

# Decision of the Dispute Resolution Chamber

passed in Zurich, Switzerland, on 24 November 2011,

in the following composition:

**Geoff Thompson** (England), Chairman

**Carlos Soto** (Chile), member

**Takuya Yamazaki** (Japan), member

**Theodoros Giannikos** (Greece), member

**Guillermo Saltos Guale** (Ecuador), member

on the claim presented by the club

**X,**

*as Claimant*

against the club

**FC S,**

*as Respondent*

regarding the solidarity contribution related to the  
transfer of the player A

## **I. Facts of the case**

1. The *Football Federation I* (FFI) confirmed that the player A (hereinafter: *the player*), born 11 November 1983, was registered with its affiliated club, X (hereinafter: *the Claimant*) as from 4 November 1997 until 7 February 2002 as an amateur.
2. Furthermore, the Football Federation I provided FIFA with a confirmation dated 2 March 2009 stating that the Claimant is an affiliated club of the Football Federation I.
3. The sporting season in country I runs from 1 December until 30 November of the following year.
4. The player was registered with the club, FC S (hereinafter: *the Respondent*), on 31 August 2007.
5. On 4 October 2007, the Claimant contacted FIFA claiming its proportion of the solidarity contribution in connection with the transfer of the player from the club, Z, to the Respondent.
6. In particular, the Claimant requested 35% of the 5% solidarity contribution of the total transfer compensation of EUR 12,000,000, *i.e.* EUR 210,000.
7. In its position, the Respondent rejected the claim arguing that it could be time-barred. Furthermore, it questioned that the Claimant fulfilled the requirements for the recognition by FIFA during the period when the player was registered with the Claimant. Nevertheless, the Respondent confirmed that the transfer compensation amounted to EUR 12,000,000.
8. Moreover, the Respondent stated that according to the documents received, the player was apparently registered with the Claimant as from 9 September 1999 until 8 February 2002. Taking into account the scope of the FIFA Regulations on the Status and Transfer of Players, the Respondent concluded that the Claimant should be entitled to receive solidarity contribution for the seasons 1999/00 and 2000/01 only, *i.e.* EUR 120,000 corresponding to 1%.
9. Finally, the Respondent agreed to pay the amount of EUR 120,000 to the Claimant as soon as the latter's right to the application of solidarity mechanism was sufficiently accredited.
10. Due to different player passports issued by the Football Federation I, the FIFA Administration asked the Football Federation I to clarify the exact registration dates of the player with the Claimant.
11. In its response, the Football Federation I informed about the registration dates of the player (*cf.* point 1 above). In particular, the Football Federation I confirmed also the registration of the player with the Claimant between 4 November 1997 and 8 September 1999.

12. However, the Respondent had still doubts with regard to the player's football career. In this respect, it underlined that the confirmation issued by the Football Federation I on 30 August 2004 clearly indicated that the player was registered with the Claimant as of 9 September 1999 until 8 February 2002. Therefore, the Respondent reiterated that the Claimant should receive solidarity contribution for the seasons 1999/2000 and 2000/01, *i.e.* the amount of EUR 120,000.
13. Moreover, the Respondent stated that if FIFA approved that the Claimant fulfills the requirements of an educational center and consequently, is allowed to receive solidarity contribution, the Respondent would permit the payment of EUR 120,000.
14. In its reply, the Claimant maintained its position but amended the amount claimed to EUR 223,316 plus 5% interest per year as from the 31<sup>st</sup> day after the player's registration with the Respondent, *i.e.* as from 30 September 2007. In case the considered registration period of the player would be between 9 September 1999 and 7 February 2002, the Claimant requested the amount of EUR 144,659 plus interest.
15. In its rejoinder, the Respondent reiterated its previous comments.

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## 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 matter at stake. In this respect, it referred to art. 18 of the Rules Governing Procedures of the Players' Status Committee and the Dispute Resolution Chamber (edition 2005) in conjunction with art. 21 par. 2 and 3 of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber (edition 2008). The present matter was submitted to FIFA on 4 October 2007, as a consequence, the Chamber concluded that the 2005 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 hand.
2. With regard to the competence of the Chamber, art. 3 par. 1 of the Procedural Rules states that the Dispute Resolution Chamber shall examine its jurisdiction in the light of articles 22 to 24 of the Regulations on the Status and Transfer of Players (edition 2010). In accordance with art. 1 par. 1 of the aforementioned Regulations, which describes the scope and the field of application of the relevant Regulations, in connection with article 24 par. 1 and 22 d) of said Regulations, the Dispute Resolution Chamber shall adjudicate on disputes relating to the solidarity mechanism between club belonging to different associations in connection with the international transfer of a professional player.
3. In this context, the DRC referred to the confirmation of the Football Federation I according to which the Claimant is an affiliated club of the latter federation.
4. As a consequence, the Chamber is the competent body to decide on the present litigation concerning the distribution of the solidarity contribution in connection with the international transfer of the professional player.
5. Furthermore, and taking into consideration that the player was registered for his new club on 31 August 2007, the DRC analysed which edition of the Regulations on the Status and Transfer of Players 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 (editions 2010, 2009 and 2008) and considering that the present claim was lodged in front of FIFA on 4 October 2007, the 2005 edition of the Regulations on the Status and Transfer of Players (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.
6. In continuation, the Chamber duly noted that the Respondent was of the opinion that the present claim should be viewed as time-barred, since the player was registered in August 2007 with the Respondent, whereas the claim was received by the Respondent on 10 May 2010.

7. In view of the above, the Chamber deemed fundamental to underline that in order to determine whether it could hear the present case, it should, first and foremost, establish which is "*the event giving rise to the dispute*", i.e. which is the starting point of the time period of two years set out under art. 25 par. 5 of the Regulations. In this respect, the Chamber referred to art. 2 par. 1 of Annex 5 of the Regulations, which stipulates that "*the New Club shall pay the solidarity contribution to the training club(s) [...] no later than 30 days after the player's registration or, in case of contingent payments, 30 days after the date of such payments*".
8. Reverting to the facts of the present case, the Chamber emphasized that the player was registered for the Respondent on 31 August 2007.
9. On account of the foregoing, and bearing in mind, in particular, that the documents at hand do not contain any indication that the transfer compensation was paid in contingent payments, the Chamber unanimously decided that the event giving rise to the dispute, regarding the payment of solidarity contribution occurred 30 days after the player's registration with the Respondent.
10. Therefore, the members of the Chamber came to the firm conclusion that, *in casu*, and, in accordance with art. 2 par. 1 of Annex 5 of the Regulations, the payment of contribution fell due on 30 September 2007, i.e. 30 days after the registration of the player within the *Football Association R* (FAR), and that this latter date was the starting point of the time period of two years set out under art. 25 par. 5 of the Regulations. Equally, the Chamber held that the time period of two years had elapsed, *in casu*, on 30 September 2009.
11. As a consequence, the Chamber concluded that less than two years had elapsed between the event giving rise to the dispute, i.e. the due date of payment of the solidarity contribution, which was on 30 September 2007, and the submission of the present claim to FIFA by the Claimant on 4 October 2007, and therefore, that the claim of the Claimant for solidarity contribution can be heard by the Dispute Resolution Chamber.
12. In continuation, and entering into the substance of the matter, the members of the Chamber started by acknowledging that the Claimant is requesting the payment of EUR 223,316 plus 5% interest per year as from the 31<sup>st</sup> day after the player's registration with the Respondent based on a transfer amount of EUR 12,000,000 paid by the Respondent to the club, Z, in connection with the international transfer of the player.
13. Equally, the DRC took note that according to the Football Association R and the Respondent's position, the player was transferred to FC S on 31 August 2007 for the amount of EUR 12,000,000.

14. In continuation, the members of the Chamber emphasised that, as established in art. 21 in connection with Annex 5 of the Regulations, if a professional moves during the course of a contract, 5% of any compensation, not including training compensation paid to his former club, shall be deducted from the total amount of this compensation and to be distributed by the new club as solidarity contribution to the club(s) involved in the training and education of the player in proportion to the number of years (calculated *pro rata* if less than one year) the player has been registered with the relevant clubs between the sporting seasons of his 12<sup>th</sup> and 23<sup>rd</sup> birthday.
15. In this respect, the Chamber turned its attention to the several different player passports issued by the Football Federation I, as well as to the Respondent's statement, according to which the Claimant should be entitled to receive solidarity contribution only for the period between 9 September 1999 and 8 February 2002.
16. In this regard, the DRC took into consideration that, upon request of the FIFA Administration, the Football Federation I had clarified the player's registration dates within country I, confirming that the player, born on 11 November 1983, was registered with the Claimant from 4 November 1997 until 7 February 2002. Consequently, the members of the Chamber observed that the Football Federation I had explicitly confirmed the registration between 4 November 1997 and 9 September 1999.
17. Furthermore, the Chamber recalled that the season in country I lasts from 1 December until 30 November of the following year.
18. In continuation, the Dispute Resolution Chamber took note that the Respondent assumed a registration period of the player between 9 September 1999 and 8 February 2002 and that it argued that the Claimant should receive solidarity contribution only for the seasons 1999/2000 and 2000/01, *i.e.* the seasons which the player had completely spent with the Claimant.
19. Consequently, the Chamber concluded that the calculation of the solidarity contribution in the case at hand is to be made on a *pro rata* basis (cf. art. 1 of Annex 5 of the Regulations) regarding the seasons of the player's 14<sup>th</sup> and 19<sup>th</sup> birthday. Therefore, the Chamber concluded that the Claimant is entitled to receive EUR 222,420 as solidarity contribution from the transfer compensation paid for the transfer of the player.
20. In light of the above and considering that the Claimant requests 5% interest per year as from the 31<sup>st</sup> day after the player's registration with the Respondent, the Chamber referred to art. 2 par. 1 of Annex 5 of the Regulations, which stipulates that solidarity contribution shall be paid no later than 30 days after the player's registration with the new club.

21. Moreover, the Chamber took also into consideration that the Football Federation I had issued several different player passports and as a consequence, the members deemed it appropriate to grant interest only as from 1 August 2010, *i.e.* 30 days after the transmission of the Football Federations I's latest confirmation to the Respondent.
22. In view of all the above, the DRC decided that the Respondent has to pay to the Claimant the amount of EUR 222,420 as solidarity contribution plus default interest of 5% *p.a.* as from 1 August 2010 until the effective date of payment.

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### III. Decision of the Dispute Resolution Chamber

1. The claim of the Claimant, Club X, is partially accepted.
2. The Respondent, FC S, has to pay to the Claimant, Club X, **within 30 days** as from the date of notification of this decision, the amount of EUR 222,420 as well as 5% interest *per annum* on said amount as from 1 August 2010 until the date of effective payment.
3. If the aforementioned sum is not paid within the above-mentioned deadline, the present matter shall be submitted, upon request, to FIFA's Disciplinary Committee for its consideration and a formal decision.
4. The Claimant, Club X, is directed to inform the Respondent, FC S, immediately and directly of the account number to which the remittance is to be made and to notify the Dispute Resolution Chamber of every payment received.
5. Any further requests lodged by the Claimant, Club X, are rejected.

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

According to art. 63 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  
Fax: +41 21 613 50 01  
e-mail: [info@tas-cas.org](mailto:info@tas-cas.org)  
[www.tas-cas.org](http://www.tas-cas.org)

For the Dispute Resolution Chamber

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Jérôme Valcke  
Secretary General

Encl.: CAS directives