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

CAS 2024/A/10778 Sport Club Corinthians Paulista v. Matías Nicolás Rojas Romero
CAS 2024/A/10779 Matías Nicolás Rojas Romero v. Sport Club Corinthians Paulista

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

President: Mr Jordi **López Batet**, Attorney-at-law in Barcelona, Spain

Arbitrators: Prof. Dr. Martin **Schimke**, Attorney-at-law in Düsseldorf, Germany

Mr Vitor **Butruce**, Attorney-at-law in Rio de Janeiro, Brazil

in the consolidated arbitration proceedings between

Sport Club Corinthians Paulista, Brazil

Represented by Mr Sergio Ventura Engelberg, attorney-at-law, Brazil

- **Appellant** in CAS 2024/A/10778
and **Respondent** in CAS 2024/A/10779 -

and

Matías Nicolás Rojas Romero, Paraguay

Represented by Mr Rafael Queiroz Botelho, attorney-at-law, Brazil

- **Appellant** in CAS 2024/A/10779
and **Respondent** in CAS 2024/A/10778 -

I. PARTIES

1. Sport Club Corinthians Paulista (the "Club" or "Corinthians") is a Brazilian football club affiliated with the Confederação Brasileira de Futebol (the "CBF"), which in turn is affiliated with the Fédération Internationale de Football Association ("FIFA").

2. Matías Nicolás Rojas Romero (the "Player" or "Mr Rojas") is a professional football player of Paraguayan nationality.

3. The Club and the Player will be jointly referred to as the "Parties".

II. BACKGROUND FACTS AND THE PROCEEDINGS BEFORE THE FIFA FOOTBALL TRIBUNAL

4. 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 Panel has considered all the facts, allegations, legal arguments, and evidence submitted by the Parties in the present proceedings, it refers in its Award only to the submissions and evidence it considers necessary to explain its reasoning.

5. On 31 May 2023, the Parties entered into a *"Pre-contract and term of commitment for the signing of a future special contract for sports work of a football player and other covenants"* (the "Preliminary Agreement"), with *inter alia* the following clauses[1]:

"1. From the effective transfer of the PLAYER, in July 2023 and via TMS-FIFA, the parties are obliged to sign the necessary Special Sports Work Contract (CETD) effective until 07/01/2027, conditioned to the PLAYER being free and unimpeded, in addition to obtaining the necessary documents from the PLAYER and his approval in the medical evaluation, as well as in the other conditions described in this instrument.

2. The gross monthly base remuneration for the entire contract period, constituting consideration for all activities performed by the PLAYER, already contemplating in its value, for all purposes, salary, thirteenth salary, vacation + 1/3, FGTS, as well as consideration for concentration periods, travel, pre-season and participation in matches, competitions or equivalent, will be R$ 939,000.00 (nine hundred and thirty-nine thousand reais).

2.1. The Monthly Remuneration established above is based on the net amount equivalent to US$ 2,000,000.00 (two million dollars) per season established between the parties, based on the quotation US$ 1 (one dollar) = R$ 5.00 (five reais).

[1] The original Preliminary Agreement, as well as the Image Rights Agreement, the Contract, the Term of Agreement and some correspondence referred to and transcribed below, was drafted in Portuguese. The transcriptions in English of these agreements made in this award correspond to their translations into English provided by the Parties.

2.2. At the end of each period of 12 (twelve) months, that is, on June 30, 2024, 2025, 2026 and 2027, the parties will calculate any positive fluctuation in the dollar exchange rate and will pay the difference to the PLAYER, in a single installment, in order to guarantee him the receipt of the amount in reais equivalent to US$2,000,000.00 (two million dollars) net per season.

2.3. On July 5, 2023, the PLAYER will be entitled to receive an advance payment in the amount of R$ 939,000.00 (nine hundred and thirty-nine thousand reais), an amount that will be deducted proportionally (R$ 78,250.00) from the salaries due between August 5, 2023 and July 5, 2024.

3. For the use of the PLAYER's image, an unmistakable civil contract with the CETD, under the terms of article 87-A of Law 9.615/98 as amended by Law 12.395/11, CORINTHIANS will pay to the company holding such rights the amount equivalent in reais to US$1,660,000 (one million, six hundred and sixty thousand dollars) net, which will be considered in the total remuneration, and which will be paid according to the following schedule: (i) US$870,000 within 10 days of the signature of the CETD by the PLAYER; (ii) US$395,000 as of September 30, 2023; and (iii) US$395,000 as of December 30, 2023, as further specified in the Sublicensing Agreement for Use of Personality Rights to be signed by the parties. […]"

6. On 2 July 2023, the Parties entered into a "*Sublicense agreement for the use of personality rights of professional soccer player and other covenants*" (the "Image Rights Agreement"), which in the pertinent part reads as follows:

"WHEREAS the Consenting Player is setting up a limited company in order to exploit the rights to his voice and images (hereinafter the Company);

[…]

WHEREAS for the price agreed therein, initially the Consenting Player and, subsequently and after effective constitution, the Company agrees to sublicense the personality rights of the Consenting Player to CORINTHIANS, during the term provided for in this instrument, authorizing CORINTHIANS to enjoy them now and in future, subject to the conditions described in this contract".

[…]

1. The images, voice, name, nicknames and autographs of the Consenting Player in the audios, magnetic tapes, videos in general and photographs taken at matches, training sessions, backstage, trips, gatherings and events related to CORINTHIANS are an exclusive part of the historical collection of the CORINTHIANS Football Department, and CORINTHIANS may use them, now and in the future, without any time limitation, as it wishes due to this contract.[…]

2. This contract will run until 01/07/2027. […]

4. For the licensing for commercial exploitation of the rights of the personality of the Consenting Player, the Company will receive, with the express consent of the Consenting Player, the total net amount in Reais equivalent to US$ 1,660,000 (one million six hundred and sixty thousand dollars), which will be paid in 01 (one) installment of US$ 870.000 (eight hundred and seventy thousand dollars) within 10 (ten) days of the signing of the Special Sports Work Contract between

CORINTHIANS and the Player and 02 (two) installments of US$ 395,000 (three hundred and ninety-five thousand dollars) each, due on 09/30/2023 and 12/30/2023."

7. On 7 July 2023, the Parties signed a "*Special Sports Work Contract – Final Contract*" (the "Contract"), valid from 3 July 2023 to 1 July 2027, by virtue of which the Player undertook to provide his professional services as a football player for the Club, for a salary of BRL 939,000. The Contract, in the pertinent part, reads as follows:

"EXTRA CLAUSES

3. In the event of early termination of this contract at the initiative of the SCCP, without just cause, the SCCP shall pay the Player the sports compensatory clause herein pre-fixed in the total amount of the monthly salaries to which the Player would be entitled until the end of this contract, in compliance with article 28, paragraph 3 of Law 9.615/98, as amended by Law 12.395/11". […]

9. The amount of remuneration includes all periods of concentration, travel, pre-season and the Player's participation in training and matches, and no additional remuneration is due […]."

8. On 25 July 2023, the Player informed the Club of the incorporation of the company Redland Marketing Esportivo LTDA ("Redland"), owned by him and to which his image rights were assigned.

9. Corinthians failed to make some contractual payments on time and after several exchanges of correspondence with the Player (which complained against such payment defaults), the Parties, Redland and the company Futbol One, S.A. (which acted as intermediary in the hiring of the Player by the Club) signed on 9 January 2024 a "*Term of Agreement*", which listed the outstanding payments and in the pertinent part reads as follows:

"WHEREAS:

a. on 31 May, 2023, the Parties entered into the "PRE-CONTRACT AND TERM OF COMMITMENT FOR THE SIGNING OF A FUTURE SPECIAL CONTRACT FOR SPORTS WORK OF A SOCCER PLAYER AND OTHER COVENANTS", through which they established the general conditions for the hiring of the Player, by Corinthians, for the period from 01 July 2023 to 01 July 2027 (the "Agreement");

b. on 01 July 2023, Corinthians and the Player entered into the Special Sports Employment Contract (the "CETD"), in order to confer a labor relationship and enable the Player's professional registration with Corinthians;

c. on 02 July 2023, Corinthians and Player entered into the "SUBLICENSING AGREEMENT FOR THE USE OF PERSONALITY RIGHTS OF PROFESSIONAL SOCCER PLAYER AND OTHER COVENANTS", through which they established the general conditions for the exploitation of the Player's image, by Corinthians, as part of the legal-sports relationship between the Parties (the "Image Agreement");

d. on 02 July 2023, Corinthians and the Intermediary entered into the INTERMEDIATION AGREEMENT, through which they established the conditions for the remuneration of the

Intermediary for the services provided in relation to the hiring of the Player by Corinthians (the "Commission Agreement"); and

e. on 25 July 2023, Player informed Corinthians about the incorporation of Redland, as the licensing company of its image rights and, consequently, assignee of the right to receive the amounts adjusted in the Image Contract, with Corinthians having agreed and consented to such assignment;

f. due to consecutive events of default by Corinthians, the Player constituted the Club in arrears, under the terms of article 14bis of the FIFA Regulations on the Status and Transfer of Players ("RSTP"), giving Corinthians until 22 December 2023, to settle the debts against the Player, which did not occur; and

g. despite the possibility of the Player terminating the Contract (CETD and Image Contract, too), the Parties in good faith negotiated conditions for the continuity of the Player's legal-sporting relationship with Corinthians, under the terms of this instrument.

NOW THEREFORE, by virtue of the foregoing, the parties have fair and contracted, to enter into this Term of Agreement, which will be governed in accordance with the clauses and conditions set forth below.

1. THE AMOUNTS IN DEFAULT

1.1. Corinthians hereby acknowledges that it owes the following amounts to the Parties:

a) R$5,625,387.70 (five million, six hundred and twenty-five thousand, three hundred and eighty-seven Reais and seventy cents) to Redland, corresponding to the unpaid amounts of Invoices 01 and 02 issued by Redland under the terms of the Image Agreement;

b) R$2,554,665.07 (two million, five hundred and fifty-four thousand, six hundred and sixty-five Reais and seven cents), corresponding to US$395,000 (three hundred and ninety-five thousand US dollars) net, to be converted from US$1.00 to R$5.08 on December 30, 2023;

c) US$258,048.00 (two hundred and fifty-eight thousand and forty-eight U.S. dollars) net, corresponding to the updated value of the installments due under the Commission Agreement.

1.2. In order to avoid disputes, it is reiterated that the amount described in paragraph b) already includes the taxes levied on Redland, so that the net amount to be received by Redland will result in the equivalent of US$395,000 (three hundred and ninety-five thousand US dollars) net, according to the Image Agreement.

1.3. Likewise, the amount of US$258,048.00 (two hundred and fifty-eight thousand and forty- eight U.S. dollars) due to the Intermediary is net and shall be paid by Corinthians in a bank account maintained by him abroad, under the terms of the Commission Agreement, without any withholding.

2. PAYMENT AGREEMENT

2.1. The Parties, by mutual agreement and in good faith, in order to maintain the stability of the Player's legal-sporting relationship with Corinthians, establish that Corinthians shall make the payment of the amounts due, under the terms of clause 1.1, above, in 06 (six) equal and consecutive

monthly installments, due on the 10th day of January, February, March, April, May and June 2024, under the following conditions:

a) to Redland: R$8,180,052.77 (eight million, one hundred and eighty thousand and fifty-two Reais and seventy-seven cents) in six (6) equal installments of R$1,363,342.13 (one million, three hundred and sixty-three thousand, three hundred and forty-two Reais and thirteen cents); and

b) to the Intermediary, US$258,048.00 (two hundred and fifty-eight thousand and forty-eight US dollars) in six (6) equal installments of US$43,008.00 (forty-three thousand and eight US dollars).

2.2. As Redland has already issued 02 (two) invoices in the "open" amount of R$5,625,387.70 (five million, six hundred and twenty-five thousand, three hundred and eighty-seven Reais and seventy cents), it shall not issue invoices for the payment of the first 04 (four) installments by Corinthians, in the aggregate amount of R$5,453,368.52 (five million, four hundred and fifty- three thousand, three hundred and sixty-eight Reais and fifty-two cents). After regular payment of the first 04 (four) installments, Redland will issue the complementary invoice for the 5th installment and, after its settlement, the full invoice for the 6th and last installment.

3. CONTRACT TERMINATION

3.1. The Parties declare and acknowledge that the Player was entitled to declare the unilateral and justified termination of the Contract (CETD and Image) on December 22, 2023 – and until this date – due to the consecutive defaults by Corinthians, pleading before FIFA the consequences established in the RSTP. However, in good faith and for the maintenance of contractual stability, the Player accepted the installment of the debt, under the terms of this instrument.

3.2. However, the Parties declare and acknowledge that the faithful fulfillment of the conditions established in this instrument is essential for the maintenance of contractual stability and the Player's legal-sporting bond with Corinthians.

3.3. For this reason, the Parties hereto establish that, in the event of default by Corinthians in the payment of any amounts provided for in this instrument – whether due to Redland (as assignee – and assignor – of the Player's image rights) or to the Intermediary -, the Player will be allowed to declare the unilateral and justified termination of the Contract (CETD and Image), without need of prior notification to Corinthians.

3.3.1. The Player will have until 01 August 2024 to invoke the unilateral and justified termination of the Contract, and may, subsequently, plead before FIFA the financial consequences derived from such termination, without the possibility of mitigation by Corinthians.

3.4. In order to avoid disputes, the Parties hereby establish that the delay by Corinthians of more than five (5) days for the payment of any installments established herein will enable the Player, immediately and until 01 August 2024, and without the need for prior notice, to declare the unilateral and justified termination of the Contract (CETD and Image), and the provisions of clause 3.3.1 above shall apply.

3.4.1. For example, if Corinthians delays the payment of the installment due on 10 February 2024 for a period of more than 05 (five) days, even if such installment is paid later, the Player will be allowed to declare the unilateral and justified termination of the Contract (CETD and Image) from 15 February 2024 to 01 August 2024. If the Player decides – due to market impossibility

(registration) or sporting interest (competitions played by Corinthians) to maintain contractual stability until 31 July 2024, for example, this will not limit or prevent the exercise of the right to declare the unilateral and justified termination of the Contract (CETD and Image) on 01 August 2024.

4. GENERAL PROVISIONS

4.1. In the event of default by Corinthians with regard to the installments due to the Intermediary, without prejudice to the Player's right to declare the unilateral and justified termination of the Contract (CETD and Image), as such sum will not be part of any claim by the Player before FIFA, the Intermediary will remain authorized to file a claim before the National Dispute Resolution Chamber - CNRD or the FIFA Agents Chamber, as the case may be, for the fulfillment of Corinthians' obligations under the Commission Contract.

4.2. In the event of default by Corinthians which leads the Player to declare the unilateral and justified termination of the Contract (CETD and Image), the Player will apply directly to the FIFA Football Tribunal for collection of the amounts due to him under the Contract (CETD and Image).

4.3. This instrument, provided it is faithfully complied with by Corinthians, shall replace the Image Contract and the Commission Contract, so that no other amount shall be due to the Parties in relation to such instruments."

10. On 10 January 2024, the Club paid Redland the first instalment as per the Term of Agreement.

11. On 10 February 2024, the second instalment pursuant to the Term of Agreement became due and payable. However, the Club failed to remit payment.

12. On 21 February 2024, the Player's attorney sent an email to the Club in the following terms:

We refer to the Term of Agreement dated 09 January, 2024, to which Sport Club Corinthians Paulista ("SCCP"), Matias Nicolas Rojas Romero ("Player"), Redland Marketing Esportivo Ltda. ("Redland") and Futbol One S.A. ("Intermediary") are parties.

As established in clause 2.1 a) and 2.1 b) of the Agreement, SCCP should have paid the amount of R$1,363,342.13 (one million, three hundred and sixty-three thousand, three hundred and forty- two Reais and thirteen centavos) to Redland and the amount in Reais corresponding to US$43,008.00 (forty-three thousand and eight US dollars) to the Intermediary until February 10, 2024.

Unfortunately, as has been the case since the beginning of the relationship between the parties, once again SCCP defaulted on its obligations.

In this sense, and in accordance with the provisions of clause 3.4 of the Agreement, since 15 February the Player is authorized to declare the unilateral and justified termination of the Registration Agreement and the Image Rights Agreement, with such right remaining until 01 August 2024.

13. On 28 February 2024, the Player sent the following WhatsApp message to the Club's doctor:

I wanted to let you know. I am with a contractual problem and I think I am going to leave the club. Just letting you know that I do not have time to attend the MRI exam, if I will go to the club tomorrow, I will explain better. […]

14. On the same date, the Player sent a termination letter to the Club, in the following terms:

"We revert to the (i) Pre-Contract and Term of Commitment for the Signing of a Future Special Contract for Sports Work of a Football Player and Other Covenants, dated 31 May 2023; (ii) Special Sports Employment Contract (CETD), dated 02 July 2023; (iii) Sublicense Agreement for the Use of Personality Rights of Professional Soccer Player and Other Covenants; and (iv) Term of Agreement, dated 09 January 2024 (together referred to as "Contract"), as well as to all our previous communications, especially the e-mail dated 19 February 2024, all in connection with the continued default by Sport Club Corinthians Paulista ("Corinthians") to fulfill its financial obligations towards the player Matias Nicolas Rojas Romero ("Player").

We are deeply frustrated and saddened that despite the Player's continued efforts, patience and communications with Corinthians' management, Corinthians was unable to fulfil yet another payment obligation, making it unreasonable for the Player to expect the employment relationship between the parties to continue, due to the glaring breach of trust.

As consequence and based on the clear provisions of clauses 3.3 and 3.4 of the Term of Agreement, the Player hereby declares the unilateral and justified termination of the Contract, with immediate effect.

In addition, as per the conditions freely established under clause 3.3.1 of the Term of Agreement, the Player is entitled to receive all overdue amounts and the entirety of his remaining salaries under the Contract, without any mitigation by Corinthians.

In such respect, provided Corinthians completes the payment of the salary for February 2024, the balance of overdue amounts will be R$6,816,710.64, as per clause 2.1 a) of the Term of Agreement. In addition, and as established under the Contract, the Player shall be entitled to collect the entirety of the amounts established in his CETD, which shall correspond to the net amount of US$6,666,666.67.

The amount of US$6,666,666.67 derives from the parties' arrangement of US$2,000,000 net per season, and corresponds to the entirety of the seasons 2024-2025, 2025-2026 and 2026-2027, as well as 1/3 of the 2023-2024 season (04 months, March to June).

If considered the exchange rate agreed between the parties in the Preliminary Agreement (US$1 = R$5), the amount of R$6,816,710.64 shall correspond to US$1,363,342.13, bringing the total amount due to US$8,030,008.80".

15. On 6 March 2024, the Club paid BRL 1,363,492.13, corresponding to the second instalment according to the Term of Agreement and sent an email to the Player which in the pertinent part reads as follows:

"According to the proof of payment attached, Corinthians has paid to Redland the installment due, in the terms of the agreement signed between Corinthians, Player, Redland and Futbol One on 09 January 2024.

Therefore, until the present date there is no overdue debts to the Player, as salary or as image rights.

It is worth to mention that the Player disrespected his professional obligation on 28 February 2024, being absence from an important medical exam (MRI), without reason. Further, the Player travelled to Paraguay without the consent and authorization from Corinthians.

Hence, reiterating that there are no overdue payments to the Player, the Player is prevented to register himself with another club without the necessary and formal termination of his contract with Corinthians".

16. On 7 March 2024, the Player filed a claim before FIFA against the Club, in which after some amendments due to payments made by the Club after filing the claim, requested the following:

"Based on the facts, arguments, legal grounds, and jurisprudence brought therein, the Player hereby requests the honorable Dispute Resolution Chamber of the Football Tribunal to admit the Claim and this Answer and pass a decision:

A) Rejecting in its entirety Corinthians' Response;

B) Recognizing the Player terminated the Contract with just cause, following Corinthians' continued breach to the Contract and, as per the clear provisions of the Term of Agreement, condemning the Respondent to pay:

i) USD 818,005.25 as overdue payables under the Term of Agreement;

ii) USD 6,688,600, as compensation for causing the Player to terminate the Contracts with just cause, corresponding to the net residual value of the Contracts from 01 March 2024 until 30 June 2027;

iii) All applicable taxes imposed over the amounts i) plus ii) above, to guarantee receipt, by the Player, of the amount of USD 7,506,005.28 net at the time of payment, regardless of his tax residency at the time;

iv) Interest on default at the rate of 5% (five per cent) per annum over items (i) and (ii) above as of 28 February 2024 (termination date); and

v) To support all costs associated with this dispute.

And,

C) Imposing further financial and sportive sanctions it may deem appropriate to Corinthians for its continued and unjustified breach of the Contracts during the Protected Period.

Alternatively, in the unluckily event the DRC finds that the Player did not have just cause to terminate the Contracts (quad non), the Player hereby requests the Chamber to establish that no amount is due to Corinthians as compensation, considering the Player was hired on a free transfer and Corinthians clearly had no interest in maintaining the stability of the Contracts."

17. On 12 March 2024, the Club paid the amount of BRL 602,762.

18. On 14 March 2024, the Club made a payment to Redland in the amount of BRL 1,363,492.13 due on 10 March 2024, corresponding to the third instalment as per the Term of Agreement.

19. On 1 April 2024, the Player concluded a new employment contract with Inter Miami FC.

20. The Club opposed to the Player´s claim and filed a counterclaim against the Player and Inter Miami FC (the Player's new club) with the following request for relief:

"1) Reject the Claimant's request related to the payment of USD 1,551,142.12 as overdue payables under the Term of Agreement and the Registration Agreement, considering the lack of just cause to the termination of the contract signed between the Player and Corinthians.

2) Reject the Claimant's request related to the payment of USD 6,666,666.67 as compensation corresponding the residual value of the contract until June 2027, considering the lack of just cause to the termination of the contract signed between the Player and Corinthians.

3) Reject the request of sports sanction against Corinthians, since there are no continued and unjustified breach of the contract.

4) Bearing in mind the lack of just cause to the termination of the contract signed between the Player and Corinthians, in the terms of article 17 of FIFA Regulations, the Respondent requests that the Player shall be responsible for the termination of the contract without just cause, and consequently for the payment of compensation to Corinthians equal to the compensation claimed by the Player, or, alternatively, the compensation corresponded to 3 (three) installments of R$ 1.363.342,13 (one million, three hundred and sixty-three thousand, three hundred and forty-two Brazilian Reais and thirteen cents), as explained in the previous topic.

4.1) In this scenario, Corinthians requests the application of article 17, item 2, of FIFA Regulations, to determine that the Player and his new club shall be jointly and severally liable for the compensation payment.

4.2) Additionally, Corinthians requests the imposition of sports sanction to the Player, with the restriction to play official matches for the duration of six months, considering the termination of the contract without just cause by the Player within the protected period.

5) In the event that DRC of the FFT understands that there was just cause for the Player to terminate the contract, the Respondent shall be ordered to pay compensation equal to the residual value of

the installments provided by clause 2.1 "a" of the Term of Agreement, that is, 3 (three) installments of R$ 1.363.342,13 (one million, three hundred and sixty-three thousand, three hundred and forty-two Brazilian Reais and thirteen cents) due on April, May, and June of 2024, since the installments due on January, February, and March have been duly paid.

6) In all scenarios, the Respondent requests the application of the Mitigated Compensation, in accordance with the rules of the article 17, "1", "ii" of FIFA Regulations, as well as the proportional restitution related to the wage advance paid to the Player."

21. The Player and Inter Miami FC opposed to the Club's counterclaim.

22. On 27 June 2024, the Dispute Resolution Chamber of the FIFA Football Tribunal (the "DRC") partially accepted the Player's claim and dismissed the Club's counterclaim (the "Appealed Decision"). The operative part of such decision reads as follows:

"1. The Football Tribunal is competent to hear the claim of the Claimant / Counter-Respondent, Matías Nicolás Rojas Romero.

2. The claim of the Claimant / Counter-Respondent is partially accepted.

3. The Respondent / Counter-Claimant, Sport Club Corinthians Paulista, must pay to the Claimant / Counter-Respondent the following amount(s):

BRL 40,397,726 as compensation for breach of contract without just cause plus 5% interest p.a. as from 28 February 2024 until the date of effective payment.

4. Any further claims of the Claimant / Counter-Respondent are rejected.

5. The counterclaim of the Respondent / Counter-Claimant 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. The Respondent / Counter-Claimant shall be banned from registering any new players, either nationality or internationally, up until the 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 three entire and consecutive registration periods.

8. The consequences shall only be enforced at the request of the Claimant / Counter-Respondent 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 16 July 2024, the grounds of the Appealed Decision, which can be summarized as follows, were notified to the Parties:

- The contractual termination by the Player took place only after several default notices, an agreement to delay the payment of some amounts, and even the signature of a new agreement with different payment dates (the Term of Agreement). Therefore, the termination by the Player was clearly an *ultima ratio* measure, as it followed several lenient measures undertaken by him.

- In light of the Club's breach of its payment obligations, the Player had just cause to terminate the contractual relationship and, consequently, Corinthians shall be held liable for the consequences thereof.

- The Player is entitled to receive the residual value of the different contracts entered into with the Club, with no mitigation, amounting to BRL 40,397,726 as per the following calculation:

  i) Contract: total of BRL 36,308,000 as follows:

  • BRL 860,750 per month as from April to July 2024, after having deducted BRL 78,250 per month, i.e., total of BRL 3,443,000.
  • BRL 939,000 per month as from August 2024 until 1st July 2027, i.e. total of BRL 32,865,000.

  ii) Term of Agreement: BRL 4,089,726.38, after having deducted the evidenced paid amount by Corinthians (i.e., BRL 4,090,326.39) from the overall amount agreed (i.e., BRL 8,180,052.77).

- Interest on said compensation at the rate of 5% p.a. as of 28 February 2024 until the date of effective payment is to be granted in accordance with the constant practice of the DRC.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

24. On 6 August 2024, the Club filed its Statement of Appeal against the Appealed Decision with the Court of Arbitration for Sport (the "CAS") pursuant to article R48 of the CAS Code of Sports-related Arbitration (the "CAS Code"), in which the Club, *inter alia*, requested (i) the matter be submitted to a Sole Arbitrator and (ii) English be the language of the proceedings, and submitted the following prayers for relief:

"For all the above-stated, Corinthians presents the following request for relief:

(i) To fully dismiss and annul the decision issued by the FIFA DRC since it violates its own regulations and jurisprudence, as well as the contractual balance, resulting in the wrong analysis of the evidences and the details presented in the case FPSD-13963.

(ii) To condemn the Respondent to the payment of the legal expenses incurred by the Appellant and to establish that the costs of the ongoing arbitration will be borne by the Respondent."

25. On the same date, the Player filed his Statement of Appeal against the Appealed Decision with the CAS, in which *inter alia*, he nominated Prof. Dr. Martin Schimke as arbitrator and stated that he aimed *"at reforming DRC's Decision as per the currency (and quantum) of compensation to be paid by the Respondent, to reflect the parties accordance to the equivalent in Brazilian Reais to a previously established amount in American Dollars. The Player's request for the net amount of US$7,757,340.37 is currently worth more than the equivalent in Reais established in the DRC Decision."*

26. On 9 August 2024, the CAS Court Office acknowledged receipt of the aforementioned Statements of Appeal and invited the Parties (a) to inform whether they wished to consolidate the two appeal proceedings, to which both Parties agreed, and (b) to indicate their position on the number of arbitrators to resolve the dispute. In the same letters, the Parties were invited to submit their respective Appeal Briefs.

27. On 21 August 2024, the CAS Court Office informed the Parties that in light of their discrepancy on the number of arbitrators to resolve the dispute, the Deputy President of the CAS Appeals Division decided to refer the case to a three-member Panel, and the Club was invited to submit his choice of arbitrator.

28. On 26 August 2024, the Club submitted its Appeal Brief with the following request for relief:

"8.1. For all the above-stated, Corinthians presents the following request for relief to the attention of the Panel:

(i) To fully dismiss and set aside the Appealed Decision, considering the lack of just cause to the termination of the contract signed between the Respondent and Corinthians, and due to the fact that the FIFA Football Tribunal violated its own regulations and jurisprudence, as well as the contractual balance, resulting in the wrong analysis of the evidences and the details presented in the case FPSD-13963.

(ii) Bearing in mind the lack of just cause to the termination of the contract signed between the Respondent and Corinthians, in the terms of article 17 of FIFA Regulations, the Appellant requests that the Respondent shall be responsible for the termination of the contract without just cause, and consequently for the payment of compensation to Corinthians equal to the compensation claimed by the Respondent, or, alternatively, the compensation corresponded to 3 (three) installments of BRL 1.363.342,13 (one million, three hundred and sixty-three thousand, three hundred and forty-two Brazilian Reais and thirteen cents), as explained in the previous topic.

(iii) Alternatively, in the event that the Panel understands that there was just cause for the Respondent to terminate the contract, which is not expected, the Appellant shall be ordered to pay compensation equal to the residual value of the installments provided by the clause 2.1 "a" of the Term of Agreement, that is, 3 (three) installments of BRL 1.363.342,13 (one million, three hundred and sixty-three thousand, three hundred and forty-two Brazilian Reais and thirteen cents) due on April, May, and June of 2024, since the installments due on January, February, and March were duly paid.

(iv) In all scenarios, the Appellant requests the application of the Mitigated Compensation, in accordance with the rules of the article 17, "1", "ii', of FIFA Regulations, as well as the proportional restitution related to the wage advance paid to the Respondent.

(iv.1) In order to calculate the Mitigated Compensation, the Appellant requests the Respondent to present all the agreements signed between the Respondent and the Club Internacional de Fútbol Miami containing the salaries and any and all types of remuneration and benefits arising from the relation between the Respondent and the current club.

(v) To condemn the Respondent to the payment of the legal expenses incurred by the Appellant and to establish that the costs of the ongoing arbitration will be borne by the Respondent."

29. On the same date, the Player submitted his Appeal Brief, with the following request for relief:

"97. Based on the facts, arguments, legal grounds, and evidence brought throughout the case, the Player hereby requests the honorable Panel to admit this Appeal Brief and enact an Award:

a. Confirming the Decision to the extent that: (i) the Player terminated the Contract, with just cause, being entitled to compensation corresponding to the remaining value of the Contracts;

b. Reforming the Decision to the extent of the quantum payable to the Player, and award a compensation in the amount of R$45,808,726.40, increased by interest on default at the rate of 5% (five percent) per annum, as of 28 February 2024;

c. Condemning Corinthians to support all costs associated with this Appeal (CAS Administration and Panel fees); and

d. Fixing the sum of CHF 25,000 to be paid by Corinthians to contribute towards the Player's legal fees and costs."

30. On 28 August 2024, the Club nominated Mr Vitor Butruce as arbitrator in these proceedings.

31. On 16 October 2024, the CAS Court Office informed the Parties that the Panel appointed to decide the dispute was composed of Mr Jordi López Batet, Attorney-at-law in Barcelona, Spain (President), Prof. Dr. Martin Schimke, Attorney-at-law in Düsseldorf, Germany and Mr Vitor Butruce, Attorney-at-law in Rio de Janeiro, Brazil.

32. On 20 October 2024, the Club filed its Answer to the Player's Appeal Brief, with the following request for relief:

"For all the above-stated, in the event the Appeal 2024/A/10778 is rejected, which isn't expected, Corinthians presents the following request for relief:

(i) To fully dismiss the Appeal 2024/A/10779 and reject the Appellant's request related to the increase of the awarded compensation;

(ii) Reject the Appellant's request concerning the sum fixing of CHF 25,000 to contribute towards the Appellant's legal fees and costs; and

(iii) Establish that the costs of the ongoing arbitration will be borne by the Appellant."

33. On 25 October 2024, the Player filed its Answer to the Club's Appeal Brief with the following request for relief:

"158. Based on the facts, arguments, legal grounds, and evidence brought throughout the case, the Player hereby requests the honorable Panel to admit this Answer and enact an Award:

a) Rejecting Corinthians' Appeal Brief in its entirety;

b) Confirming the Decision to the extent that: (i) the Player terminated the Contract, with just cause, being entitled to compensation corresponding to the remaining value of the Contracts without mitigation;

c) Reforming the Decision to the extent of the quantum payable to the Player, and award a compensation in the amount of R$45,808,726.40, increased by interest on default at the rate of 5% (five percent) per annum, as of 28 February 2024;

d) Condemning Corinthians to support all costs associated with this Appeal (CAS Administration and Panel fees); and

e) Fixing the sum of CHF25,000 to be paid by Corinthians to contribute towards the Player's legal fees and costs."

34. On 28 October 2024, the CAS Court Office invited the Parties to inform whether they preferred a hearing to be held in this matter or an award to be issued on the basis of the Parties´ written submissions only.

35. On 30 October 2024, the Player informed the CAS Court Office that he did not object to a hearing in this case.

36. On 1 November 2024, the Club expressed its preference for a hearing in this case.

37. On 4 December 2024, the Parties were informed by the CAS Court office that the Panel had decided to hold a hearing in this matter.

38. On 23 December 2024, the CAS Court Office informed the Parties that the hearing would take place on 29 April 2025 in São Paulo, Brazil.

39. On 3 January 2025, the Player entered an employment contract with Club Atlético River Plate.

40. On 15 January 2025, the Club drew the Panel's attention on the new employment of the Player with Club Atlético River Plate and submitted the following request to the Panel:

"To guarantee the complete analysis by the Panel of all the elements related to this case, Corinthians requests CAS to require Club Atlético River Plate and the Player to present to the Panel all the agreements signed between the Player and the Argentinian club, including but no limited to employment contract, image rights contract, bonus contract."

41. On 23 January 2025, the CAS Court Office invited the Player to comment on the requests for production of documents made by the Club both in its Appeal Brief and in its letter of 15 January 2025.

42. On 27 January 2025, the Player commented on the requests for production of documents made by the Club, in the sense of considering them irrelevant to the case.

43. On 27 January 2025, the Player was requested to produce to the file the agreements signed with Inter Miami FC and Club Atlético River Plate, which the Player did on 31 January 2025.

44. On 13 and 14 February 2025, the Player and the Club respectively signed the Order of Procedure of the case.

45. On 29 April 2025, the hearing of these consolidated proceedings was held in São Paulo, Brazil. The Panel, Mr. Antonio de Quesada, Head of Arbitration and the following persons attended the hearing:

- For the Club:
  - Mr Sergio Ventura Engelberg – Counsel

- For the Player:
  - The Player
  - Mr. Rafael Botelho Queiroz – Counsel
  - Mr. Flavio Torres – Counsel
  - Mr. Vinicius Lucilio – Counsel
  - Ms. Debora Trombeta – Counsel

46. In addition, the Player's father Mr. Daniel Rojas and the Player's agent Mr. Alejandro Taraciuk attended the hearing, with the conformity of all the Parties.

47. At the outset of the hearing, the Parties confirmed that they had no objections with regard to the constitution and composition of the Panel. The Parties made their opening statements, the Club waived the examination of the witness Mr Christopher Henderson (who had been announced to appear), the Player was heard, the Parties made their respective closing statements and a short term for rebuttal was granted to the Parties. At the end of the hearing all the Parties confirmed that they had no objections with respect to the conduction of the hearing and the whole procedure.

IV. SUBMISSIONS OF THE PARTIES

48. The following summary of the Parties' positions is illustrative only and does not necessarily comprise each contention put forward by them. However, in considering and deciding upon the Parties' claims, the Panel has carefully considered all the submissions made and the evidence adduced by the Parties, even if there is no specific reference to those submissions in this section of the Award or in the legal analysis that follows.

A. The Player´s Arguments

49. The Player's arguments in his appeal may be summarised as follows:

- The Player terminated his relationship with the Club with just cause following Club´s persistent failure to meet its financial obligations, which made it impossible for the Player to expect the contracts signed with the Club to be performed.

- Even if the DRC was right in declaring that the Player had just cause to terminate his relationship with the Club, it failed to properly calculate the amount of the compensation which is due to the Player.

- First of all, the remaining value of the Contract should be calculated from March 2024 until June 2027, and not from April 2024 until July 2027, as the DRC did.

- Secondly, the DRC ignored the provisions of the contracts establishing that the amounts due to the Player in BRL should correspond to a total net compensation of USD 9,660,000 during a four-season period:

    - The contracts were clear in establishing that, in principle, such USD 9,660,000 would be paid in BRL based on a conversion rate of USD 1.00 to BRL 5.00, with the Parties adjusting, at the end of each season, any amounts eventually still due to the Player vis-à -vis any negative fluctuation of the USD-BRL exchange rate.

    - The Parties reached the gross salary of BRL 939,000 per month under the Contract as the equivalent to USD 2,000,000 net per year as follows: under Brazilian law, an employee is entitled to receive mandatory 13th salary (Christmas bonus) and another 1/3 salary as vacation compensation, in addition to an 8% labor

contribution (FGTS) that is returned to the Player by the labor authorities at the term of the employment agreement.

- The Parties also accounted for the standard tax applicable, which averages 27.5% of the employee earnings, to find the amount of BRL 939,000 gross.

- To reach the net amount of USD 2,000,000 per season, the Parties established an initial conversion rate of USD 1.00 = BRL 5.00, and found the Player entitled to receive BRL 10,000,000 net. To find BRL 10,000,000 net per season, the parties accounted for the 13.333 salaries and the 8% FGTS (calculated over the gross yearly compensation), further applying the 27.5% tax rate. This means, unequivocally, that by simply multiplying BRL 939,000 for twelve (12) months, as the DRC did, it could not reach the agreed amount of USD 2,000,000 net per season.

- Based on the aforementioned, the Player is entitled to:

  - Remaining value of the Contract until 30 June 2024: BRL 4,069,000, corresponding to four instalments of BRL 860,750 (i.e. BRL 3,443,000) plus fifty percent (50%) of the 13th salary BRL 469,500) and fifty percent (50%) of the vacation bonus (BRL 156,500) for the period January-June 2024.

  - Remaining value of the Contract between July 2024 and June 2027: the period between July 2024 and June 2027 (or August 2024 and July 2027, as mistakenly considered by the DRC) consists of thirty-six (36) months. Even if ignoring the 13th salary and vacation bonus, the total sum should be BRL 33,804,000 (36 times BRL 939,000), with the DRC erroneously multiplying by 35 months and finding the amount of BRL 32,865,000. What is more, considering the incidence of the mandatory 13th salary and the 1/3 vacation bonus, the Player was in fact entitled to receive 13.333 monthly salaries per contractual year. So, if the amounts due were to be considered gross and in BRL (and not the USD 2,000,000 net per season as originally claimed by the Player), for the period comprehended between July 2024 and June 2027, the Player would be entitled to 39.999 salaries (13.333 per contractual year), and the final amount would be BRL 37,650,000.

  - Remaining value under the Term of Agreement: BRL 4,089,726.38

- In summary, the Player is entitled to receive the amount of BRL 45,808,726.40, or, alternatively, the net amount of USD 7,757,340.37 after payment of any applicable taxes in the Player's country of tax residency at the time of payment.

50. The Player's arguments in the Answer to the Club´s appeal may be summarised as follows:

- The Club's payments of 6 and 14 March 2024 were made after the Player terminated the contractual relationship and filed the claim before FIFA and are thus irrelevant with regard to the Player's ability to terminate his relationship with the Club.

- The default in the payments arising out of the Image Rights Agreement constitutes just cause for termination of the contract. The Image Rights Agreement and the Contract were linked and formed part of the overall agreement between the Parties for the employment of the Player with the Club. This is particularly clear since the contracts were concluded between the same Parties and for the same duration, and in view of the fact that the Image Rights Agreement contains a provision providing for its immediate termination in the event of the termination of the Contract. The Preliminary Agreement between the Parties also referred to the Image Rights Agreement and the Contract. The Club did not challenge the competence of the FIFA Football Tribunal and the CAS to adjudicate on this dispute, which serves as an additional argument that the contracts between the parties constitute as a single transaction.

- There was no fault of the Player in missing the MRI exam, since he terminated the contract in the very same day with just cause.

- The Player did not terminate the contracts based on article 14bis of the RSTP but rather based on article 14 of the RSTP and the clear provisions of the Term of Agreement. The agreed liquidated damages clause shall apply. The Term of Agreement was freely negotiated in compliance with article 17 of the RSTP, and the Club recognized the unpaid amounts as well as the consequences of the termination, including the no mitigation of the compensation. Such liquidated damages clause is not excessive, as CAS jurisprudence expressly states that any clause providing that the compensation payable is equal to the remaining value of the contract is generally considered proportionate.

B. The Club´s Arguments

51. The Club's appeal and Answer to the Player´s appeal may be summarised as follows:

- The Player had no just cause to terminate the contractual relationship with the Club, as:

    - The Club paid to the Player all the amounts due under the Contract and even more, as it made an advanced payment of BRL 939,000 on 10 July 2023 to be compensated with the corresponding deduction of BRL 78,250 from the first 12 monthly salaries, part of which could not be recovered as the Player terminated the contractual relationship earlier and without just cause. The Club discounted only 7 instalments of BRL 78,250 instead of 12.

    - The Club also paid to Redland from September 2023 to March 2024 an amount which was almost the remuneration paid in accordance with the Contract and

constituted a significant part of the image rights payments under the Term of Agreement. In addition, the amounts arising out of the Image Rights Agreements, even if payable in three instalments, shall be considered for the purposes of article 14bis of the FIFA Regulations on the Status and Transfers of Players ("RSTP") on a pro-rata basis.

- The payments to be made to Redland under the Image Rights Agreement cannot have the same treatment as those arising out the Contract. The default in such payments to Redland cannot result in the termination of the Contract.

- The slight delay in the payments to be made to Redland under the Term of Agreement does not justify the termination of the contractual relationship.

- It is excessive to declare the unilateral termination of the contractual relationship due to a default in the payment of the commission to the Player's intermediary.

- The Player had thus no default injury or if there was an eventual default, it was not enough to terminate the contractual relationship with the Club.

- In addition, the Player breached his obligations under the Contract by missing the MRI examination he was required to undergo.

- Therefore, the Player shall compensate the Club for such termination without just cause in the terms set out in the Appeal Brief's request for relief.

- In case the Panel understood that the Player terminated the contractual relationship with the Club with just cause, the compensation awarded by FIFA should be mitigated as it is excessive, disproportionate and does not consider that the Player, after leaving the Club, joined Inter Miami FC and Club Atlético River Plate, so the amounts arising out of the contracts with such clubs should be deducted from the compensation to be paid to the Player. In addition, the arguments raised by the Player to increase the compensation awarded by the DRC are to be dismissed.

V. JURISDICTION

52. Article R47 of the CAS 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.

An appeal may be filed with CAS against an award rendered by CAS acting as a first instance tribunal if such appeal has been expressly provided by the rules of the federation or sports-body concerned."

53. Article 49.1 of FIFA Statutes reads as follows:

> *"1. FIFA recognises the independent Court of Arbitration for Sport (CAS) with headquarters in Lausanne (Switzerland) to resolve disputes between FIFA, member associations, confederations, leagues, clubs, players, officials, football agents and match agents."*

54. Clause 4.2 of the Term of Agreement reads as follows:

> *"4.2. In the event of default by Corinthians which leads the Player to declare the unilateral and justified termination of the Contract (CETD and Image), the Player will apply directly to the FIFA Football Tribunal for collection of the amounts due to him under the Contract (CETD and Image)."*

55. None of the Parties contested the jurisdiction of the CAS in these proceedings and both Parties signed the Order of Procedure.

56. Therefore, the Panel has jurisdiction to rule on this matter.

VI. ADMISSIBILITY

57. Article R49 of the CAS 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. The Division President shall not initiate a procedure if the statement of appeal is, on its face, late and shall so notify the person who filed the document.*"

58. Article 50 of FIFA Statutes stipulates that appeals against final decisions passed by FIFA and its bodies shall be lodged with CAS within 21 days of receipt of the decision in question.

59. In the present case, the Appealed Decision was communicated to the Parties on 16 July 2024.

60. Both Parties lodged their appeals with CAS on 6 August 2024, within the deadline prescribed by article 50 of the FIFA Statutes.

61. The Parties also complied with the requirements of articles R48 and R64.1 of the CAS Code.

62. None of the Parties contested the admissibility of the respective appeals either.

63. It follows that both appeals are admissible.

VII. APPLICABLE LAW

64. Article R58 of the CAS Code provides the following:

> *"The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to 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 the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision."*

65. Article 49 of the FIFA Statutes reads in the pertinent part as follows:

> "*1. FIFA recognises the independent Court of Arbitration for Sport (CAS) with headquarters in Lausanne (Switzerland) to resolve disputes between FIFA, member associations, confederations, leagues, clubs, players, officials, football agents and match agents."*
>
> *2. 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.*"

66. Both appeals are directed against a decision issued by the DRC of FIFA.

67. Both Parties make reference to the FIFA Regulations in their submissions, and the Player specifically mentions in his Appeal Brief that this dispute is to be resolved based on the provisions of the RSTP and subsidiarily, Swiss Law.

68. Based on the foregoing, the Panel finds that the various regulations of FIFA are primarily applicable to the case at hand (in particular, the RSTP), and additionally Swiss Law on a subsidiary basis.

VIII. MERITS

69. In light of the Parties' submissions and the content of the Appealed Decision, the Panel shall note, by way of introduction to its reasoning, that:

- The Appealed Decision resolved in essence that (i) the Player terminated his relationship with the Club with just cause and (ii) the Club shall pay to the Player as regards of it the amount of BRL 40,397,726 plus 5% interest p.a. as from 28 February 2024.

- The Player concurs with the Appealed Decision in the fact that the contractual relationship was terminated with just cause, but dissents in the amount awarded in his favour, which in his view should be higher.

- The Club basically holds that the Player did not have just cause to terminate the contractual relationship and thus shall be obliged to pay compensation to the Club as regards of it, and in the alternative, should the Panel consider that the Player had just cause of termination, the compensation payable by the Club should be lower than the one awarded by the DRC in the Appealed Decision.

70. Bearing the aforementioned in mind, the first issue to be analysed and resolved by the Panel is whether the Player terminated his contractual relationship with the Club with just cause.

71. In this respect and after having checked the factual background and the evidence taken in these proceedings, the Panel shall first point out that (i) Corinthians' delays and defaults in payments were continuous from the beginning of the relationship with the Player, (ii) the Player complained about such situation of default, which Corinthians admitted, (iii) it was due to such delays and breaches of the payment obligations that the Term of Agreement was signed, (iv) the Parties acknowledged that the Player could have terminated his contractual relationship with the Club as regards of such payments' defaults and (v) the Player accepted instead and in good faith for the continuation of the contractual relationship to enter into the Term of Agreement. The content of the following clauses of the Term of Agreement is self-evident in that regard:

"[…] f. due to consecutive events of default by Corinthians, the Player constituted the Club in arrears, under the terms of article 14bis of the FIFA Regulations on the Status and Transfer of Players ("RSTP"), giving Corinthians until 22 December 2023, to settle the debts against the Player, which did not occur; and

g. despite the possibility of the Player terminating the Contract (CETD and Image Contract, too), the Parties in good faith negotiated conditions for the continuity of the Player's legal-sporting relationship with Corinthians, under the terms of this instrument. […]

3.1. The Parties declare and acknowledge that the Player was entitled to declare the unilateral and justified termination of the Contract (CETD and Image) on December 22, 2023 – and until this date – due to the consecutive defaults by Corinthians, pleading before FIFA the consequences established in the RSTP. However, in good faith and for the maintenance of contractual stability, the Player accepted the installment of the debt, under the terms of this instrument."

72. The Panel shall also make reference to clause 3 of the Term of Agreement (Contract Termination), which in the pertinent part reads as follows (emphasis added):

"[…] 3.2. However, the Parties declare and acknowledge that ***the faithful fulfillment of the conditions established in this instrument is essential*** *for the maintenance of contractual stability and the Player's legal-sporting bond with Corinthians.*

3.3. For this reason, the Parties hereto establish that, ***in the event of default by Corinthians in the payment of any amounts provided for in this instrument*** *– whether due to Redland (as assignee – and assignor – of the Player's image rights) or to the Intermediary,* ***the Player will be allowed to declare the unilateral and justified termination of the Contract (CETD and Image), without need of prior notification to Corinthians****.*

3.3.1. ***The Player will have until 01 August 2024 to invoke the unilateral and justified termination of the Contract, and may, subsequently, plead before FIFA the financial consequences derived from such termination, without the possibility of mitigation by Corinthians.***

3.4. In order to avoid disputes, the Parties hereby establish that the delay by Corinthians of more than five (5) days for the payment of any installments established herein will enable the Player, immediately and until 01 August 2024, and without the need for prior notice, to declare the unilateral and justified termination of the Contract (CETD and Image), and the provisions of clause 3.3.1 above shall apply."

73. The wording of such clause 3 is clear: if the Club failed to timely pay any of the amounts provided for in the Term of Agreement, the Player would be entitled to terminate the entire contractual relationship with the Club. Therefore, the allegations of the Club on the different nature of the payments under the Contract and the Image Rights Agreement are of no avail from the very moment in which the Club and the Player agreed to the Term of Agreement. The same irrelevance is to be given to the discussions as to whether the termination of the contractual relationship is to be embodied under article 14 or article 14bis of the FIFA RSTP, as the Player's termination was based on the breach of a contract (the Term of Agreement) that the Parties freely and voluntarily concluded with a specific regime for the termination of their relationship in its clause 3: if the Club failed to pay any of the sums due on a timely basis, the Player would be entitled to terminate his relationship with the Club.

74. The Panel observes that Corinthians paid the first instalment under the Term of Agreement (BRL1.363.342,12) but then failed to pay the second instalment by the agreed deadline (10 February 2024). This fact has been uncontroversial between the Parties. It is also uncontested that the 5-day gratia period set out in clause 3.4 of the Term of Agreement went by, without payment by the Club. Accordingly, on 21 February 2024, the Player notified the Club of such default and its consequences. Despite this warning, the Club remained in default, leading the Player to terminate the contractual relationship one week thereafter.

75. Bearing all the aforementioned in mind, the Panel can only share the Appealed Decision's view that the Player had just cause to terminate his contractual relationship with the Club.

76. The Club incurred payment defaults several times and the Player, instead of terminating the relationship, agreed to grant in good faith an opportunity to the Club to redeem from such breaching behaviour. However, it was also made clear in the Term of Agreement that (i) the faithful fulfilment of the conditions established in the Term of Agreement was of essence and (ii) the default by Corinthians in the payment of "***any*** *amounts provided for*" in the Term of Agreement (emphasis added) would allow the Player to declare the unilateral and justified termination of his relationship with the Club, without need of prior notification to Corinthians. And this is what precisely happened in this case: the Club breached again its payment obligations, and this entitled the Player to terminate their relationship. The Club was perfectly aware of the consequences of its breach under the Term of Agreement, chose not to meet them and thus shall bear such consequences.

77. The fact that the Club, after the contractual termination, paid the 2nd instalment and the 3rd instalment under the Term of Agreement is completely irrelevant for the purposes of the Player's entitlement to terminate his contractual relationship with just cause. Those

payments (made on 7 and 14 March 2024) came late, after a record of continuous breaching behaviour and after the execution of the Term of Agreement, and cannot jeopardize the Player's right of termination when he exercised it. On the termination date (28 February 2024) the Club was in default and all the prerequisites for the termination set out in the Term of Agreement were met, and thus the Player was entirely entitled to terminate his relationship with the Club. In the same vein, the fact that the Club made some payments before the termination of the contractual relationship does not add much to the discussion on the termination, as the Club was obliged to make them in accordance with the contractual provisions agreed with the Player.

78. The same irrelevance is to be given to the fact that the Player decided not to undergo the MRI exam with the Club on the 28 February 2024, as on that date the Club was in default, the Player had already warned the Club about it and in fact the Player terminated his relationship with the Club the same day.

79. Therefore, the Panel confirms that the Player had just cause to terminate his relationship with the Club, which automatically entails the rejection of the Club's requests for relief made under point 8.1 lit. (i) and (ii) of its Appeal Brief.

80. Once having confirmed that the Player had just cause to terminate his relationship with the Club, the Panel shall address the financial consequences of the contractual termination in light of the claims made by the Player and the Club in this respect.

81. In the Appealed Decision, the DRC quantified such financial consequences in BRL 40.397.726 in accordance with the following breakdown:

- BRL 36,308,000 corresponding to the residual value of the Contract, as follows:

  - BRL 860,750 per month as from April to July 2024, after having deducted the BRL 78,250 per month advanced payment, i.e., total of BRL 3,443,000.

  - BRL 939,000 per month as from August 2024 until July 2027 (35 months of salary), i.e. total of BRL 32,865,000.

- BRL 4,089,726.38 corresponding to the Term of Agreement, which is the result of deducting the amounts paid by Corinthians (i.e., BRL 4,090,326.39) from the overall amount agreed in the Term of Agreement (i.e., BRL 8,180,052.77).

82. The Panel notes that the Player considers that the amount granted by the Appealed Decision is to be increased, while the Club considers that such amount should be diminished, for the reasons respectively set out in paras. 49 et seq. above.

83. The Panel shall recall in this respect the content of article 3 of the Term of Agreement, which in the pertinent part reads as follows:

"3.3. For this reason, the Parties hereto establish that, in the event of default by Corinthians in the payment of any amounts provided for in this instrument – whether due to Redland (as assignee – and assignor – of the Player's image rights) or to the Intermediary -, the Player will be allowed to declare the unilateral and justified termination of the Contract (CETD and Image), without need of prior notification to Corinthians.

3.3.1. The Player will have until 01 August 2024 to invoke the unilateral and justified termination of the Contract, and may, subsequently, plead before FIFA the financial consequences derived from such termination, without the possibility of mitigation by Corinthians."

84. The Panel notes that (i) the fact that the Club did not pay the amount of BRL 4,089,726.38 under the Term of Agreement is uncontested, (ii) Extra clause 3 of the Contract refers to the contractual residual value criterion in case of early termination of the agreement (*In the event of early termination of this contract at the initiative of the SCCP, without just cause, the SCCP shall pay the Player the sports compensatory clause herein pre-fixed in the total amount of the monthly salaries to which the Player would be entitled until the end of this contract)* and (iii) the Parties specifically agreed to exclude mitigation in clause 3.3.1 of the Term of Agreement.

85. In view of the aforementioned three elements, the Panel shall concur with the essence and principles of calculation of the compensation foreseen in the Appealed Decision as explained above (with the exception that will be mentioned below) and sees no reason to deviate from such essence and principles.

86. As to the requests for relief made by the Club under point 8.1 lit. (iii) and (iv) of its Appeal Brief (reduction/mitigation of the compensation awarded by the DRC in the Appealed Decision), the Panel finds that (i) intending to restrict the compensation payable to the Player to the payment of the 3 outstanding instalments of clause 2.1 of the Term of Agreement not only lacks legal basis but also is not consistent with the specific agreement reached between the Parties in clause 3 of the Term of Agreement and (ii) the Parties freely and expressly agreed to exclude the mitigation of the compensation in the Term of Agreement.

87. The Panel considers that there is no ground in this specific case to consider that this agreement excluding mitigation is invalid, ineffective, excessive or disproportionate, especially bearing in mind the Club's payment default records vis-à-vis the Player. In this regard, the Panel places weight on the oral evidence indicating that the exclusion of mitigation resulted from negotiations between the Player's representatives and the Club's senior management, with the then-acting President of the Club accepting the Player's demand for robust contractual protections against the risk of further defaults. This negotiation led to the inclusion of clause 3.3.1, the triggering of which is at the heart of the present dispute. This clause is to be considered a valid agreement *in casu* and shall prevail over the mitigation rule stipulated in article 17, second paragraph, lit. (ii) of the FIFA RSTP.

88. Furthermore, the Panel notes that this clause served a legitimate purpose in the circumstances of this case. The Player's decision to remain with the Club at the time the Term of Agreement was executed may have caused him to forgo favorable transfer opportunities for the 2024 season. By the time the Contract was terminated, the transfer windows for the principal leagues outside South America had closed, leaving Major League Soccer (MLS) possibly as the most attractive remaining option. According to the oral evidence, the premature departure of the Player from the Club frustrated the objective he had established with his agent to have a successful tenure at a prominent Brazilian club in order to enhance his visibility in the international market and pursue a transfer to Europe. The Panel finds this latter contention of the Player reasonable.

89. It is thus demonstrated that the Player suffered harm as a result of Corinthians' default. This further underscores the absence of circumstances that would justify disregarding the application of clause 3.3.1 of the Term of Agreement as agreed between the Parties.

90. Therefore, the claims for reduction/mitigation of the compensation made by the Club are thus fully rejected, such rejection including, for the avoidance of doubt, the dismissal of the Club's claim of proportional restitution related to the wage advance paid to the Player made in point 8.1 lit (iv) *in fine* of the Appeal Brief.

91. The Panel shall then analyze the Player's requests for increase of the amount awarded to him by the DRC in the Appealed Decision.

92. In his Appeal Brief, the Player considered that he is entitled to receive from the Club the amount of BRL 45,808,726.40 (or alternatively, the net amount of USD 7,757,340.37 after payment of any applicable taxes in the Player's country of tax residency at the time of payment) based on the considerations summarized in para. 49 above, which are not reiterated herein for the sake of brevity.

93. Firstly, the Panel finds that the DRC should have included the monthly salary of March 2024 in the calculation of the amount awarded to the Player. The termination of the contractual relationship with the Club took place on 28 February 2024 and the Club paid the Player's salaries until February 2024, so the salary of March 2024 should have been part of the remaining value of the Contract, and FIFA considered only salaries from April 2024 on in the calculation of the compensation. Therefore, the Panel considers that the sum of BRL 860,750 (939,000 – 78,250 corresponding to the deduction arising out of the advance payment of BRL 939,000 made by the Club at the beginning of the Contract) should be added to the compensation payable to the Player.

94. Secondly, the Panel notes that it is the Player's contention that the operation made by the DRC to calculate the compensation awarded to the Player (BRL 939.000 x the number of months until the Contract's finalization) does not reflect the real and agreed residual value of the Contract. In the Player's view, and as explained in detail in para. 49 above, the DRC basically ignored the provisions of the contracts establishing that the amounts due to the Player in BRL should correspond to a total net compensation of USD 9,660,000 during a four-season period, and that the contracts were clear in establishing that, in principle, such

USD 9,660,000 would be paid in BRL based on a conversion rate of USD 1.00 to BRL 5.00, with the Parties adjusting, at the end of each season, any amounts eventually still due to the Player vis-à -vis any negative fluctuation of the USD-BRL exchange rate. Reference is made to para. 49 above for the sake of brevity.

95. After having analyzed the case file, the Panel does not endorse this Player's contention.

96. The Panel notes that in the Preliminary Agreement (which was a "*Pre-Contract*"), the Parties indeed mentioned that the Player's monthly remuneration was based on a net amount equivalent to USD 2,000,000. However, in the Contract that was later signed, it was made clear that the Player's monthly salary was BRL 939.000, with no reference at all to any equivalence or basis in USD or to a different method of calculation of the salary.

97. The Contract (which title is "Special Sports Work Contract – *Final* Contract" -emphasis added-) contains a vast number of general and extra clauses, some of which refer to the remuneration. However, amongst them there is not a clause similar to clauses 2.1 or 2.2 of the Preliminary Agreement. The Parties could have included a provision of this kind in the definitive ("*final*") agreement ruling their relationship, but failed to do it, and in such circumstances the Panel cannot simply assume that such an omission is irrelevant.

98. On the contrary, what the Panel observes is that the Contract includes a clause which literally states that "*the amount of remuneration includes all periods of concentration, travel, pre-season and the Player's participation in training and matches, and no additional remuneration is due."* (Extra clause 9). The remuneration under the Contract is clearly stipulated in its first page ("*Salary R$ 939.000.00*"), with no reference to any basis, equivalence or conversion to USD. Pursuant to Extra clause 9 referred to above, this salary of BRL 939,000 is fully comprehensive.

99. The Panel finds, by majority, that the way of determining the salary and the resulting compensation raised by the Player is an allegation not sustained with convincing and reliable evidence, and such allegation has not been expressly accepted by the Club in these proceedings.

100. The Player clearly identified in his Appeal Brief's "Jurisdiction & applicable law" section that the Panel should assess this case in accordance with the FIFA RSTP and Swiss law. Even if the Player also made a general reference to Brazilian law in his Appeal Brief to substantiate his thesis on the calculation of the compensation, he failed to discharge his burden of proof to provide the official text of the specific applicable Brazilian regulations on which he intended to rely, and it shall be also pointed out that the Club mentioned in the Answer to the Player's Appeal Brief that the "*remaining value of the Contract would not surpass the calculations of the FIFA DRC*", which reveals that the Club did not accept the Player's proposed calculation. In such circumstances, the Panel, by majority, is not comfortably satisfied with the Player's thesis on the calculation of the compensation.

101. In this context, the Panel refers to CAS case law dealing with the burden of proof in such cases. In CAS/2018/A/6005 for ex., a club listed the names of several laws and regulations

without providing a copy and a translation of the relevant provisions, which could support its alleged right to deduct any amount from the Player's wages. Although the club even provided various legal texts, the Sole Arbitrator concluded as the FIFA DRC, i.e. the club did not provide convincing evidence that it actually paid any deductible amount on behalf of the Player (see in detail CAS/2018/6005 paras. 76 – 79)

102. Therefore, the Panel considers that the DRC was right in considering the monthly salary of BRL 939,000 as the basis for the calculation of the compensation to be awarded to the Player and, by majority, dismisses all the Player's additional contentions regarding the way of determining the compensation. The only increase to be applied in the compensation awarded to the Player is thus the one set out in para. 93 above.

103. Finally, concerning the interest on the amount awarded to the Player, the Panel concurs with the assessment made in the Appealed Decision, which is consistent with articles 102 and 104 of the Swiss Code of Obligations. Therefore, 5% interest p.a. shall accrue as from 28 February 2024 until the date of effective payment.

104. In conclusion, the appeal filed by the Club is dismissed in its entirety, while the appeal filed by the Player is partially upheld, in the sense of increasing the amount to be received by the Player from BRL 40,397,726 to BRL 41,258,476.38 (BRL 36,308,000 + BRL 860,750 + BRL 4,089,726.38).

IX. COSTS

(…)

DECISION

The Court of Arbitration for Sport rules that:

1. The appeal filed on 6 August 2024 by Sport Club Corinthians Paulista against the decision issued on 27 June 2024 by the Dispute Resolution Chamber of the *Fédération Internationale de Football Association* is dismissed.

2. The appeal filed on 6 August 2024 by Matías Nicolás Rojas Romero against the decision issued on 27 June 2024 by the Dispute Resolution Chamber of the *Fédération Internationale de Football Association* is partially upheld.

3. The decision issued on 27 June 2024 by the Dispute Resolution Chamber of the *Fédération Internationale de Football Association* is confirmed, except for point 3 of its operative part, which is modified as follows:

   "3. The Respondent / Counter-Claimant, Sport Club Corinthians Paulista, must pay to the Claimant / Counter-Respondent the following amount(s):

   BRL 41,258,476.38 as compensation for breach of contract without just cause plus 5% interest p.a. as from 28 February 2024 until the date of effective payment."

4. (…).

5. (…).

6. (…).

7. All other and further motions or requests for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland
Date: 23 September 2025

THE COURT OF ARBITRATION FOR SPORT

Mr. Jordi López Batet
President of the Panel

Prof. Dr. Martin Schimke
Arbitrator

Mr Vitor Butruce
Arbitrator