

# **Decision of the Single Judge of the Players' Status Committee**

passed on 6 January 2016,

by

**Sunil Gulati** (USA)

Single Judge of the Players' Status Committee,

on the claim presented by the club,

**Club A**, Country B

*as Claimant*

against the club,

**Club C**, Country D

*as Respondent*

regarding a contractual dispute between the parties  
relating to the Player E

## I. Facts of the case

1. On 8 January 2015, the Club of Country B, Club A (hereinafter: *the Claimant*) and the Club of Country D, Club C (hereinafter: *the Respondent*), concluded an agreement (hereinafter: *the agreement*) regarding the transfer of the Player E (hereinafter: *the player*), from the Claimant to the Respondent.
2. The agreement in art. 3.2. stipulated the obligation of the Respondent to pay a transfer compensation to the Claimant in the amount of EUR 300,000, thereof the amount of EUR 150,000 on or before 28 January 2015 and three instalments of EUR 50,000 each, payable on or before 30 June 2015, 30 December 2015 and 30 June 2016, respectively.
3. The agreement in art. 4.1. further stipulated that in case the Respondent failed to make the payment of any instalment of the transfer compensation by its relevant due date, the entire transfer compensation would become payable to the Claimant in full within 14 days. Finally, the agreement stipulated that the Respondent would be entitled to retain the amount of EUR 4,639.50 from the transfer compensation for the purpose of distribution of solidarity contribution.
4. On 19 March 2015, the Claimant lodged a claim at FIFA requesting from the Respondent the payment of EUR 145,360.50, as well as interest at a rate of 5% p.a. on the outstanding amounts.
5. In support of its claim, the Claimant stated that given that the Respondent did not pay the first instalment on 28 January 2015 as it was contractually agreed and did not react to the Claimant's default notices, the full amount fell due as it is stipulated in art. 4.1. of the agreement. Following the Respondent's proposal regarding a payment plan for the outstanding amounts on 25 February 2015, the Claimant explained that on 26 February 2015 it insisted on the payment of the full amount by no later than 13 March 2015. Moreover, the Claimant stressed that despite the clear wording of art. 4.1. of the agreement, the Respondent up to this date, had only paid the amount of EUR 150,000 to the Claimant.
6. In its reply, the Respondent argued that the claim of the Claimant was lodged before the Dispute Resolution Chamber, whereas the competent body is the Players' Status Committee. Therefore, the claim of the Claimant should be deemed inadmissible.

## II. Considerations of the Single Judge of the Players' Status Committee

1. First of all, the Single Judge of the Players' Status Committee (hereinafter: *the Single Judge*) analysed which Procedural Rules were applicable to the matter at hand. In this respect, he referred to art. 21 of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber (edition 2015; hereinafter: *the Procedural Rules*) as well as to the fact that the present matter was submitted to FIFA on 19 March 2015, thus after 1 March 2015. Therefore, the Single Judge concluded that the 2015 edition of the Procedural Rules is applicable to the matter at hand.
2. Subsequently, the Single Judge analysed which edition of the Regulations on the Status and Transfer of Players is applicable as to the substance of the matter. In this respect, he referred, on the one hand, to art. 26 par. 1 and 2 of the 2015 edition of the Regulations on the Status and Transfer of Players and, on the other hand, to the fact that the claim was lodged in front of FIFA on 19 March 2015. In view of the foregoing, the Single Judge concluded that the 2015 edition of the Regulations on the Status and Transfer of Players (hereinafter: *the Regulations*) is applicable to the case at hand as to the substance.
3. Furthermore, the Single Judge confirmed that, on the basis of art. 3 par. 1 and par. 2 of the Procedural Rules in connection with art. 23 par. 1 and par. 3 as well as art. 22 lit. f) of the Regulations, he was competent to deal with the present matter since it concerned a dispute between two clubs affiliated to two different associations.
4. However, the Single Judge reverted to the argument of the Respondent, according to whom the claim should be deemed inadmissible as it was lodged in front of the wrong decision-making body, *i.e.* the Dispute Resolution Chamber (DRC) instead of the Players' Status Committee. With the foregoing in mind, the Single Judge recalled the provisions of art. 3 par. 1 of the Procedural Rules, which establishes that "*The Players' Status Committee and the DRC shall examine their jurisdiction, in particular in the light of arts 22 to 24 of the Regulations on the Status and Transfer of Players*". Thus, in neither art. 3 par. 1 of the Procedural Rules nor arts. 22 to 24 of the Regulations or any other provision in any of FIFA's regulations is there a basis to establish that a claim should be deemed inadmissible because it was lodged in front of the wrong body.
5. At this stage, the Single Judge was eager to emphasise that the wording of art. 3 par. 1 of the Procedural Rules clearly indicates that both, the Players' Status

Committee and the DRC have to examine their jurisdiction for every case and assign them accordingly. Therefore, contrary to the argument of the Respondent, the Single Judge concluded that he was competent to deal with the present matter.

6. His competence and the applicable regulations having been established, the Single Judge entered into the substance of the matter. In this respect, and first of all, the Single Judge noted that the parties had concluded an agreement for the definitive transfer of the player from the Claimant to the Respondent, according to which the latter would pay to the former the amount of EUR 300,000, in exchange for the acquisition of the services of the player.
7. Furthermore, the Single Judge also noted that the parties had agreed in article 4.1 of the agreement that in case the Respondent would fail to make the payment of any instalment of the transfer compensation by its relevant due date, the entire transfer compensation would become payable to the Claimant in full within 14 days. Finally, the agreement stipulated that the Respondent would be entitled to retain the amount of EUR 4,639.50 from the transfer compensation for the purpose of distribution of solidarity contribution.
8. The Single Judge then reverted to the allegations of the Claimant and noted that it claimed that the Respondent had failed to pay the outstanding transfer compensation under article 3 of the agreement. In particular, the Claimant argued that the Respondent failed to pay the first instalment in the amount of EUR 150,000 as contractually agreed and therefore, according to article 4.1 the whole amount became due. Consequently, and due to the fact that in the meantime the Respondent paid an amount of EUR 150,000 to the Claimant, the latter, on the basis of articles 3.2. and 4.1 of the agreement, argued that it was entitled to the amount of EUR 145,360.50, together with an interest rate of 5% *p.a.* on the outstanding amounts.
9. In view of the above, and starting with the amount claimed by the Claimant under article 3.2 of the agreement, the Single Judge pointed out that it remains uncontested that the first instalment of the transfer compensation, agreed upon between the parties, was not paid on time by the Respondent. Consequently, the Single Judge concluded that, according to article 4.1, the whole amount of the transfer compensation became due. As the Respondent paid already the amount of EUR 150,000, EUR 145,360.50 was still outstanding and should therefore be paid by the Respondent to the Claimant in compliance with the contract. Equally, the Respondent has to pay default interest of 5% on the amount of EUR 145,360.50 as of 19 March 2015.

10. In view of all of the above, the Single Judge decided to accept the Claimant's claim and held that the Respondent must pay to the Claimant the amount of EUR 145,360.50, plus interest of 5% *per annum* as from 19 March 2015 until the effective date of payment.
11. Lastly, the Single Judge referred to art. 25 par. 2 of the Regulations in combination with art. 18 par. 1 of the Procedural Rules, according to which, in proceedings before the Players' Status Committee including its Single Judge, costs in the maximum amount of CHF 25'000 are levied. The relevant provision further states that the costs are to be borne in consideration of the parties' degree of success in the proceedings (cf. art. 18 par. 1 of the Procedural Rules).
12. In respect of the above, the Single Judge held that the amount to be taken into consideration in the present proceedings is EUR 145,360.50, related to the claim of the Claimant. Consequently, the DRC concluded that the maximum amount of costs of the proceedings corresponds to CHF 20,000 (cf. table in Annex A).
13. As a result, taking into account the particularities of the present matter as well as that the claim of the Claimant is accepted, the Single judge determined the costs of the current proceedings to the amount of CHF 15,000, which shall be borne by the Respondent.

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## **Decision of the Single Judge of the Players' Status Committee**

1. The claim of the Claimant, Club A, is admissible.
2. The claim of the Claimant is accepted.
3. The Respondent, Club C, has to pay to the Claimant, **within 30 days** as from the date of notification of the present decision, the amount of EUR 145,360.50 plus 5% interest *p.a.* on said amount as of 19 March 2015 until the date of effective payment.
4. In the event that the amount plus interest due to the Claimant in accordance with the above-mentioned number 3. is not paid by the Respondent within the stated time limit, the present matter shall be submitted, upon request, to the FIFA Disciplinary Committee for consideration and a formal decision.
5. The final costs of the proceedings in the amount of CHF 15,000 are to be paid by the Respondent **within 30 days** as from the date of notification of the present decision as follows:
  - 5.1. The amount of CHF 10,000 has to be paid to FIFA to the following bank account:  
  
UBS Zurich  
Account number 366.677.01U (FIFA Players' Status)  
Clearing number 230  
IBAN: CH27 0023 0230 3666 7701U  
SWIFT: UBSWCHZH80A
  - 5.2. The amount of CHF 5,000 has to be paid directly to the Claimant.

6. The Claimant is directed to inform the Respondent directly and immediately of the account number to which the remittances are to be made in accordance with the above points 3. and 5.2. and to notify the Single Judge of the Players' Status Committee of every payment received.

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**Note relating to the motivated decision** (legal remedy):

According to article 67 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS). The statement of appeal must be sent to the CAS directly within 21 days of receipt of notification of this decision and shall contain all the elements in accordance with point 2 of the directives issued by the CAS, a copy of which we enclose hereto. Within another 10 days following the expiry of the time limit for filing the statement of appeal, the appellant shall file a brief stating the facts and legal arguments giving rise to the appeal with the CAS (cf. point 4 of the directives).

The full address and contact numbers of the CAS are the following:

Court of Arbitration for Sport  
Avenue de Beaumont 2  
1012 Lausanne - Switzerland  
Tel: +41 21 613 50 00  
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e-mail: [info@tas-cas.org](mailto:info@tas-cas.org)  
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For the Single Judge of the  
Players' Status Committee:

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Markus Kattner  
Acting Secretary General

Encl. CAS Directives