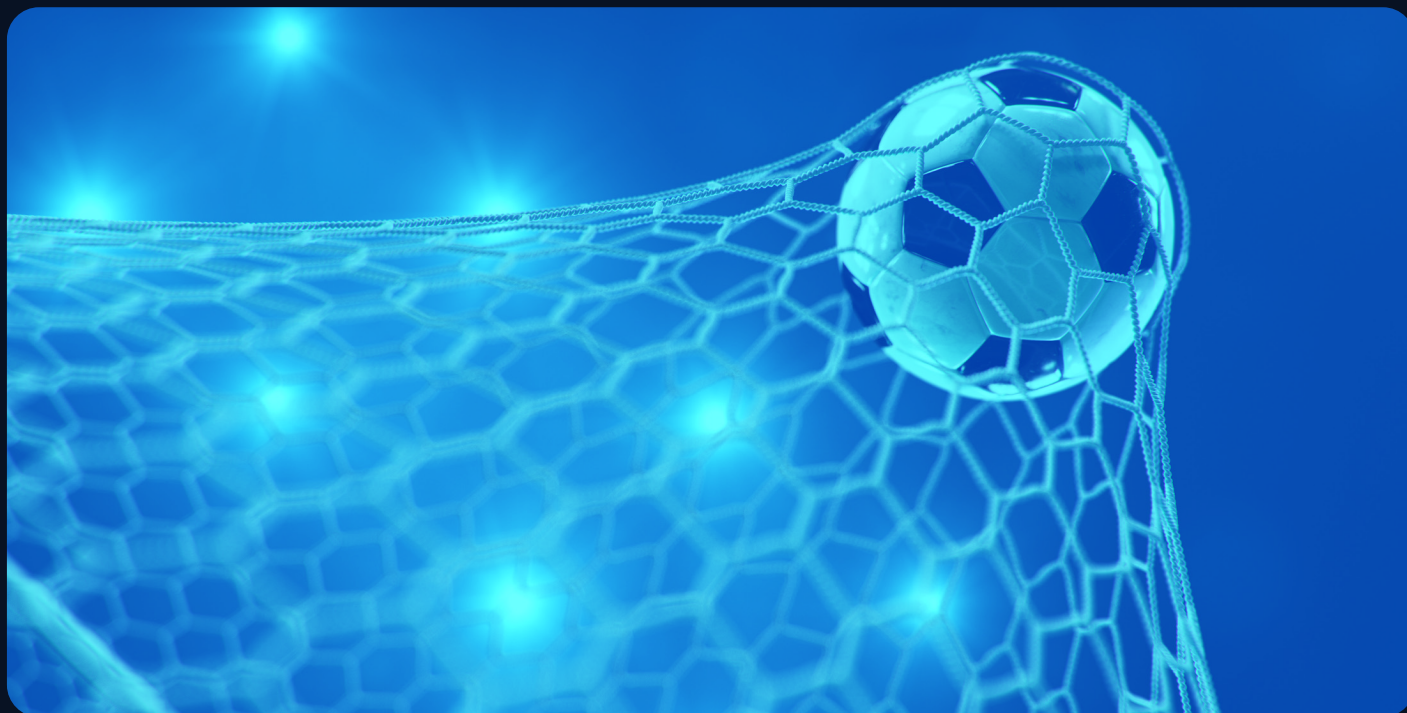




**SAF Law Reform strengthens
governance, investor protection,
and clubs' rights**

On June 3, 2026, Law No. 15,427 ("Law 15,427") was enacted and published in Brazil's Official Gazette on June 8, 2026. The law amends Law No. 14,193/2021 ("SAF Law"), the legal framework for Football Corporations (Sociedades Anônimas do Futebol or "SAF"). The amendments seek to improve governance rules, strengthen investor protection, preserve clubs' rights, and provide clearer discipline for the treatment of historical liabilities. For domestic and foreign investors, investment funds, creditors, and clubs operating or considering operating under the SAF model, the new law introduces immediate implications for corporate structures, transparency obligations, and debt settlement mechanisms.

Below is a summary of the main changes introduced by Law 15,427.



1. Expanded SAF Concept and Corporate Purpose

Law 15,427 also broadens the definition of an SAF to include leagues established or organized by sports organizations whose primary activity is professional soccer competition. In addition, the corporate purpose now expressly includes the exploitation of the company's own (in addition to third parties') intellectual property rights related to soccer. Finally, Law 15,427 now allows a SAF to participate in other companies, including in companies outside Brazil, whose purpose is any of the activities listed in Article 1 of the SAF Law, eliminating the restriction in item II (the training of professional soccer players, in both women's and men's categories, and the generation of revenue from the transfer of their sports rights).

2. New Form of SAF Incorporation

The reform introduces a fourth method for incorporating an SAF: subscription by the club or the original legal entity for all shares of

the capital stock established in the bylaws, with payment in assets related to football activities. This is known as a "drop-down," a practice that was already widely used in the market when SAFs were incorporated.

3. Restriction on Transfer of Class A Shares

One of the most significant innovations for club protection is the express prohibition on the donation, assignment, exchange, disposal, transfer, sale or alienation of Class A ordinary shares by the club or original legal entity that holds them. These shares – which grant special political rights to the founding club – may only be converted into ordinary common shares, at which point the restrictions cease to apply. This measure reinforces the club's role as the custodian of the SAF's identity, making it harder to structure transactions that dilute or transfer these qualified control rights.



4. Governance and Independence of Corporate Bodies

Law 15,427 raises the governance standard by requiring that at least one member of the board of directors and one member of the supervisory board (*conselho fiscal*) be independent, in accordance with the concept established by Brazil's Securities Commission (CVM). This aligns the SAF with the corporate governance standards applied to publicly listed Brazilian companies and should positively impact fundraising processes, access to capital markets, and institutional investor due diligence.

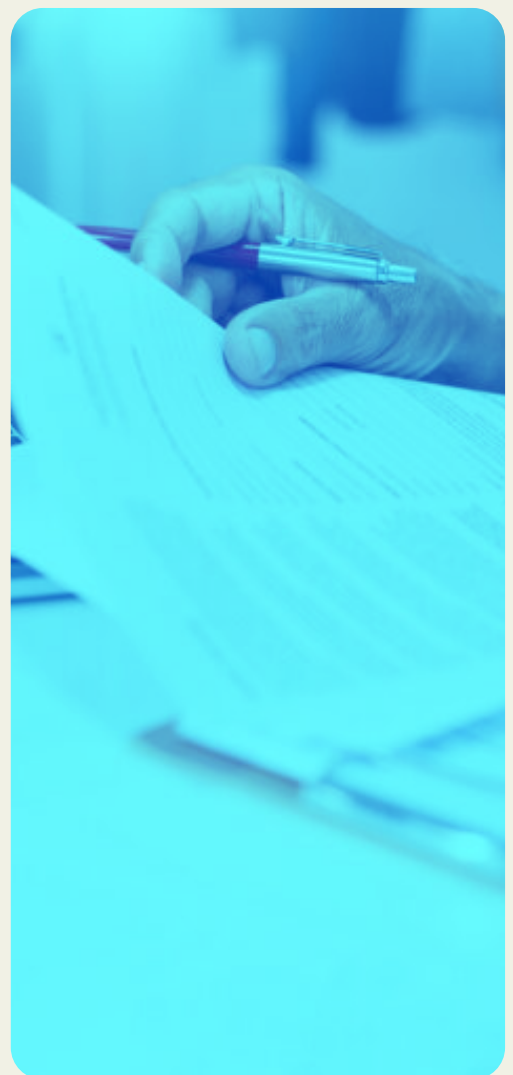
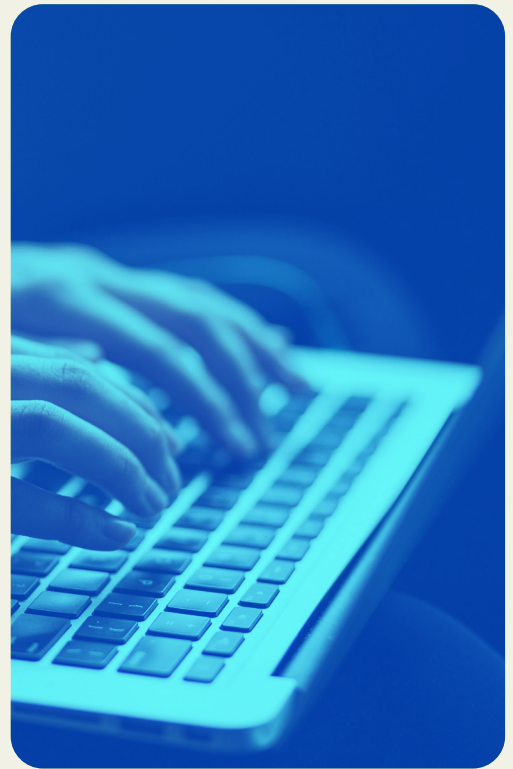
Additionally, managers residing or domiciled abroad must, before taking office, appoint a representative domiciled in Brazil with authority to receive service of process and notices throughout the term of office and for a minimum of six years thereafter. This requirement reinforces accountability for foreign managers in Brazilian judicial, arbitration and administrative proceedings.

5. Expanded Transparency and Disclosure Obligations

The reform significantly expands the information that SAFs must publish on their websites, now required to include:

- minutes of shareholders' meetings and meetings of management and supervisory bodies (with confidential matters permitted to be redacted, provided the full content is transcribed in the corporate books);
- name of any person falling under Article 6 of the SAF Law (any natural person who exercises control over, or is the ultimate beneficial owner of, a stake equal to or exceeding 5% of the share capital);
- full shareholder composition, with the name, number of shares and percentage held by each shareholder.

These requirements follow the trend toward mandatory disclosure of beneficial ownership and shareholder composition, aligning the SAF with transparency standards comparable to those applicable to publicly listed companies.



6. Club Liability for Pre-Existing Obligations: New Transfer Logic

Law 15,427 reformulates the rules on revenue transfers from the SAF to the founding club for the settlement of obligations predating the SAF's incorporation. Key changes include:

- Item I of Article 10 now refers to "20% of monthly amounts of any nature, except financial revenue," clarifying the calculation base (which previously referred to "monthly operating revenue") and excluding financial income that previously generated interpretive controversy;
- Item II broadens the 50% transfer base to cover dividends, interest on net equity and any other remuneration or consideration received by the club from the SAF as a shareholder, seller, lessor, licensor, assignor of rights, or service provider;
- A new mandatory minimum dividend distribution of 25% of adjusted net income is required while the club remains a shareholder and continues to carry pre-SAF obligations on its financial statements; and
- The club must allocate all revenues and consideration received from the SAF – under items I and II – exclusively to the payment of pre-SAF creditors, until all such obligations are fully settled.

7.

Centralized Enforcement

Regime: Restrictions and Procedural Adjustments

The reform restricts access to the Centralized Enforcement Regime (Regime Centralizado de Execuções – "RCE") to SAFs incorporated through the spin-off modality (item II) and through full subscription by the club (item IV) of Article 2 of the SAF Law – thereby excluding SAFs incorporated by transformation (item I) or by third-party initiative (item III). More detailed rules are also introduced regarding the frequency and minimum amount of monthly payments under the RCE, tied to the full amount of revenues under item I of Article 10.

Additionally, it is established that the granting of judicial reorganization proceedings (recuperação judicial) to the club automatically terminates any ongoing RCE, subjecting the enforcement proceedings to the regime of Law No. 11,101/2005.

8.

Conversion of Claims into Shares: New Approval Requirement

The option for creditors to convert club debts into shares issued by the SAF – previously subject only to a bylaw provision – now also requires approval by the SAF's general shareholders' meeting as to the conversion and applicable criteria. This strengthens shareholders' role in the club debt restructuring process.

9.

Specific Football Tax Regime (TEF): Exemption on Athlete Rights Transfers

Law 15,427 clarifies that during the first five calendar years of the SAF (when the 5% TEF rate applies), revenues arising from the transfer of athletes' sporting rights are exempt. This provides greater tax predictability for player transfer transactions, which are particularly relevant for clubs in expansion or restructuring phases.

10. Educational and Social Development Program (PDE)

Law 15,427 sets a maximum period of twelve months from the SAF's incorporation for the establishment of the Educational and Social Development Program (Programa de Desenvolvimento Educacional e Social – "PDE"). A SAF that fails to meet this deadline, or that does not renew the PDE within six months after its expiration or termination, will lose its entitlement to the TEF regime starting from the following fiscal year. The Ministry of Finance is responsible for further regulation.

Our team is available to analyze the specific impact of these changes on your structures and operations, and to adapt to the new regulatory framework.

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