

Journal of legal and social studies

Issn: 2507-7333

Eissn: 2676-1742

**Conditions for the establishment of sports commercial companies
In Algerian legislation**

Naceur Moussa*

University of Continuous Education, Didouche Mourad

naceur.moussa@ufc.dz

Date of send: 04/03/2025	date of acceptance: 01/04/2025	Date of Publication: 01/06/2025
--------------------------	--------------------------------	---------------------------------

***Corresponding author**

Abstract

The legal system of sports clubs is the beating heart of the management and administration of professional sports clubs, allowing them to reach higher levels of competition without facing legal obstacles. It consists of a set of legal rules that govern and manage the life of a professional sports club from its creation to its dissolution. In general, commercial enterprises can only thrive in a legal environment that is conducive to economic and social realities, whether national or international.

The change in the legal status of a professional club that takes the form of a commercial company requires the fulfillment of certain conditions, known as eligibility criteria, as introduced by the Draft Regulations. These criteria include the eligibility of sports clubs to engage in professional activities and reflect the State's intention not to leave this activity subject to the principle of freedom, but rather to specific procedures that must be followed.

Consequently, the researcher in this paper will examine the substantive and formal conditions for the creation of commercial sports companies within Algerian legislation.

Keywords: sports clubs, Ordinary and Extraordinary Conditions for Establishing a Sports Company, Failure to Fulfill the Ordinary Conditions

*Naceur Moussa

Introduction

The legal framework for sports clubs is the beating heart of the management and operation of a professional sports club, enabling it to reach higher sporting levels without encountering legal obstacles. It includes the set of legal rules that govern the life cycle of a professional sports club, from its creation to its dissolution. In general, commercial enterprises can only grow and prosper in a legal environment that is conducive to national and international economic and social realities.

In the sports sector, we often hear about commercial sports clubs because they represent the largest artery for the promotion and development of any sports system in the world. They are considered to be one of the most important means to achieve the high level of sports that many countries aspire to.

It is noteworthy that Algerian laws and regulations, especially those governing the sports field and commercial sports companies, do not explicitly define commercial sports companies. Therefore, the definition of a commercial sports company will be based on the Algerian commercial law as a reference. Article 1, paragraph 3 of Executive Decree No. 15/73, which regulates the provisions applicable to professional sports clubs and defines the model statutes for commercial sports companies, states that "Commercial sports clubs are a form of commercial company recognized by Algerian commercial law".

In view of the above, the following question arises To what extent can the conditions for the creation of sports clubs be subject to the rules of commercial law?

What are the consequences of their absence in the contract of a sports company?

In order to answer this question, the structure of this research paper is divided as follows:

Chapter one: Ordinary and Extraordinary Conditions for Establishing a Sports Company

The change in the legal form of a professional club, which takes the shape of a commercial company, necessitates the fulfillment of specific conditions known as acceptance conditions, as established by the draft specifications. These conditions include the ability of sports clubs to engage in professional practices, reflecting the state's intention not to leave this activity subject to the principle of freedom but rather to specific procedures that must be adhered to.

1-1 Ordinary Conditions for the Formation of Sports Clubs These conditions can be summarized as follows:

1-1-1 General Objective Elements

The general objective elements required in a company contract are the same as those underlying all other contracts, namely: consent, subject matter, and cause.

1-1-1-1 Consent and Capacity

Consent is the first element for the formation of a company contract; it is the agreement of two wills aimed at producing the same legal effect, generally represented by offer and acceptance¹. This is confirmed by Article 27 of the Algerian Civil Code, which states: "The contract is concluded as soon as the parties exchange the expressions of their respective wills without violating the legal provisions". Consent in a company contract concerns its capital, purpose, management, etc².

If the consent of one of the parties is lacking and is considered a defect such as mistake, fraud or coercion, it is considered null and void, thus nullifying the contractual relationship.

With regard to the condition of capacity, the Algerian legislator has addressed the provisions related to capacity, requiring that a partner have the legal capacity to enter into the company, which allows them to engage in commercial activities at the age of not less than 19 years, or 18 years with parental consent³, according to Article 40 of the Algerian Civil Code. In order for the capacity to be valid, it must not be affected by any of the impediments specified in Article 42 of the Algerian Civil Code, which include insanity, mental incapacity and minority. Insanity and minority completely nullify capacity, while those who are mentally incompetent are considered partially competent, as stated in articles 42 and 43 of the Algerian Civil Code.

A minor may enter into a contract only with the consent of the guardian, taking into account the minor's interest in engaging in commercial activities and joining a company that may grant him the status of merchant with unlimited

liability, especially in partnerships based on personal consideration, such as a general partnership⁴.

However, if the minor wishes to invest his or her money in capital companies, such as joint stock companies or limited liability companies, he or she may do so after the guardian has obtained the court's permission to invest the minor's funds by subscribing to the company's shares. This is because the liability of a partner in such companies is limited to the amount he has invested or the shares he has subscribed for his benefit⁵.

This is similar to the role of a limited partner in a limited partnership, where the partner does not need to have trading capacity. However, since the partnership agreement is a commercial contract, the partner who signs it is engaging in a commercial act that requires legal capacity. Therefore, a minor can join this type of company through his guardian or with the permission of the court⁶.

1-1-1-2 The Object and the Cause

The object of the company is the purpose for which the company was established, or the project that the partners want to achieve, which is to enter the world of professionalism, along with other activities that can be carried out in addition to the primary objective. These activities may include: the creation of training centers, the creation of hotels for the club, the organization of leisure and entertainment activities for club members, and the export of sports equipment. For the purpose, several conditions must be met: it must be possible (i.e., achievable), legal, and not contrary to public order or morality.

As for the cause, it is the incentive that led the partner to join the company, specifically to achieve a sporting goal. The cause must also meet the same requirements as the object: it must be legitimate and not contrary to public order. The basis of the concept of public order is the public interest, and the basis of good morals is public opinion. The object of the obligation is what the debtor undertakes to do; he may undertake to supply something, to perform a service, to abstain from an act, or to deliver something⁷.

This is confirmed by Article 71 of the Algerian Civil Code: "If the object of the obligation is not specified by itself, it must be specified by its nature and quantity, otherwise the contract is void. It is sufficient to specify the object only by its nature..."

In addition to the general objective conditions for the incorporation of a company, specific objective conditions must also be met, as they distinguish the company agreement from other agreements. These are as follows:

A. The company contract presupposes

The existence of two or more persons, since the participation of several persons is necessary to achieve the economic purpose of the contract, which is to pool resources and carry out a joint project. With reference to Article 416 of the Algerian Civil Code, which states: "A company is a contract by which two or more natural or legal persons undertake...". There are different opinions in the legislation regarding the minimum and maximum number of partners for each type of company.

It is obvious that the multiplicity of partners is a requirement imposed by the nature of voluntary contractual work, which brings the company into the legal sphere, since the contractual relationship cannot exist without at least two persons⁸.

The rule of multiplicity of partners requires that the number of partners should not be less than two, although there are exceptions to this general rule. Under Algerian commercial law, the legislator has established cases with a minimum and maximum number of partners. In addition, Decree No. 96/27 of December 7, 1996, allows for the creation of a one-person company⁹, which is a type of limited liability company.

The partner exercises the powers granted to the general meeting, and the number of partners does not depend on whether they are natural persons or legal entities; for example, a company can be a partner in another company, and a sports club can also be a partner, which is considered a non-profit sports association.

Upon reviewing the provisions of Article 81 of Law 13/05, we find that the Algerian legislator states: "Any amateur sports club, as well as any natural or legal person, may establish a professional sports club or participate as a shareholder or partner in it..."¹⁰

However, the creation of sports companies by any natural or legal person, or even by an amateur, requires certain conditions to be met:

1-1-1-3 Conditions for the creation of a commercial sports company by an amateur sports club:

With reference to Law 12/06 on Associations, Law 13/05 on the Organization and Development of Physical and Sport Activities, and Executive Decree 15/74, which establishes the provisions and the model statute applicable to the amateur sports club, the conditions for the establishment of these companies are outlined in Article 05 of Executive Decree 15/73. It states: "Any sports club legally constituted in accordance with the provisions of Law No. 90/31 of December 4, 1990, and Law No. 04/10 of August 14, 2004, and whose income and salaries for the last financial year amount to fifty million Algerian dinars, may create a commercial sports company in accordance with the forms provided for in the legislation in force"¹¹.

1-1-1-4 Conditions for the creation of a commercial sports company by a natural or legal person:

According to article 81 of the aforementioned Law 13/05, "any natural or legal person may establish a commercial sports club or participate in it as a shareholder or partner..."

In addition, Article 09 of Executive Decree No. 15/73 states: "Any natural or legal person of Algerian nationality may establish a professional sports club in accordance with the following provisions."¹²

Article 10 reinforces these provisions by stating that the persons referred to in article 09 must provide their share capital in the form of a sports facility that meets the standards and is owned by them and used in the forms established by the laws and regulations in force¹³.

1-1-1-5 Contribution of Shares:

This is the second element in the company contract, where each partner is obligated to contribute a share to form the company. A person who does not contribute cannot be considered a partner. These shares must be valued, as this valuation is essential for determining each partner's share in profits and losses¹⁴. It is not necessary for the partners' shares to be equal or homogeneous. The shares of the partners are aggregated to form the company's capital. A company is an organized contract, meaning that the interests of the partners do not conflict; rather, they all have a common purpose. Accordingly, their assets guarantee the fulfillment of their debts¹⁵. Both legal scholars and most comparative legislations agree on classifying shares into three types as follows:

A. Monetary Share:

The share provided by a partner may be a sum of money, which is the most common situation. In this case, the relationship between the contributor and the partner is that of debtor to creditor¹⁶. The partner is obligated to pay the specified monetary amount (the monetary share) by the due dates; otherwise, they must compensate for the delay. This is stipulated in Article 421 of the Algerian Civil Code: "If a partner's share is a sum of money to be contributed to the company and this amount is not provided, they are obligated to compensate."

Typically, a company requires capital to continue its operations; delays in providing this capital can harm its ability to achieve its intended purpose. The partner's obligation to pay the monetary share is subject to the general rules regarding the performance of obligations.

The company, as a creditor for this share, has the right to enforce collection against the partner's assets and to recover the share forcibly, in addition to claiming legal interest and compensation if the delay in payment causes the company harm.¹⁷

B. Non-Cash Contributions

A contribution may be something other than money, such as a partner's commitment to provide real property, such as land or a building, or movable property, whether tangible, such as machinery and factories, or intangible, such as trademarks, commercial facilities, or industrial designs.¹⁸

- In the context of sports businesses, a non-cash contribution may include sports facilities such as swimming pools and stadiums, or factories for the production of sports equipment.

- A contribution in kind may be provided to the enterprise either for ownership or for use. When this type of contribution is made as a transfer of ownership, it is not considered to be a complete sale, because a sale implies the transfer of ownership for cash consideration, while the transfer of ownership of the contribution to the enterprise is accompanied by the contributor's potential right to profits that may arise from the enterprise.

If a specific amount is agreed upon, the contributor may be considered a seller because of the amounts the company is obligated to pay him. If the contribution is made as a transfer of ownership, the general rules apply. Although it is not considered a sale, it is similar to a sale in terms of registration procedures,

such as registration in the Commercial Register to transfer ownership to the company, liability for loss, guarantee of rights, and hidden defects¹⁹.

If the contribution is lost after the transfer of ownership to the company and after the actual or assumed delivery, the liability for the loss falls on the company, while the contributor's right to receive profits remains intact as if the contribution had not been lost²⁰.

- In the event of a defect or deficiency, the contributing partner is obligated to provide the guarantees typically required of a seller with respect to the guarantee of rights and hidden defects. If the company is liquidated, the asset does not revert to the contributing partner, but is distributed among all partners²¹.

- On the other hand, if the contribution in kind is made for the purpose of use, it remains the property of its owner and does not leave his ownership; the company only has the right to use it and the general rules of leasing apply.

According to the terms of the lease, there must be a guarantee against any physical or legal interference by the partner or third parties, and the partner guarantees against any defects that prevent the use of the contribution or significantly reduce its usefulness. The contribution is returned at the end of the agreed period of use or at the end of its liquidation²². This is confirmed by article 422 of the Algerian Civil Code: "If the contribution of the partner is a right of ownership, a right of use or any other real right, the provisions of sale shall apply to the guarantees of the contribution in the event of its loss, recovery or the appearance of a defect or deficiency. If the contribution is merely a right to use the property, the provisions of the lease shall apply.

- If the contribution is lost for reasons beyond the control of the company, the loss is borne by the partner, since the principle is that an object is lost by its owner. In this case, the partner must provide another contribution, otherwise he is obliged to withdraw from the company²³.

C. Contribution in Work

In this case, a partner's contribution to the company's capital is through their work, such as providing technical, scientific, or administrative expertise, or having sports qualifications relevant to the company's primary goals. This type of contribution is referred to as a "contribution in work." Article 151 of the Algerian Civil Code states, "If a partner's contribution is work provided to the company, they must perform the services they committed to..."

A partner's contribution cannot be limited to their influence, as this does not qualify as a "contribution in work," which would be considered monetary trading or illegal brokerage²⁴. This is confirmed by Article 151, which states, "A partner's contribution may not be limited to money or their financial trust²⁵."

1-1-1-6 Distribution of Profits and Losses

The purpose of a commercial company is to achieve profits and distribute them among partners or to reach a common economic goal. The distribution of profits and losses is a fundamental element of the company contract, reflecting the partnership's essence and the shared interests and risks among partner²⁶.

This element distinguishes a company from an association, which is defined as a gathering of natural or legal persons based on a contractual agreement for a specified or unspecified duration.

These individuals share their knowledge and resources voluntarily for non-profit purposes, particularly in professional, social, scientific, religious, educational, and sports fields²⁷.

Associations are permanent groups formed by several individuals or entities for non-monetary purposes, including organizations, bodies, and amateur clubs²⁸.

IV. Intention to Participate

This element is considered by legal scholars and courts as a crucial foundation for the existence of a company. It is a psychological stance that must be present and sustained among partners as long as the company exists²⁹.

It refers to the partners' intention to cooperate positively to achieve the company's purpose through direct management involvement and each partner's contribution to profits. This element is particularly significant in partnerships, where contractual relationships prevail, though it is less clear in capital companies³⁰.

Referring to the Algerian legislator, specifically Article 416 of the Civil Code, intention to participate is not explicitly stated but can be inferred from the phrase "contribution to a joint activity³¹."

1-2- Formal Conditions

The legislator requires not only the presence of general and specific substantive elements for a valid corporate contract, but also that it be formalized in a certain format, i.e. that certain formal conditions established by law be met.

1-2-1: A written document

Is required for the validity of the incorporation of a company; it is an essential element and not merely a means of proof. This is clarified in Article 418 of the Algerian Civil Code: "The company contract must be in writing, otherwise it is void³²". In addition, Article 545 of the Algerian Commercial Code states: "The Company is proved by an official contract; otherwise it is void.³³"

No evidence is accepted between partners other than the written document; however, third parties who deal with the company and place their trust in it may prove its existence by any means of evidence, as the company is a material fact for third parties according to Article 545 of the Commercial Code: "... no evidence is accepted between the partners that exceeds or contradicts the content of the company contract, but third parties may prove the existence of the company by any means if necessary".

1-2-2: Publication of the Articles of Association

The Algerian legislator has subjected commercial companies to publication procedures, which include registration in the commercial register. The purpose is to inform third parties of the establishment of the company so that they are aware of its status before dealing with it. Registration gives the company legal personality, making it a legal entity with rights and obligations. Before this procedure is completed, individuals who have acted on behalf of the company are

jointly and severally liable without limitation, unless the company agrees to assume the obligations incurred after registration³⁴.

This publication is carried out in accordance with the procedures and conditions established by law, which vary according to the type of company whose deed is to be published. This includes the filing of the articles of incorporation at the National Center for the Commercial Register, together with any amendments to the articles of incorporation, in accordance with Article 548 of the Algerian Commercial Code: "Founding contracts and amended contracts for commercial companies must be filed with the National Center for the Commercial Register and published in accordance with the specific conditions for each type of company..."

2-Extraordinary conditions for the establishment of sports commercial companies

The most important extraordinary conditions are the acceptance criteria, as outlined in the specifications issued by the Ministry of Youth and Sports and the Algerian Football Federation, particularly with regard to professional football, which represents the first professional experience. These include the requirement to submit an application for approval and a prior commitment.

While the sports company is largely subject to the general company law, the sports law has added specific conditions due to the unique nature of sports activities³⁵.

2-1 Application for Qualification

Qualification is one of the essential conditions that a sports club must meet in order to maintain its professional status and to carry out professional activities. Qualification defines how private entities can intervene and the conditions that must be met³⁶, including legal, technical, financial and economic objectives and means, as well as the necessary supervision³⁷.

A request for qualification means that a person is authorized to perform a legal act; without this qualification, certain activities are prohibited for individuals. The request for qualification must be accompanied by supporting elements, including the following:

A. Draft Internal Regulations:

This document outlines the rules that apply to all parties involved, including athletes and coaches. It also specifies the obligations arising from contractual relationships with the club. This draft must be approved by the governing body of the professional league, which in football is represented by the Sports Group (GEP).

B. Submission of a sports roster:

The professional sports club must submit a roster for participation in professional competitions, which must include a minimum of 20 and a maximum of 26 players. This roster will be distributed as follows:³⁸

- Eight (8) professional players under contract, including a maximum of two (2) foreign players.
- Six (6) trainee or youth players, with the remainder being contracted under a semi-professional system.

Qualification has a wide and varied scope, both in terms of its sources, as any administrative authority can become a qualifying body, and in terms of its procedures. These may be contractual procedures, such as privileges and use of public facilities, or unilateral procedures, such as compensation, licensing, and accreditation. Thus, some forms of qualification are traditional administrative procedures³⁹.

2-2: Prior Commitment

The professional sports club must commit to the following within the framework of the specifications document::

1. Comply with the basic laws and regulations: To abide by the basic laws and regulations of the federations and associations to which it belongs.
2. Compliance with Labor and Social Security Laws: Comply with labor and social security laws, especially as they relate to employees, whether players, coaches or staff.
3. Joining Sports Federations: Become a member of sports governing bodies.
4. No Unauthorized Activities: Refrain from engaging in any activities other than those declared in its Fundamental Laws.
5. Promotion of sports ethics: Contribute to the promotion of sports and uphold the ethics of sports.
6. Compliance with Commercial Law: To operate as commercial companies, in accordance with Article 78 of Law 13/05⁴⁰, which states: "...the aforementioned companies are subject to the provisions of commercial law and the provisions of this law, as well as their specific basic laws that must define their organization and the nature of the contributions..."
7. Compliance with Insurance Law: Ensure compliance with the Insurance Law regarding insurance coverage, as confirmed by Article 03 of Executive Decree No. 15/73: "...subscription to all insurance policies that cover liability for risks that may occur to its members, athletes, staff or the public, in accordance with the applicable laws and regulations⁴¹..."
8. Provide a structural organization: Commit to establishing a structural organization that will allow it to carry out its activities.
9. Respect Standards and Safety Instructions: To comply with all the standards and regulations in the field of certification and safety of sports facilities, as emphasized in article 03 of this decree, which states that "...the professional sports club must, in particular, respect all standards and instructions in the field of certification and safety of sports facilities..."
10. Submitting financial plans and budgets: Provide a financial plan and estimated budget that demonstrates its financial capacity and the extent to which progress can be achieved, ensuring that it is capable and prepared for challenges and obstacles that may arise⁴².
11. Compliance with Anti-Doping Regulations: Comply with the laws governing doping control by committing to an effective anti-doping program and promoting an educational culture, as well as supporting scientific activities in sports medicine that raise awareness of the dangers of these substances⁴³.

This is confirmed by Article 03 of Executive Decree 15/73, which states: "...to work on the prevention of doping and the fight against it within the framework of the legal and regulatory provisions in force...".

Chapter Two: Consequences of Failure to Establish Company Rules

The absence of one of the substantive or formal elements results in the nullity of the company contract, which varies depending on the importance of the missing element, whether it leads to relative or absolute nullity, or whether it falls under a specific type.

The general rule is that, regardless of the type of nullity, it leads to the dissolution of the company contract, causing disruption in the legal status of the partners and harm to third parties.

1- Failure to Meet Exceptional Conditions Failure to meet

The conditions of acceptance, prior commitment and qualification negate the purpose of the sports company and make it impossible to discuss professional sports.

In cases of failure to comply with general substantive conditions, the penalty applies to those affected by defects in consent due to error, fraud or lack of legal capacity. In such cases, the nullity applies only to the partner and does not extend to the other partners, which means that they can either invoke the nullity of the contract or represent it. This is confirmed by Article 100 of the Algerian Commercial Code, which states that the right to nullify the contract is waived by explicit or implicit ratification, assigning the date of ratification to the date of conclusion of the contract, without prejudice to the rights of third parties.

2- Failure to Fulfill the Ordinary Conditions (Substantive or Formal)

With regard to the failure of a specific substantive condition, in the absence of the element of contributions, which is one of the main pillars on which the company relies, since the total contributions constitute its capital and the general guarantee for its creditors, as well as the intention to participate, the question of nullity does not arise in this context, since the company would be considered non-existent in the eyes of the law⁴⁴.

However, the nullity arises from the failure of the profit and loss sharing element, which is essential to the legal essence of the company. If the contract contains a condition that one of the partners does not contribute to the profits or losses of the company, the company contract is null and void, as stated in Article 152 of the Algerian Civil Code: "If it is agreed that one of the partners does not contribute to the profits or losses of the company, the company contract is null and void..."

Thus, the contract is completely null and void, and any interested party may invoke this nullity, with the court also having the power to rule on it *ex officio*⁴⁵.

However, this rule is subject to an exception according to Article 811 of the Commercial Code, which states: "The nullity of the company contract or an amendment to the basic law shall not occur except by explicit provision in this law or in the law applicable to the nullity of contracts. Regarding limited liability

companies or joint-stock companies, nullity does not arise from defects in acceptance or lack of capacity unless this lack includes all founding partners, and this nullity does not arise from the invalidity of the prohibited conditions mentioned in the first paragraph of Article 152 of the Civil Code.” It is clear that this condition does not lead to the nullity of the company contract in limited liability companies and joint-stock companies.

In the case of failure to comply with formal requirements, if the company agreement has correctly gathered all its legal components, including the general and specific substantive elements, but lacks one of the required formal elements, such as writing and publication, which are necessary to prove the company agreement, the absence of a written official document and the failure to register it at the National Center for the Commercial Register renders the company agreement null and void, leading to the nullity of the company⁴⁶. This is stipulated in Article 107 of the Algerian Civil Code: “The company contract must be in writing, otherwise it is void. Likewise, any modification of the contract is also null and void”.

However, this nullity falls outside the scope of the general rules of absolute nullity in three respects:⁴⁷

1. Partners Cannot Invoke Nullity Against Third Parties: The partners may not invoke this nullity against third parties.

2. Nullity is Removed if Writing is Provided Before the Nullity Ruling: The nullity resulting from the lack of formal conditions is a specific type of nullity.

While any interested party may invoke it, it resembles absolute nullity in that the court cannot raise it ex officio. It is not relative nullity, even though the contract may be corrected before the nullity ruling. Additionally, partners can invoke it against one another, but they cannot invoke it against third parties, as the obligation of publication lies with them. If they neglect to fulfill this obligation, it is not acceptable to allow them to benefit from their negligence.

The nullity of the sports company contract leads to a return to the previous state, according to the principle of the retroactive effect of nullity⁴⁸.

One of the most important theories in this case is the theory of the actual existence of the company, created by the judiciary in cases of nullity due to lack of writing, and implicitly recognized by the Algerian legislator through article 418 of the Algerian Civil Code: “...but the partners cannot invoke this nullity against third parties, and it has no effect between them except from the day on which one of them requests the nullity”.

However, it is widely accepted in legal doctrine and jurisprudence that the recognition of the actual existence of the company does not apply in the following two cases:⁴⁹

1. When the nullity is based on the absence of specific substantive elements of the company contract: such as the intention to participate, the contributions and the plurality of partners. The absence of these elements negates the very idea of the company, making it legally or factually nonexistent.

2. Nullity based on the illegality of the object: For example, if the object is a project that violates public order or morality. The recognition of the existence of

the company in this case would imply the recognition of an illegal objective, which is neither logical nor legal.

The existence of the real company applies in two cases:⁵⁰

1. When the cause of nullity is the lack of writing or publication.
2. When the nullity is based on the lack of capacity of one of the partners or a defect in their consent that could lead to the collapse of the entire company contract, as is the case in partnerships. In this situation, the company is considered to be non-existent in relation to the remaining partners, and the company is considered to effectively exist during the period between its formation and the declaration of nullity.

As a result of the theory of the actual existence of the company, during this period the sports company is considered valid, possessing its own legal personality independent of the personalities of the partners. All its rights and obligations remain valid and effective among the partners and in relation to third parties who have not requested nullity. However, if a judgment of nullity is issued, the company must be dissolved and liquidated, while remaining operational to the extent necessary for the liquidation process⁵¹.

Conclusion:

Exploring the issue of sports companies in relation to professional sports is essential in light of the current requirements of sports activities to achieve a high level in athletics. This comes in the context of the transition of sports clubs to a professional system, which is one of the most important areas for real investment of capital - considered one of the main active elements in this system.

The Algerian legislator, like other international legislators, has adapted to the new changes and the requirements of the professional system by defining specific forms for commercial companies, focusing on joint stock companies rather than partnerships. The joint-stock company is considered to be the most important model, as professional clubs are dependent on substantial capital, which has expanded the methods and means of acquiring this funding in order to facilitate their activities and increase their dynamism.

The incorporation of sports clubs as entities of a sporting nature results in the creation of a legal personality with rights and obligations, which entails various commitments, both specific to their nature and to other sports entities such as federations and associations.

Bibliography List

1. Books

- Al-Arini Mohamed Farid, Commercial Companies. Dar Al-Jam'ia Al-Jadida, Egypt, 2003.
- Al-Badwi Mohamed Ali, General Theory of Obligations, Second Edition, Open University Publications, Libya, 1993.
- Mohamed Saadi Sabri, General Theory of Obligations, Volume One, Second Edition, Dar Al-Huda, Algeria, 2004.
- Mustafa Kamal Taha, Commercial Companies, Dar Al-Jam'ia Al-Jadida for Publishing, undated, 2007.

- Nadia Fadhel, Provisions of Companies According to Algerian Commercial Law: Partnerships, Sixth Edition, Algeria 2006.
- Sayed Ahmed Ibrahim, Contracts and Commercial Companies, First Edition, Dar Al-Jam'ia Al-Jadida for Publishing, Egypt, 1999.
- Suleiman Mohamed Ahmad, The Concise Guide to Sports Contracts, Dar Al-Nahda Al-Arabiya, Egypt, 2005.
- Nour Al-Din Shadli, Commercial Law, Dar Al-Oloom for Publishing and Distribution, Annaba, 2003.
- G. Simon, C. Chaussard, Ph. Icard, D. Jacotot, C. de la Mardière, V. Thomas, Sports Law, 1st Edition, Presses Universitaires de France, Paris 2012.

2. Theses

- Farid Abbas, Investment in the Sports Field, Master's Thesis in Law, Faculty of Legal and Administrative Sciences, University of Ben Aknoun, Academic Year 2000/2001.
- Yahya Al-Zawi, Hussein Hawash, Forms of Commercial Companies Suitable for Managing Professional Sports Clubs in Algeria (Graduation Thesis for a Postgraduate Diploma, National Institute for Higher Training in Sports Science and Technology), 2006/2007.

3. Journal article :

- Suleiman Mohamed Ahmad, Nidal Yassin Hamou, Sports Doping, First Edition, Juhaina Publishing and Distribution, Jordan, 2002.

References

- ¹- Mohamed SaadiSabri, General Theory of Obligations, Volume One, Second Edition, Dar Al-Huda, Algeria, 2004, p. 20.
- ²- Al-Arini Mohamed Farid, Commercial Companies. Dar Al-Jam'ia Al-Jadida, Egypt, 2003, p. 20.
- ³- Article 39 of Ordinance No. 75/59.
- ⁴- Mustafa Kamal Taha, Commercial Companies, Dar Al-Jam'ia Al-Jadida for Publishing, undated, 2007, p. 19.
- ⁵- Dr. Al-Arini Mohamed Farid, Previous Reference, p. 22.
- ⁶- Nadia Fadhel, Provisions of Companies According to Algerian Commercial Law: Partnerships, Sixth Edition, Algeria 2006, p. 35.
- ⁷- Dr. Al-Badwi Mohamed Ali, General Theory of Obligations, Second Edition, Open University Publications, Libya, 1993, p. 113.
- ⁸- Radwan Abu Zaid, Previous Reference, p. 55.
- ⁹- Foudhil Nadia, Partnership Companies, Previous Reference, p. 32.
- ¹⁰- Law 13/05, aforementioned.
- ¹¹- Executive Decree No. 75/58, aforementioned.
- ¹²- Executive Decree No. 15/73, aforementioned.
- ¹³- Executive Decree No. 15/73, aforementioned (duplicate).
- ¹⁴- Al-Arini Mohamed Farid, Previous Reference. p. 26.
- ¹⁵- Dr. Al-Sanhouri Abdul Razak, Volume Five, Previous Reference, p. 220.
- ¹⁶- Fawzi Mohamed Sami, Previous Reference, p. 46.
- ¹⁷- Sayed Ahmed Ibrahim, Contracts and Commercial Companies, First Edition, Dar Al-Jam'ia Al-Jadida for Publishing, Egypt, 1999, p. 117.
- ¹⁸- Dr. Taha Kamal Mustafa, Previous Reference, p. 24.
- ¹⁹- Radwan Abu Zaid, Previous Reference. p. 61.

- ²⁰- Dr. Taha Kamal Mustafa, Previous Reference, p. 25.
- ²¹- Al-Arini Mohamed Farid, Previous Reference, p. 28.
- ²²- Radwan Abu Zaid, Previous Reference, p. 64.
- ²³- Mohamed Sami Fawzi, Previous Reference, p. 21.
- ²⁴- Mohamed Sami Fawzi, Previous Reference, p. 22.
- ²⁵- Ordinance No. 75/58, aforementioned.
- ²⁶- Al-Arini Mohamed Farid, Previous Reference, p. 33.
- ²⁷- Law No. 12/06 dated January 12, 2012, containing the Law on Associations.
- ²⁸- Suleiman Mohamed Ahmad, The Concise Guide to Sports Contracts, Dar Al-Nahda Al-Arabiya, Egypt, 2005, p. 104.
- ²⁹- Radwan Abu Zaid, Previous Reference, p. 71.
- ³⁰- Dr. Taha Kamal Mustafa, Previous Reference, p. 32.
- ³¹- Dr. Abdul Razak Al-Sanhouri, Volume Five, Previous Reference, p. 10.
- ³²- Ordinance No. 75/58, aforementioned.
- ³³- Ordinance No. 75/59, dated September 26, 1975, containing the amended and supplemented Commercial Law.
- ³⁴- Nour Al-Din Shadli, Commercial Law, Dar Al-Oloom for Publishing and Distribution, Annaba, 2003, p. 105.
- ³⁵- G. Simon, C. Chaussard, Ph. Icard, D. Jacotot, C. de la Mardière, V. Thomas, Sports Law, 1st Edition, Presses Universitaires de France, Paris 2012, p. 160.
- ³⁶- Farid Abbas, Investment in the Sports Field, Master's Thesis in Law, Faculty of Legal and Administrative Sciences, University of Ben Aknoun, Academic Year 2000/2001, p. 40.
- ³⁷- Dr. Yahya Al-Zawi, Hussein Hawash, Forms of Commercial Companies Suitable for Managing Professional Sports Clubs in Algeria (Graduation Thesis for a Postgraduate Diploma, National Institute for Higher Training in Sports Science and Technology), 2006/2007, p. 20.
- ³⁸- Same Reference, p. 21.
- ³⁹- Dr. Farid Abbas, Previous Reference, p. 42.
- ⁴⁰- Law No. 13/05 dated July 31, 2013, concerning the organization and development of physical and sports activities.
- ⁴¹- Executive Decree No. 15/73 dated February 16, 2015, containing the provisions applicable to professional sports clubs and setting the standard statutes for commercial sports companies.
- ⁴²- G. Simon, C. Chaussard, Ph. Icard, D. Jacotot, C. de la Mardière, V. Thomas, Sports Law, op. cit., p. 172.
- ⁴³- Suleiman Mohamed Ahmad, Nidal Yassin Hamou, Sports Doping, First Edition, Juhaina Publishing and Distribution, Jordan, 2002, p. 205.
- ⁴⁴- Dr. Foudhil Nadia, Partnership Companies. Previous Reference p. 49.
- ⁴⁵- Abu Zaid Radwan Abu Zaid, Previous Reference, p. 94.
- ⁴⁶- Dr. Khaled Khaddar, Previous Reference, p. 48.
- ⁴⁷- Dr. Taha Kamal Mustafa, Previous Reference, p. 17.
- ⁴⁸- Dr. Al-Arini Mohamed Farid, Previous Reference, p. 42.
- ⁴⁹- Radwan Abu Zaid, Previous Reference, p. 102.
- ⁵⁰- Dr. Al-Arini Mohamed Farid, Previous Reference, p. 46.
- ⁵¹- Al-Aqili Aziz, Previous Reference, p. 57.