

Decision of the Dispute Resolution Chamber

passed in Zurich, Switzerland, on 10 December 2009,

in the following composition:

Slim Aloulou (Tunisia), Chairman

Theo van Seggelen (The Netherlands), member

Jon Newman (USA), member

Philippe Diallo (France), member

Theodoros Giannikos (Greece), member

on the claim presented by the club

C,

as Claimant

against the player

M,

as Respondent 1

and the club

S,

as Respondent 2

regarding a contractual dispute
between the parties

I. Facts of the case

1. On 5 July 1999, the club, C (hereinafter: *the Claimant*) acquired from J (hereinafter: *J*) "50% of the rights" of the player, M (hereinafter: *the Respondent 1*), for a fee amounting to 500,000,000 allegedly equalling to EUR 1,291,142.25.
2. On the same day, the Respondent 1, born on 26 March 1977, and the Claimant signed an employment contract valid as from 1 July 1999 until 30 June 2004.
3. On 30 May 2000, the Claimant paid to J an additional fee of 8,000,000,000 allegedly equalling to EUR 4,131,655 in order to acquire the second half of "the rights" of the Respondent 1.
4. On 10 November 2000, the Respondent 1 and the Claimant signed a second employment contract valid as from 1 July 2000 until 30 June 2005.
5. On 18 October 2003, the Respondent 1 and the Claimant signed a third employment contract valid as from 1 July 2003 until 30 June 2008 providing for a yearly gross salary of EUR 569,000 or EUR 310,000 net.
6. On 20 September 2005, the Respondent 1 and the Claimant signed a fourth employment contract valid as from 1 July 2005 until 30 June 2010 (art. 1) (hereinafter: *the contract*).
7. Under the terms of art. 2 of the contract, the Respondent 1 was entitled to receive, for each of the seasons 2005/2006, 2006/2007, 2007/2008, 2008/2009 and 2009/2010, a yearly gross salary of EUR 623,000 or EUR 350,000 net.
8. According to a separate agreement dated 20 September 2005, the Respondent 1 was entitled to receive, for each season the Respondent 1 would remain with the Claimant, a yearly "loyalty bonus" of EUR 200,000 net, payable each season in two instalments (EUR 350,878 gross).
9. By means of a letter dated 8 June 2007 addressed to the Claimant, the Respondent 1 terminated the contract as from the end of the 2006/2007 season. The Respondent 1, in this respect, wrote that the relevant communication had been made within 15 days following the last official match of the season as well as at the end of the protected period. In this respect, the Respondent 1 stated, in his termination notice, that the pertinent protected period ended at the end of the 2006/2007 season and that the Dispute Resolution would have to quantify to amount of compensation to be awarded to the Claimant, if any.

10. On 10 July 2007, the Respondent 1 and the club, S (hereinafter: *the Respondent 2*) signed an employment contract valid as from 10 July 2007 until 30 June 2011 (art. 2 of the pertinent employment contract).
11. Under art. 3 of the said contract, the Respondent 1 was entitled to receive a net monthly salary of EUR 18,000 payable 14 times - approximately amounting to a monthly salary of EUR 23,684.21 gross - as well as a contract premium ("*prima de contrato*") of EUR 798,000 net due for each season - approximately amounting to EUR 1,050,000 gross -. Furthermore, according to an annexe to the contract, the Respondent 1 was entitled to receive several variable bonuses.
12. On 13 August 2007, the Single Judge of the Players' Status Committee decided that the Football Federation E was authorized to provisionally register the Respondent 1 for the Respondent 2, pending the outcome of the contractual dispute, which would have to be dealt with as to its substance by the Dispute Resolution Chamber.
13. On 18 April 2008, the Claimant lodged a complaint before FIFA against the Respondents 1 and 2 claiming that the Respondent 1 had breached the contract without just cause during the protected period and that the Respondent 2 had induced the Respondent 1 to commit the said breach of contract.
14. In particular, the Claimant requested jointly and severally from the Respondents 1 and 2 the payment of a compensation for breach of contract of EUR 23,267,594, plus 5% of interest as from 8 June 2007. Furthermore, the Claimant requested the imposition of sporting sanctions on the Respondents 1 and 2.
15. In this respect, the Claimant strongly emphasised the exceptional role of the Respondent 1 in a sporting – the Respondent 1 was an alleged outstanding example for the team, which he helped to qualify for competitions – and in a commercial point of view – the Respondent 1's talent was apparently crucial for the supporters and for the team's sponsors –. The Claimant also explained having invested a lot in the Respondent 1, in particular, in view of the significant remuneration and bonuses received (cf. no. I.24 and I.25 below).
16. The Claimant further stated that, on 5 July 1999, it had acquired "*50% of the Respondent 1's right*" from J for an amount of EUR 1,291,142.25 (cf. no. I.1. above) and, in May 2000, the second portion of 50% of "*the Respondent 1's right*" for an amount of EUR 4,131,655 (cf. no. I.3 above). The Claimant also alleged having paid an amount of EUR 60,000 (EUR 50,000 + VAT 20%) to the agent, Mr X, in connection with the conclusion of the contract. The Claimant, in this respect, provided FIFA with the relevant acknowledgement of debt from the Claimant in favour of the agent.
17. In continuation, the Claimant explained that, on 8 June 2007, the Respondent 1 had notified it the termination of the contract, whereas the Claimant had already been aware that, by the end of May/beginning of June 2007, the Respondent 2 had been negotiating the conclusion of an employment contract with the

Respondent 1 without having informed the Claimant. In this respect, the Claimant was eager to emphasize that, on 7 June 2007, it had sent a letter to FIFA and the Football Federation I informing them of the improper negotiations apparently held between the Respondents 1 and 2 (cf. no. I.21 below).

18. Equally, the Claimant maintained that the unilateral termination of the contract by the Respondent 1 occurred without just cause, adding that it had always complied with its contractual obligations as well as systematically increased the Respondent 1's salary in the subsequent employment contracts.
19. The Claimant continued stating that the breach of contract intervened during the protected period. In this respect, the Claimant explained that, on 20 September 2005, it had concluded a new employment contract with the Respondent 1, by means of which the relevant parties agreed upon an extension of their contractual relationship until 30 June 2010.
20. In that respect, the Claimant pointed out that, according to the internal associative Regulations, an employment contract enters into force the day on which the relevant contract is recorded and received at the League. The Claimant held that, *in casu*, the contract had been deposited on 22 September 2005, which constitutes, in the Claimant's opinion, the *dies a quo* of the protected period. However, the Claimant stressed that four matches of the 2005/2006 season had already been played to that date. Therefore, the Claimant considered that the 2005/2006 season could not be considered as the first "*entire season*" in the sense of the Definition no. 7 of the Regulations on the Status and Transfer of Players, and, consequently, considered that the first pertinent "*entire season*" to determine the beginning of the protected period was the 2006/2007 season. In continuation, according to the Claimant, the two relevant entire seasons of the protected period would have expired at the end of the 2007/2008 season, *i.e.* on 18 May 2008, date of the last match of that season. As a result, by having notified the termination of the contract on 8 June 2007, the Respondent 1 allegedly terminated the contract without just cause during the protected period. The Claimant was also eager to note that the date of 21 September 2007 could not constitute the *dies ad quem* of the relevant protected period, since art. 16 of the Regulations on the Status and Transfer of Players prohibits the termination of a contract during the course of a season.
21. In continuation, the Claimant maintained that the Respondent 2 had induced the Respondent 1 to breach the contract. In that regard, the Claimant held that, in May 2007, the Respondent 2 was negotiating with the Respondent 1 without having informed the club C in accordance with the relevant provision of the FIFA Regulations. The Claimant based its statement on the fact that it had been allegedly informed of the Respondent 2's interest in the Respondent 1's services by the agent, Mr. P, who apparently tried to set up a meeting between the representatives of the two clubs to the dispute on 5 June 2007. As a matter of proof, the Claimant produced a text message, whose contents had been certified by public notary, sent by Mr P, to Mr M, General Technical Manager of the Claimant. Based on the foregoing as well as on the Claimant's letter dated 7 June

2007 sent to FIFA and the Football Federation I (cf. no. I.17 above), the Claimant was of the opinion that the termination of the contract by the Respondent 1 was subsequent to the alleged negotiations held between the Respondents 1 and 2. Thus, the Claimant stated that the Respondent 2 had induced the Respondent 1 to commit a breach of contract. Furthermore, and still in this context, the Claimant put emphasis on the fact that, at the time of the unilateral termination of the contract by the Respondent 1, the contractual relationship between it and the Respondent 1 did not suffer any complaint from the Respondent 1.

22. On account of all the foregoing, the Claimant requested the payment of a compensation for breach of contract jointly and severally from the Respondents 1 and 2.
23. The Claimant was, in continuation, eager to specify all the amounts paid to the Respondent 1 for the period of time as from 5 July 1999 until 8 June 2007, *i.e.* a total amount of EUR 5,894,417 composed as follows:
- season 1999/2000 gross salary EUR 224,659; gross bonus EUR 69,370
 - season 2000/2001 gross salary EUR 380,525; gross bonus EUR 20,283
 - season 2001/2002 gross salary EUR 380,525; gross bonus EUR 80,717
 - season 2002/2003 gross salary EUR 380,525; gross bonus EUR 54,801
 - season 2003/2004 gross salary EUR 569,000; gross bonus EUR 72,728
 - season 2004/2005 gross salary EUR 569,000; gross bonus EUR 159,169
 - season 2005/2006 gross salary EUR 623,000; gross bonus EUR 396,730
 - season 2006/2007 gross salary EUR 672,350; gross bonus EUR 767,989
 - 8 years rent EUR 74,400 (EUR 9,300 yearly). In this respect, the Claimant submitted FIFA an agreement dated 18 October 2003 signed by the Respondent 1 and the Claimant.
 - welfare and social security EUR 205,627
 - remuneration to Agent EUR 193,019 (EUR 160,849 + VAT 20%)

In respect of the aforementioned figures, the Claimant provided FIFA with a statement and a chart established by its Administrative Manager. More specifically with regard to the agent's alleged remuneration, the Claimant stated that the amount had been due in relation to the several renewals of the employment contracts. In this respect, the Claimant provided FIFA with several acknowledgements of debt dated 10 November 2000 in favour of s.r.l. for an amount of 180,000 + VAT, 18 October 2003 in favour of S.p.A for an amount of EUR 125,000 and dated 20 September 2005 in favour of Mr X for an amount of EUR 50,000 + VAT 20% respectively (cf. no. I.16 above).

24. The Claimant clarified that the amount related to the aforementioned bonuses included for the 2005/2006 and 2006/2007 seasons the loyalty bonus of EUR 350,850 gross and a "*collective bonus*" of EUR 45,880 and EUR 417,111 respectively. The Claimant added that the "*collective bonus*" was paid on a *pro rata* basis and was proportional to the player's performance as well as his leadership in the team.
25. In continuation, the Claimant analysed the objective criteria as stated in art. 17 of the Regulations on the Status and Transfer of Players, *i.e.* the remaining period of

the existing contract, the fees or expenses paid or incurred, the fact that the termination of the contract without just cause occurred, according to the Claimant, during the protected period.

26. In that context, the Claimant stated that, at the time of the breach, the contract was valid for another 3 years, i.e. the period 2007-2010, during which the Claimant would have supposedly borne costs in a total amount of EUR 4,535,422 divided as follows: EUR 2,017,050 as contractual remuneration, EUR 96,505 as additional contributions calculated according to the sums paid during the season 2006/2007, EUR 2,303,967 for individual (EUR 350,878 gross per season) and collective (EUR 417,111 per season according to the amount allegedly settled during the last sporting season) bonuses, EUR 27,900 for the rent and EUR 90,000 for the accruals of the compensations for the agents.
27. Subsequently, the Claimant maintained that the amount paid to the Respondent 1's former club, J, i.e. EUR 5,422,797, had not been amortized at the time of the breach. Furthermore, the Claimant stated the said amount should be amortized over a period of 8 years, i.e. as from the 2002/2003 season, since the Respondent 1 begun constantly and permanently to play official matches at that period only. Thus, an amount of EUR 2,519,631.54 had to be considered within the calculation of the relevant compensation.
28. Moreover, the Claimant held that the compensation should be increased in the most important scale, since the Respondent 1 allegedly breached the employment contract during the protected period.
29. Finally and based on the above, the Claimant requested the payment of a compensation for breach of contract of a total amount of EUR 23,267,594 composed as follows:
 - EUR 11,338,555 remaining value of the contract of EUR 4,535,422 multiplied by a coefficient of 2.5, for the following reasons: the breach of contract occurred during the protected period, the Claimant had invested a lot financially in the Respondent 1 – investments to “purchase” the Respondent 1, salaries and other benefits granted –, the Claimant had difficulties to find a substitute, the alleged extremely important role of the Respondent 1 in the team, the particular circumstances of the case and the behaviour of the Respondents 1 and 2, who allegedly held secret negotiations, the considerable image and economic damages in the Claimant's commercial and corporate relationships with the supporters, sponsors and any other partner and the loss of sporting opportunities and economic resources,
 - EUR 2,519,632 non-amortised expenses at the time of the breach
 - EUR 502,761 “missing profit coming from stadium season tickets revenues”. In this respect, the Claimant provided FIFA with a chart established by the Claimant's Administrative Manager.
 - EUR 186,266 “missing profit coming from stadium tickets revenues”. In this respect, the Claimant provided FIFA with a chart established by the Claimant's Administrative Manager.

- EUR 563,036 *“image damages towards the sponsors; the damage is calculated on an equitable basis as the 5% of the amount of sponsor contracts (...)”*. In this respect, the Claimant provided FIFA with a chart established by the Claimant’s Administrative Manager as well as with a letter dated 25 June 2007 of its technical sponsor, by means of which the latter informed the Claimant that it would reassess the amount of sponsorship, in case the Respondent 1 would leave the Claimant.
- EUR 1,407,344 *“damages due to the loss of sporting opportunities and the subsequent direct and indirect earnings; the damage is calculated on an equitable basis as the 2% of the amount of the earnings from the contributions by XXX, as well as the TV rights (...)”*,
- EUR 6,750,000 *“for the accruing damage correlated to the actual value of the Player Services, i.e. the cost at which such services could have been available on a “transfer basis”, had S and M acted lawfully, “market value” of a goalkeeper that belongs to the highest level of competitiveness, to which M surely belongs (...)”*.

30. On 27 June 2008, the Respondent 2 rejected the claim lodged by the Claimant.
31. First of all, the Respondent 2 rejected the Claimant’s allegations, according to which it would have induced the Respondent 1 to breach the contract. In this respect, it enlightened the fact that the Claimant did not establish such element and that the evidence provided in that respect were irrelevant. Furthermore, the Respondent 2 pointed out that it had not had any contact whatsoever with the Respondent 1 before the occurrence of the termination of the contract notified by the Respondent 1 on 8 June 2007. To corroborate the foregoing, the Respondent 2 emphasized that the Respondent 1 and itself had allegedly started to negotiate only once the contract had expired on 30 June 2007 and that they had signed an employment contract on 10 July 2007 only, *i.e.* one month after the termination of the contract. In this respect, the Respondent 2 provided FIFA with several press releases allegedly demonstrating that the Respondent 2 started to be interested in the Respondent 1’s services only once the latter had terminated the contract signed with the Claimant, that the Respondent 2 was interested in the services of another goalkeeper and finally that the Respondent 1 constituted an interest for several other clubs.
32. Moreover, the Respondent 2 contested the fact that the relevant breach committed by the Respondent 1 had occurred within the protected period. Indeed, the Respondent 2 stated that, according to the Definition no. 7 of the Regulations on the Status and Transfer of Players, the protected period is a period of two or three entire seasons or years following the entry into force of the contract. *In casu*, the Respondent 2 held that, in virtue of its art. 1, the contract entered into force on 1 July 2005. In that context, the Respondent 2 was eager to recall that it was customary in the world of football that an employment contract enters into force at a date anterior to the actual date of signature. The Respondent 2 also stressed that the contract renewed in September 2005 provided

for an increased remuneration in favour of the Respondent 1 due as from July 2005, confirming the validity of the contract since that date.

33. Furthermore, and with regard to the compensation for breach of contract claimed by the Claimant, the Respondent 2 did not contest its obligation to compensate the Claimant in accordance with art. 17 par. 1 and 2 of the Regulations on the Status and Transfer of Players. However, the Respondent 2 contested the amount of compensation claimed as well as all the figures advocated by the Claimant.
34. In that respect, the Respondent 2 pointed out, in particular, that art. 17 of the Regulations on the Status and Transfer of Players was solely applicable, excluding the application of any national regulations. In continuation, the Respondent 2 stated that, in accordance with the said provision, the residual remuneration under the existing contract had to be taken into account, without considering the remuneration previously paid to the Respondent 1 prior to the termination of contract under the terms of the expired contracts. It also pointed out that the fee paid to the agent was of EUR 60,000 (EUR 50,000 plus VAT of 20%) as firstly alleged by the Claimant, and not of EUR 193,019 as secondly alleged by the Claimant. The Respondent 2 also held that the fixed remuneration only, excluding any variable remunerations, had to be taken into consideration for the calculation of the compensation. Moreover, the Respondent 2 enlightened that the termination of contract occurred almost three months before the end of the summer registration period.
35. In continuation, the Respondent 2 recalled that the Respondent 1 had remained with the Claimant for a period longer than the initially fixed term of five years agreed upon by the relevant parties in the first employment contract signed on 5 July 1999. Therefore, according to the Respondent 2, the fee allegedly paid by the Claimant to J had been fully amortized.
36. Moreover, the Respondent 2 rejected the application of the *"player's market value"*, in conformity with the *"Webster case"*, as well as the allegedly missing profit related to the sale of tickets, image and TV rights, which were not, in the Respondent 2's opinion, supported by any evidence and which were not relevant with regard to the application of art. 17 of the Regulations on the Status and Transfer of Players.
37. In conclusion, the Respondent 2 maintained that the objective criteria listed in art. 17 of the Regulations on the Status and Transfer of Players applicable to the case at hand were the residual value of the existing and/or the new contract and the possible amortisation of the expenses of EUR 60,000 paid to the agent in relation to the contract signed on 20 September 2005.
38. The Respondent 2 also objected to the imposition of sporting sanctions, since the breach of contract had allegedly occurred outside the protected period.
39. On 14 July 2008, the Respondent 1 provided FIFA with his position, by means of which he fully rejected the claim lodged by the Claimant.

40. In this respect, the Respondent 1 firstly pointed out that he had devoted 8 years of his career to the Claimant fulfilling exemplarily all of his contractual obligations and that he had reached a moment, in which *“he needed to situate himself in a forum and environment which allowed him to continue to develop.”* Furthermore, the Respondent 1 explained that the FIFA Regulations cannot be read or interpreted in any way so as to hinder the intrinsic rights of players grounded upon I Constitution and EU Law, such as his freedom to pursue his personal and professional ambitions and freedom of movement. Moreover, the Respondent 1 emphasised that the Claimant could not seek to be compensated in hyperbolic amounts far above and well beyond the FIFA Regulations, so as to result in a sum of punitive nature.
41. Moreover, the Respondent 1 maintained having signed an employment contract with the Respondent 2 on 10 July 2007, *i.e.* after the termination of the contract. Therefore, according to the Respondent 1, neither secret negotiations were held with the Respondent 2 nor had the latter induced him to breach the contract. The Respondent 1 also underlined that the text message presented by the Claimant did not refer to any player and, therefore, was totally inconclusive (cf. no. I.21 above).
42. In addition, the Respondent 1 maintained that he had not terminated the contract during the protected period. In this respect, the Respondent 1 quoted art. 1 of the contract, which stipulates that *“Mr. S undertakes, in his capacity of professional footballer registered with the XXX. (...) to perform his activity in the team of the club C starting on the 01/07/2005 up to June 30th, 2010.”*. Thus, in the Respondent 1’s opinion, the contract entered into force on 1 July 2005, which constitutes the starting point for the assessment of the duration of the protected period. Furthermore, the Respondent 1 stressed that he was already 28 years old, when he signed the contract on 20 September 2005 and that the Claimant played its last match of the 2006/2007 season on 27 May 2007. Thus, and since the termination letter of the Respondent 1 was dated 8 June 2007 and stated that the contract had to be considered as terminated as of the end of the 2006/2007 season, both two complete seasons and two years had elapsed as from the date of entry into force of the contract. In this context, the Respondent 1 was also eager to emphasize that the notice of termination had been given within the timeframe imposed by art. 17 par. 3 of the Regulations on the Status and Transfer of Players.
43. Moreover, the Respondent 1 recognised having unilaterally terminated the contract but contested the amount of compensation for breach of contract claimed by the Claimant considering it as unreasonable.
44. In particular, the Respondent 1 stressed that the compensation requested by the Claimant appeared to be in contradiction with the FIFA Regulations, in particular its art. 17, and of punitive nature.
45. The Respondent 1 added that, based on the so-called *“Webster case”*, the compensation shall be calculated on the basis of the FIFA Regulations without

considering any national Rules. He further alleged that the compensation shall be based on the remaining remuneration due under the existing employment contract only without taking into account the already paid remuneration. The Respondent 1 was also of the opinion that the amounts paid in order to acquire his services had been totally amortized, since he had offered his services to the Claimant for a total of 8 years, *i.e.* more than the fixed period of 5 years initially agreed upon by the relevant parties.

46. In continuation, the Respondent 1 reviewed the detailed breakdown of the damages allegedly suffered by the Claimant and stated that no compensation should be awarded to the Claimant, since the latter's argumentation in this respect lacked of any factual and legal ground.
47. In this respect, the Respondent 1 put emphasis on the fact that the remaining value of the contract (EUR 4,535,422 multiplied by a coefficient of 2.5) lacked of documentary evidence as well as legal supportive argumentation. He further noted that he was entitled to receive a yearly gross salary of EUR 623,000, and not EUR 672,350.04 as alleged by the Claimant, an annual bonus of EUR 350,878 as well as EUR 9,300 in order to cover his housing expenses. Thus, according to the Respondent 1, any other amounts advocated by the Claimant should be disregarded. With regard to the collective bonus, he emphasized that there was no such evidence in support of the fact that he would have been granted it for the remaining three seasons, adding that the amount of EUR 417,111 paid for the 2006/2007 season allegedly represented in a large part late payments of bonuses due for the previous seasons.
48. Equally, the Respondent 1 held that the alleged transfer fee paid by the Claimant to J had been amortised over the terms of the first contract and that it could not be taken into consideration, since he remained with the Claimant for a period longer than the one initially provided for in the first employment contract.
49. The Respondent 1 further noted that the amounts of EUR 502,761 and EUR 186,266 respectively, related to missing profit resulting from stadium tickets revenues, EUR 563,036 as image damages and EUR 1,407,344 as loss of sporting opportunities were irrelevant to the case at hand, in no relation with the Respondent 1's termination of the contract and were not supported by any documentary evidence.
50. Furthermore, the Respondent 1 fully rejected the application, in the calculation of the compensation, of his alleged "*market value*" of EUR 6,750,000, since this criterion, as confirmed in the "*Webster case*", is absent of the list of criteria enumerated in art. 17 of the Regulations on the Status and Transfer of Players.
51. Finally, the Respondent 1 emphasized that no sporting sanctions shall be imposed on him, since the breach of contract had occurred outside the protected period.
52. On 19 September 2008, the Claimant provided FIFA with its reaction, by means of which it adhered to its position and previous conclusions.

53. The Claimant reiterated the fact that the Respondent 2 and the Respondent 1 had held, in May 2007, negotiations in view of concluding an employment contract, without, however, informing the Claimant. In this respect, the Claimant remitted to FIFA two statements dated 8 and 9 September 2008 from the agent, X, and from the Claimant's Director, Mr. M, respectively, who confirmed that the Respondent 2 appointed the agent, Mr P, in order to negotiate a possible transfer of the Respondent 1.
54. The Claimant was also eager to recall that art. 17 of the Regulations on the Status and Transfer of Players does not confer a "right" for a player and/or a club to terminate an employment contract, since the principle at the centre of the regulations is the maintenance of contractual stability. Equally, the Claimant was eager to emphasize that the list of criteria stipulated in the aforesaid provision was not exhaustive. Thus, according to the latter, all the damages alleged in its statements have to be compensated by the Respondent 1 and the Respondent 2. In this respect, and in order to properly calculate the relevant compensation, the competent deciding body shall consider that the club had invested in the Respondent 1's salary, in his trainings as well as to acquire "the Respondent 1's rights", and that the club is subject to indirect damages affected by sporting results, such as ticket sales, TV rights, sponsors.
55. With regard to the issue whether the breach of contract committed by the Respondent 1 occurred during or outside the protected period, the Claimant stated that, according to the national regulations, which shall prevail on the FIFA Regulations, a contract can enter into force only once it had been approved by the National League. Therefore, according to the Claimant, the date of 1 July 2005, which would be significant with regard to economical issues only, could not constitute the relevant *dies a quo* to establish the beginning of the protected period.
56. On 28 November 2008, the Respondent 2 submitted its final position, by means of which it recalled its previous arguments, in particular, that it had not induced the Respondent 1 to commit a breach of contract. Furthermore, the Respondent 2 underlined that national law and/or regulations, *in casu* the regulations, do not have to be applied in the matter at hand, since the Regulations on the Status and Transfer of Players do not contain any lacuna.
57. On 2 December 2008, the Respondent 1 recalled its arguments presented in his previous statement and, consequently, adhered to his conclusions included therein.
58. The Respondent 1 added that the argumentation submitted by the Claimant in relation to the duration of the protected period in the matter at hand was not sustainable, since the internal regulations advocated by the Claimant do not have any impact on the entry into force of the contract.

59. The Respondent 1 further recalled that the “*law of the country concerned*” was one of the elements that could be taken into account to calculate the compensation due in case of a breach of contract based on art. 17 of the Regulations on the Status and Transfer of Players and certainly not the basis of the calculation. The Respondent 1 also argued that, in conformity with the “*Webster case*”, the said compensation should not be of punitive nature and should be of equal amount whether the breach was committed by a player or by a club.
60. With regard to the calculation of the compensation, the Respondent 1 noted that the amounts, he was entitled to in virtue of the contract and enumerated in his first position (cf. no. I.48 above), had not been contested by the Claimant in its submission dated 19 September 2008. Furthermore, the Respondent 1 reiterated that none of the damages allegedly suffered by the Claimant in consequence of the Respondent 1’s departure was evidenced. In particular, the Respondent 1 underlined that the Claimant did not submit evidence that its technical sponsor decided to reduce its partnership fee.

II. Considerations of the Dispute Resolution Chamber

1. First of all, the Dispute Resolution Chamber analysed whether it was competent to deal with the case at hand. In this respect, the Chamber referred to art. 21 par. 1 and 2 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 18 April 2008, thus before the aforementioned Rules entered into force on 1 July 2008. Therefore, the Chamber referred to art. 18 par. 2 and 3 of the Rules Governing the Procedures of the Players’ Status Committee and the Dispute Resolution Chamber (DRC) (hereinafter: *Procedural Rules*; edition 2005) and concluded that the 2005 edition of the Procedural Rules is applicable to the matter at hand.
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 and 2 in combination with art. 22 lit. a) of the Regulations on the Status and Transfer of Players (edition 2008), the Dispute Resolution Chamber is competent to deal with the matter at stake, which concerns an employment-related dispute in relation to the maintenance of contractual stability where there has been an International Transfer Certificate (ITC) request and a claim from an interested party in relation to the said ITC request.
3. Furthermore, the Chamber 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, the Chamber referred, on the one hand, to art. 26 par. 1 and 2 of the Regulations on the Status and Transfer of Players (edition 2008) and, on the other hand, to the fact that the present claim was lodged on 18 April 2008 and that the relevant employment contract was signed on 20 September 2005. The Dispute Resolution Chamber concluded that the 2005 version of the Regulations

for the Status and Transfer of Players (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.

4. The competence of the Chamber and the applicable regulations having been established, the Chamber entered into the substance of the matter.
5. In doing so, the Chamber recalled that, on 20 September 2005, the Claimant and the Respondent 1 had signed an employment contract set to expire on 30 June 2010. By means of a letter dated 8 June 2007 addressed to the Claimant, the Respondent 1 served notice of termination of the contract as from the end of the 2006/2007 season pointing out that the termination had been sent within 15 days following the last match of the season and at the end of the protected period.
6. This course of events was not contested by the parties as well as the fact that, on 10 July 2007, the Respondents 1 and 2 had concluded an employment contract valid until 30 June 2010.
7. Equally, the members of the Dispute Resolution Chamber highlighted that it has remained undisputed by the Respondent 1 that he had terminated the contract unilaterally, prematurely and without just cause and by the Respondent 2 that it had to compensate the Claimant in accordance with art. 17 par. 1 and 2 of the Regulations. In other words, the Chamber observed that neither the Respondent 1 nor the Respondent 2 argued for the existence of any just cause justifying the termination of contract by the Respondent 1. Indeed, both the Respondents 1 and 2 limited themselves to contest and, reject, the Claimant's conclusions regarding the amount of compensation claimed, considering that it was not corroborated by any convincing evidence and was disproportionate.
8. In view of the foregoing, the Chamber observed that all the three parties to the present dispute acknowledged that the Respondent 1 had terminated the contract unilaterally and without just cause and concluded that the Respondent 1 had terminated the contract without just cause.
9. In continuation, the members of the Chamber analysed whether the unilateral termination of contract by the Respondent 1 occurred during or outside the protected period.
10. The Chamber remarked that the Claimant was of the opinion that the Respondent 1 breached the contract within the protected period, since the pertinent protected period allegedly ended on 18 May 2008, i.e. the date of the last match of the 2007/2008 season. In this respect, the Claimant argued that, according to national regulations, an employment contract enters into force the day on which the relevant contract is recorded and received at the League, which was *in casu* 22 September 2005. However, the Claimant stressed that the 2005/2006 season could not be considered as the first "*entire season*" in the sense of item 7. of the Definitions of the Regulations, since four matches of the 2005/2006 season had already been played at that date, and, consequently, considered that the first pertinent "*entire season*" to determine the beginning of the protected period was

the 2006/2007 season. Therefore, the Claimant deemed that the protected period had expired at the end of the 2007/2008 season, i.e. on 18 May 2008. Thus, in the Claimant's view, by unilaterally terminating the contract on 8 June 2007, the Respondent 1 had allegedly terminated the contract without just cause during the protected period.

11. The Chamber went on examining the argumentation of the Respondents 1 and 2 and noticed that the latter maintained that the contract entered into force on 1 July 2005, which, in their opinion, constituted the *dies a quo* of the protected period. Consequently, the Respondents 1 and 2 held that, since the termination letter had been sent on 8 June 2007, to be effective as from the end of the 2006/2007 season, and since the player was older than 28 years old at the time of the conclusion of the contract, the unilateral termination of the contract by the Respondent 1 did not occur within the protected period, which ended at the end of the 2007/2008 season.
12. Having recalled the argumentation of the parties, the Dispute Resolution Chamber referred to item 7. of the "Definitions" section of the Regulations, which stipulates that the protected period shall be "*a period of three entire Seasons or three years, whichever comes first, following the entry into force of a contract, where such contract is concluded prior to the 28th birthday of the Professional, or two entire Seasons or two years, whichever comes first, following the entry into force of a contract, where such contract is concluded after the 28th birthday of the Professional*".
13. In this respect, the Chamber recalled that the Respondent 1 was already 28 years old when the contract had been concluded in September 2005. As a consequence, and in virtue of the aforementioned item 7. *in fine* of the "Definitions", the Chamber concluded that the protected period lasted *in casu* two years or two entire seasons, whichever came first. The members present at the meeting pointed out that, in line with the argumentation of the Respondents 1 and 2, the contract was signed on 20 September 2005 but, in virtue of its art. 1, entered into force on 1 July 2005. As a consequence, and bearing in mind the wording of the item 7. of the "Definitions" ("*following the entry into force of a contract*"), the Chamber considered that the *dies a quo* of the pertinent protected period started on 1 July 2005. Another interpretation of the pertinent rule would simply be *contra legem* and without any relevant justification. To corroborate the foregoing, the members of the Chamber also underlined that the contract provided for an increase of salary in comparison to the salary provided for in the previous employment contract dated 18 October 2003, which had been paid to the Respondent 1 as from July 2005. Equally, the Chamber was eager to emphasize that the date of the registration of an employment contract at a Federation or a League cannot be considered as relevant to establish the entry into force of an employment contract, and *a fortiori* the starting point of the protected period, since this act is of the exclusive responsibility of the club, which could at its own discretion delay the registration of the employment contract in order to artificially prolong the protected period to the detriment of a player. In view of the foregoing, the

Chamber considered that the protected period finished at the end of the 2006/2007 season.

14. The members of the Chamber further analysed the termination letter of the Respondent 1 and remarked that, although the termination notice had been addressed to the Claimant on 8 June 2007, it expressly stated that the contract had to be considered as terminated as from the end of the season 2006/2007. Consequently, the Chamber concluded that the unilateral termination of the contract without just cause by the Respondent 1 occurred at the end of two entire seasons, i.e. at the end of the 2006/2007 season, and, therefore, outside the protected period.
15. This being established, the Chamber stated that it had to assess the unavoidable consequences of this unilateral termination, in accordance with the provisions provided for by Chapter IV of the Regulations.
16. In this respect, first and foremost, the Chamber deemed it fit to emphasise that art. 13 and 16 of the Regulations clearly stipulate, respectively, that a contract between a professional and a club may only be terminated on expiry of the term of the contract or by mutual agreement and that a contract cannot be unilaterally terminated during the course of a season.
17. In addition, the members of the Chamber stressed that art. 17 of the Regulations does not provide a legal basis for the right to a unilateral termination of a contract between a professional player and a club. As clearly stated in the award CAS 2008/X/XXXX FC S v/ Mr M & RZS & FIFA 2008/X/XXXX Mr M & RZS v/ FC S & FIFA (hereinafter: CAS 2008/X/XXXX-XXXX), "*art. 17 FIFA Regulations does not give to a party, neither a club nor a player, a free pass to unilaterally breach an existing agreement at no price or at a given fix price.*" (cf. § 63 of CAS/2008/XXXX-XXXX). In fact, the Regulations are based on the principle of maintenance of contractual stability and are devoted to the legal maxim of *pacta sunt servanda*.
18. In line with the above, the Chamber concurred that by unilaterally and prematurely terminating the employment contract with the Claimant without just cause, the Respondent 1 has clearly committed a breach of contract. Consequently, in accordance with article 17 par. 1 of the Regulations, the Respondent 1 is liable to pay compensation to the Claimant.
19. Prior to proceeding to the calculation of the amount of compensation, the Chamber put emphasis to the primacy of the principle of the maintenance of contractual stability, which represents the backbone of the agreement between FIFA/UEFA and the European Commission signed in March 2001. This agreement and its pillars represent the core of the editions 2001 and 2005 as well as of the 2008 and 2009 version of the Regulations, which all stakeholders – including player and club representatives – agreed upon in 2001.
20. Above all, the Chamber was eager to point out that the measures provided for by the Regulations concerning in particular compensation for breach of contract

without just cause serve as a deterrent discouraging the early termination of employment contracts by either contractual party and that a lack of a firm response by the competent deciding authorities would represent an inappropriate example towards all football stakeholders. This element had been clearly recalled by the Panel in CAS/2008/XXXX/XXXX-XXXX: *"The purpose of art. 17 is basically nothing else than to reinforce the contractual stability, i.e. to strengthen the principle of pacta sunt servanda in the world of international football, by acting as a deterrent against unilateral contractual breaches and terminations, be it breaches committed by a club or by a player."*

21. In this respect, awarding compensation in favour of the damaged party (either the player or the club, as the case may be) has proven to be an efficient mean and has always found a widespread acceptance since it guarantees that the fundamental principle of the respect of the contracts is duly taken care of.
22. Above all, it was emphasised that the criteria contained in art. 17 of the Regulations are applied with the principle of reciprocity for clubs and players, signifying that both clubs and professionals who are seen to have committed a breach of contract without just cause will in all cases be subject to pay compensation and, under specific circumstances, also subject to the imposition of sporting sanctions.
23. Having stated the above, the Chamber focussed its attention on the calculation of the amount of compensation for breach of contract in the case at stake and reiterated that, when assessing the amount of compensation due for the breach of contract, it shall take into consideration the specific circumstances of each case as well as the arguments raised by the parties and the evidence submitted (cf. in that latter regard art. 12 par. 3 of the Procedural Rules). In doing so, the members of the Chamber firstly recapitulated that, in accordance with art. 17 par. 1 of the Regulations, the amount of compensation shall be calculated in particular and unless otherwise provided for in the contract at the basis of the dispute, with due consideration for the law of the country concerned, the specificity of sport and further objective criteria, including in particular the remuneration and other benefits due to the player under the existing contract and/or the new contract, the time remaining on the existing contract up to a maximum of five years as well as the fees and expenses paid or incurred by the former club (amortised over the term of the contract) and whether the contractual breach falls within the protected period. In this context, the Dispute Resolution Chamber also recalled that the list of objective criteria is not exhaustive and that the broad scope of criteria indicated tends to ensure that a just and fair amount of compensation is awarded to the prejudiced party.
24. In application of the relevant provision, the Chamber held that it first of all had to clarify whether the relevant employment contract between the Respondent 1 and the Claimant contains a provision by means of which the parties had beforehand agreed upon an amount of compensation for breach of contract. Upon careful examination of the contract, the members of the Chamber assured themselves that this was not the case in the matter at stake.

25. As a consequence, the members of the Chamber determined that the prejudice suffered by the Claimant in the present matter had to be assessed in application of the other parameters set out in art. 17 par. 1 of the Regulations. In this regard, the Dispute Resolution Chamber emphasised beforehand that each request for compensation for breach of contract has to be assessed by the Chamber on a case-by-case basis taking into account all specific circumstances of the respective dispute. The members stated that it falls under their responsibility to estimate the prejudice suffered by the Claimant in the case at hand, not only in accordance with the above-stated criteria contained in article 17 par. 1 of the Regulations and in due consideration of all specific circumstances of the present matter, but also with their specific knowledge of the world of football, as well as with the experience the Chamber itself has gained throughout the years. In that regard, the Chamber emphasized that it had a considerable scope of discretion in order to calculate the amount of compensation due as a consequence of a breach of contract (also recalled in § 87 of CAS 2008/X/XXXX-XXXX).
26. Consequently, in order to estimate the amount of compensation due to the Claimant in the present case, the Chamber firstly turned its attention to the remuneration and other benefits due to the player under the existing contract and the new contract, which criterion was considered by the Chamber to be essential. In this context, the members of the Chamber deemed it important to emphasize that, contrary to the Respondent 1's allegations in this context, the wording of article 17 par. 1 of the Regulations allows the Dispute Resolution Chamber to take into consideration both the existing contract and the new contract to calculate the amount of compensation, thus enabling the Chamber to gather indications regarding the economic value attributed to a player by both his former and his new club.
27. In this regard, the Dispute Resolution Chamber established, on the one hand, that the employment contract between the Claimant and the Respondent 1, signed on 20 September 2005, had been set to expire at the end of the season 2009/2010. The Respondent 1 had undisputedly received his salary until and including June 2007, entailing that the total value of his contract with the Claimant for the remaining contractual period of three seasons amounts to EUR 2,949,534 composed as follows: EUR 1,869,000 as salary (EUR 623,000 for each of the seasons 2007/2008, 2008/2009 and 2009/2010), EUR 1,052,634 as loyalty bonus (EUR 350,878 for each of the seasons 2007/2008, 2008/2009 and 2009/2010) and EUR 27,900 as rent (EUR 9,300 – amount recognised by the Respondent 1 - for each of the seasons 2007/2008, 2008/2009 and 2009/2010). In that regard, the Chamber deemed it appropriate to underline that it was undisputed that, according to a separate agreement dated 20 September 2005, the Respondent 1 was entitled to receive, for each season he would remain with the Claimant, a yearly "*loyalty bonus*" of EUR 350,878 (EUR 200,000 net), payable each season in two instalments. On the other hand, the Chamber took note that the Claimant maintained having paid "*a collective bonus*" of EUR 45,880 during the season 2005/2006 and of EUR 417,111 the following season and that the said bonus was paid in consideration of the player's performance and leadership quality. In view of its character

undeniably variable and uncertain from one season to another, the Chamber could not undoubtedly establish that the Claimant would have paid a “collective bonus”, and, if any, in what proportion, to the Respondent 1 the remaining three seasons, and consequently, had no other alternative but to refuse to take into consideration the said “collective bonus” while assessing the residual value of the contract. The members, referring to the principle of the burden of proof explicitly stipulated in art. 12 par. 3 of the Procedural Rules, also stressed that the Claimant had not submitted any convincing documentary evidence in this respect.

28. On the other hand, the Dispute Resolution Chamber noted that the value of the new employment contract concluded between the Respondents 1 and 2 for the same period of time amounts to EUR 4,144,734 composed as follows: EUR 994,734 as salary (EUR 331,576 for each of the seasons 2007/2008, 2008/2009 and 2009/2010) and EUR 3,150,000 as contract premium (EUR 1,050,000 for each of the seasons 2007/2008, 2008/2009 and 2009/2010). Having stated this, the Dispute Resolution Chamber took due note that, without taking into consideration variable bonuses, the Respondent 1 had increased his income over three years by approximately 40% by concluding an employment contract with the Respondent 2. Furthermore, the Dispute Resolution Chamber recalled that the remuneration paid by the player’s new club to the Respondent 1 is particularly relevant insofar as it reflects the value attributed to his services by his new club at the moment the breach of contract occurs and may possibly also provide an indication towards the player’s estimated market value at that time.
29. The members of the Chamber then turned to the essential criterion relating to the fees and expenses possibly paid by the Claimant for the acquisition of the Respondent 1’s services insofar as these have not yet been amortised over the term of the relevant contract.
30. *In casu*, the Chamber noted that the Claimant requested an amount of EUR 2,519,632 as non-amortised fees or expenses. This figure apparently includes the transfer compensation paid to J in order to acquire the Respondent 1’s services for the 1999/2000 season, i.e. at the time of the conclusion of the first employment contract between the Claimant and the Respondent 1.
31. In that sense, the Chamber recognised the transfer compensation paid by the Claimant to J as being such kind of expenses, but recalled that the Respondent 1 had remained with the Claimant eight years in total, whereas the first employment contract provided for an initial period of validity of five years. Therefore, the Chamber considered that all the fees and expenses paid in connection with the conclusion of the first employment contract, in particular, the amount of EUR 5,422,797,25 paid to J, had been fully amortised over the period of time of five years. Consequently, and in line with the wording of art. 17 par.1 of the Regulations, this amount, or any part of it, cannot be claimed as part of the compensation for the breach of contract without just cause.
32. However, the Dispute Resolution Chamber took due note that the Claimant had paid an amount of EUR 60,000 to the agent, Mr X, in relation to the signature of

the contract at the basis of the present dispute and that this amount had not been fully amortized as a direct consequence of the breach of contract committed by the Respondent 1. As stated above, the Respondent 1 was still bound to the Claimant by three further years of contract when he terminated the relevant employment contract, which was signed by the parties to remain contractually bound to each other during a total of five years. As a result of the player's breach of contract in June 2007, the Claimant has thus been prevented from amortising the amount of EUR 36,000, i.e. 3/5 of EUR 60,000, relating to the agent fee that it had paid in order to conclude the contract with the Respondent 1, which, at that time, the Claimant trusted would be valid for the next five years. On a side note, the Chamber was eager to point out that this damage head had been acknowledged in its principle by the Respondent 2 as being part of the compensation due to the Claimant.

33. With regard to the agent's fees paid in connection with the conclusion of the previous employment contracts between the Claimant and the Respondent 1, the Chamber unanimously decided that they were in no link whatsoever with the contract signed in September 2005 and, therefore, should not be taken into consideration when establishing the compensation.
34. In continuation, the Chamber took note that Claimant requested the payment of the amounts of EUR 186,266 as *"missing profit coming from stadium tickets revenues"*, of EUR 563,036 as *"image damages towards the sponsors"*, of EUR 1,407,344 *"damages due to the loss of sporting opportunities and the subsequent direct and indirect earnings"*. Irrespective of the question whether those elements could be taken into account as *"objective criteria"* in the sense of art. 17 par. 1 of the Regulations in order to calculate the compensation due to the Claimant for the breach of contract, the Chamber, once again, recalled the contents of art. 12 par. 3 of the Procedural Rules, according to which any party deriving a right from an alleged fact shall carry the burden of proof, and emphasised that the Claimant did not demonstrate the existence of such damages and, *a fortiori*, a link between the said damages and the breach of contract committed by the Respondent 1. Thus, in the evident absence of any proof of a casual link, the members of the Chamber decided that these amounts shall not be taken into consideration when establishing the compensation to be granted to the Claimant for breach of contract committed by the Respondent 1.
35. With regard to the amount claimed of EUR 6,750,000 *"for the accruing damage correlated to the actual value of the Player Services, i.e. the cost at which such services could have been available on a "transfer basis", had S and M acted lawfully, "market value" of a goalkeeper that belongs to the highest level of competitiveness, to which M surely belongs (...)"*, in other words as a missed transfer fee, the Chamber referred to § 117 and 118 of CAS/XXXX/X/XXXX-XXXX, in which it is stated *"the loss of a possible transfer fee can be considered as compensable damage head if the usual conditions are met, i.e. in particular if between the breach or the unjustified termination of the agreement and the lost opportunity to realize a certain profit there is a necessary logical nexus. One may take into consideration for instance whether an offer made by a third party was*

accepted or not by the original club and/or the player, but the transfer finally failed because of the unjustified departure of the player to another club.”

36. *In casu*, the Chamber did not find a justification in order not to follow the jurisprudence related thereto and remarked that the Claimant had not invoked the existence of any negotiations with a third party nor another “necessary logical nexus”. In particular, the Claimant did not present any offer from a third party, which could have given important information on the value of transfer of the Respondent 1. In other words, the Chamber considered that the Claimant had not provided it with sufficient proof that it had lost an opportunity to realize a profit because of the premature termination of contract. As a consequence, in view of this lack of documentary and convincing evidence, the Chamber refused to consider the amount of EUR 6,750,000 in order to establish the compensation to be granted to the Claimant.
37. The Chamber then turned its attention to the aspect relating to the “*specificity of sport*” which is equally explicitly referred to in article 17 par. 1 of the Regulations. At the outset, the Dispute Resolution Chamber recalled that this important aspect has been recognised by the European Union and has repeatedly been referred to by the CAS for the purpose of establishing the applicable amount of compensation in case of contractual breach, ensuring that the decisions rendered are not only just and fair from a strictly legal point of view, but that they also correspond to the specific needs and interests of the football world and its stakeholders. In this regard, and with reference to the respective jurisprudence of the CAS, the Dispute Resolution Chamber recalled that the specificity of sport allows for it to take into account the circumstance that players can be considered the main asset of a club in terms of their sporting value but also from a rather economic point of view.
38. In line with the argumentation set out by the Panel in CAS/XXXX/X/XXXX-XXXX, one of the elements that concretize the concept of specificity of sport is the remaining time of the contract that has been breached (cf. § 158 *et sequ.* of CAS/2008/X/XXXX-XXXX). The Chamber observed that the Respondent 1 had terminated the contract after two seasons, with three more seasons of duration remaining under the terms of the contract. The remaining time of the contract was therefore important, as three seasons out of five are a substantial period of time.
39. With regard to the status and behaviour of the parties to the dispute, in particular the Respondent 1’s status and behaviour, the Chamber wished to make the following remarks: on the one side, against the Respondent 1, the Chamber pointed out the exceptional and outstanding position he held within the organisation of the Claimant. Indeed, the Respondent 1 was the first goalkeeper of the team, member of the national team of I, one of the best goalkeeper in the I championship and played a fundamental role in the Claimant’s latest success. In consequence thereof, the Respondent 1 was considered as an example and a mentor for his colleagues. In addition, and although it might be questionable whether the player’s position on the pitch has an impact on the damage caused,

the Chamber deemed it relevant to lend emphasis on the fact that the Respondent 1 was a goalkeeper, i.e. a masterpiece of the organisation of the team and, consequently a position which is, basically, not easy to replace. The foregoing led the Chamber to conclude that the breach of the employment contract by the Respondent 1 had prevented the Claimant from counting on one of its key player's high quality and valued services for three additional seasons and from possibly negotiating his transfer to a third club for a financial profit and has, thus, caused a considerable sporting damage to the Claimant, which shall, consequently be compensated. On the other hand, in favour of the Respondent 1, the Dispute Resolution Chamber pointed out that the Respondent 1 had remained with the Claimant during eight seasons, i.e. from the season of his 22nd until the season of his 30th birthday. This demonstration of high loyalty of a player towards his club is not a matter of course in today's international football. The Chamber also acknowledged that the Respondent 1 had remained with the Claimant for a longer period than the one initially intended by the parties in the first employment contract. Furthermore, the Chamber remarked that the Claimant itself underlined the Respondent 1's exceptional role and behaviour throughout the eight years of contractual relationship and that the latter had been a leader and an example for the rest of the team. He attracted sponsors and fans, which allowed the Chamber to stress that the Claimant had received benefits from the presence of the Respondent 1 within its organisation.

40. In sum, the Chamber concluded that the amount of compensation for breach of contract without just cause to be paid by the Respondent 1 to the Claimant is firstly composed of the amount of EUR 3,547,134 being the reflection of the average remuneration and other benefits due to the Respondent 1 under the previous and the new contract and the value attributed to his services by the both clubs as well as EUR 36,000 being the non-amortized agent fee over the term of the contract. Equally, the amount of compensation needs to include EUR 350,000 reflecting the sports-related damage caused to the Claimant by the Respondent 1 in the light of the specificity of sport. On account of the above, the Chamber considered that the total amount of EUR 3,933,134 is to be considered an appropriate and justified amount of compensation to be awarded to the Claimant. In this respect, the members of the Chamber finally deemed it imperative to emphasise that the sanctioning nature of the provisions contained in art. 17 of the Regulations cannot be disregarded.
41. Furthermore, in accordance with the unambiguous contents of art. 17 par. 2 of the Regulations, the Chamber established that the player's new club, i.e. the Respondent 2, shall be jointly and severally liable for the payment of compensation. In this respect, the Chamber was eager to point out that the joint and several liability of the player's new club is independent from the question as to whether the new club has induced the player to the contractual breach or not. This conclusion is in line with the well-established jurisprudence of the Chamber that was repeatedly confirmed by the CAS. Notwithstanding the aforementioned, and for the sake of completeness, the Chamber recalled that according to article 17 par. 4 sent. 2 of the Regulations, it shall be presumed, unless established to the

contrary, that any club signing a Professional who has terminated his contract without just cause has induced that Professional to commit a breach.

42. The members of the Chamber emphasised that the breach of contract without just cause committed by the Respondent 1 outside of the protected period cannot result in the imposition of sporting sanctions, in compliance with the applicable Regulations (cf. article 17 par. 3 of the Regulations).
43. In view of the foregoing, and in conformity with the relevant provision of the Regulations (cf. article 17 par. 4 sent. 1 of the Regulations *e contrario*), the player's new club, the Respondent 2, shall not be imposed sporting sanctions for possibly inducing the contractual breach and its responsibility shall in any case be limited to being jointly and severally liable for the payment of any amount of compensation for breach of contract that the Respondent 1 will be ordered to pay as stated above.
44. In continuation, the members of the Chamber turned their attention to the contents of art. 17 par. 3 *in fine* of the Regulations and recalled that the notice of termination by the Respondent 1 had been given undoubtedly on 8 June 2007. In this respect, the Chamber took note that the Respondent 1 held that the last game of the 2006/2007 season had been played on 27 May 2007 and that, consequently the letter of termination had been sent within fifteen days following the last match of the pertinent season. The Chamber acknowledged that the Claimant had neither contested the date of the last match of the 2006/2007 season nor the fact the termination notice from the Respondent 1 could have been given outside the pertinent time-limit. As a consequence, the Dispute Resolution Chamber had no other alternative but to consider that no disciplinary measures had to be imposed on the Respondent 1 in virtue of art. 17 par. 3 *in fine* of the Regulations, since it appears that the Respondent 1 had complied with the obligations stipulated in the aforementioned provision.
45. In conclusion, on account of all of the above-mentioned considerations and the specificities of the case at hand, the Chamber decided that the Respondent 1 must pay the amount of 3,933,134, plus 5% of interest as from 9 June 2007, to the Claimant as compensation for breach of contract. Furthermore, the Respondent 2 is jointly and severally liable for the payment of the relevant compensation.
46. The Dispute Resolution Chamber concluded its deliberations in the present matter by establishing that any further request lodged by the Claimant is rejected.

III. Decision of the Dispute Resolution Chamber

1. The claim of the Claimant, C, is partially accepted.
2. The Respondent 1, M, has to pay to the Claimant, C, the amount of EUR 3,933,134, as well as 5% interest per year on the said amount as from 9 June 2007, **within 30 days** as from the date of notification of this decision.
3. The Respondent 2, S, is jointly and severally liable for the payment of the aforementioned sum.
4. Any further claims lodged by the Claimant, C, are rejected.
5. If the aforementioned sum is not paid within the aforementioned deadline, the present matter shall be submitted, upon request, to FIFA's Disciplinary Committee for consideration and a formal decision.
6. The Claimant, C, is directed to inform the Respondent 1, M, and the Respondent 2, 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.

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:

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For the Dispute Resolution Chamber

Jérôme Valcke
Secretary General

Encl. CAS directives