Decision of the
Dispute Resolution Chamber

passed in Zurich, Switzerland, on 18 February 2016,

in the following composition:

Thomas Grimm (Switzerland), Deputy Chairman
Johan van Gaalen (South Africa), member
Mohamed Al-Saikhan (Saudi Arabia), member
Mario Gallavotti (Italy), member
Eirik Monsen (Norway), member

on the claim presented by the player,

Player A, country B

as *Claimant*

against the club,

Club C, country D

as *Respondent*

regarding an employment-related dispute arisen between the parties

I. Facts of the case

1. On 11 June 2014, Player A from country B (hereinafter: *the Claimant*), and Club C from country D (hereinafter: *the Respondent*), concluded an employment contract (hereinafter: *the contract*) valid as of the date of signature until 31 May 2016.

2. According to the contract, the Claimant was to receive a monthly salary of EUR 16,500 payable over ten months on the last day of the following month, starting on 31 August 2014 for the season 2014-2015 and 31 August 2015 for the season 2015-2016, with a grace period of 90 days.

3. The contract also stipulated that the Claimant is entitled to the annual amount of EUR 8,000 for accommodation expenses and flight tickets.

4. Pursuant to art. 9 of the contract, *"The parties agree that, notwithstanding anything to the contrary in this Agreement,* [the Respondent] *may at the time after the last game of the Championship and/or Cup of the season 2014-15, unilaterally terminate this agreement by giving a written notice to this effect to the* [Claimant]*; In case of termination* [the Respondent] *shall pay or arrange payment to the* [Claimant] *of the amount of EUR 20,000 (Twenty Thousand Euros) within five days"*.

5. On 30 January 2015, the parties concluded a termination agreement, putting an end to the contract considered as *"null and void and of no effects as from today"*.

6. The termination agreement also provided that the Respondent agreed to pay to the Claimant the amount of EUR 106,000 by 31 October 2015 *"with a 90 working days period grace"*, as follows:
   - EUR 18,500 on 15 February 2015;
   - EUR 17,500 on 15 March 2015, on 15 April 2015, on 15 May 2015, on 15 June 2015 and on 15 July 2015.

7. As per art. C of the termination agreement, *"The* [Claimant] *agrees and acknowledges that upon the above payments he is fully paid, there are no other amounts as salaries and/or bonuses and/or otherwise owed to him and the above*

payment will be evidence of full and final settlement of any contractual obligations on behalf of [the Respondent] *arising from the* [contract] *and any other oral or written agreement between both parties"*.

8. On 15 July 2015, the Claimant lodged a complaint before FIFA against the Respondent, requesting the following amounts, plus 5% interest *p.a. "as of the date of effective payment"*:
   - EUR 106,000 as per the termination agreement;
   - EUR 20,000 as per art. 9 of the contract;
   - EUR 245,000 as compensation as per art. 17 of the FIFA Regulations corresponding to EUR 165,000 as the Claimant's salary and EUR 80,000 as the Claimant's allowance *"until the end of the Contract of Employment"*.

   Alternatively, the Claimant requested the following:
   - EUR 106,000 as per the termination agreement, plus 5% interest *p.a. "as of the date of effective payment"*;
   - EUR 20,000 as per art. 9 of the contract, plus 5% interest *p.a. "as of the date of effective payment"*;
   - Legal costs to be reimbursed by the Respondent.

9. The Claimant alleged that, to date, i.e. for more than six months, the Respondent had not paid any of the instalments agreed in the termination agreement, despite his alleged numerous reminders.

10. In view of the aforementioned, the Claimant deemed that the termination agreement was to be considered null and void and requested that the Respondent paid the contractual remuneration and allowance as compensation in accordance with art. 17 of FIFA Regulations.

11. In its statement of defence, the Respondent denied the Claimant's allegation as to his repeated reminders sent to the Respondent as well as his allegation according to which it did not pay any of the relevant instalments.

12. The Respondent wished to recall that the instalments as per the termination agreement were due after the expiry of the 90-day grace period. Therefore, the Respondent deemed that none of the said instalments was due at the time the player submitted his claim to FIFA.

13. In any event, the Respondent sustained having subsequently proceeded to the payment of the total amount of EUR 88,500. In this respect, the Respondent

provided bank statements as well as a written confirmation of the payment of the first two instalments by the Claimant's representative dated 28 July 2015.

14. In this context, the Respondent considered that it was not in breach of the termination agreement and that the sole amount of EUR 17,500 remained outstanding and was not due until 15 October 2015.

15. Finally, the Respondent emphasised that, anyhow and without prejudice, in the event it was in breach of the termination agreement, it did not mean that the termination agreement was null and void. The Respondent further held that art. 17 of FIFA Regulations did not apply to the matter at stake since the termination of the contract was not without just cause.

16. In his replica, the Claimant acknowledged the aforementioned payment of EUR 88,500. However, the Claimant deemed that the Respondent still owed him EUR 17,500, and requested FIFA to apply 5% interest *p.a.* *"as of the date of effective payment"*.

17. In its duplica, the Respondent held having paid the amount of EUR 17,500 on 31 December 2015, providing a bank confirmation in this respect. The Respondent further sustained that it notified the Claimant of the aforementioned by means of correspondence dated 30 December 2015.

18. In this regard, the Claimant confirmed that the Respondent paid the total amount of EUR 106,000 in accordance with the termination agreement. Nevertheless, the Claimant considered that the Respondent still owed him the amount of EUR 20,000 as per art. 9 of the contract. The Claimant further requested the payment by the club of *"0.5% interest for each day of delay from the amount of 106,000 EUR"*.

19. In the event the Respondent did not proceed as requested in point 18 above, the Claimant reserved his right to *"undertake further legal steps to recover the debt"*.

20. Upon FIFA's request, the Claimant confirmed that he concluded an employment contract with the club from country D, Club E, valid as from 30 January 2015 to 30 May 2015, according to which he was entitled to a monthly salary of EUR 500 payable over four months.

21. On 29 June 2015, the Claimant concluded an employment contract with the club from country B, Club F, valid from 1 July 2015 to 30 June 2017. The said contract provided for a monthly salary of 90,000.

II. Considerations of the Dispute Resolution Chamber

1. First of all, the Dispute Resolution Chamber (hereinafter: *the Chamber* or *the DRC*) analysed whether it was competent to deal with the case at hand. In this respect, it took note that the present matter was submitted to FIFA on 15 July 2015. Consequently, the 2015 edition of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber (hereinafter: *the Procedural Rules*) is applicable to the matter at stake (cf. art. 21 par. 1 and 2 of the Procedural Rules).

2. Subsequently, the members of the Chamber referred to art. 3 par. 1 of the Procedural Rules and confirmed that in accordance with art. 24 par. 1 in combination with art. 22 lit. b) of the Regulations on the Status and Transfer of Players (edition 2015), the Dispute Resolution Chamber is competent to deal with the matter at stake, which concerns an employment-related dispute with an international dimension between a player from country B and a club from country D.

3. Furthermore, the Chamber analysed which regulations should be applicable as to the substance of the matter. In this respect, it confirmed that in accordance with art. 26 par. 1 and 2 of the Regulations on the Status and Transfer of Players (edition 2015), and considering that the present claim was lodged in front of FIFA on 15 July 2015, the 2015 edition of said Regulations (hereinafter: *Regulations*) is applicable to the matter at hand as to the substance.

4. The competence of the DRC and the applicable regulations having been established, the Chamber entered the substance of the present matter. In doing so, it started by acknowledging the abovementioned facts of the matter as well as the documentation contained in the file. However, the Chamber emphasised that in the following considerations it will refer only to the facts, arguments and documentary evidence which it considered pertinent for the assessment of the matter at hand.

5. In this respect and in a first instance, the DRC acknowledged that, on 11 June 2014, the Claimant and the Respondent had concluded an employment contract valid as from the date of signature until 31 May 2016.

6. Equally, the DRC took note that, on 30 January 2015, the parties had concluded an agreement regarding the termination of the contract and, in particular, agreed

upon the payment of the amount of EUR 106,000 in one instalment of EUR 18,500 due on 15 February 2015, and five instalments of EUR 17,500 respectively due on 15 March 2015, 15 April 2015, 15 May 2015, 15 June 2015 and 15 July 2015.

7. Referring to said amount, the DRC noted that, subsequently to the submission of the present claim on 15 July 2015, the Claimant acknowledged that the Respondent proceeded to the payment of the total amount of EUR 106,000, as per the termination agreement. The DRC also took note of the proof of payment submitted by the Respondent in this regard. The Chamber albeit observed that the Claimant upheld his claim relating to the amount of EUR 20,000 in accordance with art. 9 of the contract as well as for legal costs.

8. In this regard, the DRC wished to recall that the parties concluded a termination agreement *inter alia* in order to put an end, by mutual consent, to the employment contract initially signed by the parties, and to settle the amount to be paid by the Respondent to the Claimant. In other words, by signing such agreement, the Claimant agreed upon a mutual termination of the contract and, as per art. C of the termination, that *"there are no other amounts as salaries and/or bonuses and/or otherwise owed to him and the above payment will be evidence of full and final settlement of any contractual obligations on behalf of* [the Respondent] *arising from the* [contract] *and any other oral or written agreement between both parties"*.

9. On account of the above, the DRC concluded that the Claimant was only entitled to the amount due under the termination agreement. Therefore, and considering that the relevant employment contract was terminated by mutual consent, the DRC decided to reject the claimed amount of EUR 20,000 based on art. 9 of the contract.

10. Moreover, and in accordance with the longstanding practice of the Dispute Resolution Chamber, the DRC stressed that claims for interest for late payment may only be considered if the contract at the basis of the relevant dispute specifically provides for late payment interest. In the absence of a specific contractual provision in this respect, the DRC decided to reject this part of the claim.

11. Finally, the Dispute Resolution Chamber decided to reject the Claimant's claim pertaining to legal costs in accordance with art. 18 par. 4 of the Procedural Rules and the Chamber's respective longstanding jurisprudence in this regard.

III. Decision of the Dispute Resolution Chamber

The claim of the Claimant is rejected.

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Note relating to the motivated decision (legal remedy):

According to article 58 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:

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Encl: CAS directives