Decision of the
Dispute Resolution Chamber

passed in Zurich, Switzerland, on 10 August 2007,

in the following composition:

Slim Aloulou (Tunisia), Chairman
Michele Colucci (Italy), member
Mick McGuire (England), member
Mario Gallavotti (Italy), member
Mohamed Mecherara (Algeria), member

on the claim presented by the player

A, X,

as *Claimant*

against the club

B, Y,

as *Respondent*

regarding outstanding remuneration on the basis of an employment contract.

I. Facts of the case

1. On 30 January 2006, the player A from the country X, the Claimant, and the club from the country Y, the Respondent, signed an employment contract valid until 30 June 2007. On the same date, the parties signed a further document "annex".

2. According to clause 4 i. of the employment contract and the aforementioned annex, the Claimant was entitled to receive for the months February to May 2006 four monthly salaries of USD 2,000 each, with sixty days grace period.

3. According to clause 4 ii. of the employment contract, the Claimant was entitled to receive for the season 2006/07 ten monthly instalments of USD 2,500 each between the months August 2006 to May 2007, with sixty days grace period, whereas according to the annex the Claimant is entitled to receive for the said season ten monthly instalments of USD 2,000 only.

4. Clause 3 of the above-mentioned employment contract establishes that the "*employer has the absolute (one side) right to discontinue this agreement for the second year (2006-7) provided that the notice is given at least 30 days from the ending of the transfer football period 2006-7.*"

5. On 27 July 2006, the Claimant demands from the Respondent the amount of USD 7,000 for outstanding salaries and USD 25,000 as compensation for the latter's alleged breach of contract.

6. According to the Claimant, the Respondent did not pay him the amount of USD 7,000 by May 2006, which was confirmed by a letter from the Respondent in May 2006. In this respect, the Claimant presented a copy of the aforementioned letter, which does not indicate a date. By means of the said letter, the Respondent admitted owing the Claimant the amount of 3,350, which corresponds approximately to amount of USD 7,680, for the services of the Claimant until June 2006 and terminated the relevant employment contract on the date of the letter.

7. The Claimant explained that the Respondent did not execute its right to unilaterally decide on the non-renewal of the employment contract in accordance with clause 3 of the said contract and therefore breached the relevant contract. Consequently, the Claimant is claiming from the Respondent the above-mentioned amounts of total USD 32,000.

8. The Respondent affirmed having terminated the employment contract in accordance with clause 3 of the said contract by means of the above-mentioned letter. Furthermore, the Respondent explained that the Claimant, on 17 May 2006,

had signed a receipt of payment according to which he received the amount of 1,000 in cash for the full settlement of the contract. Finally, the Respondent presented a confirmation of the Y football association stating that the international transfer certificate (ITC) was sent for the player in favour of the X football association on 25 July 2006.

9. The Claimant replied that he did not sign the receipt of payment put forward by the Respondent. Furthermore, he insisted that the Respondent did not fulfil the requirements of the above-mentioned unilateral non-renewal clause. Consequently, the Claimant adhered to his claim.

10. The Respondent did not present any further statements, although it was invited to do so.

II. Considerations of the Dispute Resolution Chamber

1. First of all, the Dispute Resolution Chamber analysed whether it was competent to deal with the matter at stake. In this respect, it referred to art. 18 par. 2 and 3 of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber. The present matter was submitted to FIFA on 27 July 2006, as a consequence the Chamber concluded that the revised Rules Governing Procedures (edition 2005) on matters pending before the decision making bodies of FIFA are applicable to the matter at hand.

2. With regard to the competence of the Chamber, art. 3 par. 1 of the above-mentioned Rules states that the Dispute Resolution Chamber shall examine its jurisdiction in the light of articles 22 to 24 of the current version of the Regulations for the Status and Transfer of Players (edition 2005). In accordance with art. 24 par. 1 in combination with art. 22 (b) of the aforementioned Regulations, the Dispute Resolution Chamber shall adjudicate on employment-related disputes between a player and a club that have an international dimension.

3. As a consequence, the Dispute Resolution Chamber is the competent body to decide on the present litigation involving an X player and a Y club regarding a dispute in connection with an employment contract.

4. Subsequently, the members of the Chamber analyzed which edition of the Regulations for the Status and Transfer of Players should be applicable as to the substance of the matter. In this respect, the Chamber referred, on the one hand, to art. 26 par. 1 and 2 of the Regulations for the Status and Transfer of Players (edition

2005) and, on the other hand, to the fact that the relevant contract at the basis of the present dispute was signed on 30 January 2006 and the claim was lodged at FIFA on 27 July 2006. In view of the aforementioned, the Chamber concluded that the current FIFA Regulations for the Status and Transfer of Players (edition 2005, hereafter: the Regulations) are applicable to the case at hand as to the substance.

5. In continuation, the members of the Chamber acknowledged the above-mentioned facts as well as all the further documentation contained in the file.

6. To that regard, the members acknowledged that the parties signed an employment contract on 30 January 2006 valid until 30 June 2007, with an option in favour of the club to unilaterally terminate the contract in case that notice is given at least 30 days prior to the ending of the transfer football period 2006/07 (cf. clause 3 of the relevant employment contract).

7. Furthermore, the Chamber noticed that the Claimant requests USD 7,000 as outstanding salaries until June 2006. To that regard, the Chamber took note that the Respondent did not contest the claimed amount of outstanding salaries, but presented a document according to which the Claimant allegedly received the amount of 1,000 in cash for the full settlement of the contract.

8. Analysing the aforementioned alleged payment receipt, the Chamber deemed that, first of all, the signature of the Claimant on the said document looks different from the one on the employment contract. Secondly, the Chamber took note that after the Claimant having contested the validity of this document, the Respondent did not provide FIFA with any further comment thereto, although having been invited to do so.

9. On account of the above, the Chamber concluded that the Respondent, at least tacitly, accepted the outstanding amount of salaries amounting to USD 7,000. As a result, the Chamber awarded the Claimant's claim regarding outstanding salaries.

10. In continuation, the members of the Chamber took due note that, on the one hand, the Claimant asserts that the Respondent did not execute the aforementioned option right and therefore breached the employment contract. On the other hand, the Chamber acknowledged that the Respondent is convinced that it terminated the employment contract in accordance with clause 3 of the said contract.

11. In consideration of these positions, the members proceeded to verify whether the relevant clause in the employment contract, which awards the club the possibility to unilaterally terminate the employment contract, is valid or not.

12. In this respect, the Chamber recalled that, in accordance with its established jurisprudence, a clause which gives one party the right to unilaterally cancel or lengthen the contract, without providing the counter-party with the same rights, is a clause with unacceptable contents and thus not legally binding.

13. Therefore, the Chamber concluded that the unilateral option in favour of the club in the employment contract at the basis of the present litigation cannot be considered as being legally binding on the Claimant and decided that the Respondent unilaterally terminated the employment contract in June 2006 without just cause.

14. Notwithstanding the above, and for the sake of completeness, the Chamber emphasized that even if it would have admitted the present option clause, the said clause would not have been legally binding on the Claimant, since the Respondent, carrying the burden of proof, was not able to provide FIFA with the sufficient evidences, i.e. the necessary discharge of having duly executed the said clause (cf. art. 12 par. 3 of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber).

15. In continuation, the Chamber turned its attention to the consequences of the unjustified breach of contract committed by the Respondent in accordance with art. 17 of the Regulations. In this context, and taking into consideration the objective criteria listed in art. 17 par. 1 of the Regulations, in particular, the remuneration due to the Claimant under the existing contract and the fact that the Claimant's ITC was sent by the Y football association in favour of the X football association, thus the Claimant apparently signed a new employment contract as of July 2006, the Chamber decided that the compensation of USD 13,000 is adequate in the present case.

16. In view of all of the above, the members of the Dispute Resolution Chamber resumed that the Respondent must pay outstanding remuneration to the Claimant in the amount of USD 7,000 and compensation of USD 13,000 due to the breach of contract without just cause.

III. Decision of the Dispute Resolution Chamber

1. The claim submitted by the Claimant is partially accepted.

2. The Respondent has to pay the amount of USD 20,000 to the Claimant, **within 30 days** as from the date of notification of this decision.

3. If the aforementioned amount is not paid within the stated deadline, an interest rate of 5% per year will apply, as from expiry of the stated deadline and the matter will be submitted to FIFA's Disciplinary Committee, so that the necessary disciplinary sanctions can be imposed.

4. Any further claims of are rejected.

5. The Claimant is directed to inform the Respondent directly and immediately of the account number to which the remittance is to be made, and to notify the Dispute Resolution Chamber about any receipt of the payment.

6. According to art. 61 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
   www.tas-cas.org

For the Dispute Resolution Chamber:

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Jérôme Valcke
General Secretary

Enclosed: CAS directives