

Decision of the Players' Status Chamber

passed on 28 June 2024

regarding a contractual dispute concerning
the Player A

BY:

Loïc ALVES (France)

CLAIMANT:

Club A, Country A

Represented by

RESPONDENT:

Club B, Country B

Represented by

I. Facts of the case

1. The parties to the dispute are:
 - Club A in Country A (hereinafter: *the Claimant*) and;
 - Club B in Country B (hereinafter: *the Respondent*).
2. In accordance with the Football Federation of Country A's license, the Player (hereinafter: *the player*) was registered with the Claimant, with a contract valid as from 21 February 2020 until 30 November 2022.
3. In accordance with the information retrieved from the Transfer Matching System (hereinafter: *TMS*), (i) the player was transferred from the Claimant to a club in Country C, Club C (hereinafter: *Club C*); (ii) the transfer instructions were handled between 3 March 2022 and 14 March 2022; (iii) the player was registered as amateur, and (iv) the Football Federation of Country A (hereinafter: Football Federation of Country A) confirmed this transfer.
4. On 23 May 2022, the Respondent's representative proposed to the Claimant's representative to sign an agreement for them to financially benefit from a future transfer of the Player. The Respondent requested information from the Claimant to prepare an agreement.
5. On 31 May 2022, the Respondent's representative sent a draft agreement.
6. On 18 June 2022, the Claimant's representative returned the document (*the first transfer agreement*) and the parties expressed their agreement.
7. In accordance with the first transfer agreement dated 6 June 2022, the Claimant and the Respondent concluded an agreement regarding the transfer of the player from the Claimant to the Respondent.
8. The first transfer agreement reads, *inter alia*, as follows (quoted *verbatim*):

Whereas

- *The player born on , the citizen of Country A, passport No. xxxxxxxxx and valid until 05.05.2026 (hereinafter to be referred to as "the player"), is a professional football player.*

- *Club B wishes to hire the Player as a professional football player starting from 01 August 2022.*

- *Player. Will be automatically under a new contract signed with Club B from the date of confirmation of signed the bilateral agreement between Club A and Club B, under the conditions stated in this agreement thereafter referred as "Agreement")*

Article 1 : International

The Player will be transferred to Club B from 01.07.2022.

Article 2: Indemnification amount

2.1 Future Transfer

In case of a Future transfer of the Player's registration from [the Respondent] to a new club, [the Respondent] will pay 20 % / twenty percent / % of the Net transfer fee to Club A.

Club B shall provide the Player with all necessary information in relation to establishing the entitlement pursuant to this provision, including, but not limited to, providing a copy of the transfer or loan agreement in relation to the Future transfer.

For the avoidance of any doubts or misunderstanding:

Future transfer is a transfer made on a definitive basis to another club. The Transfer Fee is defined as the indemnification paid by the player or a third party to Club B due to the early termination of the employment contract between [the Respondent] and the Player minus the solidarity contribution Indicated in FIFA Regulations and/or the regulations of the applicable Football Association. Payments to Intermediaries and/or the Player and/or taxes and levies cannot be deducted. In case the Net-indemnification amount with regard to the transfer of the Player from [the Respondent] to a third club will be paid in different instalments, the amounts due in accordance with this article is entitled to, will be paid in instalments on a pro rata basis accordingly.

Article 3: Enforceability

This Agreement shall be signed and transmitted e-mail (scan) or post. A scanned copy of this Agreement containing facsimile signatures of the Parties shall be considered binding and enforceable."

9. In accordance with TMS, on 19 August 2022, the Respondent entered a transfer instruction in order to transfer the player from the Claimant to the Respondent as "engage against payment". It was subsequently cancelled the same day by the Respondent.
10. In accordance with TMS, between 22 August 2022 and 30 August 2022, the player was transferred from Club C to the Respondent and engaged as "out of contract".

11. On 13 July 2023, the Respondent and the Country D club, Club D (hereinafter: *the new club*), concluded an agreement (hereinafter: *the second transfer agreement*) regarding the transfer of the player from the Respondent to the new club.

12. Clause 2 of the second transfer agreement reads, *inter alia*, as follows:

"2.1 In consideration for the definitive transfer of the Player, the [new club] shall pay to the Selling Club a fee of 900.000,00 EUR (nine hundred thousand euro) (hereinafter the "Transfer Fee"), exclusive of Value Added Tax.

[...]

2.3 The Transfer Fee will be payable, taking into account the following payment schedule:

2.3.1. payment will be done at latest 5 working days after the Transfer Conditions are met: 450.000,00

2.3.2 On 20 September 2023: 450.000,00 EUR.

2.4. The [Respondent] receive a Supplementary Transfer Fee, with a maximum of 300.000,00 EUR (excl. VAT) on the following condition:

If the [new club] realize the promotion to the Country D Pro League during the season(s) while the player is still under contract with the [new club], the [new club] has to pay an additional amount to the [Respondent] of 300.000,00 EUR (three hundred thousand euro) (hereinafter the "Supplementary Transfer Fee"). This supplementary Transfer Fee has to be paid by the [new club] at the 31st of July at latest after the [new club] realize the promotion to the Country D Pro League and after receiving an invoice from the [Respondent] by wire transfer to the bank account of the [Respondent]."

13. Clause 3 of the second transfer agreement reads as follows:

"The Transfer Fee is exclusive of FIFA Solidarity Contribution and exclusive of FIFA Training Compensation. As a result, the [new club] is responsible to pay the FIFA Solidarity Contribution and Training Compensation on top of the Transfer Fee. The [new club] is not entitled to withhold (on a pro rata basis) the FIFA Solidarity Contribution and the Training Compensation due from any payment due of the Transfer Fee to the [Respondent]."

14. On 28 November 2023, the Claimant put the Respondent in default and requested payment of the 20% of the net transfer fee paid by the new club to the Respondent, setting a deadline of 10 days in order to remedy the default.

II. Proceedings before FIFA

15. On 11 December 2023, the Claimant filed the claim at hand before FIFA. A brief summary of the position of the parties is detailed in continuation.

a. Position of the Claimant

16. The Claimant requested payment of the sell-on fee in accordance with the first transfer agreement and requested the following relief:

"1. To accept the claims of Club A.

2. To request the transfer agreement between Club B and Club D from TMS or clubs to calculate the remuneration born from the future transfer fee clause.

3. To condemn the Respondent to pay in favour of the Claimant the total unpaid and overdue remuneration (which shall be calculated in accordance with the transfer agreement) along with the interest rate of 5% p.a. starting from the date that Club D and Club B agreed to the transfer of the Player.

4. To establish that the costs of the present arbitration procedure shall be borne by the Respondent."

17. On 15 December 2023, the FIFA general secretariat (i) provided the information of the second transfer agreement in order to complete the claim and (ii) requested further clarification as to the transfer of the player, as it appears that the player was never transferred from the Claimant to the Respondent.

18. On 6 January 2024, the Claimant provided its amended request for relief:

"1. To accept the claims of Club A.

2. To condemn the Respondent to pay in favour of the Claimant the total unpaid and overdue remuneration of 180.000.-EUR along with the interest rate of 5% p.a. starting from the date of this legal case.

3. To establish that the costs of the present arbitration procedure shall be borne by the Respondent."

19. On the same date, the Claimant also provided further explanation as to the transfer of the player (quoted *verbatim*):

"We would like to kindly give brief explanation and clarify your Court about the Player's transfer to Club B.

The Player was registered to Club A in amateur status. As a football academy, Club A does not have any TMS account and access. For Club A's transfers, Football Federation of Country A helps the Club. Club A sent the Player to Club C only for a trial. Club A and Club B agreed with each other about the future percentage for the next transfer of the Player from Club B to any third club and signed an agreement on 06.06.2022.

The Player was successfully being transferred to Club B. Following of receipt of your Court's letter, Club A has realized that on the FIFA TMS system, the Player seems being transferred from Club C to Club B. However, Club A has never been informed by Club C about the Player's registration to their club. Club A realized this registration in this legal case, now. For the sake of clarity, Club B and Club C have strong organizational ties, and Club C has been acting like academy of the Club B. It can be understood from multiple player's transfers between two clubs and your court can also see players transfers between two clubs on the FIFA TMS system, such as Player B, Player C, etc.

Most Importantly, there is a clear agreement dated 06.06.2022 between Club A and Club B about the future percentage of %20 (twenty percent). In this agreement, there is not any pre-condition that the Player must be directly transferred from Club A to Club B, otherwise the agreement is invalid, etc. For this reason, this agreement is valid, and Club B is responsible toward Club A to pay % 20 (twenty percent) of the total transfer fee received from Club D.

Below-given future percentage clause is not dependent on any condition and valid between the parties.

In case Of a Future transfer of the Player's registration from Club B to a new club, Club B will pay 20 % / twenty percent/ % of the Net transfer fee to Club A.

Lastly, the Player might be witness and confirm all our explanation if necessary and it is requested to do."

b. Position of the Respondent

20. In its reply, the Respondent requested to reject the claim.
21. As to the facts, the Respondent indicated that in June 2022 the Respondent expressed interest in acquiring the player, therefore, on 6 June 2022, while still under the impression

that the player was registered with the Claimant, the Claimant and the Respondent concluded the first transfer agreement. However, the Respondent discovered that the Player was a free agent at that time and had already been, since March 2022, which was confirmed with the player's International Transfer Certificate (hereinafter: *ITC*). Consequently, the first transfer agreement proposed by the Claimant could not be, and was never enforced, since at the time (June 2022) the Claimant did not hold the player's rights.

22. The Respondent disputed any of its alleged obligation towards the Claimant arising from the first transfer agreement, considering that the Claimant did not hold the player's rights and could not be transferred to a third party. The first transfer agreement was never enforced since: (i) on 6 June 2022, the Claimant did not have any rights over the player as (ii) its terms were impossible to meet; (iii) it was without legal effects; and (iv) it was never consummated.
23. The Respondent considered that the player's status was a "free agent" in August 2022. Moreover, the Respondent referred to the letter of the FIFA general Secretariat on 15 December 2023 and was of the opinion that FIFA also confirmed that the player was not transferred by the Claimant to the Respondent.
24. In particular, the Respondent mentioned the following:

"More than two months after the non-binding agreement was signed, the Player had on 30 August 2022, concluded his first professional contract with the Respondent, and that while holding the status of free agent. Accordingly, the Player was never transferred from the Claimant to the Respondent, which is clear not just from TMS at the time but also from FIFA's correspondence of 15 December 2023, as made available in this case

[...]

Further, according to p. 21 of the Definitions of Regulation on the transfer and status of players "international transfer" is "the movement of the registration of a player from one association to another association". In the case at the hand, there was no movement of the registration of the Player as he was never registered with the Claimant. Neither in June 2022, nor in August 2022. The Claimant did not possess the rights in relation to the Player at the time of the conclusion of the Contract, and it is therefore not entitled to receive any fee/compensation".

25. The Respondent further mentioned that the Claimant did not submit any evidence whatsoever corroborating its position, and, therefore, it did not meet the required burden of proof in accordance with art. 13 of the Procedural Rules. On the other hand, the Respondent considered that it has discharged its burden of proof.

26. The Respondent concluded that:

"It is clear, from the undisputed facts, that:

i) the Player was already registered with the Third Party in Country C since March 2022, and associated with a completely different team than the Claimant, without any contractual obligations,

ii) the Claimant and the Respondent signed the non-binding Contract on 6 June 2022,

iii) the Player, as a free agent, was transferred from the Third Party's side and registered as Club B's player on 30 August 2022;

iv) on 13 July 2023, the Player made a transfer between the Respondent and Country D football club Club D with the agreed transfer fee of 900.000.-EUR.

Undisputed facts submitted in the case directly produce the only possible conclusion that the Claim should be established as unfounded.

On the other hand, it is also clear from the disputed facts that the Claimant did not prove his case. Namely, the Claimant did not prove that:

i) it held any Player's rights in June 2022 and/or in August 2022. Therefore, it could not have transferred the Player's rights to a third person at the time of the signing the Contract on 6 June 2022, and

ii) the Player made the transfer from the Claimant to the Respondent.

Disputed facts submitted in the case directly produce the only possible conclusion that the Claim should be established as unfounded."

27. The Respondent requested the following relief:

i) to reject the claim in its entirety, and

iii) to establish that the costs of the present proceedings shall be borne by the Claimant.

c. Rejoinder of the Claimant

28. In its rejoinder, the Claimant considered that the Respondent's intention was *"to mask their scheme by invoking this third party, attempting to legitimize what is, in fact, an unlawful act. The Claimant intends to demonstrate to the honourable Chamber the undeniable connection*

between these clubs and the orchestrated scheme aimed at circumventing the future percentage owed to the Claimant”.

29. As to the facts, the Claimant provided the additional facts:

- In August 2021, scouts from Club C embarked on a scouting trip to Country A, as evidenced by a post on Scout Agency A’s official Twitter account dated 2 August 2021. The scouts proposed a trial period in Country C for the player, which was accepted by both, the player and the Claimant.
- On 27 November 2021, Person A sent the flight ticket for the player via his legal representative, facilitating the commencement of the player's trial period.
- Person A served as technical director of Scout Agency A from August 2017 to June 2023 and held the position of executive director at Club C from October 2021 to June 2023. Upon purportedly leaving Club C, Person A assumed the role of deputy head of football operations with the Respondent in July 2023.
- On 29 November 2021, Person A requested a visa and passport information for two other players.
- On 19 May 2022, the player’s representative, Person B, inquired Person A via the application WhatsApp the following:

“Player’s representative: Send me the agreement between Club A and Club C regarding Player A.

Person A: Why to do it? You have money, Player A just signs contract with Club B as amateur and goes there.

Player’s representative: Why don’t you inform me?

Person A: About what? I don’t understand, not signed yet I mean, we payed. He can sign.

Player’s representative: That Player A has signed a contract with Club B.

Person A: he can sign [...] not signed yet

Player’s representative: Why don’t you explain me the plan for [...]”

- On 23 May 2022, Person A contacted the player’s representative, requesting the Claimant's full details to prepare the agreement with the future percentage.

- On 31 May 2022, Person A forwarded to the player's representative the template or draft text of an agreement (i.e., the first transfer agreement).
- On 3 June 2022: The player's representative requested Person A send the contract between the player and the Respondent.
- Then, between 13 June 2022 and 15 June 2022, the player's representative and Person A proceeded to negotiate the terms of the employment contract between the player and the Respondent.
- On 20 July 2022, the player's representative informed Person A that the player had completed the paperwork for the Country B's Embassy and requested an address to send the documents to the Respondent.
- On 26 September 2022, the player's representative requested the contracts between the Respondent and the player, as well as between the Respondent and the Claimant, and Person A complied with the request, sending the Representative the first transfer agreement on 29 September 2022.

Club C and the Respondent are connected:

30. According to the Claimant, there are intricate ties between the Respondent and Club C; those companies are interconnected and are potentially the same company. The Claimant provided the following evidence/support to this assertion:
- Organizational Ownership: Company A and Company B are owned by Person C (son of the oligarch Person D) and these entities have acquired multiple football clubs, including the Country E's Club E, the Country C's Club C, the Continent A's Club F, and Club G.
 - Key Individuals: Person A, who played a pivotal role in the transfer negotiations between the Claimant and the Respondent, served as the technical director of Scout Agency A and the executive director at Club C. He later assumed the role of deputy head of football operations with the Respondent. Additionally, individuals such as Person E, Person F, and Person G were found to have worked for both Club C and the Respondent in various capacities, further indicating a close relationship between the two clubs.
 - The local branch of Company A holds a significant 99% ownership stake in Club B.
 - Social media posts and text messages: The social media posts of key individuals, such as Person A and Person F, and the text messages exchanged between the parties provide additional evidence of the interconnectedness between Club B and Club C.

- Additionally, the Football Federation of Country A document contradicts the claims made by the Respondent and highlights the discrepancy in the player's registration status.

31. The Claimant concluded the following:

"Given the comprehensive evidence presented, from the shared ownership of Company A to the overlapping roles of key individuals such as Person A, Person F, Person G, and Person E, it becomes apparent that a strong connection exists between Club B and Club C. This connection extends beyond mere coincidence or happenstance, demonstrating a systematic intertwining of personnel and operations between the two clubs. The Claimant asserts that these findings underscore the need for a thorough investigation into the relationship between Club B and Club C, as well as any potential implications for the ongoing dispute."

Player document provided by the Football Federation of Country A

32. The Claimant indicated the following:

"1 The document provided by Country A's Football Federation, certifying the Player's eligibility to play football and registration with [the Claimant] [...], is indeed significant evidence. Of particular importance is the notation on the lower right part of the backside of the card, indicating that the Player's contract with [the Claimant] commenced on February 21, 2020, and was set to expire on November 30, 2022. This information contradicts the claims made by the Respondent and the records in TMS, which suggest that the Player was registered with Club C on March 14, 2022, while still under contract with [the Claimant].

2. This stark disparity between the official documentation provided by Country A's Football Federation and the records purported by the Respondent further strengthens the Claimant's argument. It underscores the discrepancy in the registration status of the Player and provides compelling evidence that [the Claimant] never transferred the Player to Club C, contrary to the assertions made by the Respondent. This inconsistency lends credence to the Claimant's assertion that a scheme was orchestrated by the two clubs to circumvent the rights and agreements pertaining to the Player's transfer."

Witness' statements

33. The Claimant provided witness statements from the player, the player's representative, and the president of the club which, according to it, support the facts surrounding the transfer and registration process.
34. Person B, the player's representative, asserted that the player was scouted by Club C and sent there for a trial period. However, he emphasized that Person A explicitly communicated that the player would sign with the Respondent, not Club C, with a future transfer percentage of 20% agreed upon. Person B refuted the assertion that he introduced Club C and the Respondent, highlighting the implausibility of the Respondent being unaware of the player's registration with Club C.
35. Person H, the president of the Claimant, clarified the Claimant did not have access to TMS and all is handled by the Football Federation of Country A. Moreover, he emphasized that the Claimant reached an agreement with the Respondent for a 20% future transfer fee. Finally, he requested a thorough examination of the organizational ties between the Respondent and Club C.
36. The player affirmed that he embarked on a trial period with Club C as arranged by the Claimant, but he was to the best of his knowledge subsequently transferred to the Respondent directly from the Claimant. The Player expressed his lack of awareness regarding his registration with Club C and attested to witnessing the agreement between the Claimant and the Respondent.

Request for Relief:

37. The Claimant requested the following relief:

"1. To confirm the validity and binding nature of the agreement entered into between the Claimant and the Respondent.

2. To accept the claims of Club A.

3. To condemn the Respondent to pay in favour of the Claimant the total unpaid and overdue remuneration of 180.000.-EUR corresponding to 20% future transfer percentage agreed between the parties along with the interest rate of 5% p.a. starting from the date of this legal case.

4. To establish that the costs of the present arbitration procedure shall be borne by the Respondent."

38. Finally, it is to be noted that the Claimant provided as evidence a newspaper article, LinkedIn profiles, text messages between Person A and the player's representative, FIFA TMS records, transfermarkt pages, document provided Football Federation of Country A and witness statement of the player, player's representative and the Claimant's president.

d. Final comments of the Respondent

39. In its final comments, as to the allegations concerning the ownership of the Respondent, Person A, Person C, Company A and Company B; the Respondent first mentioned that it is "normal and usual" that the management and technical staff change clubs and employers, however this does not corroborate the legal basis for the sell-on fee between two football clubs.

40. Furthermore, the Respondent added that:

"The only reason why the Claimant is asserting the connections of Person A with both football entities is to blur an apparent picture of the present case and to impose to the Panel that the Respondent acted in bad faith. In contrast, it was quite the opposite as it will be explained in the next paragraphs and corroborated by the evidence submitted to the file.

Regarding Company A and Company B it is sufficient to note that there was never any legal connection between Company A and/or Company B and Club C and/or Respondent and that this sort of allegation does not have anything to do with the case in hand. Moreover, the core of this case has nothing to do with any of these companies, but the core of the dispute is only a hypothetical and therefore non-existent right to a sell-on fee concerning two clubs.

Regarding Person C, the Respondent yet again does not understand the relevance of the Claimant's allegations in the context of the issue whether the Claimant has the right to claim the sell-on fee from the Respondent (following the transfer from Club A to Club B)."

41. Then the Respondent referred to the evidence submitted by the Claimant, which according to it was irrelevant or contradictory for the following reasons:

- It is undisputed that in March 2022, the player was registered with Club C and can be corroborated by TMS.
- If the Respondent and Club C were the same entity, then why would it sign a contract with the Claimant, if it would have the rights of the player.
- It is unbelievable that the Player and his representative did not know where he was living, Country C instead of Country B. The evidence presented by the player, showed

that the Agent obtained a visa for the player in Country C, therefore, there is no doubt that the player was moving from Country C.

- *“Contrary to the Claimant's allegations of bad faith, the Respondent acted with transparency and integrity. The only reason why the Respondent signed the Sell-on Fee Agreement, although unnecessary at the time (since at the time the Player was coming from the third party Club C and not from the Claimant) was because at the time the Respondent was trying to find a solution how to transfer certain amount of money to financially support the development of football in Continent A (to Country A) in return for the Player. Upon realizing that the Sell-on Fee Agreement does not legally stand and does not correspond to the true will of the Parties (because at the time the Player was transferred from Club C, and not from Club A, to Respondent), the management of the Respondent warned everyone involved that the Parties could not execute this agreement and that another solution needs to be found [...]The Parties found a solution in a Donation Agreement. The Donation Agreement was supposed to serve as a “paperwork base” for the transfer of money concerning the support of Continent A football.”*
42. The Respondent referred that it was mutually agreed between the player’s representative, Person B and Person A that a donation agreement would be signed between the Respondent and Club H, which was then concluded on 7 August 2023, with a donation of EUR 100,000.
 43. In conclusion, the Respondent concluded that *“considering that the burden of proof rests with the Claimant, and further having in mind that the Claimant has failed to produce any evidence whatsoever corroborating his position that the Player was transferred from the Claimant to the Respondent, the Respondent respectfully requests the Honourable FIFA to reject the Claim in its entirety”*.
 44. The Respondent provided the witness statement of Person A, a donation agreement dated 7 August 2023 and a payment confirmation.

e. Information provided by the Football Federation of Country A

45. On 12 December 2023, the FIFA secretariat general requested the Football Federation of Country A provide the player’s registration in TMS and to provide information reflecting his registration history with the association.
46. On 23 January 2024, the Football Federation of Country A provided with the following information:

« Nous avons bien reçu votre courriel du 12 décembre dernier dont référence citée en objet,

Nous vous faisons savoir que nous avons répondu à celui-ci par le biais de la chambre de compensation dans la procédure de création de l'EPP du joueur.

Veillez trouver à nouveau les informations :

- Le joueur a été transféré sous le nom du club : Club A TMS n° xxxxx TMS ID xxxxxx

Le joueur a été également transféré sous le nom du club : Club A TMS n° xxxxxx TMS ID / xxxxx

Nous vous informons que ces deux entités en fait ne sont qu'une seule.

Le nom du club contenu dans notre système d'enregistrement est bien : Club A – FIFA-ID xxxxxx »

Freely translated to English:

« We have received your e-mail of 12 December, the subject of which is given in the subject line,

We would like to inform you that we have responded to your email via the clearing house as part of the procedure for creating the player's EPP.

Please find below the information:

- The player has been transferred under the club name: Club A TMS n° xxxxx TMS ID xxxxxx

The player has also been transferred under the club name: Club A TMS n° xxxxxx TMS ID / xxxxx

Please note that these two entities are in fact one and the same.

The club name contained in our registration system is: Club A - FIFA-ID xxxxxx"

III. Considerations of the Players' Status Chamber

a. Competence and applicable legal framework

47. First of all, the Single Judge of the Players' Status Chamber (hereinafter also referred to as *Single Judge*) analysed whether he was competent to deal with the case at hand. In this respect, he took note that the present matter was presented to FIFA on 11 December 2023 and submitted for decision on 28 June 2024. Taking into account the wording of art. 34 of the March 2023 edition of the Procedural Rules Governing the Football Tribunal (hereinafter: *the Procedural Rules*), the aforementioned edition of the Procedural Rules is applicable to the matter at hand.
48. Subsequently, the Single Judge referred to art. 2 par. 1 and art. 24 par. 2 of the Procedural Rules and observed that in accordance with art. 23 par. 2 in combination with art. 22 par. 1 lit. g) of the Regulations on the Status and Transfer of Players (June 2024 edition), he is competent to deal with the matter at stake, which concerns a contractual dispute between clubs belonging to different associations, a club from Country A and a club from Country B.
49. Subsequently, the Single Judge analysed which regulations should be applicable as to the substance of the matter. In this respect, he confirmed that, in accordance with art. 26 par. 1 and 2 of the Regulations on the Status and Transfer of Players (June 2024), and considering that the present claim was lodged on 11 December 2023, the May 2023 edition of said regulations (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.

b. Burden of proof

50. The Single Judge recalled the basic principle of burden of proof, as stipulated in art. 13 par. 5 of the Procedural Rules, according to which a party claiming a right on the basis of an alleged fact shall carry the respective burden of proof. Likewise, the Single Judge stressed the wording of art. 13 par. 4 of the Procedural Rules, pursuant to which he may consider evidence not filed by the parties, including without limitation the evidence generated by or within the TMS.

c. Merits of the dispute

51. The competence and the applicable regulations having been established, the Single Judge entered into the merits of the dispute. In this respect, the Single Judge started by acknowledging all the above-mentioned facts as well as the arguments and the documentation on file. However, the Single Judge emphasised that in the following

considerations it will refer only to the facts, arguments and documentary evidence, which he considered pertinent for the assessment of the matter at hand.

i. Main legal discussion and considerations

52. The foregoing having been established, the Single Judge moved to the substance of the matter and took note of the fact that the parties strongly dispute the payment of certain financial obligations by the Respondent as per the first transfer agreement, namely EUR 180,000.
53. Equally, the Single Judge noted that the Claimant requested such payment as the parties concluded a valid transfer agreement and the condition established in clause 2.1 of the first transfer agreement was triggered. As to the validity of the first transfer agreement, it clarified that (i) it was not aware of the player's transfer to Club C nor did it accept such transfer and (ii) the Respondent and Club C are the same company or have close ties or connections.
54. On the other hand, the Respondent contested the validity of the aforementioned agreement since, at the moment of the signature of the first agreement, the Respondent did not hold the player's rights, as he was registered with a third club, Club C.
55. In this context, the Single Judge acknowledged that his task was to determine whether the first transfer agreement was valid and binding for the parties and the possible consequences.
56. The Single Judge moved on to analyse whether the first transfer agreement was valid and binding for the parties and retrieved the following information:
 - As per TMS, the player was transferred from Club C to the Respondent and not from the Claimant to the Respondent.
 - The first transfer agreement was signed after the player was transferred from the Claimant to Club C.
57. Notwithstanding the above, the Single Judge concluded that there were sufficient elements to establish that the parties had a valid agreement, in view of the below considerations:
 - The content of the first transfer agreement did not refer to the need for the International Transfer Certificate (ITC) to be delivered. Rather, it established that the player had to simply be transferred to the Respondent, which in fact occurred. The Single Judge pointed out that neither the first transfer agreement's validity nor the payment obligation in case of future transfer foreseen therein was *per se* conditioned upon such formality.

- The negotiations between the Claimant's representative and the Respondent's representative – negotiations that are not contested by the Respondent - are clear and crucial:
 - It is acknowledged that the negotiations via the WhatsApp application were conducted between Person A and Person B and that these individuals appeared to have acted on behalf of various entities at the same time. Person A for the Club C and the Respondent, Person B for the Claimant and the Player. However, according to the documents on file, neither the Claimant nor the Respondent denied the fact that in the course of the negotiations of the transfer agreement, Person A acted on behalf of the Respondent and Person B acted on behalf of the Claimant. In fact, both parties' submissions even confirm such finding.
 - The Respondent's representative, Person A also worked for Club C (as per the information provided by the Claimant from publicly available sources). He was therefore clearly aware that the player's ITC was not with the Claimant any longer.
 - The Respondent's representative was the one who proposed to the player's representative to sign an agreement for them to benefit from a future percentage of the player's transfer, i.e., on 23 May 2022, and he proposed it and requested information from the Claimant to prepare an agreement. Moreover, the Single Judge noted that at the time of such proposal the player was already registered with Club C.
 - On 31 May 2022, the Respondent sent the draft agreement that it had prepared to the player's representative.
 - On 18 June 2022, the player's representative sent a signed version of the agreement which appears to be the first transfer agreement. Both parties sent a "handshake" emoji, which suggested that they both agreed that the deal was done.
 - On 29 September 2022, the Respondent sent back the agreement, i.e., the first agreement, with the Respondent's signature.
- During this timeline, the Respondent's representative worked for both entities (i.e., Club C and the Respondent). It is therefore, in the Single Judge's opinion, illogical to argue that the Respondent was not aware that the player's ITC was with Club C. In the Single Judge's view, this showed bad faith from the Respondent, whereas the Claimant believed in good faith that the first transfer agreement was valid and enforceable.
- The Respondent's attitude in fact constituted a breach of the principle of *estoppel* or *venire contra factum proprium*, as its conduct before the Claimant could reasonably have

created the legitimate expectation that the parties were entering into a valid and binding agreement.

- Therefore, the Claimant could in good faith expect that the first transfer agreement was valid.
 - In addition, as the drafter of the first transfer agreement, the Single Judge held that the Respondent bore the responsibility of its content.
 - The Respondent never denied that it indeed signed the transfer agreement and provided an unsupported explanation that they changed their mind and decided to make a donation. However, the Single Judge highlighted that the donation agreement provided by the Respondent was with another academy that does not seem to be linked to the Claimant, thus rendering the foregoing explanation unsatisfactory and thus irrelevant for the assessment of the present case.
 - Finally, the Single Judge recalled the letter from the FIFA general secretariat dated 15 December 2023 to which the Respondent refers, where it was mentioned that *“In accordance with TMS, the following transfers were registered for the player [...] In view of the foregoing, it appears that the player was never transferred from Club A to Club B. Therefore, we kindly ask you to provide us with further explanations as to the above”*. In this respect, the Single Judge noted that the letter was issued during the completion of the Claimant's claim and in order to retrieve additional information as to this transfer, and was not intended to make any kind of final determination.
58. In view of the foregoing and considering that (i) the first transfer agreement is valid and binding to the parties; (ii) the player was transferred to the new club with a transfer fee of EUR 900,000 as per the second transfer agreement and; (iii) the conditions of clause 2.1 of the first transfer agreement were triggered. The Claimant is entitled to EUR 180,000 (20% of EUR 900,000).
59. As a consequence, and in accordance with the general legal principle of *pacta sunt servanda*, the Single Judge decided that the Respondent is liable to pay to the Claimant EUR 180,000.
60. Lastly, taking into consideration the Claimant's request as well as the constant practice of the Players' Status Chamber in this regard, the Single Judge decided to award the Claimant interest on said amount at the rate of 5% p.a. as of 11 December 2023 until the date of effective payment.

ii. Compliance with monetary decisions

61. Finally, taking into account the applicable Regulations, the Single Judge referred to art. 24 par. 1 and 2 of the Regulations, which stipulate that, with its decision, the pertinent FIFA deciding body shall also rule on the consequences deriving from the failure of the

concerned party to pay the relevant amounts of outstanding remuneration and/or compensation in due time.

62. In this regard, the Single Judge highlighted that, against clubs, the consequence of the failure to pay the relevant amounts in due time shall consist of a ban from registering any new players, either nationally or internationally, up until the due amounts are paid. The overall maximum duration of the registration ban shall be of up to three entire and consecutive registration periods.
63. Therefore, bearing in mind the above, the Single Judge decided that the Respondent must pay the full amount due (including all applicable interest) to the Claimant within 45 days of notification of the decision, failing which, at the request of the Claimant, a ban from registering any new players, either nationally or internationally, for the maximum duration of three entire and consecutive registration periods shall become immediately effective on the Respondent in accordance with art. 24 par. 2, 4, and 7 of the Regulations.
64. The Respondent shall make full payment (including all applicable interest) to the bank account provided by the Claimant in the Bank Account Registration Form, which is attached to the present decision.
65. The Single Judge recalled that the above-mentioned ban will be lifted immediately and prior to its complete serving upon payment of the due amounts, in accordance with art. 24 par. 8 of the Regulations.

d. Costs

66. The Single Judge referred to art. 25 par. 1 and 2 of the Procedural Rules, according to which in disputes between clubs, costs in the maximum amount of USD 25,000 are levied. As per art. 25 par. 5 of the Procedural Rules, the Single Judge will decide the amount that each party is due to pay, in consideration of the parties' degree of success and their conduct during the procedure, as well as any advance of costs paid.
67. Taking into account that the claim of the Claimant has been fully accepted, the Single Judge concluded that the Respondent shall bear the costs of the current proceedings before FIFA. According to Annexe 1 of the Procedural Rules, the costs of the proceedings are to be levied on the basis of the amount in dispute. Consequently, the Single Judge concluded that the maximum amount of costs of the proceedings corresponds to USD 20,000.
68. In light of the above, the Single Judge determined the costs of the current proceedings to the amount of CHF 20,000 and concluded that said amount has to be paid by the Respondent in order to cover the costs of the present proceedings.

IV. Decision of the Players' Status Chamber

1. The claim of the Claimant, Club A, is accepted.

2. The Respondent, Club B, must pay to the Claimant **EUR 180,000 as outstanding remuneration** plus 5% interest p.a. as from 11 December 2023 until the date of effective payment.
3. Full payment (including all applicable interest) shall be made to the bank account indicated in the **enclosed** Bank Account Registration Form.
4. Pursuant to art. 24 of the Regulations on the Status and Transfer of Players, if full payment (including all applicable interest) is not made **within 45 days** of notification of this decision, the following **consequences** shall apply:
 1. The Respondent shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid. The maximum duration of the ban shall be of up to three entire and consecutive registration periods.
 2. The present matter shall be submitted, upon request, to the FIFA Disciplinary Committee in the event that full payment (including all applicable interest) is still not made by the end of the three entire and consecutive registration periods.
5. The consequences **shall only be enforced at the request of the Claimant** in accordance with art. 24 par. 7 and 8 and art. 25 of the Regulations on the Status and Transfer of Players.
6. The final costs of the proceedings in the amount of USD 20,000 are to be paid by the Respondent to FIFA. FIFA will reimburse to the Claimant the advance of costs paid at the start of the present proceedings (cf. note relating to the payment of the procedural costs below).

For the Football Tribunal:



Emilio García Silvero

Chief Legal & Compliance Officer

NOTE RELATED TO THE APPEAL PROCEDURE:

According to article 57 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS) within 21 days of receipt of the notification of this decision.

NOTE RELATED TO THE PUBLICATION:

FIFA may publish this decision. For reasons of confidentiality, FIFA may decide, at the request of a party within five days of the notification of the motivated decision, to publish an anonymised or a redacted version (cf. article 17 of the Procedural Rules Governing the Football Tribunal).

CONTACT INFORMATION

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