TAS / CAS
TRIBUNAL ARBITRAL DU SPORT
COURT OF ARBITRATION FOR SPORT
TRIBUNAL ARBITRAL DEL DEPORTE

CAS 2024/A/10900 Anorthosis Famagusta FC v. Miguel Ángel Guerrero Martín

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr Oliver Jaberg, Attorney-at-law, Aarau, Switzerland

in the arbitration between

Anorthosis Famagusta FC, Larnaca, Cyprus
Represented by Mr Alkiviadis Papantoniou, Attorney-at-law, Mr Vasileios Fotiou, Attorney-at-law, both of AP Sports Law Office, Athens, Greece, and Mr Rafail Demetriou, CEO of Anorthosis Famagusta FC, Larnaca, Cyprus

- Appellant -

and

Mr Miguel Ángel Guerrero Martín, Asturias, Spain
Represented by Mr Juan de Dios Crespo Pérez, Attorney-at-law, Ruiz Huerta & Crespo Sports Lawyers, Valencia, Spain

- Respondent -

I. PARTIES

1. Anorthosis Famagusta FC ("the Appellant", "Anorthosis Famagusta" or "the Club") is a professional football club, affiliated to the Cyprus Football Association (the "CFA"), which in turn is a member of the *Fédération Internationale de Football Association* ("FIFA").

2. Mr Miguel Ángel Guerrero Martín ("the Respondent" or "the Player", together with the Appellant "the Parties") is a Spanish football player.

II. FACTUAL BACKGROUND

A. Background Facts

3. Below is a summary of the relevant facts and allegations based on the parties' written submissions, pleadings and evidence adduced at the hearing. Additional facts and allegations found in the parties' written submissions, pleadings and evidence may be set out, where relevant, in connection with the legal discussion that follows. While the Sole Arbitrator has considered all the facts, allegations, legal arguments and evidence submitted by the parties in the present proceedings, he only refers in his Award to the submissions and evidence he considers necessary to explain his reasoning.

4. On 22 January 2023, the Parties concluded an employment contract (the "First Contract"), valid as from 22 January 2023 until 31 May 2024.

5. The First Contract included *inter alia* the following clauses:

"[…]

1. Appointment and Duration
1.1 The duration of this Contract shall be from 22/01/2023 until 31/05/2024.

1.2 Both parties, will have the right to unilaterally terminate the present agreement by paying to the other party the amount of €45.000 (forty-five thousand euro) within 30 (thirty) days of notifying the other party for the termination. Such a termination shall not constitute a breach of contract and the other party shall not be entitled to any additional payments or any compensation. This exit clause will be valid and enforceable only for the period from 01/06/2023 until 20/06/2023 (both inclusive). The Player agrees and accepts that this amount is reasonable and proportionate since he will be free and able to search and find new employment in the summer transfer window in order to mitigate his potential damages or even avoid having any damages at all.
1.2.1 The Player shall not be entitled to exercise this right in order to sign with another club in Cyprus. Should the Player decide to exercise this right and then sign with another Cyprus club in the 2023 summer transfer window, as a permanent or a temporary transfer, he shall have to pay a penalty equal to €200.000 (two hundred thousand euro).

1.3 The Club engages the Player as a professional footballer for the Club's A Team, unless the Player shall agree to play for some other team of the Club, on the terms and conditions of this Contract and subject to the Rules of the CFA.

1.4 The Player's remuneration shall be as follows:

1.4.1 From 31/01/2023 until 31/05/2023, a monthly gross salary of €11'498.78, a total annual of €57'493.90 (€10'000.00 net monthly, a total annual of €50'000.00 net).

1.4.2 From 31/08/2023 until 31/05/2024 a monthly gross salary of €11'498.78, a total annual of €114'987.78 (10'000.00 net monthly, a total annual of €63'161.77 (5'000.00 net monthly, a total annual of €100'000.00 net), provided that the present Agreement is still in effect.

1.5 Other benefits and/or allowances as per Club's internal regulations.

[…]

2.1 The present Contract is regulated by the provisions of the Standard Employment Contract, as these have been agreed between the Cyprus Football Association (CFA) and the Cyprus Footballers' Union (PASP) and as these provisions have been codified in Annex 1 of the CFA Registration and Transfer of Players Regulations.

2.2. The terms of the Standard Employment Contract constitute an integral part of the present Contract having full and direct implementation.

[…]".

6. The Standard Employment Contract stated in Clause 13:

"*Any employment dispute between the Club and the Player shall fall under the exclusive jurisdiction of the National Dispute Resolution Chamber of the CFA and shall be resolved to the applicable regulations of the* CFA".

7. On 23 January 2023, the Parties concluded the so-called Supplementary Agreement (the "First Agreement").

8. The First Agreement included *inter alia* the following clauses:

"[…]

D. The parties wish to update the remuneration, bonuses and associated benefits that the Player will be entitled to receive, under the employment agreement, as well as amend supplementary clauses.

The parties wish to enter into the present private agreement.

IT IS HEREBY AGREED AS FOLLOWS:

1. In addition to the monthly salaries agreed in the Employment Agreement, the Club will pay to the Player the following amounts:

1.1 For the period starting from 31/01/2023 and ending 31/05/2023 the total additional amount of €65.000 (sixty-five hundred [sic] *thousand euro) net and subject to the terms of the present agreement, in 5 (five) equal monthly instalments of €13.000 (thirteen thousand euro) net.*

1.2 For the period starting from 31/08/2023 and ending 31/05/2024 the total additional amount of €130.000 (one hundred and thirty thousand euro) net and subject to the terms of the present agreement, in 10 (ten) equal monthly instalments of €13.000 (thirteen thousand euro) net, provided that the Employment Agreement is active at the time the payments are due.

2. Extra Payments

2.1 The Club will pay to the Player an extra allowance along with the Player's salary every month, for the Player's personal expenses such as housing, car rental etc as follows:

2.1.1. €5.000 (five thousand euro) net per season in 5 (five) installments (January '23 to May '23) for season 2022-23.

2.1.2. €10.000 (ten thousand euro) net per season in 10 (ten) installments (August '23to May '24) for season 2023-24, provided that the Employment Contract is still active at the time the payments are due.

[…]

11. All and every disputes the Parties explicitly and irrevocably agree that will be introduced exclusively ("exclusive agreed jurisdiction") before the competent authority and/or committee and/or body of FIFA Football Tribunal. Any decision of the FIFA Football Tribunal might be appealed only before Court of Arbitration of Sports based in Lausanne, Switzerland by a Panel consisting of one (1) member and using the English language. The Regulations of FIFA and Cyprus FA and the legislation of Republic of Cyprus will be used by the hearing committees at all stages.

[…]".

9. On 8 February 2024, the Parties concluded a new employment contract (the "Second Contract"*),* valid as from 1 June 2024 until 30 June 2026.

10. The Second Contract included *inter alia* the following clauses:

"[…]

1.3 The Player's remuneration shall be as follows:

1.3.1 From 31/08/2024 until 31/05/2025, a monthly gross salary of €6'316.18, a total annual of €63'161.77 (€5'000.00 net monthly, a total annual of €50'000.00 net).

1.3.2 From 31/08/2025 until 31/05/2026 a monthly gross salary of €6'316.18, a total annual of €63'161.77 (€5'000.00 net monthly, a total annual of €50'000.00 net).

1.4 Other benefits and/or allowances as per Club's internal regulations.

[…]

2.1 The present Contract is regulated by the provisions of the Standard Employment Contract, as these have been agreed between the Cyprus Football Association (CFA) and the Cyprus Footballers' Union (PASP) and as these provisions have been codified in Annex 1 of the CFA Registration and Transfer of Players Regulations.

2.2. The terms of the Standard Employment Contract constitute an integral part of the present Contract having full and direct implementation.

[…]".

11. The attached Standard Employment Contract contained, inter alia, the following clause:

"[…]

13. Dispute Resolution
Any employment dispute between the Club and the Player shall fall under the exclusive jurisdiction of the National Dispute Resolution Chamber of the CFA and shall be resolved to the applicable regulations of the CFA.

[…]".

12. Also on 8 February 2024, the Appellant's President, Mr Andreas Santis, and the Player signed a private agreement (the "Private Agreement), which included the following clauses:

"[…]

1. The duration of this Contract shall be from 1/06/2024 until 30/06/2026.
2. The President will pay the Player an annual amount of €10.000 (ten thousand euro) as follows:

- €10.000 (ten thousand euro) from 31/8/2024 to 31/5/2025 in ten equal monthly instalments of €1.000 (one thousand euro).

- €10.000 (ten thousand euro) from 31/8/2025 to 31/5/2026 in ten equal monthly instalments of €1.000 (one thousand euro).

[…]".

13. On 9 February 2024, the Parties concluded a second supplementary agreement (the "Second Agreement"), which included *inter alia* the following clauses:

"[…]

D. The parties wish to update the remuneration, bonus and associated benefits that the Player will be entitled to receive, under the employment agreement, as well as amend supplementary clauses.

1. In addition to the monthly salaries agreed in the Employment Agreement [the Second Contract]*, the Club will pay to the Player the following amounts:*

1.1. For the period starting from 31/08/2024 and ending 31/05/2025 the total additional amount of €230.000 (two hundred and thirty thousand euro) net and subject to the terms of the present agreement, in ten (10) equal monthly instalments of €23.000 (twenty-three thousand euro) net.

1.2. For the period starting from 31/08/2025 and ending 31/05/2026 the total additional amount of €230.000 (two hundred and thirty thousand euro) net and subject to the terms of the present agreement, in ten (10) equal monthly instalments of €23.000 (twenty-three thousand euro) net

[…]

10. *All and every disputes the Parties explicitly and irrevocably agree that will be introduced exclusively ("exclusive agreed jurisdiction") before the competent authority and/or committee and/or body of FIFA Football Tribunal. Any decision of the FIFA Football Tribunal might be appealed only before the Court of Arbitration of Sports based in Lausanne, Switzerland by a Panel consisting of one (1) member and using the English language. The Regulations of FIFA and Cyprus FA and the legislation of Republic of Cyprus will be used by the hearing committees at all stages.*

[…]".

14. On 2 April 2024, the Player (via the Spanish Footballers Association (the "AFE")) sent a default notice (the "Default Notice") to the Club and requested payment of EUR 86,000 net as per the following points:

    - Pending partial payment of the monthly remuneration and extra allowances of December 2023: EUR 14.000 net.

    - Payment of the monthly remuneration and extra allowances of January 2024: EUR 24.000 net.

    - Payment of the monthly remuneration and extra allowances of February 2024: EUR 24.000 net.

    - Payment of the monthly remuneration and extra allowances of March 2024: EUR 24.000 net.

15. The Player granted the Club a deadline of fifteen days to comply with its financial obligations.

16. On 4 April 2024, the (then) CEO of the Club, Mr Marinos Mitrou, replied to AFE via email writing:

    "Dear Sir or Madame, I hope my message finds you well. I understand that you are in direct contact with the President Mr Andreas Santis regarding the subject matter. Is this correct? Kr, Marinos Mitrou […]".

17. On 19 April 2024, the Player (via the AFE) terminated the employment relationship via email, based on Articles 14 and 14bis of the FIFA Regulations on the Status and Transfer of Players (the "RSTP" or the "FIFA RSTP").

18. On 19 February 2025, the Player concluded a new employment contract with Spanish fourth division club UP Langreo for the remainder of the 2024/2025 season, *i.e.* from 19 February 2025 until the end of May 2025. The contract *i.a.* included the following:

    "*CUARTA. - REMUNERACIÓN*
    4.1 El JUGADOR tendrá derecho a percibir del CLUB la cantidad de MIL SEISCIENTOS EUROS (1.600€) NETOS mensuales como remuneración fija por la prestación de sus servicios y por todos y cada uno de los conceptos de este contrato para la temporada 2024-2025 desde su incorporación a la efectiva actividad del CLUB, entendiendo esta como la fecha de comienzo de la incorporación a los entrenamientos en la Temporada 2024/2025, hasta la finalización de misma, estimándose como tal la fecha en la que se produzca el último partido oficial del Primer Equipo del Club en la temporada.

    En las cantidades indicadas se incluyen, prorrateadas, las pagas extras.
    Los pagos mensuales se abonarán a mes vencido, entre los días 1 y 10 del mes siguiente a su devengo.

Asimismo, las partes declaran acuerdan expresamente y de manera libre y voluntaria que cualquier indemnización que pudiera resultar aplicable por el mero hecho de la expiración de este contrato temporal está integrada y contemplada en el conjunto de las retribuciones pactadas en el presente contrato"..

Free translation by the Sole Arbitrator:

"*FOURTH - REMUNERATION*
4.1 The PLAYER shall be entitled to receive from the CLUB the amount of ONE THOUSAND SIX HUNDRED EUROS (1.600 €) NET per month as fixed remuneration for the provision of his services and for each and every one of the concepts of this contract for the 2024-2025 season from his incorporation into the effective activity of the CLUB, this being understood as the date of the beginning of the incorporation into the training sessions in the 2024/2025 Season, until the end of the same, this being considered as the date on which the last official match of the Club's First Team takes place in the season.

The amounts indicated include, pro rata, the extra payments.
The monthly payments will be paid in arrears, between the 1st and 10th of the month following their accrual.

Likewise, the parties expressly and freely and voluntarily agree that any compensation that may be applicable due to the mere fact of the expiry of this temporary contract is integrated and contemplated in the overall remuneration agreed in this contract".

B. Proceedings before the FIFA Dispute Resolution Chamber

19. On 10 May 2024, the Player lodged a claim against the Club before the Dispute Resolution Chamber of the FIFA Football Tribunal (the "DRC"), requesting the following relief (cf. decision of the DRC of 22 August 2024, Ref. FPSD-14602 [the "Appealed Decision"], para. 21):

"[…]

- *That the Club be ordered to pay the Player compensation as a consequence of the unjustified and serious breach by the Club, due to the termination with just cause actioned by the Player of the employment relationship, corresponding to the remuneration ceased to be received until the date of termination of the same (30 June 2026) and amounting to EUR 612,8001.01 net as compensation for breach of contract without just cause, based on art. 14, 14bis, 17 par. 1 and 18 par. 4 of the RSTP and as related through this claim.*
- *That the Club be ordered to pay to the Player a default interest of 5% per annum on the amount referred to in the previous paragraph, as from 19 April 2024.*
- *That sanctions arising from art. 17 par. 4 of the Regulations are imposed on the Club, in its maximum degree, for this fact; having produced the termination of the Contract in the protected period.*
- *That the Club be ordered to pay to the Player the amount of EUR 101,199.99 net*

corresponding to unpaid salaries as of the date of termination with just cause, which are still owed to him at the present time.

- *That the Club be ordered to pay to the Player interest for late payment of 5% per annum on the amount referred to in the previous paragraph, from the date on which each of the aforementioned amounts should have been paid".*

20. In the reply and counterclaim submitted by the Club before the DRC, the Club, in essence, contested the DRC's jurisdiction and rejected the Player's Claim (Appealed Decision, para. 22).

21. In his reply to the Club's counterclaim, the Player contested the Club's position and reiterated his request for relief (Appealed Decision, para. 34).

22. On 22 August 2024, the DRC passed the Appealed Decision:

"[…]

1. The Football Tribunal has jurisdiction to hear the claim of the Claimant / Counter-Respondent, Miguel Ángel Guerrero Martín.

2. The claim of Miguel Ángel Guerrero Martín is partially accepted.

3. The Respondent / Counter-Claimant, Anorthosis Famagusta, must pay to Miguel Ángel Guerrero Martín the following amount(s):

***EUR 110,000 net as outstanding remuneration** plus 5% interest per annum as follows:*

- *5% interest p.a. over the amount of EUR 14,000 net as from 1 January 2024 until the date of effective payment;*
- *5% interest p.a. over the amount of EUR 24,000 net as from 1 February 2024 until the date of effective payment;*
- *5% interest p.a. over the amount of EUR 24,000 net as from 1 March 2024 until the date of effective payment;*
- *5% interest p.a. over the amount of EUR 24,000 net as from 1 April 2024 until the date of effective payment; and*
- *5% interest p.a. over the amount of EUR 24,000 net as from 20 April 2024 until the date of effective payment.*

***EUR 603,000 net as compensation for breach of contract without just cause** plus 5% interest per annum as from 20 April 2024 until the date of effective payment.*

4. Any further claims of Miguel Ángel Guerrero Martín are rejected.

5. The counterclaim of Anorthosis Famagusta is rejected.

*6. Full payment (including all applicable interest) shall be made to the bank account indicated in the **enclosed** Bank Account Registration Form.*

7. Pursuant to art. 24 of the Regulations on the Status and Transfer of Players, if full

payment (including all applicable interest) is not made ***within 45 days*** *of notification of this decision, the following* ***consequences*** *shall apply:*

1. *Anorthosis Famagusta shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid. The maximum duration of the ban shall be of up to three entire and consecutive registration periods.*

2. *The present matter shall be submitted, upon request, to the FIFA Disciplinary Committee in the event that full payment (including all applicable interest) is still not made by the end of the three entire and consecutive registration periods.*

8. *The consequences* ***shall only be enforced at the request of Miguel Ángel Guerrero Martín*** *in accordance with art. 24 par. 7 and 8 and art. 25 of the Regulations on the Status and Transfer of Players.*

9. *This decision is rendered without costs*.

[…]".

23. On 9 September 2024, the grounds of the Appealed Decision were communicated to the Parties.

24. In summary, the DRC argued that it was competent to hear the case, because the First Agreement amended the First Contract (and hence the Standard Employment Contract attached to it), and consequently the Parties irrevocably and exclusively agreed that any disputes arising from the employment relationship would be submitted to FIFA (Appealed Decision, para. 44).

25. As to the substance, the DRC concluded that the Player had just cause to terminate the contract, as the Player had sufficiently proven that the Club was in arrears with more than two monthly salary payments, that the Player had validly put the Club in default and that the Player terminated the Contract after 15 days and – in turn – that the Club was unable to prove that it had paid the Player as contractually agreed.

26. The DRC concluded that the outstanding remuneration at the time of termination, coupled with the specific requests for relief of the player, were equivalent to five salaries under the First Contract and the First Agreement, amounting to EUR 110,000 net and that the Club was liable to pay to the Player the amounts which were outstanding under the contract at the moment of the termination, *i.e.* EUR 110,000 net, corresponding to the December 2023, January, February, March and April 2024 salaries plus interest at the rate of 5% *p.a.* on the outstanding amounts as from their due dates until the date of effective payment.

27. As to the calculation of the compensation, the Chamber noted that in accordance with Clause 2.1.2 of the First Agreement, the Player was entitled to an extra allowance of EUR 1,000 per month as from August 2023 to May 2024, provided that "*the* [First Contract] *is still active at the time the payments are due*". Based on the fact that the employment relationship was terminated by the Player on 19 April 2024, the Chamber concluded that he should not be entitled to the extra allowance for the month of May 2024, as the employment relationship was not "*active at the time the payments are due*".

28. As to the Private Agreement concluded between the Player and Mr Santis on 8 February

2024, the members of the Chamber unanimously decided to take it into account for the calculation of compensation due by the Club to the Player, as such Private Agreement (i) was signed by Mr Santis in his capacity of President of the Club, (ii) contains the stamp of the Club and (iii) Mr Santis himself acknowledged in his statement that its purpose was to secure the Player's services by paying an additional sum to him to fulfil his salary expectations. The DRC also considered the fact that the payment scheduled in the Private Agreement coincides with the one of the other contracts which, in the Chamber's opinion, was a clear indication that the amounts paid under this agreement were additional salary to the Player.

29. The DRC confirmed that the Second Contract and Agreement – signed in February 2024 to begin on 1 June 2024 – are effectively a renewal of the First Contract and Agreement, expiring on 31 May 2024. Since both sets of agreements form part of the same employment relationship, any breach by the Club under the First Contract also impacts the Second. This ensures that clubs cannot avoid financial consequences by renewing contracts while still owing payments.

30. The DRC concluded that the amount of EUR 603,000 net serves as the basis for determining the compensation for breach of contract, corresponding to the residual value of the employment relationship. This total includes EUR 10,000 net under the First Contract, EUR 13,000 net under the First Agreement, EUR 100,000 net under the Second Contract, EUR 460,000 net under the Second Agreement, and EUR 20,000 net under the Private Agreement.

31. Furthermore, the Chamber noted that the Player remained unemployed since the unilateral termination of the contract.

32. Thus, the DRC awarded the Player compensation in the amount of EUR 603,000.00 plus interest at the rate of 5% *p.a.* as of 20 April 2024 until the date of effective payment.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

33. On 30 September 2024, the Appellant filed its Statement of Appeal with the Court of Arbitration for Sport (the "CAS") against the Respondent with respect to the Appealed Decision, pursuant to Article R48 of the Code of Sports-related arbitration (2023 edition) (the "Code").

34. On 4 November 2024, the Appellant filed its Appeal Brief, pursuant to Article R51 of the Code.

35. On 20 December 2024, the CAS Court Office informed the Respondent that the Appellant had paid the advance of costs and that the Respondent had to file his Answer to the Appeal Brief within 20 days.

36. On 14 January 2025, the CAS Court Office informed the Parties, that the Respondent had failed to file an Answer to the Appeal Brief within the deadline set by the CAS Court Office.

37. On 14 and 17 January 2025, the Parties respectively requested a hearing to be held.

38. On 4 February 2025, the CAS Court Office informed the Parties, on behalf of the Deputy

President of the CAS Appeals Arbitration Division, that the Arbitral Tribunal appointed to decide this case was appointed as follows:

Sole Arbitrator: Mr Oliver Jaberg, Attorney-at-law in Aarau, Switzerland

39. On 19 February 2025, after having consulted the Parties, the Sole Arbitrator decided to hold a hearing via videoconference, pursuant to Article R57 of the Code.

40. On 10 March 2025, the CAS Court Office, on behalf of the Sole Arbitrator, issued the Order of Procedure, which was duly signed by the Respondent on 10 March 2025 and by the Appellant on 25 March 2025 respectively.

41. On 7 May 2025, one day before the scheduled hearing, the Appellant's counsel, Mr Alkis Papantoniou submitted a request for document production, as the Respondent had allegedly found new employment with the Spanish club, UP Langreo, since 26 February 2025.

42. On the same day, the Sole Arbitrator invited the Respondent to provide his position on the Appellant's request by 7 May 2025. The Respondent did not submit any reply within the deadline.

43. On 8 May 2025, a virtual hearing was held via Webex. In addition to the Sole Arbitrator and Ms Amelia Moore, CAS Counsel, the following persons attended the hearing:

- For the Appellant: Mr Alkis Papantoniou, Mr Vasileios Fotiou, Mr Rafail Demetriou (CEO of the Appellant);
- For the Respondent: Mr Juan de Dios Crespo Pérez and Mr Matthew Collins.

44. At the commencement of the hearing, both Parties confirmed that they had no objection to the appointment of the Sole Arbitrator to preside over this case.

45. As a preliminary item, the Sole Arbitrator dealt with the Appellant's document production request. The Respondent's counsel agreed to submit the contract with UP Langreo after the hearing. The Sole Arbitrator also stated that since the Respondent failed to submit any written statement in response to the Appeal Brief, his oral arguments during the hearing are confined to the arguments contained in his submissions before the FIFA DRC.

46. At the end of the hearing, both Parties confirmed that their procedural rights including their right to be heard had been fully respected.

47. On the same day, after the hearing had taken place, the Respondent provided the contract with the club UP Langreo.

IV. THE POSITION OF THE PARTIES

48. The following outline of the Parties' positions is illustrative only and does not necessarily comprise every contention put forward by the Parties. The Sole Arbitrator, indeed, has carefully considered all the written and oral submissions made by the Parties, even if there is no specific reference to those submissions in the following summary.

A. The Position of the Appellant

49. In its Appeal Brief, the Appellant requested the following:

"1. The Appellant is calling CAS to issue a decision as follows:

i. Uphold the appeal on the grounds that the FIFA DRC was not competent to examine the present dispute because the only competent body was the CFA NDRC.

ii. Alternatively to point (i) above, uphold the present appeal, set aside the decision of the FIFA DRC and declare that the Respondent terminated his employment relationship without just cause and is not entitled to any compensation by the Appellant.

iii. Order the Respondent to pay compensation to the Appellant equal to EUR 603,000 or any other amount which CAS will consider as proper and fair, plus legal interest.

iv. Alternatively to points (i), (ii) & (iii) above, in case CAS concludes that the Respondent terminated the employment relationship with just cause, mitigate the compensation which the FIFA DRC ordered the Appellant to pay to the Respondent.

v. Order the Respondent to pay the procedural and all other costs arising out of the present proceedings and to reimburse the Appellant with the CAS Court Office Fee.

vi. Order the Respondent to pay a contribution towards the Appellant's legal fees incurred in connection with the present proceedings".

50. In summary, the Appellant submitted the following arguments:

- The FIFA DRC was not competent to hear this case, as Clause 13 of the Standard Employment Contract awards exclusive jurisdiction to the National Dispute Resolution Chamber of the Cyprus Football Association (CFA NDRC). Furthermore, the CFA NDRC is fully impartial and independent satisfying Article 22(b) RSTP.

- The DRC should follow CAS precedent as in CAS 2012/A/2983 ARIS Football Club v. Márcio Amoroso dos Santos & Fédération Internationale de Football Association (FIFA), CAS 2014/A/3656 Olympiakos Volou FC v. Carlos Augusto Bertoldi & FIFA and CAS 2016/A/4846 Amazulu FC v. Jacob Pinehas Nambandi & FIFA & National Soccer League South Africa.

- According to these awards, in examining whether an NDRC is independent and impartial and satisfies the exception of Article 22(b) RSTP, the DRC must examine the following:

    a. Whether there exists an explicit and clear arbitration clause in favour of the NDRC, excluding the FIFA DRC;

    b. Whether it respects the principle of parity (equal representation);

    c. Whether it respects the right to an independent and impartial tribunal;

d. Whether it respects the principle of a fair hearing;

e. Whether it respects the principle of contentious proceedings;

f. Whether it respects the principle of equal treatment;

g. Whether it imposes any financial barriers detrimentally affecting a party's right to access justice.

- 8. There is no doubt that the arbitration clause in Article 13 of the Standard Contract is clear and leaves no room for confusion or discussion.

- The CFA NDRC duly respects the principle of parity and equal representation.

- The CFA and Cyprus Footballers' Union (the "PASP") agreed that the NDRC would uphold the principle of equal representation. According to Article 22.4.3 of the current CFA RSTP, two ordinary members are elected by the CFA and two by PASP (Cyprus Footballers' Union). These four members must elect the vice-chairman within 15 days of their appointment, followed by the election of the chairman – both of whom must be independent. If they fail to reach a decision, the CFA and PASP authorized the Cyprus Bar Association, a fully independent body with no affiliation to either party, to appoint the chairman and vice-chairman. This is in full compliance with FIFA Circular 1010. Which demands that the two sides have equal influence over the appointment of arbitrators.

- The CFA NDRC respects the principle of independence and impartiality.

- Article 22 of the CFA RSTP is nearly a word-for-word Greek translation of the FIFA DRC procedural regulations. As stated in FIFA Circular 1010, arbitrators must be removed if any legitimate doubts arise about their independence. Specifically, Articles 22.11 and 22.12 of the CFA NDRC outline the objection procedure: if a member's impartiality is in question – due to personal involvement, family ties, or close relationships – they must withdraw. Parties may object to a member within five days of becoming aware of the reason, providing written grounds and evidence. If an objection is upheld, any part of the proceedings involving the objected member is void. These rules mirror Articles 10 and 11 of FIFA's NDRC Standard Regulations, which, as clarified by CAS in the *Marcio Amoroso* case, are not legally binding but serve as recommendations for NDRC implementation.

- Article 22.13 of the CFA RSTP provides that all fundamental rights of the parties shall be respected and especially the right to equal treatment and the right to be heard. Article 22.2.9 CFA RSTP provides, that the decisions of the NDRC can be challenged before the CAS. Having in mind the *de novo* principle of the CAS, it means that any procedural mistakes or infringements made before the CFA NDRC can be corrected before the CAS. Thus, the CFA RSTP fulfils the principle of a fair hearing.

- Article 22.15 CFA RSTP provides for contentious proceedings and Article 22.13

CFA RSTP protects and respects the right to equal treatment and the right to be heard.

- The CFA NDRC administrative fees are moderate and do not impose an undue obstacle to a party's right to access to justice.

- The Respondent had no right to terminate the contracts that had not yet entered into force. Nevertheless, the Respondent attempted – and succeeded – in misusing FIFA regulations to free himself from the Appellant while also claiming compensation equal to the full residual value of all contracts.

- The Respondent agreed to extend his employment with the Appellant on 8 February 2024, despite being owed EUR 48,000 in salaries at the time. Clearly, he had no objection to continuing – and even extending – the relationship for two more seasons.

- When the Respondent agreed on 8 February 2024 to extend his employment for two more seasons, he had already been with the Appellant for over a year and was fully aware of its financial difficulties. Despite being owed EUR 65,000, plus allowances and a EUR 10,000 bonus, he chose to stay, clearly showing he trusted the Appellant to fulfil its obligations, even if belatedly. His claim just two months later that trust was lost and he could no longer continue the relationship directly contradicts his earlier conduct. With no material change in circumstances during that period, this behaviour reflects bad faith.

- Between the contract extension and the termination, the Respondent received EUR 48,000 – a clear sign that the Appellant respected him, valued his services, and was actively working to settle outstanding payments, just as proposed and accepted by the Respondent. This effort was even cited by the Respondent as a reason for agreeing to the extension. The Appellant maintains that the Respondent only accepted the two-season extension, despite being owed salaries, to later terminate the contract and claim compensation for more than two years – revealing a strategy aimed at financial gain rather than genuine intent to continue the employment.

- As of 8 February 2024, the Respondent had been paid a total of EUR 192,000, while his contractual entitlement amounted to EUR 253,000, leaving EUR 61,000 in outstanding salaries. Despite this, the Respondent clearly did not view the arrears as a barrier, as he willingly agreed to extend his employment with the Appellant for two additional seasons – demonstrating his continued trust and willingness to remain under contract.

- Article 44(1) of the Swiss Code of Obligations (the "SCO") holds: "*Where the person suffering damage consented to the harmful act or circumstances attributable to him helped give rise to or compound the damage or otherwise exacerbated the position of the party liable for it, the court may reduce the compensation due or even dispense with it entirely".* Applying the SCO, CAS should note: (i) the Respondent could have terminated under FIFA RSTP but chose not to; (ii) he instead accepted the Appellant's promise to pay and showed

trust; (iii) the Appellant relied on this to extend his contract; and (iv) the Respondent's assurances of trust and willingness to stay were key to the extension, regardless of who initiated it.

- Had the Respondent been upfront about his alleged loss of trust and rights violations, the Appellant would not have offered a two-season extension. While the Appellant acknowledges its failure to pay fully and on time and respects the Respondent's rights, it argues that someone acting in good faith would not agree to extend their employment if they were truly unhappy or unwilling to continue.

- Entering into a contract extension in bad faith, merely to exploit an employer's financial weakness and secure additional compensation, is conduct that should not be rewarded. Therefore, CAS should not award the Respondent compensation based on contracts that had not yet started. If any compensation is granted, it should not equal the full residual value of those future contracts, as this could set a precedent encouraging players to extend contracts only to terminate them later for greater financial gain.

- If CAS determines that the Respondent is entitled to compensation, the so-called "Private Agreement" dated 8 February 2024 must be excluded from that calculation. The Appellant never signed, authorized, or consented to this agreement and is not a party to it. It was a private arrangement between the Respondent and the then-president of the Appellant, Andreas Santis, who explicitly stated that he personally promised to pay the Respondent EUR 100,000 per season – EUR 20,000 in total – as a personal bonus. This commitment was made without the Appellant's knowledge or involvement and should therefore not bind or financially affect the Club.

- Another reason the Respondent should not receive the full residual value of his contracts is that, since terminating in April 2024 he has not found new employment. This suggests a lack of effort to mitigate his damages. The Respondent cannot claim that potential new clubs avoided hiring him due to fear of joint liability for compensation, as the FIFA DRC investigation phase ended in July 2024. Any new contract signed after that date would not involve the new club in these proceedings.

- Regarding mitigation of damages, CAS must consider the decision of the European Court of Justice (ECJ) in case C-650/22 FIFA v. Lassana Diarra (annex 13), which clarified that potential new clubs are no longer at risk of joint liability. Therefore, the Respondent's failure to find new employment should not be tolerated by CAS. As noted in CAS 2020/A/6927, players are generally required to mitigate their damages, and failure to do so can lead to a reduction in compensation (in that case by 30%). Given the circumstances, the Appellant argues that the Respondent's compensation should be mitigated – if not completely denied for the 2024-25 and 2025-26 seasons, then at least reduced by 50% of his agreed remuneration for those seasons.

B. The Position of the Respondent

51. As the Respondent failed to submit a written statement, the following remarks are solely based on Respondent's oral submissions made during the hearing.

52. During the hearing, the Respondent did not explicitly state any requests for relief.

53. In summary, the Respondent submitted the following arguments:

- The dispute resolution clauses in the First Contract and the First Agreement contradict each other. If there are two contradicting clauses, the Player can choose and the Player chose the FIFA DRC, which was his right. Thus, the DRC was competent to hear the case and decide thereon.

- The Cyprus NDRC is not impartial.

- When multiple contracts are signed, the last one is the one that is binding.

- Mr Santis acted as the President of the Club. The Private Agreement bears the stamp of the Club. The President of the Club is not deemed to be an independent Sponsor of the Club. The President signed on behalf of the Club and the salary in the Private Agreement was part of the financial remuneration of the Player for his services to the Club.

- The commercial object of the Contract is that the Player plays football for the Club for specific seasons and for a specific salary. There is no other purpose for the Private Agreement, since the Player is not rendering any services to the President or his family. Thus, the salary in the Private Agreement must be viewed as part of the salary which the Club agreed to pay to the Player.

- The *essentialia negotii* of the contract were for the Player to play football for the Appellant for a specific time frame (seasons) and for the Club to pay a salary.

- The only Party who has failed to fulfil the contract was the Club.

- The misbehaviour by the President of the Club is attributable to the Club. If the Appellant does not agree with the President's behaviour, the Club should sue Mr Santis. The fact that the Club did not submit any evidence in this regard means that the Club agreed with the President's behaviour.

- The Player did not have bad faith when he signed the Second Contract even though the Club was in arrears with salary payments in the moment of conclusion. To the contrary. The Player signed in good faith, trusting that the Club would pay on time from hence forth. The Player showed a lot of trust and good faith to extend the contract when the Club was already overdue. Moreover, it was the Club who asked the Player to sign a new contract. The Player signed in good faith trusting that the Club would pay him. But the Club still did not pay him. The Appellant tries to put the blame on the Player, when the blame is on the Club. The Player has done nothing wrong or deceiving. The Club promised to pay but did not pay for another two months.

- If the Club would have paid the Player would have stayed with the Club. It is the responsibility of the Club that there is a dispute.

- The Player had the right to apply Article 14bis RSTP.

- Article 14bis RSTP is not the end of the contract. The Club could have paid within the 15-days-deadline and the Player would have remained with the Club, but the Club did not do so.

- The Player, who will soon be 35 years old, has had a modest career, playing across various leagues but never at the top level. He is not wealthy and has never enjoyed the privileges of elite footballers. To blame him for failing to mitigate damages is both unfair and unrealistic. At 34, most players in England retire. Yet, Mr Guerrero has made efforts to continue his career – not to walk away from football. He pursued an opportunity with Langreo in Spain's Segunda RFEF (fourth division), who showed interest but only signed him for the remainder of the 2024/2025 season.

- This is a player who is trying, not avoiding work. Unlike a 21-year-old with national team experience and top-tier opportunities, the Player is playing at the highest level currently available to him. He is not hiding anything, and there is no evidence of bad faith. On the contrary, his efforts deserve recognition. Holding him to a mitigation standard meant for much younger or elite-level players is unjust. He did what he could – and that should be acknowledged, not punished.

V. JURISDICTION

54. Article R47 of the Code provides as follows:

> *"An appeal against the decision of a federation, association or sports-related body may be filed with CAS if the statutes or regulations of the said body so provide or if the parties have concluded a specific arbitration agreement and if the Appellant has exhausted the legal remedies available to it prior to the appeal, in accordance with the statutes or regulations of that body".*

55. It is undisputed between the Parties that CAS has jurisdiction to adjudicate the matter at hand, which they confirmed by their signature of the Order of Procedure.

56. The Sole Arbitrator is satisfied that, also according to Article 50 (1) of the FIFA Statutes, CAS has jurisdiction to hear this case and decide on the matter.

VI. ADMISSIBILITY

57. Article R49 of the Code provides as follows:

> "*In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or in a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against.".*

58. According to Article 50(1) of the FIFA Statutes (May 2024 edition), appeals "*shall be lodged with CAS within 21 days of receipt of the decision in question*".

59. The grounds of the Appealed Decision were notified to the Appellant on 9 September 2024, and the Appellant's Statement of Appeal was lodged on 30 September 2024, *i.e.* within the statutory time limit of 21 days set forth in Article R49 of the Code and in Article 50(1) of the FIFA Statutes, which is not disputed.

60. Furthermore, the Statement of Appeal and the Appeal Brief complied with all the requirements of Articles R48 and R51 of the Code.

61. The Appeal is therefore admissible.

VII. APPLICABLE LAW

62. According to Article 187(1) PILA, "*[t]he arbitral tribunal shall rule according to the law chosen by the parties or, in the absence of such a choice, according to the law with which the action is most closely connected".*

63. Article R58 of the Code provides as follows:

> "*The Panel shall decide the dispute according to the applicable regulations and the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law that the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision".*

64. In addition, Article 49(2) of the FIFA Statutes hold: "*The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law".*

65. Neither the First Contract, nor the First Agreement, nor the Second Contract, nor the Private Agreement, nor the Second Agreement, nor the Standard Employment Contract (all together referred to as the "Employment Relationship") make specific reference to FIFA regulations.

66. Clause 2.1 of the First Contract holds the following: "*The present Contract is regulated by the provisions of the Standard Employment Contract, as these have been agreed between the Cyprus Football Association (CFA) and the Cyprus Footballers' Union (PASP) and as these provisions have been codified in Annex 1 of the CFA Registration and Transfer of Players Regulations*". However, both Parties frequently refer to the FIFA RSTP in their written and oral submissions.

67. Against this background, the Sole Arbitrator concludes that the present dispute is to be resolved according to the corresponding FIFA regulations, in particular the FIFA RSTP, and that Swiss law shall be applied subsidiarily.

VIII. MERITS

68. According to Article 13 para. 5 of the Procedural Rules Governing the Football Tribunal, a party that asserts a fact has the burden of proving it. The allocation of the burden of proof by this provision is in line with the general rule of Article 8 of the Swiss Civil Code, and its application to disputes like the present one has been confirmed by CAS many times (see, e.g., CAS 2020/A/7605, para. 220).

69. The Parties did not make any submissions why this principle should not apply or should be mitigated (cf. CAS 2020/A/7612) in the present case, and the Sole Arbitrator cannot make out any reasons for this either.

70. Accordingly, the Parties bear the burden of proving, to the comfortable satisfaction of the Sole Arbitrator, that the conditions for their respective claims are met, in line with the corresponding legal basis, in particular the applicable FIFA regulations and, subsequently, Swiss law.

71. Against this background, the following issues will be addressed by the Sole Arbitrator in turn:

a) Whether the DRC had jurisdiction to decide on the dispute

b) The duration of the Employment Relationship

c) Whether the Respondent had just cause to terminate the Employment Relationship

d) The Appellant's counterclaim

e) The Respondent's duty to mitigate damages

f) Financial Consequences

A. Whether the DRC had jurisdiction to decide on the dispute

72. Taking all the written and oral submission into account, the Sole Arbitrator recalled that, under Article 22(1)(b) RSTP, FIFA is generally competent to hear employment-related disputes between players and clubs of an international dimension. However, the parties may opt in writing to submit their dispute to a national-level independent arbitration tribunal, provided this tribunal is established within the framework of the national association or a collective bargaining agreement (a "CBA"). Such an arbitration clause must be clearly included in the contract or applicable CBA. The national body must ensure fair proceedings and uphold the principle of equal representation of both players and clubs (Art. 22(1)(b) and (c) of the FIFA RSTP, cf. FIFA Commentary on the FIFA RSTP, 2023 edition, p. 450 with reference to Circular no. 1010 of 20 December 2005).

73. The Sole Arbitrator notes that, as a preliminary matter, it is necessary to determine whether the First Contract and First Agreement and/or the Second Contract and Second Agreement and the Private Agreement underlying the present dispute **all** contain a clear and exclusive jurisdiction clause in favour of the NDRC of the CFA, or whether FIFA has jurisdiction in accordance with Article 22(1)(b) RSTP.

74. In this regard, the Sole Arbitrator observes that, on 22 January 2023, the Parties entered into an employment relationship by signing the First Contract which referred to the Standard Employment Contract issued by the CFA. Said contract, which is pre-approved and required by the CFA for registration purposes, contains a jurisdiction clause under Clause 13, referring any employment-related dispute between the Parties to the exclusive jurisdiction of the CFA NDRC.

75. However, the Sole Arbitrator also takes into consideration that on 23 January 2023 – i.e., one day later – the same Parties executed an additional agreement titled the "First Agreement" which amended essential terms of the First Contract, including remuneration, bonuses, and supplementary conditions. Of particular relevance in the context of jurisdiction is Clause 11 of the First Agreement, by means of which the Parties explicitly and irrevocably agreed that any disputes between them would fall under the exclusive jurisdiction of the FIFA Football Tribunal, and that any appeal of its decisions would be referred solely to the CAS in Lausanne, Switzerland.

76. The Sole Arbitrator considers that such a jurisdiction clause, contained in a subsequent agreement duly signed by both Parties reflects a clear intention by the Parties to amend the jurisdictional provisions of the original contract. Consequently, this latter agreement prevails over the earlier conflicting clause in the Standard Employment Contract. In other words, there are no conflicting jurisdiction clauses as the latter clause stipulating jurisdiction in favour of the DRC prevails over the former clause stipulating jurisdiction of CFA NDRC.

77. In any event, even if one were to regard the two jurisdiction clauses as conflicting, the Sole Arbitrator recalls that, under well-established CAS jurisprudence, in order to oust the default jurisdiction of FIFA under Article 22(1)(b) of the RSTP, the national arbitration tribunal must be competent only if there exists a valid and exclusive arbitration agreement clearly designating such tribunal. Where jurisdiction is ambiguous or shared, the DRC retains its competence (cf. CAS 2014/A/3579; CAS 2021/A/8042).

78. Accordingly, the Sole Arbitrator finds that the conditions required for the exclusive jurisdiction of the CFA NDRC are not met in the present case. The Parties' agreement to submit disputes to FIFA, as reflected in the First Agreement, must prevail. Therefore, the objection raised by the Appellant to the competence of FIFA is dismissed, and the DRC had jurisdiction to hear the matter.

79. For the sake of completeness, the Sole Arbitrator concludes that the same holds true with regard to the wording of the Second Contract, the Second Agreement and/or the Private Agreement.

B. The Duration of the Employment Relationship

80. In an initial step, the duration of the employment relationship must be determined by the Sole Arbitrator.

81. The First Contract had a duration of 22 January 2023 until 31 May 2024. The First Agreement had a duration of 23 January 2023 until 31 May 2024. The Second Contract was concluded on 8 February 2024 and had a duration of 1 June 2024 until 30 June 2026.

The Second Agreement was concluded on 9 February 2024 and had a duration of 1 June 2024 until 30 June 2026. The Private Agreement was signed on 8 February 2024 and had a duration of 1 June 2024 until 30 June 2026.

82. All contracts were duly signed by the Player and by official representatives of the Club. The Second Contract, the Second Agreement and the Private Agreement were signed during the duration of the First Contract and constitute a contract extension, as the *essentialia negotii*, namely the Player's services as a professional football player for the Club and the salaries payable by the Club to the Player are essentially the same in the First Contract and First Agreement and the Second Contract and the Second Agreement. The Second Contract and Second Agreement were also intended to commence the day after the First Contract and the First Agreement had elapsed.

83. The fact that the Player decided to terminate the Employment Relationship with the Club still during the duration of the First Contract and the First Agreement does not negate the fact that the Parties, by the time of the termination, had already duly extended the First Contract and the First Agreement by virtue of the Second Contract, Second Agreement and the Private Agreement.

84. In application of standing CAS jurisprudence (*e.g.* CAS 2023/A/9444, para. 55) and pursuant to the legal maxim "*pacta sunt servanda*", contracts must be performed in good faith (Swiss Federal Tribunal BGE 135 III 1, para. 2.4, in a free translation: "*Contracts validly concluded must be fulfilled as agreed ('pacta sunt servanda'), unless the parties mutually agree on a new contractual arrangement"*).

85. Thus, the Sole Arbitrator concludes that the entire contractual employment relationship was from 22 January 2023 until 30 June 2026.

C. Whether the Respondent had just cause to terminate the Employment Relationship

86. According to Article 14bis par. 1 FIFA RSTP, a player has just cause to unilaterally terminate a contract, if a club unlawfully fails to pay a player at least two monthly salaries on their due dates, provided that he has put the debtor club in default in writing and has granted a deadline of at least 15 days for the debtor club to fully comply with its financial obligations.

87. The Sole Arbitrator notes that the Appellant has not disputed that it was in arrears by more than two monthly salary payments at the time the Player sent his default notice to the Club and at the time of the termination. To the contrary, the Appellant conceded that the Player was entitled to terminate the contract in application of Article 14bis par. 1 RSTP.

88. Furthermore, the Sole Arbitrator is comfortably satisfied that the Player sent the default notice on 2 April 2024 to the Club and terminated the contract on 19 April 2024, thus respecting the 15-day-deadline as per Article 14 bis para. 1 FIFA RSTP.

89. The Appellant argued that the Respondent terminated the contract in bad faith, *i.e.* that he extended the contract knowing that the Appellant was already in arrears and shortly

after having concluded the extension, terminated the contract with the purpose of claiming a higher compensation for terminating the contract with just cause.

90. The Sole Arbitrator is not convinced by the Appellant's line of arguments. To the contrary. It seems that both Parties were well aware of the Appellant's outstanding salary payments by February 2024, and nonetheless concluded an extension of the contract well in advance of the end of the term of the first contractual period. Accordingly, the Sole Arbitrator fully concurs with the FIFA DRC and its reasoning contained in the Appealed Decision regarding duration and scope of the contractual relationship of the Parties. In this context, the Sole Arbitrator also concurs with the FIFA DRC that the Player and the President of the Club had signed a private agreement which the Player could in good faith deem he had concluded with the Club, bearing in mind the specific circumstances pertaining to the conclusion and signature of such agreement, in particular the stamp bearing the official logo of the Club, contained in the signature section of the Private Agreement signed by the Player and the President of the Club.

91. Thus, the Sole Arbitrator concludes that the Club wanted to extend the existing contractual relationship with the Player, and that the Player agreed to such extension.

92. Also, the Sole Arbitrator wishes to refer to the principle of *actori incumbit probatio*, which has consistently been observed in CAS jurisprudence (*e.g.* CAS 2021/A/8214, para. 94), and according to which "*in CAS arbitration, any party wishing to prevail on a disputed issue must discharge its burden of proof, i.e. it must meet the onus to substantiate its allegations and to affirmatively prove the facts on which it relies with respect to that issue, In other words, the party which asserts facts to support its rights has the burden of establishing them (..) The Code sets forth an adversarial system of arbitral justice, rather than an inquisitorial one. Hence, if a party wishes to establish some fact and persuade the deciding body, it must actively substantiate its allegations with convincing evidence (e.g. CAS 2003/A/506, para. 54; CAS 2009/A/1810 & 1811, para. 46 and CAS 2009/A/1975, para. 71ff)".*

93. Considering all the evidence adduced by the Appellant, the Sole Arbitrator concludes that (1) the Appellant had been duly notified of the default notice by the Respondent on 2 April 2024; (2) at the time of the notification of such notice, the Appellant was in arrears with more than two monthly salary payments; (3) the Appellant did not comply with the 15-day-deadline and failed to pay the Respondent in full within such deadline.

94. Accordingly, the Sole Arbitrator concludes that the Respondent had just cause to unilaterally terminate the Employment Relationship on 19 April 2024 in application of Article 14bis RSTP.

95. In view of the foregoing, it follows that the Appellant must pay the Respondent's outstanding salaries and compensation (for breach of contract).

D. The Appellant's claim for compensation

96. As the Respondent terminated the Employment Relationship with just cause, the Appellant's claim for compensation becomes obsolete. It is thus to be rejected in its entirety.

E. The Respondent's duty to mitigate damages

97. According to Article 17 par. 1 FIFA RSTP, the party in breach shall pay compensation equal to the residual value of the contract that was prematurely terminated. If the player signed a new contract by the time of the decision, the value of the new contract for the period corresponding to the time remaining on the prematurely terminated contract shall be deducted from the residual value of the contract that was terminated early.

98. As correctly stated by the Appellant, in accordance with the general principle of fairness, a player must act in good faith after the breach by the club and seek for other employment, showing diligence and seriousness. This principle is aimed at limiting the damages deriving from breach of contract and at avoiding that a possible breach committed by a club could turn into an unjust enrichment for the injured party (CAS 2015/A/4346, para. 104).

99. The duty to mitigate should not be considered satisfied when, for example, the player deliberately fails to search for a new club or unreasonably refuses to sign a satisfying employment contract, or when, having different options, he deliberately accepts to sign the contract with worse financial conditions, in the absence of any valid reason to do so (CAS 2015/A/4346, para. 105).

100. However, if a club submits that a Player did not accept the best available offer, it must be noted that the burden of proof in this regard lies with the club that invokes the player's hypothetical income from a new contract as a reason for the reduction of the compensation owed. The burden of proof that a player intentionally failed to accept the best contract lies with the club claiming it and relying on such allegation (Commentary on the RSTP, 2023 edition, p. 184; CAS 2006/A/1062, para. 23).

101. In addition, as held by previous CAS panels, a player involved in a contractual dispute regarding breach of contract normally encounters difficulties in finding a new club, especially if the respective proceedings are still pending (CAS 2012/A/3033, para. 145).

102. Clubs are generally not particularly interested in signing a player that is involved in a contractual dispute with his former club. As a result, a player may be prevented from mitigating his damages (CAS 2012/A/3033, para. 145).

103. Furthermore, a player may reject a contract offer that does not match the player's abilities or that is significantly below the previous financial terms without this having any adverse consequences for the player (CAS 2005/A/909-912, para. 10.4).

104. The Appellant submitted that the Respondent could have earned an income if he had accepted a new contract with another club sooner. The Appellant, however, failed to provide any evidence that the Respondent had any offers or that the Respondent deliberately refused an offer. In this regard, the Respondent confirmed that he had found employment with the Spanish club UP Langreo, a club playing in the fourth division in Spain. The contract with UP Langreo was signed on 19 February 2025 and ended with the end of the 2024/2025 season, *i.e.* at the end of May 2025. The Player's monthly remuneration contractually agreed with the club amounted to EUR 1,600.00 per month, which equals EUR 53.33 per day (30 days per month). Since the Player signed the

contract on 19 February 2025 for the remainder of the season, the contract started running immediately and his first day of work with UP Langreo was on 19 February 2025. Thus, for February 2025, the Player's salary was EUR 533.30 (10 x EUR 53.33). In addition, for the months of March, April and May 2025, the Player earned EUR 4'800.00 (3 X EUR 1,600.00). Accordingly, the total amount the Player has earned under the contract with UP Langreo amounts to EUR 5,333.30.

105. Based on the evidence on file, the Sole Arbitrator concludes that there are no indications that the Respondent would not have accepted a (better) offer presented to him under the given circumstances if such offer would have been available. In other words, there is no evidence on file that would suggest that the Player did not comply with his duty to mitigate the damages by not finding new or better employment.

106. Yet, the above stated amount of EUR 5,333.30 has to be taken into account when calculating the total amount of compensation for breach of contract, as the Player earned it during the time in which he would still have been employed by the Appellant, had the employment relationship between the Parties been duly served.

F. Financial Consequences

107. To summarise, based on the Employment Relationship, the starting point for the calculation of the unpaid salary and of the compensation (for the residual value of the contracts) is as follows:

First Contract	22/01/23-31/05/24	EUR 150,000.00 net
First Agreement	23/01/23-31/05/24	+ EUR 210,000.00 net
Second Contract	31/08/24-31/05/26	+ EUR 100,000.00 net
Second Agreement	31/08/24-31/05/26	+ EUR 460,000.00 net
Private Agreement	01/06/24-30/06/26	+ EUR 20,000.00 net
Amount paid by the Club	17/02/23-28/12/23	- EUR 192,000.00 net
Amount paid by UP Langreo	19/02/25-31/05/25	- EUR 5,333.30 net
Total outstanding		**EUR 742,666.70**

108. The total amount of all contracts was EUR 940.000.00.

109. The Club made the following payments to the Respondent:

Date	Description	Amount
17.02.2023	Payroll	EUR 24,000.00

24.03.2023	Payroll	EUR 10,000.00
28.03.2023	Payroll	EUR 14,000.00
02.06.2023	Salary March 2023 Part1	EUR 10,000.00
07.06.2023	IR March 2023	EUR 14,000.00
14.07.2023	Salary April 2023	EUR 10,000.00
10.08.2023	Salary Balance April 2023	EUR 14,000.00
05.09.2023	Payroll	EUR 24,000.00
13.10.2023	Payroll	EUR 10,000.00
20.10.2023	Payroll	EUR 14,000.00
07.11.2023	Payroll	EUR 10,000.00
08.12.2023	Payroll	EUR 14,000.00
15.12.2023	Payroll	EUR 10,000.00
28.12.2023	Payroll	EUR 14,000.00
17.02.2023-28.12.2023		**EUR 192,000.00**

Outstanding salaries

110. The Player was granted the total amount of EUR 110,000.00 as outstanding salaries, plus interest as follows:

> *"- 5% of interest p.a. on the amount of EUR 14,000 net as from 1 January 2024 until the date of effective payment;*
>
> *- 5% of interest p.a. on the amount of EUR 24,000 net as from 1 February 2024 until the date of effective payment;*
>
> *- 5% of interest p.a. on the amount of EUR 24,000 net as from 1 March 2024 until the date of effective payment;*
>
> *- 5%of interest p.a. on the amount of EUR 24,000 net as from 1 April 2024 until the date of effective payment; and*
>
> *- 5% of interest p.a. on the amount of EUR 24,000 net as from 20 April 2024 until*

the date of effective payment".

111. The Appellant did not submit any evidence which would prove that it had effectively paid any of the claimed amounts to the Player.

112. The First Contract and First Agreement had a total value of EUR 360,000 for 15 months of work. Thus the monthly salary for January 2023 – May 2024 was EUR 24,000.00

113. The Appellant paid a total of EUR 192,000 in the period of January 2023-December 2023 but should have paid EUR 240,000.00 (10 x EUR 24,000). In fact, according to clause 1.4. of the First Contract and clause 1. of the First Agreement, respectively, the Parties agreed that the Player would not be paid for the months of June and July 2023. Thus the Appellant was short of EUR 48,000 in 2023 under the First Contract and First Agreement.

114. From January 2024 until 19 April 2024, the Appellant should have paid the Player a total of EUR 87'200 (3 x EUR 24,000.00 + EUR 15,200.00), plus interest at 5% p.a. as from the respective due dates.

115. It follows that the total outstanding salaries in the period of January 2023 – 19 April 2024 were EUR 48,000 + EUR 87,200 = EUR 135,200.00 under the First Contract and First Agreement.

116. However, the Player did not challenge the FIFA DRC Decision granting him a total of EUR 110,000.00 plus interest at 5% *p.a.* as from the respective due dates. Therefore, the Sole Arbitrator confirms the amount awarded in the Appealed Decision.

Compensation

117. As to the calculation of the compensation, Article 17(1)(i) and (ii) RSTP hold:

"*i. In case the player did not sign any new contract following the termination of his previous contract, as a general rule, the compensation shall be equal to the residual value of the contract that was prematurely terminated*.

ii. In case the player signed a new contract by the time of the decision, the value of the new contract for the period corresponding to the time remaining on the prematurely terminated contract shall be deducted from the residual value of the contract that was terminated early (the "Mitigated Compensation"). Furthermore, and subject to the early termination of the contract being due to overdue payables, in addition to the Mitigated Compensation, the player shall be entitled to an amount corresponding to three monthly salaries (the "Additional Compensation"). In case of egregious circumstances, the Additional Compensation may be increased up to a maximum of six monthly salaries. The overall compensation may never exceed the rest value of the prematurely terminated contract".

118. As the Parties did not include a compensation clause in the Employment Relationship, the Sole Arbitrator moves to calculating the compensation in the sense of Article 17(1) RSTP.

119. The 2023 Commentary on the RSTP states the following (p. 183):

> "*If a club prematurely terminates a contract without just cause, or seriously breaches its contractual obligations such that the player is provided with just cause to terminate the contractual relationship early, the method used to calculate the compensation due to the player can, in principle, be based on the traditional notion of damage in the strict economic sense; this is the way it is applied in the SCO, for example. According to this definition of "damage", the player should be compensated by an amount corresponding to what they would have earned up to the ordinary expiry of the term of their existing contract, minus what they earned under their new contract, or could have earned elsewhere, over the same period.*
>
> *Readers will be familiar with the principle of "positive interest". According to this principle, the amount of compensation should, in simple terms, put the injured party in the position they would have been in had the breach of contract not occurred".*

120. The residual value corresponds to the amount the Respondent would have earned if the Employment Relationship had been duly served until the agreed expiration of the contractual term, *i.e.* from 20 April 2024 until 30 June 2026, as the Respondent terminated the Employment Relationship on 19 April 2024.

121. Turning to the calculation of the Compensation for the residual value of the contracts: for April 2024, 11 days remained unpaid after the termination. At a daily *pro rata* amount of EUR 800.00 net/day (calculating 30 days/month), this equals an amount of EUR 8,800.00. In addition, another EUR 24,000.00 is owed for the month of May 2024. This amounts to a total of EUR 32,800.00.

    For the months of June 2024 until June 2026, a total of EUR 580,000.00 is owed by the Club to the Player, *i.e.* EUR 100,000.00 under the Second Contract, EUR 460,000.00 under the Second Agreement, and EUR 20,000.00 under the Private Agreement.

    Accordingly, the total amount for the remaining 11 days of April 2024, the month of May 2024 and the period of June 2024 until June 2026 amounts to a total of EUR 612,800.00. From this amount, and in application of Article 17(1)(ii) RSTP, the Sole Arbitrator moves to deduct the mitigated damages amounting to EUR 5,333.30, leading to a final compensation due to the Player of EUR 607,466.70, plus interest at 5% *p.a. as* from 20 April 2024 until the date of effective payment.

122. However, as the Appellant requested that the amount of the compensation determined by the FIFA DRC be reduced and as the Respondent did not challenge that amount, the Appealed Decision awarding EUR 603,000.00 plus 5% of interest *p.a.* as from 20 April 2024 until the date of effective payment to the Player as compensation for breach of contract without just cause is to be confirmed by the Sole Arbitrator.

IX. FINAL CONCLUSION

123. In consideration of all evidence on file and the submissions made by the Parties, the Sole Arbitrator concludes that the Appeal is to be rejected in full, and that the Appealed

Decision is to be confirmed:

i) The Respondent (the Player) had just cause to terminate the Employment Relationship prematurely on 19 April 2024.

ii) The Appellant (the Club) shall pay to the Respondent (the Player) an amount of EUR 110,000.00 as outstanding remuneration, plus 5% interest *p.a. as* from the respective due dates.

iii) The Appellant (the Club) shall pay to the Respondent (the Player) an amount of EUR 603,000.00 as compensation for breach of contract, plus 5% of interest p.a. as from 20 April 2024.

iv) All other and further motions or prayers for relief are dismissed.

X. COSTS

(…)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed on 30 September 2024 by Anorthosis Famagusta FC against the decision issued by the Dispute Resolution Chamber of the Football Tribunal of the Fédération Internationale de Football Association on 22 August 2024 is dismissed.

2. The decision of 22 August 2024 by the Dispute Resolution Chamber of the Football Tribunal of the Fédération Internationale de Football Association is confirmed.

3. (…).

4. (…).

5. All other or further requests or motions for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland
Date: 28 August 2025

THE COURT OF ARBITRATION FOR SPORT

Oliver Jaberg
Sole Arbitrator