
 - ii. Former club(s) that have trained the player are paid TC only once during the career history of player while SC shall be received by the trainee clubs on every transfer of a professional player which involves a compensation.

iii. In TC, the claim can only be made till the age of 23 of the players while for SC, possibility of claim is not linked to a specific age limit.

8. Is there a commencement date for Solidarity Contribution?

i The payment of SC will commence from 1st August 2020 and for the purpose of calculation of SC, the players' career history as provided in AIFF CRS shall be considered from the commencement of the 2019-20 Season.

To clarify, the player career history for the purposes of SC will be considered from 2019-20 season, no former clubs will be entitled to the SC prior to 2019-20 season. Article 2(3) of Annexe 5 of the AIFF RSTP, 2023.

9. What is the administrative fee under Annexe 5 and to the AIFF RSTP?

i AIFF is entitled to collect an administrative fee amounting to 4% of any SC amount, AIFF keeps 2% of this amount and the remaining 2% distributes equally between the releasing State FA (1%) and District FA (1%). This administrative fee is payable by the new club. Article 3 of Annexe 5 of the AIFF RSTP, 2023.

10. Whether the Solidarity Contribution is paid above the transfer compensation/fee?

i No, the SC is to be deducted from the amount of transfer compensation.

For example - if a new club is supposed to pay a transfer fee of Rs. 1,00,000 to the previous club of the player, then the new club will deduct 5% of Rs. 1,00,000 i.e., Rs. 5000, this amount will be paid directly to the former trainee club(s) of the player who have trained the player from the age of 12 to 23 and the rest 95,000 INR will be paid to the previous club with whom the transfer fees has been agreed.

Now, for AIFF administrative fee – taking the above example, the new club will pay 4% of Rs. 5000 i.e., Rs 200 to the AIFF directly and the rest Rs 4800 will be paid to the former trainee clubs.

11. Can the New Club transfer its liability to pay Solidarity Contribution to any other club or entity?

i No, as per the regulations the new club is the only one liable to pay the SC regardless of what is agreed between the new club and the former club or any other entity.



12. What if the new club does not pay SC within 30 days of registering the player over CRS?

i In event, the new club does not pay the former club within 30 days of registering the player on the CRS, the former club can remind the new club once, along with the bank details, of the amount that is still due. If the SC remains unpaid, the former club can lodge an official claim to the AIFF Players' Status and Registration Department at psd@the-aiff.com. The claim will be filed under the Annexe 5 of the AIFF RSTP and will have to fulfil certain basic criteria laid out in Article 10 of the Rules Governing the Procedure of the AIFF Player Status Committee, 2021. The basic criteria are – the claim must be in a PDF, it must state the facts, the party against which it is filing the claim, the grounds along with the proof of reminder notice, the player profile of CRS, and the prayer stating the specific amount it wishes to claim from the new club. The AIFF Player Status Committee will adjudicate and pass a decision on the same.