Courts and Tribunals Judiciary

SAM GOOZÉE

DISTRICT JUDGE (MAGISTRATES' COURTS)

National Crime Agency (NCA)
(Applicants)

v.

The Football Association Premier League Limited

(Respondent)

In the matter of an application to vary an Account Freezing Order s.303Z(4) Proceeds of Crime Act 2002 (POCA)

The application

1. This is an application by the NCA to vary an Account Freezing Order (AFO) granted initially by Westminster Magistrates' Court on 16th January 2025 for a period of 9 months. This relates to a Barclays Bank Account, account Number 30344230, sort code 20-65-63 in the same of the Respondent, The Football Association Premier League Limited. At the time of the initial AFO the account held an £11,250,000.42 credit balance. On 22nd July 2025, by which time the balance of the account was said to be £16.273,678.78 the Court varied the AFO to extend it for a further period of 10 months until 16th August 2026. On 2nd January 2026 the Respondent served the NCA with a draft application to set aside the AFO under s. 303Z4 POCA. On 8th May 2026 the draft application to set aside was resolved on a without prejudice basis. The AFO was varied to reduce the frozen amount from £16,273,678.43 to £10, 024, 041.33 representing credits to the Bank Account made after 4th July 2024 plus accrued interest. The NCA accepted that the funds removed from the AFO pursuant to the variation were not recoverable property. On 10th August 2026 the NCA without prejudice to the

Respondent's opposition to the present application to vary, the AFO was extended by consent until 14th September 2026 to enable for the contested hearing. On 20th August 2026 the NCA made the present application to vary the terms of the AFO to extend its expiry date by a further 4 months until 15th January 2027 being the maximum 2 years from the date of the initial order. The current balance of the account being £10,024,041.33 plus accrued interest.

The Law

2. **Section 303Z1 Proceeds of Crime Act 2002 Application for account freezing order**

   (1)This section applies if an enforcement officer has reasonable grounds for suspecting that money held in an account maintained with a relevant financial institution**]**—

   (a)is recoverable property, or

   (b)is intended by any person for use in unlawful conduct.

   (2)Where this section applies (but subject to section 303Z2) the enforcement officer may apply to the relevant court for an account freezing order in relation to the account in which the money is held.

3. **Section 303Z3 Making of account freezing order**

   (1)This section applies where an application for an account freezing order is made under section 303Z1 in relation to an account.

   (2)The relevant court may make the order if satisfied that there are reasonable grounds for suspecting that money held in the account (whether all or part of the credit balance of the account)—

   (a)is recoverable property, or

   (b)is intended by any person for use in unlawful conduct.

   (3)An account freezing order ceases to have effect at the end of the period specified in the order (which may be varied under section 303Z4) unless it ceases to have effect at an earlier or later time in accordance with the provision made by sections 303Z9(6)(c), 303Z11(2) to (7), 303Z14(6) to (8) and 303Z15.

(4)The period specified by the relevant court for the purposes of subsection (3) (whether when the order is first made or on a variation under section 303Z4) may not exceed the period of 2 years, starting with the day on which the account freezing order is (or was) made.

4. **Section 303Z4 Variation and setting aside of account freezing order**

(1)The relevant court may at any time vary or set aside an account freezing order on an application made by—

(a)an enforcement officer, or

(b)any person affected by the order.

(2)But an enforcement officer may not make an application under subsection (1) unless the officer is a senior officer or is authorised to do so by a senior officer.

(3)Before varying or setting aside an account freezing order the court must (as well as giving the parties to the proceedings an opportunity to be heard) give such an opportunity to any person who may be affected by its decision.

5. The High Court in *R (National Crime Agency) v. Westminster Magistrates' Court [2002] EWHC 2631 (Admin)* gave guidance on the test for a Magistrates' Court to apply when considering an application to set aside an AFO at paragraphs 45 – 48:

"The correct approach to an application to set aside an AFO 45. 46. 47. It is not controversial between the parties that, on an application made under s.303Z4 POCA for the setting aside of an AFO, the threshold test to be met for the court's power to arise is the same as that for the equivalent power to make an AFO in the first place. That is the test set out in s.303Z3. A court must decide whether it can be satisfied that there are reasonable grounds for suspecting that money held in the account is (on the basis the NCA relies on in the present case) intended by any person for use in unlawful conduct. Only if it is so satisfied may it make, or

continue (that is, refuse to discharge), an AFO. A test of 'reasonable grounds for suspecting' requires a court to examine the basis put forward for suspicion, and the factual and evidential matrix relied on, and perform an evaluative exercise in assessing whether it can be satisfied that reasonable grounds are made out. The court needs to consider the forward-looking, and potentially conditional, nature of the 'intention' component of the test. It will bear in mind the unconstrained quality of 'any person'. And it will need to consider the mixed questions of fact and law involved in the identification of the 'unlawful conduct' which is the object of the intention. That is all plain on the face of the statutory provisions. It is also not controversial that, on a set-aside application, a court considering the application of the threshold test may need to bear in mind the dynamic nature of the law enforcement investigations provided for, and that that may in turn require the evaluation of the factual matrix not to be backward-looking only, or confined to review of the original decision. The court may have to examine afresh, by considering an Judgment Approved by the court for handing down. NCA v Westminster Magistrates evolving picture and updated evidence, whether it can now be satisfied that there are reasonable grounds for suspecting – or not.

Again, it is plain that, if the threshold test is passed, it gives rise to a power rather than a duty for the court to make (or refuse to set aside) an AFO. In exercising that power, a court must have regard in the first place to the legislative scheme of POCA, within which it has its place and purpose. And there may be other considerations relevant to whether a court makes or maintains an AFO where its power to do so arises. It is not controversial between the parties, for example, that the conduct of the NCA, and wider considerations of fairness, may in an appropriate case come into play and result in the court refusing to make or uphold an AFO even although it is satisfied that reasonable grounds for suspicion are properly made out. On a set-aside application, and particularly where an AFO has been obtained ex parte in the first place, a court will certainly need to be alive to examine the merits of any challenge that the AFO was improperly obtained, or the granting court misled. The court will look at all the circumstances of the matter in such a case. It must, in other words, exercise the power – if it arises on *the threshold test – properly and fairly, for the purposes for which it was conferred, in the interests of justice, and on ordinary public law principles.*

6. Money in an account will be “recoverable property” if it was obtained through unlawful conduct (of any person) s. 304 POA or if it represents property so obtained, ss.305 POA. If recoverable property is mixed with other property, then the portion attributable to the recoverable property represents the property obtained through unlawful conduct, s. 306 POCA.

7. Under S. 308 POCA , if a person disposes of recoverable property, and the person who obtains it on the disposal does so *“in good faith, for value and without notice”* that it was recoverable property, the property may not be followed into that persons hands and accordingly ceases to be recoverable property.

Background and unchallenged factual matrix

8. Much of the evidence in relation to the background to this application is not contested between the parties. I set out below a summary.

9. On 1st November 2022, the Respondent entered into a Licence Agreement with a French registered company Sorare SAS (Sorare) by which in return for financial consideration, Sorare would become the Premier League’s Official Fantasy Football NFT Licensee. (NFT are non-fungible tokens). At this time, the Respondent was aware that the Gambling Commission had a pending investigation as to whether Sorare required an operating licence following an announcement by the Gambling Commission on 8th October 2021 that it was conducting an inquiry into its activities. It published a press release on its website explaining that it was carrying out enquiries into the company to establish weather Sorare required an operating licence or whether the services it provides do not constitute gambling. By 12th October 2021 the Respondent had held meetings with Sorare.

10. The Respondent conducted some due diligence on Sorare in advance of entering into the Licence Agreement, including obtaining a summary of the legal opinion Sorare had received relating to the Gambling Commission inquiry. In summary the conclusion of that legal opinion was that Sorare believes that its contests are not a form of gambling. The summary of the legal opinion it received clearly states that *"it should not be relied upon by any third party"*.

11. Sorare provides digital collectible services online. Through its website it offers a service whereby individuals in Great Britain and elsewhere can purchase, collect and trade in limited edition digital trading cards featuring professional football players from officially licences and well-known football clubs, as well as underlying non-fungible tokens recorded on a blockchain. The Cards can be purchased from Sorare through an auction or through an instant buy feature on the company's website and are purchased via credit card or cryptocurrency. Sorare customers can re-sell pre-purchased Cards to other customers with the seller setting the price. Each football season, the cards are given a level of scarcity.

12. Sorare's website offers global Football Fantasy game known as Sorare Pro. This game allows customers to take part in tournaments which run for clearly defined periods of time. In order to do this, the customer creates a team using cards they own. Teams score points based on the real-life performance of the football player depicted on the card. Although Sorare Pro is free to enter, in practical terms customers were required to purchase Cards to make up their team or there were alternative entry methods with allocated random line ups selected for the player or choosing a team from a pool of NFT blockchain cards submitted by other users. The prizes for each tournament varied, including prizes of a monetary value, new NFT digital trading cards or merchandise from football clubs. I note that the Gambling Commission's position is that irrespective of the entry method the game structure satisfies s.11(1) Gambling Act 2005 amount to betting: prize competition and that the game falls within the gambling rules.

13. Under the Licence Agreement, Sorare has the right to produce, sell, promote Premier League Fantasy NFTs which feature imagery of Premier League players. These are the cards which are used in tournaments. The Licence Agreement requires Sorare to pay the Premier League certain royalties on net revenue from sales of licenced products as well as annual minimum guarantees in respect of each season.

14. In consideration under the Licence Agreement, the Premier League received a total of £15 m from Sorare for the season 2023 / 2024.

15. For the 2024/2025 and 2025/2026 seasons the following payments £12.5m) total) were received by the Respondent from Sorare under then Licence Agreement:

    - £2.5mon 3rd June 2024
    - £2.5m on 29th August 2024
    - £2.5m on 2nd December 2024
    - £2.5m on 20th March 2025
    - £2.5m on 18th June 2025.

16. The sum of £10m, received since 4th July 2024 are what remains within the account together with interest accruing. Subsequent payments from Sorare are understood to remain owing to the Respondent but as yet have not been paid by Sorare.

17. The Licence Agreement has never been terminated by the Respondent but came to an end at the conclusion of the 2025 / 2026 season.

18. On or around 4th July 2024, the Respondent was informed by Sorare that it had been charged by the Gambling Commission with three offences under the Gambling Act 2005 in respect of providing unlicenced gambling facilities. Those proceedings are still extant before Birmingham Magistrates' Court with a trial scheduled in June 2027.

19. Following receipt of the information from Sorare that it was subject to a prosecution by the Gambling Commission, the Respondent first arranged for the instalments paid by Sorare under the Licence Agreement to be paid to a ring-

fenced account (the account which is the subject of the AFO application). Thereafter the ring-fenced account received funds which included a transfer by the Respondent of the earlier payments received from Sorare into its main operating account.

20. On 6th December 2024 the Respondent made an "authorised disclosure" or Defence Against Money Laundering (DAML) to the UK Financial Intelligence Unit.

21. Thereafter on 16th January 2025 an account freezing order was made on 16th January 2025.

22. In relation to the criminal proceedings commenced by the Gambling Commission against Sorare SAS, the issue is whether these arrangements fall within the UK's licencing regime as regulated by the Gambling Commission as to require an operating licence. The Gambling Commission's case in essence is that Sorare's fantasy football tournament is a betting prize competition under s.11 Gambling Act 2005. If proved, it is an offence contrary to s.33 Gambling Act 2005 to offer a remote facility for gambling without a licence and therefore would amount to unlawful conduct for the purposes of the POCA regime.

Evidence

23. I have considered the following evidence as part of this application:

Applicant's evidence

a) Evidence from Stephen Lee-Jones, an officer of the NCA and an accredited financial investigator, authorised to make the application, together with his exhibits.

Respondent's evidence

a) Evidence from John Chales Wedgwood, Director of Legal (Commercial & Compliance) of the Football Association Premier League Limited together with his Exhibits.

24. For reasons of brevity in what are summary proceedings, I do not intend to rehearse the majority of the evidence from Officer Lee-Jones or John Wedgwood as a significant part of the evidence in terms of the factual matrix leading to the application for the AFO is not challenged and I have set that out in summary form at paragraphs 8 to 22 above.

25. I will focus on the evidence that I consider necessary for me to determine whether I can be satisfied that there are reasonable grounds for suspecting the money in the account (whether all or part of the credit balance of the account) is recoverable property. Indeed Officer Lee-Jones was not challenged by way of cross-examination at the hearing.

Evidence of NCA Officer Stephen Lee-Jones

26. Officer Stephen Lee-Jones adopted his information in support of the variation of the AFO dated 20th august 2026 and his supplementary information dated 1st September 2026 as his evidence. He was not cross-examined on behalf of the Respondent.

27. He explains the basis for seeking the AFO was the lack of a gambling licence by Sorare. Sorare had been charged with three offences relating to the periods beginning February 2022 – April 2024. The funds transferred into the UK by Sorare between May 2024 and December 2024 derived from contracts during the 2023/2024 and 2024 / 2025 seasons and would amount to profits of unlawful gambling and would constitute recoverable property.

28. Between 3rd March 2025 and 2nd July 2025, the account received two further payments and well as accrued interest. These payments derive from contracts during 2024/2025 and 2025 / 2026 season. The Commission's prosecution relates to the 2022/ 2023 and 2023/2024 season and if proved would demonstrate Sorare's conduct in Great Britain was criminal and any funds obtained through such conduct would be recoverable property.

29. In May 2026 the NCA in agreement with the Respondent's representatives applied for a variation of the AFO to reduce the amount held in the account to £10, 024, 041.33 plus accrued interest. The amendment was made as the funds received before 4th July 2024 ceased to be recoverable in the hands of the Respondent due to s. 308 POCA.

30. He explains sensitive financial enquiries indicate that since 4th July 2024 Sorare have continued to receive sterling payments from consumers via a payment service provider on the Sorare website. These payments are understood to have come from UK customers. The payments pass through Luxembourg based accounts and have continued throughout the contract period with the Respondent. The NCA have established that payments have been identified from UK customers in pounds sterling to a GBP account. In the name of Sorare SAS held by a financial institution in Luxembourg and that these payments were made via a payment provider. It has been established that the target funds held in the Respondent's account derive from transfers from a Euro account in the name of Sorare SAS held by the same financial institution in Luxembourg. The NCA submits that Sorare have continued offering services to consumers in Great Britain and continuing to obtain funds from unlawful gambling in Great Britain, which are used to make, at least in part the payments to the Respondent.

31. NCA confirm that there has been no change to the way Sorare conduct their website and no change in the contract between the Respondent and Sorare since the date of the charges in July 2024. Sorare have continued to be the Respondent's official fantasy football NFT licensee up until the expiry of the Agreement in March 2026. The Gambling Commission have confirmed that Sorare has not obtained a licence since the Commission instituted criminal proceedings and the website is still accessible by users in Great Britain.

32. International enquiries by the NCA are ongoing in respect to tracing funds through Luxembourg that derive from transactions made by British customers on the Sorare website. These enquiries are time consuming and is a key part of the

investigation by the NCA and an extension is sought to provide more time to receive evidence required from overseas and if necessary to prepare a forfeiture application. International enquiries are underway with the Luxembourg authorities.

33. Enquiries with HMRC have established Sorare SAS is registered for VAT with effect from 1st January 2021. He sets out data from HMRC in relation to their VAT returns. NCA wish to investigate some of these figures alongside the overseas banking evidence. However the figures suggest that from 1st July 2024 to 30th June 2025 Sorare SAS declared net sales of at least £4, 546,908.85 upon which UK VAT was charged, however there are some discrepancies with the figures which require further investigation.

34. He has also reviewed bank statements provided by the Respondent for the ring fenced account. It shows a start balance of zero at 9th November 2024 and the first funds were paid in from Sorare on 2nd December 2024.

35. On 6th December 2024 the NCA / UK Financial Intelligence Unit received a DAML SAR (Defence against Money Laundering Suspicious Activity Report) reference 9547196 in relation to Sorare SAS filed on behalf of the Respondent. The reporter states the Respondent "*is concerned that it may hold criminal property*" and, *"However the PL retains concerns that it could be in possession of criminal property based on the criminal charges that have been brought against Sorare"*.

Evidence from John Chales Wedgwood

36. Mr Wedgewood adopted his statement dated 28th August 2026 as his evidence.

37. He sets out the procedural history to the application. He also sets out the grounds for opposing the application.

38. Fastly in his view there are no reasonable grounds for suspecting the frozen funds are recoverable property in the hands of the Premier League. It was lawful to grant rights under the Licensee Agreement and in receiving consideration the Premier League acted lawfully at all times and required Sorare to act lawfully. The Premier League obtained the consideration under the Licence Agreement in good faith, for value and without notice that it was recoverable property. There remains no evidence or information that the funds held by the Premier League are the proceeds of unlawful gambling. He also states that the Court should refuse a further extension in the exercise of its discretion as the Premier League and its Clubs have been denied access to their funds for a period of 20 months already. There is no prospect of the Gambling Commission proceedings concluding by the time of any application for forfeiture.

39. Mr Wedgwood then sets out some background information in relation to the Premier League, Sorare SAS, and the NFT Partnership.

40. He explains the that at the Premier League's Shareholders Meeting on 10th June 2021 the Clubs granted the Premier League Executive authority to explore the market for a collectible NFTs partner. A request for proposal (RFP) was issued to interested parties in August 2021. The process was designed to ensure competitive and transparent selection. It was structured to ensure the process would deliver true market value in selecting a licensee for creating NFTs. The Premier League received more than 20 responses including from Sorare.

41. Mr Wedgwood states at para 37 of his statement *"Sorare provided the Premier League with a comprehensive, structured response to the RFP on 8th September 2021. The Response included detailed responses to the Premier League's due diligence requests as particularised above. Specifically, in relation to gambling, Sorare explained that it sells NFTs, and in addition, gives users access to a free game – and, as such, stated that no "financial sacrifice which is based on a random event" is made by the user when purchasing an NFT. Furthermore, Sorare set out its understanding that based on the due diligence it undertook*

during financial rounds, and the legal advice it received, its offering did not fall within the definition of gambling”.

42. On 8th October 2021 the Gambling Commission announced it was conducting an inquiry relating to Sorare and whether it required an operating licence. Mr Wedgwood explains on the 12th October 2021 the Premier League held a meeting with Sorare to discuss its response. The Premier League asked Sorare to provide it with a revised offer and a legal opinion relating to the Gambling Commission inquiry. In November 2021 they were provided with three legal notes, including one from Memery Crystal Limited, a law firm. In essence the legal advice Sorare had received indicated that they did not require a licence, the contests were not gambling and the Commission had erred in its interpretation of the Gambling Act.

43. The Premier League’s view was that this was reasonable, without coming to any final view itself as to the merits of the Commission’s inquiry. Sorare was therefore included in the shortlist of four for consideration by its Clubs. He states *“…the Premier League’s commercial and policy view was that the GC inquiry, in addition to the fact that Sorare’s core product offering and competencies sat outside the product categories that the Premier League was looking to exploit, removed any possibility of Sorare being awarded a licence at that time”*.

44. In February 2022 Sorare made alternative offers to the Premier League.

45. On 3rd March 2022 the Premier league circulated recommendations to the Clubs which shortlisted Sorare but recommended an alternative bidder.

46. In the initial bidding process Sorare was unsuccessful. However, the preferred partner withdrew so the Premier league sought revised expressions of interest.

47. On or around 8thSeptember 2022 Sorare provided an updated proposal. Sorare’s proposition was viewed as an attractive option due to its established presence on the market and there had been no further public developments in the Gambling Commission inquiry.

48. The Licence agreement was subsequently entered into on the 3rd November 2022.

49. Mr Wedgwood concludes " …*it should be apparent the Premier League engaged at all times as a responsible commercial pastry and it reacted responsibly to becoming aware of the GC inquiry"*.

50. In answer to supplementary questions, Mr Wedgwood confirmed that having received Sorare's summary of their legal opinion, they were unable to determine the legality of the gambling question. It was a complicated area of gambling law. They had undertaken reasonable due diligence at that stage. The Gambling Commission were just undertaking inquiries and there were no further steps the Premier League needed to take at that stage. Sorare had an undertaking within the licence agreement to act lawfully.

51. In relation to the DAML dated 6th December 2024, he confirmed the Premier League were concerned they may hold criminal property. They were "concerned" but did not know it held criminal property. By virtue of the DAML they were hoping to receive consent to distribute the money. They were acting out of "an abundance of caution" to protect the operating account. They were acting prudently and with caution. He did not know whether Sorare required a licence from the Gambling Commission. He confirmed that the Premier League would not jeopardise its reputation by contracting with a party they considered dubious.

52. In cross examination, Mr Wedgwood confirmed he was not involved in the award of the licence to Sorarre. It was put to him that there were four red flags regarding the licence agreement.

53. Firstly, on the 8th October 2021 a consumer information notice was issued by the Gambling Commission. Mr Wedgwood did not consider this to be a red flag.

54. Secondly, the meeting the Premier League had with Sorare on 12th October 2021. He confirmed he was not present. He stated that the Premier League were

undertaking a wider due diligence exercise. The Premier League did not take its own independent legal advice. Mr Wedgewood explained it would be uncommon to take advice on another party's business. It was not reasonable to do so at that stage. The issue was still unresolved, and it would not have aided the Premier League. He accepted that the Premier League made enquiry on the back of the information notice issued by the Gambling Commission.

55. It was suggested the third red flag was an article which appeared in the 'Mail Online' entitled *"EXCLUSIVE: Scrutiny on the Premier League's first NFT licence increases as top flight consider french company facing enquiries by the Gambling Commission as a possible partner for trading card craze with deal worth over £400 million to clubs"*. (page 39 of the hearing bundle). He did not believe the article in the publication raised further concerns. A memorandum had been circulated to its members and at that stage Sorare were shortlisted but not recommended.

56. The final flag was Sorare not paying its debts. The financial benefits expected were not received. Mr Wedgwood explained it was renegotiated. The Agreement continued until its expiry. When asked why the Premier League did not terminate the agreement under "material disrepute", Mr Wedgwood said that despite the prosecution there was no reputational disrepute for the Premier League.

57. In July 2024 Mr Wedgewood explained the Premier League were told about the prosecution by way of a phone call. They did consider commercial implications. Between July 2024 and December 2024 termination was to be considered once they had all the information. It was now in the public domain and Sorare maintained their innocence.

58. When payment was received in August 2024 of £2.5m into their operating account, they deployed an existing account they had with Barclay's to ring fence the money. They asked Sorare to pay future payments into the segregated account from November 2024. Mr Wedgwood believed they told Sorare why they

changed the account, *"they were aware we had concerns and we were being cautious"*.

59. In relation to the DAML. When challenged that it was setting out the Premier League's suspicions, Mr Wedgwood replied *"Yes it is"*. When asked again if they had suspicions he replied *"we had concerns"*.

60. The Premier League obtained consent to move the payments received into their operating account from Sorare into the ring-fenced account and then received future payments into the ring-fenced account.

61. Following the AFO, Mr Wedgwood was asked why further payments had not been received for the 2025/2026 season. Mr Wedgwood explained that those payments remain outstanding. Sorare have not paid them. They have made demands for payment. He denied they have told Sorare not to pay them. He accepted they have not sued Sorare and he rejected the suggestion that they were seeking to evade the AFO. It was money owed to the clubs. He accepted there was about £7.5m owing and had been owed for over a year.

Submissions

62. I am very grateful for the written skeleton arguments and submissions prepared by Mr Bird KC for the NCA and Mr Yeo KC for the Premier League. They were orally expanded upon at the hearing.

NCA Submission

63. In summary, the NCA contend that there are reasonable grounds to suspect that the funds in the account are recoverable property. There are reasonable grounds for suspecting that Soare was committing offences of facilitating gambling without a licence in Great Britain both before the period before 4th July 2024 and continuing in the same vein thereafter. Although the audit trial is incomplete the Sorare website indicates that UK consumers are signed up to the payment service prover. Financial intelligence received indicates that sterling funds from

UK consumers were paid, via a payment service provider on the Soare website into a sterling bank account in Luxembourg at the same financial institution whose Euro account made payments to the Respondent. The VA Trecord of Sorare indicate substantial further UK supplies after 4th July 2024.The NCA needs to finalise the audit trial and obtain independent banking evidence as to the proportion of the funds paid to the Respondent which derive from funds obtained from British consumers. Finally it is clear from the actions of the Respondent that in ring-fencing the impugned funds and making the DAML, that it had concerns about the charges faced by Sorare and further concerns that the funds received from Sorare may have been obtained through crime and would constitute "recoverable property".

64. In relation to any argument advanced by the the Respondent that the funds were obtained in good faith, for value and without notice that it was recoverable property and therefore exempted by virtue of s. 308 POCA , Mr Bird relies on *R v. (World Uyghur Congress) v. National Crime Agency [2024] EWCA Civ 715* in which the Dove J delivering the judgment of the Court, including the Lady Chief Justice stated at paragraph 46 of the judgment:

" Section 308 sets out the general exceptions to recovery. By virtue of subsection (1), if a person disposes of recoverable property and the person who obtains it on the disposal does so in good faith, for value and without notice that it was recoverable property, the property may not be followed into that person's hands and accordingly it ceases to be recoverable. This is closely analogous to the equitable defence to a proprietary tracing claim afforded to a bona fide purchaser. However, the fact that the individual paid the market value for the property is not enough in and of itself to prevent it being recoverable. They must show that they acted in good faith and not on notice that the property was obtained by unlawful conduct. <u>A person who suspected that it was would not be able to rely on s.308</u>". [My emphasis]

Football Association Premier League Limited Submissions

65. The extension application is opposed as there are no reasonable grounds for suspecting that the frozen funds are recoverable property in the hands of the Premier League for the following reasons:
    a) It was lawful to grant rights under a Licence Agreement and in receiving consideration thereunder, the Premier League acted lawfully at all times and required Sorare to act lawfully;
    b) The NCA has provided no reasonable grounds for suspecting that the conduct of Sorare was indeed unlawful;
    c) The Premier League obtained the consideration under the Licence Agreement in good faith, for value and without notice that it was recoverable property (the s.308 POCA exception)
    d) The NCA continues to presume that Sorare has used the proceeds of UK gambling to pay consideration under the Licence Agreement. There remains no evidence or information that the funds held by the Premier League are the proceeds of unlawful gambling.

66. The Court should refuse a further extension in the exercise of its discretion:
    a) The Premier League and its 20 constituent member clubs from time to time have been denied access to the Frozen Funds for 20 months;
    b) There is no prospect of the Gambling Commission proceedings concluding by the time of any application for forfeiture and the NCA has not of itself articulated any basis upon which it claims that the gambling was unlawful.

67. Mr Yeo KC also sets out in some detail within his skeleton argument the relevant law relating to *constructive notice* in support of his submissions. For reason of brevity I do not propose to set that out in light of my findings sets out below.

Analysis and findings on the evidence

68. I am not undertaking at this stage any determination as to whether the evidential test for forfeiture would be met. I am focusing on the evidence that was not only available at the time of the original AFO application, but also the evolving picture with the evidence now provided by the Respondents and the NCA to decide if objectively there "*are reasonable grounds for suspecting*" the money in the frozen account is recoverable property.

69. Equally it is unnecessary for me to make any findings in relation to whether Sorare has committed any offences under the Gambling Act 2005 or required an operating licence. That is subject of a prosecution being brought by the Gambling Commission and will be determined in due course following a criminal trial. If convicted and found to have required an operating licence, then Sorare will have operated illegally. Nevertheless, I find Sorare have been prosecuted by a regulatory body in circumstances where the evidential test has been met.

70. Following the variation of the AFO by consent order on 8th May 2026, the AFO was varied to reduce the frozen amount from £16,273,678.43 held in the account to £10, 024,041.33. It is clear from the terms of the Order that the NCA accepted that the funds removed from the AFO pursuant to the variation were not recoverable property by virtue of the operation of s. 308 POCA. The position being that up until 4th July 2024 when Sorare advised the Respondents that they were being prosecuted the funds they had received up until that point had been received in good faith, for value and without notice that it was recoverable property. The funds in the frozen account now only represent funds received following notice of the criminal proceedings.

71. I find there is no suggestion that the Premier League have themselves engaged in unlawful conduct. It was lawful to grant rights under a Licence Agreement and receive consideration under the terms of that licence. The Premier League expected Sorare to act lawfully within the terms of that Agreement. I find the

Premier League undertook some due diligence. I do note however, that while in the stages of reviewing requests for proposals the Premier League became aware of the Gambling Commission's announcement on the 8th October 2021 it was conducting an inquiry relating to Sorare and whether it required an operating licence. That was sufficient to require a meeting to be held between the Respondent and Sorare a few days later to discuss the response to the Commission. A summary of legal opinion was provided to the Respondent which clearly would have been self-serving to Sorare and specifically advised third parties it could not be relied on by them. In light of the commercial and reputational risks which must have been evident, even by way of a warning sign at this point, no independent legal advice was sought by the Respondents. It seems Sorare's legal opinion was accepted a face value. In view of the millions of pounds which was at stake, and a public announcement by a gambling regulatory body that Sorare was not licenced and meant activity being completed on the site by consumers in Great Britian may be outside of the gambling regulations that a licenced operator should comply with, one might question why they did not seek their own legal opinion to protect their interests.

72. On the 4th July 2024 after awarding the Licence Agreement to Sorare the Respondents were told by Sorare about the prosecution. That led to the ring-fenced account being used not only to transfer funds which had already been received from Sorare but also into which future payments from Sorare were to be paid. There is then an unexplained period before December 2024 when the DAML was filed. I note in particular that its states *"Sorare is currently the subject of criminal charges relating to breaches of the UK's Gambling Act 2005. Consequently, the Premier League is concerned that it may hold criminal property".* Later in the document in relation to future specified activity it states *"the specified activity in this instance will be the transfer of the Residual Sum (being a total of £3,750,000) to the clubs, in the reasonable belief that it could be criminal property; the internal transfer of £5,000,000 of fees received from Sorare in respect of the 2024/2025 season which could also reasonably be criminal property and which are currently held in the Operating Account and need to be*

transferred into the ringfenced Account; and the receipt of the remaining £7,500,000 of licence fees from Sorare for the 2024/2025 season which could also constitute criminal property".

73. In detailing their reasons for suspicion, the Premier League *"retains concerns that it could be in possession of criminal property"* .

74. When asked in cross-examination whether it was setting out the Premier League's suspicions, Mr Wedgwood replied *"Yes it is"*.

75. Even on this evidence, suspicion existed within the Premier League. On any objective view, that evidence alone gives reasonable grounds to suspect the funds are recoverable property, especially against the backdrop regarding the evidence of the Gambling Commission's public announcement as to its inquiry into Sorare and its subsequent decision to bring a prosecution against them.

76. Going forward, is clear from the evidence that as of the 4^{th} July 2024 following disclosure of the criminal prosecution, the Premier League were not just acting out of caution in ringfencing the funds but also by filing the DAML they were opening and transparently notifying the NCA of their suspicions regarding money within the ring fenced account but also seeking consent to transfer money from their operating account, to protect its integrity. I do not find it sustainable at this investigatory stage for the Premier League to argue that the funds are not recoverable under s.308 POCA. By their own actions and declarations, they were themselves suspicious and objectively considering the factual matrix up until that date, I find that was an entirely the correct conclusion the Premier League reached. Any attempt to distance themselves from that suspicion I find implausible.

77. I find that s. 308 POCA exception cannot apply at this stage as per *R v. (World Uyghur Congress) v. National Crime Agency [2024] EWCA Civ 715*. The arguments regarding actual or constructive notice to the Premier League add a

layer of unnecessary complexity in terms of the findings I have to make in relation to this application.

78. I find on the NCA evidence that Sorare's activities have continued in Great Britain since the date of the charges. The Premier League continued to receive funds into the account until June 2025. I accept Officer Lee-Jone's evidence that financial intelligence checks to date indicate that sterling funds from UK customers were paid, via a payment service provider on the Sorare website into a sterling account in Luxembourg at the same financial institution in Luxembourg whose Euro account made payments to the Premier League. I find it has been established that the target funds held in the Respondent's account derive from transfers from a Euro account in the name of Sorare SAS held by the same financial institution in Luxembourg. Sorare have continued offering services to consumers in Great Britain and continuing to obtain funds from Great Britain which are used to make, at least in part the payments to the Respondent. Based on this evidence from the investigation to date there are reasonable grounds at this stage for suspecting that funds paid to the Premier League came, albeit, in part from Sorare's UK revenue.

79. It is clear this is a complex financial investigation. International enquiries by the NCA are ongoing in respect of tracing funds through Luxembourg that derive specifically from transactions made by British customers on the Sorare website. International enquiries are ongoing with the Luxembourg authorities. In addition, there are further investigations with HMRC once the NCA receives access to the overseas banking evidence.

80. Pulling these findings together alongside the unchallenged evidence which forms the factual matrix for these proceedings which I have set out above, I find the lack of a required gambling licence by Sorare has led to a criminal prosecution under s.33 Gambling Act 2005, albeit the requirement for such a licence is a matter in dispute.

81. The Gambling Commission made a public announcement that it was inquiring into Sorare's activities before the criminal prosecution was started. The activities have continued and moneys have been paid into the frozen account by Sorare in line with the Licence Agreement. The backdrop to that agreement included the Respondents becoming aware of the Gambling Commission's concerns and further due diligence checks being undertaken.

82. However, as of the 4th July 2024 the Respondents were fully aware of the prosecution and they took steps to move funds into the ring-fenced account and direct further payments by Sorare into that account. The DAML makes clear that the Premier League had suspicions the money was recoverable property. Assessing both the factual and evidential matrix in line with my findings above, I am satisfied there are reasonable grounds to suspect the money held in the account (whether all or part of the credit balance) is recoverable property and those grounds for suspicion persist.

83. I am satisfied the order should be verified by way of extension of 4 months until 15th January 2027. Unlike cash detention proceedings, there is no requirement for me to be satisfied that the account should remain frozen while the derivation of those funds is investigated. Once I am satisfied there are there are grounds for suspecting that the money is recoverable, the court is empowered to make an Account Freezing Order or vary an account Freezing Order. In exercising that power I have taken into account the ongoing tracing of the funds which is ongoing by the NCA and their international investigations. I also take into account the purpose of the POCA regime to enable investigating financial agencies to seek orders for freezing of the accounts for up to 2 years. The freezing of accounts is necessary and proportionate to prevent dissipation of funds which are suspected to be the fruits of criminal conduct and enable proper investigation by the authorities.

84. The submission by the Premier League that they have been denied access to the funds for a period of 20 months is significantly tempered by the fact they have

also not chosen to try and recover a further £ £7.5m in payments due from Sorare, which again gives greater credence to their suspicions and the Court's suspicions regarding the funds.

Decision

85. The application to vary the AFO is granted and the AFO is extended by 4 months until 15th January 2027.

86. Should there be any application for forfeiture I will reserve it to myself for the purposes of judicial continuity.

87. **Costs reserved**

Westminster Magistrates' Court

11th September 2026