TAS 2025/A/11314 Club de Fútbol Pachuca c. FIFA
TAS 2025/A/11315 Club León c. FIFA
TAS 2025/A/11316 Club León c. FIFA

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

President:	Prof. Roberto **Moreno**, Professor and Attorney-at-law in Asunción, Paraguay
Arbitrators:	Prof. Massimo **Coccia**, Professor and Attorney-at-law in Rome, Italy
	Mr Daniel **Cravo Souza**, Attorney-at-law in Porto Alegre, Brazil
Ad hoc Clerk:	Mr Adrián **Hernández**, Lausanne, Switzerland

in the arbitration between

Club de Fútbol Pachuca, Pachuca, Mexico

Represented by Messrs Lucas Ferrer and Luis Torres, Attorneys-at-law, Statim Legal in Barcelona, Spain and Messrs Alexis Schoeb and Micael Totaro, Attorneys-at-law, Peter & Kim in Geneva, Switzerland and Sydney, Australia.

– Appellant in TAS 2025/A/11314 –

Club León, León, Mexico

Represented by Mr Gorka Villar Bollain, Attorney-at-law, BS Sports Law in Marid, Spain.

– Appellant in TAS 2025/A/11315
& TAS 2025/A/11316 –

and

Fédération Internationale de Football Association (FIFA), Zurich, Switzerland

Represented by Messrs Miguel Liétard, Director of Litigation, and Carlos Schneider, Director of Judicial Bodies, FIFA in Miami, USA.

– Respondent in TAS 2025/A/11314,
TAS 2025/A/11315 & TAS 2025/A/11316 –

I. PARTIES

1. Club de Fútbol Pachuca ("**Club Pachuca**" or the "**First Appellant**") is a professional football club with headquarters in Pachuca, Mexico, affiliated with the Federación Mexicana de Fútbol Asociación ("**FMF**"), which in turn is affiliated with the Fédération Internationale de Football Association (FIFA).

2. Club León ("**Club León**" or the "**Second Appellant**") is a professional football club headquartered in León, Mexico also affiliated with the FMF.

3. Fédération Internationale de Football Association ("**FIFA**" or the "**Respondent**") is the international governing body of football, constituted as an association under Articles 60 et seq. of the Swiss Civil Code ("**SCC**"), with headquarters in Zurich, Switzerland.

4. The First and Second Appellant, where relevant, will be jointly referred to as the Appellants or the Clubs (the "**Appellants**" or the "**Clubs**"). Similarly, where relevant, the Appellants and the Respondent will be jointly referred to as the Parties (the "**Parties**") to these disputes.

II. FACTUAL BACKGROUND

5. What follows is a summary of the relevant facts and allegations based on the Parties' written submissions, pleadings and evidence examined in the course of the present proceedings. 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. While the Panel has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, it refers in this award (the "**Award**") only to the submissions and evidence it considers necessary to explain its reasoning.

A. Background facts

6. On 16 December 2022, the FIFA Council, convened in Doha, Qatar, approved a 32-team international club competition named the FIFA Club World Cup (the "**Competition**"). The Competition was scheduled to be held in June 2025 and every four years thereafter. This approval came after the FIFA Council had previously approved a similar tournament, a 24-team international club competition, to be held in 2021, which had to be postponed due to the Covid-19 global pandemic.

7. On 14 February 2023, the FIFA Council unanimously approved the slot allocation for the Competition ("**Slot Allocation**"), the breakdown of which is as follows:

   – Asian Football Confederation ("**AFC**"): 4 slots,
   – Confédération Africaine de Football ("**CAF**"): 4 slots,
   – Confederation of North, Central America and Caribbean Association Football ("**Concacaf**"): 4 slots,
   – Confederación Sudamericana de Fútbol ("**CONMEBOL**"): 6 slots,
   – Oceania Football Confederation ("**OFC**"): 1 slot,
   – Union des Associations Européennes de Football ("**UEFA**"): 12 slots, and

– The Competition's host: 1 slot.

8. On 14 March 2023, the FIFA Council unanimously approved the following "*key principles of access*" to the Competition ("**Access Principles**"):

> "*With a period of consideration being the four-year period of the seasons ending in 2021 and 2024, the key principles of access are as follows:*
> - *For confederations with more than four slots: access for the champions of the previous four editions of the confederation's premier club competition, and additional teams to be determined by a club ranking based on the same four-year period*
> - *For confederations with four slots: access for the champions of the previous four editions of the confederation's premier club competition*
> - *For confederations with one slot: access for the highest ranked club between the champions of the confederation's premier club competition in the four-year period*
> - *For the host country: access for the club occupying this slot will be determined at a later stage*

> *Other criteria also apply:*
> - *In the event of a club winning two or more editions of the confederation's premier club competition during the 2021-2024 period, a club ranking calculated based on sporting criteria will be used to grant access*
> - *A cap of two clubs per country will be applied to the access list with an exception in case more than two clubs from the same country win the confederation's premier club competition over the four-year period*
> - *Further consultation will follow with confederations and stakeholders to define the calculation mechanisms of the club ranking, which will be based on sporting criteria".*

9. On 4 June 2023, Club León won the Concacaf Champions Cup and qualified for the Competition in accordance with the above quoted Access Principles.

10. On 17 December 2023, the FIFA Council selected the United States of America as the host country of the first edition of the Competition. Furthermore, the FIFA Council approved the club-ranking methodology, which had been left undefined in the Access Principles pending consultation with confederations and stakeholders.

11. On 1 June 2024, Club Pachuca won the Concacaf Champions Cup, qualifying for the Competition in accordance with the above quoted Access Principles.

12. On 27 June 2024, Mr A., President of the Board of Directors of Grupo Pachuca Fútbol & Negocios (a group of companies knowns as "**Grupo Pachuca**"), sent a letter to the FIFA President with the aim to "*aclarar algunos aspectos relevantes sobre los equipos de fútbol propiedad de Grupo Pachuca en México: Club Pachuca y Club León*" (i.e. "clarify certain relevant aspects about the football teams owned by Grupo Pachuca in Mexico: Club Pachuca and Club León", free translation from Spanish original). In this letter, the President of Grupo Pachuca made the following statements:

- Both Clubs are operationally independent, each with its own corporate structures, and have an autonomous decision-making process for player recruitment and development;
- The financial management of both Clubs are distinct and independent, each having its own budget and financial management systems;
- Grupo Pachuca's business operations are not limited solely to football, but also include activities in other sectors such as academia, commerce, hospitality, real estate, automotive parts, among others;
- With the Clubs competing in Liga MX – Mexico's top-flight football league – Grupo Pachuca is committed towards the development of Liga MX, and its ownership of those Clubs has at all times been compliant with FIFA and Liga MX regulations; and
- Grupo Pachuca has detailed policies of profit reinvestment into infrastructure, human development and continued business growth.

13. The letter by Mr A. also annexed the Grupo Pachuca's organizational chart, a table listing its different commercial activities, and the organizational charts for Club Pachuca and Club León.

14. On 3 October 2024, the FIFA Council unanimously approved the Regulations for the Club World Cup 2025 (the "**CWC Regulations**").

15. The CWC Regulations provide rules regarding multi-club ownership ("**MCO**") in its Article 10:

> "*10.1 To ensure the integrity of the Competition, participating clubs shall meet the below criteria when submitting the Participation Agreement and shall continue to comply with the criteria until the end of the Competition:*
>
> *a) No club participating in the Competition may, either directly or indirectly:*
>
> *i) hold or deal in the securities or shares of any other club participating in the Competition;*
>
> *ii) be a member of any other club participating in the Competition;*
>
> *iii) be involved in any capacity whatsoever in the management, administration and/or sporting performance of any other club participating in the Competition; or*
>
> *iv) have any power whatsoever in the management, administration and/or sporting performance of any other club participating in the Competition.*
>
> *b) No one may simultaneously be involved, either directly or indirectly, in any capacity whatsoever in the management, administration and/or sporting performance of more than one club participating in the Competition.*
>
> *c) No individual or legal entity may have control or influence over more than one club participating in the Competition, such control or influence being defined in this context as:*
>
> *i) holding a majority of the shareholders' voting rights;*
>
> *ii) having the right to appoint or remove a majority of the members of the administrative, management or supervisory body of the club;*

iii) being a shareholder and alone controlling a majority of the shareholders' voting rights pursuant to an agreement entered into with other shareholders of the club; or

iv) being able to exercise by any means a decisive influence in the decision-making of the club.

10.2 If, on the basis of a complaint or the information available to FIFA, there is a doubt as to whether a participating club fulfils the criteria established above, the FIFA general secretariat may refer the case to the FIFA Disciplinary Committee, who shall decide on the admission without delay in accordance with the FIFA Disciplinary Code.

10.3 If two or more clubs fail to meet the criteria defined in paragraph 1 above, only one of them may be admitted to the Competition. The FIFA Disciplinary Committee shall have jurisdiction to decide whether the criteria defined in paragraph 1 above are met.

10.4 If the FIFA Disciplinary Committee decides that two or more clubs fail to meet the criteria defined in paragraph 1 above, the FIFA general secretariat shall decide which club may be admitted to the Competition and how a club that is not admitted shall be replaced in accordance with the following principles, taking into account, in particular, the respective ranking(s) of the club(s) concerned and the applicable quota per confederation and/or member association to which the club(s) concerned is/are affiliated".

16. On 17 October 2024, FIFA, via its […], Mr B., sent a request of information to the Clubs, stating *inter alia* as follows:

> "*A tenor de lo dispuesto en el artículo 11 del Reglamento FCWC, el Club Pachuca y el Club León ostentan el derecho deportivo a participar en el Mundial de Clubes de la FIFA 2025™, ello sujeto al cumplimiento de los requisitos reglamentarios y, en particular, a lo determinado en el mencionado artículo 10 del Reglamento FCWC.*
> *En este marco preliminar, la administración de la FIFA debe de proceder a examinar, con carácter inicial, la posible existencia de vínculos entre Grupo Pachuca, el Club Pachuca y el Club León en el contexto reglamentario anteriormente referido, ello sin perjuicio de las competencias que, en su caso, dispondría la Comisión Disciplinaria de la FIFA en un momento procesal posterior de este proceso*".
>
> (English translation by the Panel:
> "In accordance with article 11 of the FCWC Regulations, Club Pachuca and Club León hold the sporting right to participate in the FIFA Club World Cup 2025™, subject to compliance with the regulatory requirements and, in particular, with the mentioned Article 10 of the FCWC Regulations.
> In this preliminary stage, the FIFA administration must initially examine the possible existence of links between Grupo Pachuca, Club Pachuca, and Club León within the aforementioned regulatory context, without prejudice to the competence that the FIFA Disciplinary Committee would have at a later stage of this process").

17. Therefore, FIFA's stated purpose for the request was to conduct an initial exam of possible links between Grupo Pachuca, Club Pachuca and Club León in order to ascertain their compliance with Article 10 of the CWC Regulations. FIFA requested, *inter alia*, the

following information, to be provided within seven days: documents showing the shareholding and voting structure of both Clubs, including any such document that would show links with Grupo Pachuca or any other entity that could control or exert influence over both Clubs; documents indicating whether Grupo Pachuca or any other individual or legal entity had the right to name or substitute people involved in the administration, management or supervision of both Clubs; and documents evidencing any form of influence over the decision-making process of both Clubs by Grupo Pachuca or any other individual or legal entity. The letter granted the Clubs seven days to respond.

18. On 23 October 2024, both Clubs answered to FIFA's request by way of separate letters, providing several documents.

19. In particular, Club Pachuca provided the following documents: (i) a copy of the certificate of incorporation of "*[…]*" (the formal corporate name of Club Pachuca) dated 24 July 1995, and (ii) a copy of public deed reflecting alterations to the ownership structure of Club Pachuca, dated 5 January 2023. For its part, Club León provided (i) a copy of the certificate of incorporation of "*[…]*" (the formal corporate name of Club León) dated 23 December 2010; and (ii) a copy of a public deed reflecting alterations to the ownership structure of Club León, dated 5 January 2023.

20. Both Clubs asserted in their communications that Grupo Pachuca was not a legal entity, but rather a brand identifying a set of independent companies as part of a wider corporate group. The Clubs denied the existence of any document pertaining to FIFA's other requests relating to Grupo Pachuca or other entities influencing several aspects of the Club's independence. Both letters were signed by their respective legal representatives, namely Mr A. on behalf of Club Pachuca and Mr C. –Mr A.'s son– on behalf of Club León.

21. On 30 October 2024, FIFA informed Liga MX about its preliminary analysis on the control and influence structures relating to Grupo Pachuca and the Clubs and requested a series of documents.

22. On the same day, FIFA wrote to the Clubs acknowledging receipt of the Clubs' correspondence of 23 October 2024 and requesting both Clubs to transmit a new set of documents, once again by a seven-day deadline. The Clubs were requested to present the following: copies of the Clubs' statutes, internal regulations and other documents relating to the ownership, control, influence, and decision-making processes of the Clubs; clarification on the role of the shareholders and members of the board of directors on the administration of the Clubs; minutes of meeting of the board of directors; confirmation of any financial support given to the Clubs by Group Pachuca; documentation on the Clubs' registration with Liga MX for the 2024-2025 season, including the registration of the Clubs' owners and representatives; and explanations and relevant documentary evidence of any specific procedures or policies adopted by Liga MX to protect its competitions integrity in relation to the Clubs.

23. On 6 November 2024, Liga MX answered to the FIFA's documentary requests, transmitting nine documents.

24. On 8 November 2024, after an extension, the Clubs transmitted to FIFA eleven documents each, some of which had been exhibited previously (*i.e.*, certificate of incorporation and current ownership structure, the interim Internal Regulation of Liga MX, the Liga MX's Competition Regulations for the 2024-2025 season, the minutes of the Clubs' Ordinary General Assemblies of 22 May 2023, etc.). As a newly exhibited document, the Clubs presented the trademark registry of Grupo Pachuca and affirmed that Grupo Pachuca had not provided any financial support to either of the Clubs as it is not a corporate entity.

25. Some informal contacts ensued between FIFA and the Clubs and eventually, on 4 December 2024, the Parties held an in-person meeting at FIFA's headquarters in Miami, USA, where the Clubs' representatives had a chance to talk, in particular, with Mr B. The purpose of the meeting, scheduled at the Clubs' requests, was to address FIFA's investigation into the Clubs' MCO structure and potential next steps of the process. The testimonies of Mr A. and Mr B. concur as to the pleasant and friendly tone of the meeting but differ as to the essence of what was said on the crucial points of the MCO issue. The former, on the one hand, testified (i) that he was assured by the FIFA representative that, before adopting any measure, FIFA would contact the Clubs to jointly seek a reasonable solution in a consensual manner and (ii) that he declared during the meeting to be even willing to sell Club León; the latter, on the other hand, testified (i) that he did not give any assurance to the Clubs as he merely explained how the process worked and that FIFA would examine any solution proposed by the Clubs and (ii) that Mr A. declared during the meeting that he was unwilling to sell Club León.

26. On 5 December 2024, FIFA hosted in Miami the draw ceremony for the group stage of the Competition. This event was attended by the representatives of Club Pachuca and Club León, and, in accordance with the draw, the Clubs were inserted into two different groups with other qualified clubs. Some further informal contacts ensued between FIFA and the Clubs.

27. On 3 February 2025, FIFA sent the short-form version of the so-called Participation Agreement (the "**Participation Agreement**") to all the qualified clubs, including Club Pachuca and Club León, requesting it to be signed by 7 February 2025. The Participation Agreement reads as follows:

> "*1. The undersigned club ('Club') hereby confirms that its participation in the FIFA Club World Cup™ 2025 ('Competition'), is inter alia subject to it signing a Participation Agreement and fulfilling, in particular, the criteria under articles 4, 5 and 10 of the Regulations for the FIFA Club World Cup ™ 2025 ('Competition Regulations').*
> *2. The Club acknowledges and agrees that by signing this Short Form, it is directly bound by articles 4, 5 and 10 of the Competition Regulations. Whilst FIFA and the Club acknowledge that a detailed Participation Agreement will follow in due course, the Club acknowledges and agrees that this Short Form constitutes the 'Participation Agreement' for the purpose of articles 4, 5 and 10 of the Competition Regulations.*
> *3. The Club also acknowledges and agrees that FIFA is entitled to issue additional FIFA Regulations and/or to reissue, amend and revise existing FIFA*

Regulations at its sole discretion. If at any time there is an inconsistency between this Short Form and the FIFA Regulations, the FIFA Regulations shall take precedence.

4. *FIFA and the Club agree this Short Form shall be governed exclusively by Swiss Law. Without prejudice to any contrary dispute-resolution procedures set out in any of the FIFA Regulations, and to the exclusion of decisions which are declared as final and binding by applicable FIFA Regulations, any disputes arising out of or in connection with this Short Form, and any disputes related to the admission to, participation in, or exclusion from the Competition, including proceedings related to provisional or superprovisional measures, shall be exclusively resolved by the Court of Arbitration for Sport (CAS) in Lausanne, Switzerland, to the exclusion of the jurisdiction of any ordinary state court. Such arbitration proceedings shall be governed by the CAS Code of Sports-related Arbitration ('CAS Code'). The language of the proceedings shall be English. For disputes related to the admission to, participation in, or exclusion of the Club from the Competition, the Club additionally agrees that such proceedings will be conducted in an expedited manner in accordance with the CAS Code, subject to directions issued by the CAS.*
5. *This form shall be sent back by no later than 7 February 2025, failing which it may be considered that the Club has waived its right to participate in the Competition*".

28. The Clubs assert that, through their legal representatives, they verbally complained about the content of the Participation Agreement and sought to obtain an extension of the deadline to sign it; they also assert that FIFA representatives verbally conveyed the message that no extension was possible and that if the Clubs did not sign the Participation Agreement within the set deadline of 7 February 2025 they would not be admitted into the Competition.

29. On 6 February 2025, both Clubs submitted signed copies of the Participation Agreement. Alongside the signed copies of the Participation Agreement, both Clubs presented a reservation of rights. Club Pachuca's reservation of rights reads as follows:

> "*Sin perjuicio de la postura que ya les hemos manifestado en los últimos meses (vid. respuesta a sus comunicaciones de 17 y 30 de octubre) y que mantenemos en todos sus términos, de los derechos que nos asisten y de la elegibilidad de nuestro club en cualquier caso para participar en el Mundial de Clubes, les adjuntamos siguiendo sus instrucciones el citado Acuerdo de Participación debidamente firmado por nuestro club, haciendo expresa reserva de todos nuestros derechos*".

30. Likewise, Club León reserved its right in the following terms:

> "*Tal como les hemos expresado en los últimos meses en nuestras respuestas a sus comunicaciones del 17 y 30 de octubre, reiteramos nuestra postura respecto a la elegibilidad de nuestro club para participar en la competición. Sin perjuicio de ello, y en cumplimiento de sus indicaciones, les remitimos el Acuerdo de Participación debidamente firmado, reservándonos expresamente todos nuestros derechos*".

31. As to the remaining qualified clubs, they signed the Participation Agreement on the following dates, sending the signed document on the same day of their signature (except where noted below):

- 3 February 2025: Inter Miami CF and Seattle Sounders;
- 4 February 2025: Al Ain, Al Ahly, Auckland City, Boca Juniors, Palmeiras, River Plate and Wydad AC;
- 5 February 2025: Al Hilal, Botafogo, Flamengo, Club Monterrey and Ulsan HD;
- 6 February 2025: Espérance de Tunis, Fluminense, Mamelodi Sundowns, Real Madrid and Urawa Red Diamonds; and
- 25 April 2025 (but sent to FIFA on 1 May 2025): Atlético de Madrid, FC Bayern Munchen, SL Benfica, Borussia Dortmund, Chelsea FC, FC Internazionale Milano, Juventus FC, Manchester City FC, Paris Saint-Germain, FC Porto and Red Bull Salzburg.

32. The European clubs mentioned in the last group had given the European Club Association ("**ECA**") special powers to negotiate and sign the Participation Agreement on their behalf. As mentioned, although signed on 25 April 2025, the Participation Agreements of these clubs were actually sent to FIFA on 1 May 2025.

B. Proceedings before FIFA

33. On 7 February 2025, the FIFA Secretary General ("**Secretary General**") sent a letter to the Chairperson of the FIFA Disciplinary Committee ("**FIFA DC**") expressing his "*doubt as to whether Club Pachuca and Club León fully comply with the criteria outlined in Article 10 of the FCWC Regulations*".

34. Consequently, and pursuant to Article 10.2 of the CWC Regulation, the Secretary General formally referred the case to the FIFA DC.

35. On 11 February 2025, the FIFA DC formally opened disciplinary proceedings against the Clubs for an alleged breach of Article 10.1 of the CWC Regulations, following the Secretary General's referral. In the communication notifying the commencement of the disciplinary proceedings, registered under reference number FDD-21931, the FIFA DC granted the Clubs 10 days to present their initial observations. Furthermore, the documentation that FIFA had received from the Clubs and Liga MX was added to the case file of the disciplinary proceedings.

36. On 24 February 2025, the Clubs separately submitted their initial observations regarding the alleged breach of Article 10.1 of the CWC Regulations within the extended deadline.

37. On the same day, the Chairperson of the FIFA DC informed the Clubs that, given the urgency of the proceedings, the possible consequences to the Competition, and pursuant to Article 56.3 of the FIFA's Disciplinary Code ("**FD Code**"), the case would be referred directly to the FIFA Appeal Committee ("**FIFA AC**").

38. On 25 February 2025, FIFA's Head of Disciplinary invited the Clubs to present their final positions by 7 March 2025. Furthermore, a hearing was called to be held on 17 March 2025 at FIFA's offices in Miami, USA.

39. On 28 February 2025, Club Pachuca protested the manner in which the proceedings were being conducted. In particular, Club Pachuca complained about the lack of detailed charges, coupled with FIFA's purported inactivity after the approval of the CWC Regulations.

40. On the same day, Club León also protested the disciplinary proceedings against it, in the same line as Club Pachuca's arguments.

41. On 3 March 2025, the Chairperson of the FIFA AC replied, stating it was "*incumbent upon Club Pachuca and Club León to demonstrate, throughout these proceedings […] that, based on all the available documentation and facts, both clubs comply with the requirements set forth in Article 10 of the RFCWC*". Furthermore, the FIFA AC Chairperson listed a series of questions that the Clubs should prepare to address at the scheduled hearing.

42. On 7 March 2025, the Clubs stated, by way of separate letters, the impossibility of presenting new arguments beyond those adduced on 24 February 2025, reiterating these as their main contentions before the FIFA AC.

43. On 17 March 2025, the hearing took place with the participation of Mr A. at the request of the Chairperson of the FIFA AC.

C. Formation of the Trust

44. On 28 February 2025, Club León held a shareholder's assembly where the following measures were unanimously approved:

    i. The totality of the shares of Club León (*i.e.*, the shares of *[…], S.A.*) would be transferred into a trust, the purpose of which being for two trustees to hold the decision-making powers within Club León;
    ii. The resignation of the members of Club León's Board of Directors, including Chairman Mr A.;
    iii. The constitution of a new Board of Directors, composed by Mr D. as Chairman and Mr E. as Secretary. Furthermore, any special powers granted to the previous members of the Board, as well as any other previously approved powers, were suspended;
    iv. The legal representative of […], S.A., and therefore of Club León, would abstain from performing any activities in the name of the club, except for those activities pertaining to the day-to-day operations of Club León; and
    v. The approved trust would be valid for a period of four months or for the duration of the Competition and subject to the trustees' decision.

45. On 1 March 2025, the previously approved trust agreement was settled under the name Club León Trust (the "**León Trust**") by way of a trust instrument of settlement (the "**Trust Agreement**").

46. By the terms of the Trust Agreement, the shareholders of Club León – Messrs A. and C., as well as Mr F., Ms G., Ms H., Ms I., Mr J. (the "**Settlors**") – delivered their shares to the Trust. The Trust Agreement also designated Mr K. and Ms L. as trustees

(the "**Trustees**") and the Settlors as the beneficiaries of the León Trust (the "**Beneficiaries**"). Furthermore, by the Schedule B of the Trust Agreement, called the "**Nominee Agreement**", the Settlors designated Mr K. and Ms L. as nominees (the "**Nominees**").

47. On 17 March 2025, at the hearing before the FIFA AC, the Clubs presented the León Trust to the Chairperson of the FIFA AC.

D. FIFA's Decisions

48. On 20 March 2025, the FIFA AC passed its decision on the case docketed as FDD-219231 (the **"First Appealed Decision"**), ruling as follows:

> "*1. CF Pachuca and Club León fail to meet the criteria defined under Article 10.1 of the Regulations for the FIFA Club World Cup 2025™.*
> *2. The FIFA general secretariat shall decide which club may be admitted to the FIFA Club World Cup 2025™ and how the club that is not admitted shall be replaced in accordance with Article 10.4 of the Regulations for the FIFA Club World Cup 2025™*".

49. The above quoted operative part of the decision was immediately communicated while the grounds were notified to the Clubs on 27 March 2025.

50. On 21 March 2025, further to the FIFA AC's decision finding that the Clubs had failed to meet the criteria set forth by Article 10.1 of the CWC Regulations, the Secretary General, pursuant to Article 10.4 of the CWC Regulations, decided as follows (the "**Second Appealed Decision**"):

> "*On the basis of the above, and taking into consideration different criteria including sporting, Club de Fútbol Pachuca shall be the club admitted to the FIFA Club World Cup 2025. The decision on the club admitted to the competition as a replacement of Club León will be taken in due course, in accordance with the principles established in the Regulations for the FIFA Club World Cup 2025*".

51. The grounds of the above-referenced decision of the FIFA AC are summarised below:

- The Clubs' legitimate expectations: the Chairperson found that the Clubs could not have held a true legitimate expectation to participate in the Competition. In doing so, the Chairperson made reference to the Grupo Pachuca letter, which was sent prior to the approval of the CWC Regulations, and touched upon the Clubs' ownership and control structure, understanding this to be a manifestation of the Clubs' concern regarding their participation;

- The applicability of the CWC Regulations: by signing the Participation Agreement on 6 February 2025, the Clubs agreed to comply with, *inter alia*, Article 10 of the CWC Regulations. Thus, the Clubs consented to the applicability of the CWC Regulations. Additionally, the Chairperson noted the distinction between sporting qualification and the eligibility criteria, a common practice in football, such as in the Concacaf Champions Cup;

- The timeliness of the disciplinary proceedings: the Chairperson found no issue with manner in which the proceedings before the FIFA DC and AC had been conducted. In particular, the Chairperson noted that the proceedings could only have been initiated prior to (i) the Clubs signing of the Participation Agreement, consenting to the applicability of the CWC Regulations, and (ii) the Secretary General's referral of the matter to the FIFA DC;

- FIFA's regulations on MCO: the Chairperson was unconvinced by the Clubs' challenge of Article 10 of the CWC Regulation on account on normative hierarchy. Both Article 20.2 of the FIFA Statutes and Article 10 of the CWC Regulations, the Chairperson found, sought to secure to integrity of football competitions; a goal that the CAS had previously found to be legitimate in the context of MCO (see, CAS 98/200). Additionally, the Chairperson concluded that the CWC Regulations did not only seek to prevent MCO, from the perspective of a formalized ownership structure, but also entities having decisive influence over multiple participating clubs;

- The Clubs' compliance with the CWC Regulations: the Chairperson found that the Clubs were in breach of Article 10.1 of the CWC Regulations through a multi-pronged analysis, consisting of the following:

  i. *Temporal component*: the Clubs had to comply with the CWC Regulations from the date of signature of the Participation Agreement until the end of the Competition;

  ii. *Grupo Pachuca and the ownership and control of the Clubs*: the Chairperson found that Grupo Pachuca was indeed the controlling entity behind the Clubs. Not only did Grupo Pachuca purport ownership of the Clubs in its letter, but Mr A. was the Chairman of the Board and majority owner of both Clubs. Additionally, other individuals had ownership stakes and sat in the board of both clubs;

  iii. *Other considerations*: the Chairperson noted additional aspects that indicated that the Clubs were under a singular influence, including Liga MX's restrictions on the Clubs, statements made by the A. family about their ownership the Clubs, and similarities in the corporate documentation of the Clubs and their arguments before the FIFA DC and AC;

- The León Trust: the Chairperson found that the León Trust had no bearing on his finding on the Clubs' breaches of Article 10.1 of the CWC Regulations since:

  i. Firstly, the Clubs' inconsistency between their contentions regarding the lack of clarity of the charges against the Clubs and the CWC Regulations, while simultaneously and belatedly seeking to settle the León Trust to induce compliance. As such, the Chairperson understood the settlement of the León Trust to be a bad faith measure;

ii. The Chairperson was unconvinced by the Clubs' contention that trust had been accepted by UEFA in MCO cases. As such, the Chairperson remarked that FIFA and UEFA were distinct associations, applying different criteria and regulations applicable to different competitions;

iii. In any event, the Chairperson found that the León Trust was inadmissible as it was formed after the Clubs signed the Participation Agreement and stated they were compliant with Article 10 of the CWC Regulations; and

iv. Even if the León Trust were to be admissible, the Chairperson opined that it would not make the Clubs compliant with the CWC Regulations. Primarily, the Chairperson found that the León Trust had been structured in such a way that it did not severe the Settlors' influence over Club León, allowing for interactions between the Trustees and the Settlors. Additionally, the short-term nature of the León Trust *de facto* situation where the employees of Club León would continue to regard Mr A. as the true owner of the Clubs.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

52. On 2 April 2025, Club Pachuca filed its Statement of Appeal before the Court of Arbitration for Sport ("**CAS**") pursuant to Articles R47 and R48 of the Code of Sports-Related Arbitration (the "**CAS Code**"), challenging the First Appealed Decision.

53. On the same day, Club León filed two Statements of Appeal before the CAS pursuant to Articles R47 and R48 of the CAS Code. The first Statement of Appeal challenged the First Appealed Decision, while the second Statement of Appeal challenged the Second Appealed Decision.

54. The Appellants submitted, alongside with their respective Statements of Appeal, the following procedural requests:

- For the CAS Court Office to consolidate the appeals against the First Appealed Decision, pursuant to Article R52(5) of the CAS Code;
- For the same panel hearing the consolidated cases against the First Appealed Decision to hear Club León's appeal against the Second Appeal Decision;
- For all three cases to be heard under an accelerated procedure, pursuant to Article R44.4 of the CAS Code. The Appellants proposed the following procedural calendar: (i) filing of the Appeal Brief on 15 April 2025, (ii) filing of the Answer on 28 April 2025, (iii) for the hearing to be held on 5 May 2025; and (iv) for the operative part of the Award to be notified on 6 May 2025;
- For the language of the arbitration proceedings to be both English and Spanish, pursuant to Article R29 of the CAS Code; and
- For the arbitration to be heard by a panel composed of three arbitrators, appointing Prof. Massimo Coccia as arbitrator.

55. On 3 April 2025, the CAS Court Office notified the Parties, *inter alia*, that (i) the Appellants' appeals against the First Appealed Decision, registered as TAS 2025/A/11314 for Club Pachuca and TAS 2025/A/11315 for Club León, were consolidated; (ii) the consolidated Clubs' appeals against the First Appealed Decision and

Club León's appeal against the Second Appealed Decision, registered as TAS 2025/A/11316, would be heard by the same Panel; and (iii) all arbitrations would follow the agreed-upon accelerated procedural calendar.

56. On 7 April 2025, the Respondent appointed Mr Daniel Cravo Souza as arbitrator. Furthermore, the Respondent informed the CAS Court Office that, alongside the accelerated procedural schedule, the Parties had agreed that the fully motivated Award had to be notified on 30 May 2025.

57. On 14 April 2025, the Costa Rican club Asociación Liga Deportiva Alajuelense ("**LDA**") filed a Request for Intervention, pursuant to Article R41.3 of the CAS Code, following publication of the CAS Court Office's press-release pertaining to these arbitrations on 4 April 2025. In the alternative, LDA requested to be allowed to submit *amicus curiae* briefs, pursuant to Article R41.4 of the CAS Code, or be present in the proceedings as an observer.

58. On 15 April 2025, the First Appellant filed its Appeal Brief in accordance with the accelerated procedural calendar. Alongside with its Appeal Brief, the First Appellant filed four requests for document production.

59. On that same day, the Second Appellant filed its Appeal Brief, covering both of its appeals, and in accordance with the accelerated procedural calendar.

60. On 18 April 2025, all Parties filed their observations to LDA's Request for Intervention, all opposing this request.

61. On 22 April 2025, the CAS Court Office, pursuant to Article R54 of the CAS Code and in the absence of any challenge under Article R34 of the CAS Code, notified the Parties that the President of the CAS Appeals Arbitration Division had decided to constitute the Panel hearing the present matter as follows:

President:	Prof. Roberto Moreno, Professor and Attorney-at-law in Asunción, Paraguay
Arbitrators:	Prof. Massimo Coccia, Professor and Attorney-at-law in Rome, Italy Mr Daniel Cravo Souza, Attorney-at-law in Porto Alegre, Brazil

62. Additionally, the CAS Court Office informed the Parties that Mr Adrián Hernández, clerk with the CAS, had been appointed as *ad hoc* Clerk to assist the Panel in these proceedings.

63. On 28 April 2025, the Respondent filed its single Answer to the Appellants' Appeal Briefs, pursuant to the accelerated procedural calendar. In addition to contesting the Appellants' contentions, the Respondent opposed the First Appellant's requests for document production.

64. On 30 April 2025, the CAS Court Office informed the Parties of the Panel's decisions on, *inter alia*, the following procedural points:

– The Respondent was ordered to produce, by 1 May 2025, the following documents:

"*a. Copia de todos los 'Acuerdos de participación en el Mundial de Clubes FIFA 2025 (breve formulario)' firmados por los clubes participantes en el Mundial*

de Clubes, con, en su caso, las cartas acompañatorias a los mismos o cualquier tipo de adenda o reserva de derechos realizada por cualquier club en relación con la remisión de estos Acuerdos. La FIFA podrá ocultar las informaciones de identificación personal reflejadas en dichos documentos, siempre y cuando se pueda conocer la identidad del club participante pertinente;

b. Un informe referido a las fechas en las que los clubes participantes del Mundial de Clubes 2025 remitieron a FIFA los 'Acuerdos de participación en el Mundial de Clubes FIFA 2025 (breve formulario)'; y

c. Copia del documento identificado por el Club de Fútbol Pachuca como 'el correo electrónico de ECA a FIFA de fecha 7 de febrero de 2025 (o fecha inmediatamente anterior o posterior), en el que ECA informa a FIFA que ningún club que forma su asociación firmará el 'Acuerdo de participación en el Mundial de Clubes FIFA 2025 (breve formulario)'' ('Correo FIFA-ECA') (the "**FIFA-ECA Email**").

- The First Appellant's fourth document request ("*Intercambio de correspondencia entre la ECA y FIFA en relación con las conversaciones mantenidas en torno al borrador del Reglamento del Mundial de Clubes y, en particular, en relación con el Artículo 10 del mismo"*) was rejected; and
- The request that the FIFA employee Dr. M. be summoned to testify before the Panel would be assessed after the Panel's review of the FIFA-ECA Email. Moreover, the Panel stated the FIFA-ECA Email would be exclusively submitted to the Panel for its consideration, after which the Panel would decide whether to distribute the document with the Appellants.

65. On that same day, the CAS Court Office informed LDA that the Panel had decided to reject its Request for Intervention, as well as its *amicus curiae* and observant subsidiary requests.

66. On 1 May 2025, the Respondent produced the requested documents, as per the Panel's order.

67. On that same day, the CAS Court Office sent the Parties the Order of Procedure, requesting the Parties to sign it on the same day. In turn, the Parties immediately returned the signed copies of the Order of Procedure.

68. On 2 May 2025, the CAS Court Office informed the Parties that the Panel had, after reviewing the FIFA-ECA Email, decided to disclose the document to the Appellants and rejected the First Appellant's request for Dr M. to be questioned at the hearing.

69. On 5 May 2025, the hearing took place at the CAS' facilities in Lausanne, Switzerland. Alongside the Panel, Mr Antonio de Quesada, Head of Arbitration at CAS, Mr Francisco Mateo Pavia, Counsel with the CAS, and Mr Adrián Hernández, *ad hoc* clerk, were present. In addition, the following persons attended the hearing:

For the First Appellant:	Mr A. (via Webex), Witness
	Mr Lucas Ferrer, Counsel
	Mr Luís Torres, Counsel

	Mr Alexis Schoeb, Counsel Mr Micael Totaro, Counsel
For the Second Appellant:	Mr Gorka Villar, Counsel Mr Paulino Olavarrieta (via Webex), Counsel Mr N. (via Webex), Witness
For the Respondent:	Mr Miguel Liétard, Head of Litigation Mr Carlos Schneider, Director of Judicial Bodies Mr Patrick Pithon, Counsel Mr B. (via Webex), Witness Prof. O., Expert Witness

70. Prior to the hearing, the Second Appellant informed the Panel that two witnesses previously summoned and included in the hearing schedule, the Trustees Mr K. and Ms L., would not attend the hearing and would not testify.

71. At the outset of the hearing, the Parties confirmed they had no objections as to the formation and composition of the Panel or as to any other procedural aspect of this arbitration.

72. During the hearing, the Parties had full opportunity to present their case, submit their arguments and answer the questions posed by the Panel. Furthermore, the Parties and the Panel heard and had the opportunity to question Mr A., Mr N., and Mr B., after being sworn in by the President of the Panel, as witnesses, and Prof. O., as expert witness.

73. At the conclusion of the hearing, all Parties confirmed to the Panel had respected their right to be heard and to be equally treated in the hearing and throughout the whole arbitral proceedings.

IV. SUBMISSIONS OF THE PARTIES AND PRAYERS FOR RELIEF

74. This section of the Award contains a summary of the Parties' factual and legal arguments. Whilst though it does not contain an exhaustive list of all of the Parties' contentions, it provides a summary of the substance of the Parties' main arguments. However, in considering and deciding upon the Parties' claims in this Award, the Panel has accounted for and carefully considered all of the legal and factual submissions made and evidence adduced by the Parties, including allegations and arguments not mentioned in this section of the Award or in the discussion of the claims below.

A. The First Appellant's Arguments

75. The First Appellant's submissions are summarised as follows:

- Pachuca's standing: Pachuca does hold an interest in appealing the First Decision. Namely, the existence of a decision issued by the FIFA AC against the First Appellant signifies a reputational damage to Pachuca. Thus, Pachuca's interest arises from overturning a decision that declares it has failed to comply with FIFA Regulations (*i.e.*, the CWC Regulations).

- Applicability of Article 10.1 of the CWC Regulations: while FIFA has the competence to regulate various aspects of the international football ecosystem, it must do so within the bounds of general principles of law (*i.e.*, legitimate expectations, procedural fairness, equal treatment, legal certainty, etc). *In casu*, FIFA has failed to abide by said principles when passing the CWC Regulations, namely by (i) the overtly restrictive nature of Article 10 of the CWC Regulation, (ii) the delayed manner in which the CWC Regulations were passed; and (iii) the way in which FIFA approached the enforcement of Article 10. Thus, Article 10.1 of the CWC Regulations cannot be applied to Pachuca.

- The Participation Agreement: in the first place, despite purporting its desire to negotiate and find a joint solution, FIFA induced Pachuca to sign the Participation Agreement under duress. The situation of duress arose from the threat of exclusion from the Competition in the event the Participation Agreement was not signed and by denying the request for extension. Shortly after signing the Participation Agreement, which Pachuca did with a reservation of rights, the FIFA DC opened proceedings against Pachuca, using said agreement as the basis and disregarding the reservation of rights. While the Participation Agreement was paramount for the finding in the First Appealed Decision, Club Pachuca would later find out that 11 of the participating clubs, represented by the ECA, had signed the Participation Agreement on 25 April.

- The León Trust: firstly, Pachuca rejects FIFA's contention that it was established as a bad faith measure to circumvent compliance with Article 10.1 of the CWC Regulations. Instead, it represented a good faith attempt to have both Clubs participate, albeit unilateral as FIFA had refused to engage in a dialogue to find a solution. In the spirit of collaboration sought by the Clubs, Club León included mechanisms that would allow FIFA to audit and amend the Trust, which FIFA ignores. In any event, FIFA appears to be uninterested in finding a less restrictive solution to the MCO issue by both criticizing the Trust though his expert, while also refusing to state if a trust that accounts for the issues raised by Prof. O. would be considered compatible. This restrictive application of Article 10.1 of the CWC Regulations is not applied uniformly since FIFA has not raised issues with (i) participating clubs under the Major League Soccer ("**MLS**"), as a single legal entity which incorporates MLS clubs into its structure or (ii) Manchester City and Al-Alin which are owned by two siblings.

76. On this basis, the First Appellant submitted the following prayers for relief to the CAS in its Appeal Brief:

> "*a) Declare que la presente apelación es admisible.*
> *b) Revoque la decisión emitida por la Comisión de Apelación de FIFA el 20 de marzo de 2025, en el expediente con número de referencia FDD-21931, y emita una nueva decisión declarando que el Artículo 10.1 del RMC no es aplicable a Club de Fútbol Pachuca y a Club León.*
> *c) Subsidiariamente a (b), que revoque la decisión emitida por la Comisión de Apelación de FIFA el 20 de marzo de 2025, en el expediente con número de referencia FDD-21931, y emita una nueva decisión declarando que FIFA no*

estaba en posición de iniciar el procedimiento disciplinario FDD-21931 basado en el "Acuerdo de Participación (formulario breve).

d) Subsidiariamente a (b) y (c), que revoque la decisión emitida por la Comisión de Apelación de FIFA el 20 de marzo de 2025, en el expediente con número de referencia FDD-21931, y emita una nueva decisión declarando que Club de Fútbol Pachuca y Club León cumplen con el Artículo 10.1 del RMC.

e) En cualquier caso, que condene a la Apelada a pagar una contribución por importe de CHF 50.000 por los gastos legales incurridos por el Apelante en el presente procedimiento, así como los costes del presente procedimiento arbitral".

B. The Second Appellant's Arguments

77. The Second Appellant's submissions may be summarised as follows:

- Pachuca's standing: there are no passive *litis consortium* issues pertaining to Club León's appeal against the Second Appealed Decision since: (i) the appeal does not aim to replace Club Pachuca with Club León; and (ii) the appeal against the Second Appealed Decision is accessory to the appeal against the First Appealed Decision, which seeks to overturn the FIFA AC decision empowering the Secretary General to choose between the non-compliant Clubs.
- Club León's vested right: Club León gained the right to participate in the Competition when it won the Concacaf Champions Club and, thus, fulfilled the applicable criteria at the time. This acquired right would be consistently reinforced by FIFA's conduct for more than a year, particularly by including Club León in several media publication as a participating club and sorting Club León into one of the Competition's groups.
- Retroactive application of Article 10 of the CWC Regulations: FIFA passed the CWC Regulations after it had previously passed regulations applicable to the Competition (*i.e.*, the Slot Allocation and the Access Principles) and after Club León had qualified. Aiming to apply a restrictive norm, such as Article 10 of the CWC Regulations, after Club León had acquired its right to participate and without any warning or transitionary period represents a violation of basic principles of law (*i.e.*, retroactivity and legitimate expectations).
- The León Trust: in this context, after FIFA had started proceedings against it, Club León aimed to find a good faith solution that would satisfy the requirements of Article 10 of the CWC Regulations. The solution was the creation of the Trust, resulting in, *inter alia*, the owners of Club León pledging their shares, the members of the Board of Directors renouncing, and opening the door for FIFA to audit and amend the León Trust. In any event, the main point of contention in these arbitral proceedings is not the viability of the León Trust, but rather FIFA's disregard of essential principles of law.
- Arbitrariness of the Second Appealed Decision: while the Second Appellant recognizes that Article 10.4 of the CWC Regulations give discretion to the Secretary General to choose the club being excluded, discretion does not

presuppose an absence in reasoning. By failing to put forth the criteria considered to exclude Club León, the Secretary General has arbitrarily made its determination.

78. On this basis, the Second Appellant submitted the following prayers for relief to the CAS in its Appeal Brief:

"*A. En cuanto al fondo*

1º. Se estime en su integridad la presente apelación y, en consecuencia, que:

a. En el marco del procedimiento TAS 2025/A/11315, se revoque la decisión adoptada por la Comisión de Apelación de la FIFA el 20 de marzo de 2025 (Ref. FDD-21931), por las que se declara el incumplimiento del artículo 10.1 y emita una nueva decisión declarando que el Artículo 10.1 del RMC no es aplicable a Club León y a Club de Fútbol Pachuca;

b. Consecuentemente, en el marco del procedimiento TAS 2025/A/11316, revoque la decisión subsiguiente del Secretario General de la FIFA por la que se excluye al Club León del torneo, dictada en aplicación del artículo 10.4 del Reglamento del Mundial de Clubes FIFA 2025™, dejándola sin efecto, readmitiendo a Club León en el Mundial de Clubes FIFA 2025™.

2º. Sobre la base de los argumentos expuestos por el Club Pachuca en su Memoria de Apelación, con carácter estrictamente subsidiario al 1º anterior:

a. En el marco del procedimiento TAS 2025/A/11315, se revoque la decisión adoptada por la Comisión de Apelación de la FIFA el 20 de marzo de 2025 (Ref. FDD-21931), y emita una nueva decisión declarando que FIFA no estaba en posición de iniciar el procedimiento disciplinario FDD-21931 basado en el "Acuerdo de Participación (formulario breve)";

b. Consecuentemente, en el marco del procedimiento TAS 2025/A/11316, revoque la decisión subsiguiente del Secretario General de la FIFA por la que se excluye al Club León del torneo, dictada en aplicación del artículo 10.4 del Reglamento del Mundial de Clubes FIFA 2025™, dejándola sin efecto, readmitiendo a Club León en el Mundial de Clubes FIFA 2025™.

3º. Con carácter estrictamente subsidiario respecto al 2º precedente:

a. En el marco del procedimiento TAS 2025/A/11315, se revoque la decisión adoptada por la Comisión de Apelación de la FIFA el 20 de marzo de 2025 (Ref. FDD-21931), y emita una nueva decisión declarando que el Club León y el Club de Fútbol Pachuca cumplen con el artículo 10.1 del Reglamento del Mundial de Clubes FIFA 2025™;

b. Consecuentemente, en el marco del procedimiento TAS 2025/A/11316, revoque la decisión subsiguiente del Secretario General de la FIFA por la que se excluye al Club León del torneo, dictada en aplicación del artículo 10.4 del Reglamento del Mundial de Clubes FIFA 2025™, dejándola sin efecto, readmitiendo a Club León en el Mundial de Clubes FIFA 2025™.

4º. Con carácter subsidiario respecto al 3º precedente, se solicita que el Panel revoque igualmente las decisiones impugnadas, ya sea por los motivos totales o parciales expuestos en este escrito, o por cualesquiera otros fundamentos de hecho o de derecho que, conforme al contenido de esta apelación, el Panel estime procedentes.

B. Costas y gastos legales

Asimismo, el Club León solicita al Panel que condene a la parte apelada a:

1º. Asumir la totalidad de las costas del presente procedimiento arbitral, incluyendo las tasas del TAS y cualquier otro gasto derivado de su tramitación;

2º. Abonar al Club León una contribución en concepto de gastos legales razonables, por un importe mínimo de veinte mil euros (50.000 €), en atención al volumen del procedimiento, la complejidad jurídica del caso y la actuación diligente de esta parte a lo largo del proceso".

C. The Respondent's Arguments

79. The Respondent's submissions can be summarised as follows:

- Pachuca's standing: Club Pachuca lacks standing to appeal the First Appealed Decision, leading to its inadmissibility. Per the jurisprudence of the Swiss Federal Tribunal ("**SFT**"), a party who lacks a concrete, legitimate, and personal interest at the outset of the appeal lacks standing *ab initio*, leading to the claim's inadmissibility. Given that Club Pachuca has been admitted for the competition per the Second Appealed Decision, Club Pachuca is not sufficiently affected by the First Appealed Decision, nor can it derive any practical gain from the appeal. A mere wish to have the declaration of its incompatibility with the CWC Regulations, which is an issue of eligibility and not disciplinary, does not give rise to an interest worthy of protection. Thus, Club Pachuca cannot have a legitimate interest, leading to a lack of standing. Furthermore, in a procedural act that highlights the interdependency between the Clubs, Club León failed to name Club Pachuca as a respondent in case TAS 2018/A/11316. It is clear that Club Pachuca would be directly affected were the Second Appealed Decision to be annulled as it would result in the admission of Club León and the exclusion of Club Pachuca.
- Applicability of Article 10 CWC Regulations: these cases pertain to, contrary to the contentions of the Appellants, compliance with MCO regulations, not alleged breaches of fundamental legal principles. In any event, there have been no breaches to said principles given that (i) the CWC Regulations are not applied retroactively since they deal, *inter alia*, with eligibility rules and not sporting merit, the eligibility being assessed after the signing of the Participation Agreement; (ii) no vested legal interest of participation existed since no eligibility criteria had been passed; (iii) no legitimate expectation of participation existed as, *inter alia*, the Clubs were aware of the issue that MCO posed for participation; and (iv) there is no disproportionality as, firstly, the Clubs failed to meet an eligibility criteria and did not commit a breach of a disciplinary norm and, two, restricting MCO has been admitted as a legitimate aim.
- The Participation Agreement: the Clubs, at the time they signed the Participation Agreement, were not compliant with the CWC Regulations despite asserting that they were compliant by signing said Agreement and notwithstanding the reservation of rights. As such, the Trust, irrespective of the scope of its provisions, would not have cured the Clubs' non-compliance since it was inadmissible. Furthermore, the Clubs' assertion of unequal treatment in relation to the Participation Agreement are baseless. While it is true that clubs represented by

the ECA signed the Participation Agreement at a later date, the circumstances were simply not analogous to one another, namely because (i) ECA made a formal request for an extension, while there is no evidence that the Clubs did so, and (ii) the reasons for extension were not related to Article 10 of the CWC Regulations. Thus, no unequal treatment can exist. Finally, the Clubs' allegation that they signed their respective Participation Agreements under duress is equally unfounded as they faced no threat from FIFA. In particular, the Participation Agreement merely states that "*it may be considered that the Club has waived its right to participate*". In any event, FIFA would not gain any "*excessive advantage*" from the alleged duress, a cumulative condition necessary – as well as a credible threat – to establish duress under Articles 29 and 30 of the Swiss Code of Obligations ("**SCO**").

- The León Trust: were the León Trust to be considered admissible, *quod non*, it would have nonetheless failed to cure the Clubs' non-compliance as it did not impose any meaningful restrictions on the control and influence over Club León. With reference to Prof. Morely's expert opinion, the Trust falls short of making the Clubs compliant since: (i) there are no restriction in place to prevent communication between the Trustees and the Settlors, the former of which are expected to independently manage Club León with no prior experience in such an undertaking; (ii) Messrs D. and E., the Chairman and Secretary respectively appointed in connection with the Trust, have personal ties with the Trustee and, therefore, their appointment constitutes a form of insider influence in lieu of actual control; (iii) Article XIX grants the Settlors the unconditional right to reclaim their assets (*i.e.*, the shares in Club León) for something of equivalent value, further eroding the Trustees independence from the Settlors; (iv) the Nominee Agreement opens the doors to further influence by the Settlors since the Trustees are also the Nominees – nominees acting as an extension of the beneficial owners will (*i.e.*, the Settlors); (v) the freezing of the organizational structure curves the Trustees independent judgment; and (vi) the León Trust is incompatible with US and Texas law for the purposes of ownership. Furthermore, the creation of the León Trust was a bad faith attempt by the Appellants to comply with CWC Regulations given its belated submission before the FIFA AC.

- Discretion of the Secretary General: Article 10(4) of the CWC Regulations gives the Secretary General wide discretion, once qualified clubs have been found to be under an MCO structure.

80. On this basis, the Respondent submitted the following prayers for relief in its Answer:

> "*(a) Declaring the Appeal of CF Pachuca in case CAS 2025/A/11314 inadmissible.*
>
> *Alternatively*
>
> *(b) Rejecting the relief sought by the Appellants in their respective appeals;*
> *(c) Confirming the Appealed Decisions;*
> *(d) Ordering the Appellants to bear the full costs of the arbitration proceedings that they have respectively initiated; and*
> *(e) Ordering the Appellants to make a contribution to FIFA's legal costs and other expenses incurred in these proceedings*".

V. THE HEARING: SUMMARY OF THE WITNESS' TESTIMONIES

81. During the hearing, the Panel heard testimonies from three witnesses and one expert witness, which can be summarized as follows:

A. Witnesses

a. A.

82. Mr A. declared he is the current majority owner and Chairman of the Board of Club Pachuca and was formerly the Chairman of Board of Club León. Before the hearing, the First Appellant submitted Mr A.'s written statement with its Appeal Brief.

83. Mr A. asserted that after Club Pachuca's qualification for the Competition, Club Pachuca's international representative held conversations related to the Clubs' corporate structures and was requested to furnish information. In response to that, Club Pachuca sent the June 2024 letter to FIFA. Overall, Mr A. affirmed the Clubs acted transparently in response to FIFA's requests.

84. During the week preceding the publication of the CWC Regulations, Mr A. perceived FIFA's position, through further informal contacts with other representatives of the Clubs with FIFA officials, as one of tranquillity. Hence, according to Mr A., the publication of the CWC Regulations came as a surprise as they had no knowledge of the inclusion of Article 10. Upon this and after FIFA's official requests for information, representatives of the Clubs held further talks with FIFA, including Mr B., where the Clubs were told they would be notified of any potential breach with enough time to reach a consensual solution.

85. After representatives of the Clubs met with Mr B. in November 2024, a formal meeting was scheduled for 4 December 2024 in Miami, the day before the Competition's group-stage draw. This meeting was attended, per Mr A.'s recollection, by representatives of the Clubs – including their legal counsel and Mr C.–, Mr B.and himself. During this meeting, Mr A. stressed the Clubs' independence from one another and his willingness to do whatever necessary to have both Clubs participate in the Competition. In terms of the option to sell his shares in Club León, Mr A. affirmed that he was willing to do so, as long as enough time was granted to execute the sell, particularly because he was required to do so by the FMF and Liga MX by 2027.

86. In turn, Mr A. affirmed that Mr B. stated that the information provided was still being reviewed and that, in the event that a conflict arose, the Clubs would be notified with enough time to find a common-ground solution with FIFA. Furthermore, Mr A. recalled that Mr B. congratulated the Clubs for their transparency and timeliness in producing the documents requested.

87. In addition to his communications with FIFA, Mr A. stated he met regularly with representatives of Concacaf, who further reaffirmed that the Clubs had gained the right to participate in the Competition through sporting merit, had met the requirements at the time of qualification and that a solution would be reached to guarantee both of their

participation. Moreover, further informal contacts were held by Mr A. with the Secretary General and the FIFA President at events linked with the Competition (*i.e.*, the group-stage draw, the unveiling of the Competition's trophy, etc.).

88. Upon receiving the Participation Agreement, Mr A. felt surprised as he understood a common solution would be reached rather than seeking to exclude the Clubs. While he was initially hesitant to sign the Participation Agreement, and after his legal representatives informed him that FIFA would not grant an extension and that failure to sign the Participation Agreement would result in the Clubs exclusion, it was signed with a reservation of rights – the latter of which was submitted, according to his testimony, after consulting Mr B.

89. Once disciplinary proceedings were started against the Clubs, Mr A. was under the impression that proceedings before the FIFA DC would open the door for negotiations with FIFA. After the case was referred to the FIFA AC, Mr A. was informed that a dialogue was no longer an option, as Mr B. had expressed that he could not forward that option to the Chairperson of the FIFA AC. In his view, Mr A. believed the Clubs had been guided towards their exclusion from the Competition. Only then, and after consultation with Concacaf and based on UEFA's practice, the creation of a trust became the only viable solution.

90. During cross examination by the Respondent, Mr A. clarified that all representations made by FIFA, except for the 4 December 2024 meeting and the informal conversations with the Secretary General and the FIFA President, had been communicated to him through his legal counsel or other representatives of the Clubs.

b. B.

91. Mr B. is FIFA's […]. During his testimony, Mr B. affirmed he had only met with representatives of the Clubs in two occasions. The first came around November 2024, which was a short meeting in order to schedule the 4 December 2024 meeting (*i.e.*, the second and last meeting with representatives of the Clubs).

92. Mr B.'s recollection of the 4 December 2024 differed from Mr A. In particular, Mr B. stressed that, during the meeting, he merely recounted the procedure by which FIFA would assess their compliance after the initial investigation, namely: the Secretary General would have to decide if there was a *prima facie* breach of Article 10 of the CWC Regulations. In the event that the Secretary General would have doubt about the Clubs' compliance, the case would be referred to FIFA's Judicial Bodies, who would safeguard the Clubs' right to be heard and other procedural rights. At no moment, per Mr B.'s statement, did he allude to a possible negotiation between FIFA and the Clubs as it would represent an overreach of his functions as […] and would constitute a misrepresentation of the proceedings enshrined in the CWC Regulations and the FD Code. Furthermore, Mr B. asserted he could not anticipate when the Secretary General would make his decision – a point that was stressed by the Clubs – nor did he have any relation with the Chairpersons of the FIFA DC or FIFA AC.

93. Furthermore, in terms of Mr A.'s recollection, Mr B. confirmed that the Clubs had expressed their willingness to find solutions. Albeit, as to the possible sale of Club León, Mr B. recalled that Mr A. expressed some reluctance to sell the Club León shares as they represented a significant portion of his family's assets and an abrupt sale in order to induce compliance with FIFA regulations would result in a significant loss in value. During cross examination, Mr B. confirmed that the sale of Club León arose in connection with discussions of the FMF's and Liga MX's governance mechanisms and the requirement to execute the sale by 2027.

94. After the meeting, he recalled that Cub Pachuca's legal representative contacted him in connection with the Participation Agreement. While Mr B. confirmed that the Clubs had enquired about the submission of a reservation of rights, to which he replied the Clubs were within their right to make such a submission if they saw fit to do so, he did not recall a request for extension. Furthermore, in preparation for the hearing, he could not find such a request in his email or the emails of FIFA's Judicial Bodies, nor could FIFA's Team Services – the department who sent the Participation Agreement.

95. As to the Clubs' complaint regarding the lack of clarity as to the nature of the disciplinary proceedings, Mr B. submitted that the CWC Regulations were clear and that the Clubs had been notified of the specific article for which the proceedings had been opened (*i.e.*, Article 10(1) of the CWC Regulations). Furthermore, the proceedings were opened in a context were the Clubs' MCO structure was the subject of repeated news articles and after another club had presented a complaint, further indicating the subject matter of the proceedings.

96. On the belated submission of the Participation Agreement by the clubs represented by the ECA, Mr B. declared he was not involved in any of the discussions but stressed that they did not relate to Article 10 of the CWC Regulations.

c. N.

97. Mr N. is a professional football coach, in charge of Club León since September 2024. At the hearing, Mr N. testified that his decision to join Club León was due in great part to Club León's qualification to the Competition. Besides him, Mr N. asserted, other international players were motivated to join Club León, at least in part, because of the possibility to participate in the Competition. Moreover, Mr N. recounted how the team's preparation had been influenced by the Competition, including management of the player's training load, additional preparation for the staff, and scouting trips to the US for the team's base for the tournament.

98. Mr N. recalled the day when he, the staff, and players received the news of Club León exclusion from the Competition. On the international match window of 17 March 2025, they were in Los Angeles playing friendly matches. Parallel to those games, some members of the staff had attended a FIFA seminar held in Miami discussing several logistical issues related to the Competition. On Saturday morning, after the technical staff had come back from Miami, news started to break about the Appealed Decisions while staff and players were having breakfast. This led Mr N., per his testimony, to confirm the

accuracy of the reporting with Club Leon's executives, after which he informed the players of the exclusion from the Competition.

99. As to the effects of Club León's exclusion, Mr N. affirmed that the team's morale was significantly impacted, as well as its performances in Liga MX. While noting that the team's performances could not be solely explained by the Appealed Decisions, Mr N. stated that, at the time of the exclusion, Club León was placed first in Liga MX, while they sat at sixth at the time of the hearing. Furthermore, Club León's exclusion also had an impact on the morale of Club León's fanbase, with some fans having already purchased tickets and accommodations in the USA to attend the Competition.

B. Expert witness – Prof. O.

100. Prof. O. is the […] at Yale Law School. He has taught courses on trusts and estates, corporate organization, securities regulation, and investment funds at Yale Law School and at the University of Viriginia Law School. Prior to his testimony, Prof. O. declared, *inter alia*, that he understood his duty to assist the Panel overrode any obligation with respect to the Respondent and that he had presented his sincere and complete professional opinion.

101. Before the hearing, the Respondent had submitted Prof. O.'s expert report along with its Answer. The main conclusions of his report were:

> "*1) The Agreements did not become effective until after the Club first certified its compliance with the ownership rules: Club León first certified its compliance with FIFA's rules on multi-club ownership when it signed a Participation Agreement with FIFA on February 6, 2025. The Club did not execute the Trust and Nominee Agreements, however, until almost a month later, on March 1, 2025. Under the laws governing trusts and contracts, the Agreements did not become effective until they were duly signed and the shares in the Club had been conveyed to the Trustees or Nominees on or after March 1.*
> *2) The Agreements place few practical limits on the Club Owners' influence and control: Although the Agreements purport to shift formal ownership of the Club from the Club Owners to the Trustees, the Agreements preserve extensive influence and control in the Club Owners. The Agreements allow the Club Owners to take back their shares in the Club from the Trustees at any time for any reason. They also preserve formal ownership of Club shares in the Club Owners via the Nominee Agreement. The Agreements further grant the Club Owners a power to direct the Nominees' actions, a power to instruct and advise the Trustees, and the de facto power to select and participate in the Club's management.*
> *3) The Agreements are not legally valid: The Agreements are also not legally valid. The Agreements purport to empower a pair of Texas attorneys to act in two different capacities: as nominees and as trustees. But these two capacities are inconsistent with one another. The attorneys can be either Trustees or Nominees, but they cannot be both. The Agreements also fail to limit the Club Owners' influence over Club León by failing to make the Club a party to the*

Agreements. Moreover, the clauses that purport to conform the Agreements to FIFA's requirements are ineffective because they are too general and because FIFA has not accepted and could not realistically accept the power these clauses purport to grant.

4) *These Agreements would be disregarded by laws that prioritize substance over form: Because the Agreements preserve so much practical control and influence in the hands of the Club Owners, the Agreements would be effectively disregarded by the American laws that govern trusts, nominees, and securities trading. State laws governing trusts and nominees would disregard these arrangements for purposes of creditors' claims. Federal law governing trusts and nominees would do it for income taxation, estate taxation, blind trust regulation, and securities trading. Under each of these doctrines, the Club Owners would be deemed to have powers that are effectively equivalent to legal ownership"* (emphasis in original).

102. During the hearing, Prof. O. confirmed the findings of his expert report related to the fact that (i) the León Trust is not a true "blind trust" and (ii) the Trust Agreement, combined with the Nominee Agreement, does not provide true autonomy to the Trustees and sufficient independence of the León Trust from the current owners of Club León. Moreover, when asked whether any trust would comply with Article 10 of the CWC Regulations, Prof. O. asserted that –in the context of his expertise on trust and not on FIFA Regulations– he believed that a proper trust instrument can sever effective control over a club and, while not completely disposing of influence, it can be greatly reduced by it.

VI. JURISDICTION

103. 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*".

104. In turn, Article 50(1) of the FIFA Statutes (May 2024 edition) establishes the following:

> "*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". Additionally, Article 52 of the FD Code (February 2023 edition) provides that "[d]ecisions passed by the Disciplinary and Appeal Committees may be appealed against before CAS, subject to the provisions of this Code and articles 56 and 57 of the FIFA Statutes*".

105. The Appellants ground the jurisdiction of the CAS to hear their disputes on the above-referenced provisions. For its part, the Respondent did not contest the jurisdiction of the CAS. Additionally, all Parties signed and returned the Order of Procedure on 1 May 2025 confirming the Panel's jurisdiction to hear the case.

106. Consequently, the Panel finds that it has full jurisdiction to adjudicate the present dispute between the Parties.

VII. ADMISSIBILITY

107. The Appellants filed their appeals on 2 April 2025, that is, within the 21-day deadline set by Article 50(1) of the FIFA Statutes. The Respondent does not dispute this fact.

108. Furthermore, the appeals complied with all other requirements of Article R48 CAS Code, including payment of the CAS Court Office fees.

109. Therefore, all three appeals are admissible. The Panel refrains to deal at this stage with the issues of standing raised by FIFA, which will be addressed *infra* within the context of the discussion on the merits.

VIII. APPLICABLE LAW

110. Article R58 of the CAS Code provides as follows:

> "*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*".

111. Article 49(2) of the FIFA Statutes stipulates the following:

> "*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".*

112. Both Appellants argue for the applicability of FIFA Regulations primarily and Swiss law on a subsidiary basis. The Appellant further argue for the applicability of general principles of law and, in particular, of the fundamental principles recognized by *lex sportiva* as binding on international federations when they exert their powers *vis-à-vis* their direct and indirect members.

113. The Respondent likewise argues for the applicability of FIFA Regulations, in particular the CWC Regulations and the FD Code, as well as Swiss law on a subsidiary basis when the need arises to fill a gap in the FIFA Regulations. Instead of explicitly arguing for the applicability of general principles of law, which it does not contests, the Respondent submitted that U.S. and Texas law, to the extent that these apply to the Trust, should also be applicable.

114. In application of Article R58, the Panel finds that (i) the various regulations of FIFA, in particular the CWC Regulations and the FD Code (*i.e.,* the "applicable regulations"), apply to the merits of the present dispute, with (ii) Swiss law applying "*additionally*" by virtue of Article 49(2) of the FIFA Statutes. Furthermore, as acknowledged by many CAS

panels[1], general principles of law and principles that have become part of *lex sportiva* may also be applied subsidiarily by the Panel insofar as "*rules of law the Panel deems appropriate*". Moreover, and to the extent it is necessary, the Panel may subsidiarily take into account U.S. and Texas law, when analysing the León Trust and related documents, given that both the Trust Agreement and the Nominee Agreement (annexed to the Trust Agreement as Schedule B) are governed by the laws of the state of Texas and the León Trust was established under such laws (see articles VI of the Trust Agreement and 14 of the Nominee Agreement).

IX. PRELIMINARY ISSUES

A. LDA's Request for Intervention

115. On 30 April 2025, the Panel rejected the Request for Intervention presented by LDA, as well as the subsidiary requests to file an *amicus curiae* or to be an observer.

116. These requests were filed by LDA on 14 April 2025 following the CAS's media release on the opening of these proceedings and pursuant to Article R41.3 of the CAS Code. In its request, LDA asserted it had a direct interest in these proceedings as it had an "automatic right" to participate in the Competition in place of Club León and referred the Panel to its submissions in CAS 2025/A/11162, which attached to its request. In that case, LDA submits it has an automatic right to participate in the Competition after the exclusion of one of the Mexican clubs. In summary, LDA contends that the FIFA Secretary General is bound to select the club replacing an excluded club on the basis of (i) the slots allocated per confederation and (ii) the ranking of the clubs. As such, and given that two US clubs (*i.e.*, Seattle Sounders and CF Inter Miami) and two Mexican clubs (*i.e.*, CF Monterrey and Pachuca) are already participating in the Competition, thus reaching the per-country cap, the next best-ranked team in Concacaf from a country other than the USA or Mexico must automatically be considered as the replacement, that club being –it is alleged– LDA.

117. All the Parties opposed this Request for Intervention. In their respective submissions, the Parties coincided in their assertion that LDA had no legitimate interest in these proceedings, in particular because (i) the Appealed Decisions and the present CAS case do not deal with the issue of substitution but only with the Clubs' compliance or not with the CWC Regulations and Club León's exclusion from the Competition, and (ii) the eventual decision on Club León's substitution would be made by the Secretary General at his discretion considering sporting criteria, meaning that LDA does not hold any automatic right to participate in the Competition.

118. With regard to requests for intervention in CAS proceedings, the jurisprudence of other CAS panels has stated *inter alia* that "*an intervention application should be granted where the applicant will be significantly affected by a possible decision, where the parties do not object to the application and where the applicant is a party to the Arbitration Agreement*"[2], and that a party seeking to intervene in a CAS arbitration, in the absence of

[1] See *e.g.* CAS 2014/A/3776, ¶¶ 268-269, CAS 98/200, ¶¶ 61, 156 and 158.
[2] CAS 2012/A/2737 ¶ 1 of the introductory summary; see also CAS 2021/A/8356, ¶ 52.

participation in the arbitral agreement or consent from the parties, "*must demonstrate that it has a direct legal interest and that he was directly and personally affected by the outcome of this procedure*"[3].

119. Since LDA's participation in these proceedings has not been consented to by the Parties, the Panel must determine if LDA has a direct legal interest and could be directly affected by the outcome of these arbitrations.

120. In this context, to adjudicate LDA's request for intervention, the Panel must take into account the position expressed by the Costa Rican club itself to ground its intervention request. In this sense, LDA has stated that it must be admitted to these proceedings because it has an "automatic right" to substitute one of the Mexican clubs, asserting that this is not a "speculative possibility" but a "direct application" of the CWC Regulations. LDA also mentions that the proceedings in case CAS 2025/A/11162 have the "same subject matter" as these consolidated proceedings.

121. In light of the above, the Panel is of the view that the intervention request must be rejected.

122. Firstly, the assessment of LDA's right of participation plainly falls outside the purview and objective scope of review of these arbitration proceedings.

123. The Panel here must review on appeal two FIFA decisions, none of which deal with the question of the alleged "automatic right" to substitution of the excluded club; in other terms, the Appealed Decisions have not addressed nor determined the issue of which club should replace Club León in the Competition. Specifically, these consolidated arbitrations deal with (i) a decision of the FIFA AC on the Clubs' compliance with the eligibility criteria of Article 10.1 of the CWC Regulations, and (ii) the Secretary General's decision to exclude Club León and admit Club Pachuca. The "automatic right" of substitution, invoked by LDA – even if it were deemed to exist, a matter to which the Panel does not need to express a definite opinion– would be of absolutely no relevance to the three appeals here considered. None of them would lead to the "automatic" inclusion of LDA, a matter that is subject to the further decision of the FIFA Secretary General's, per the clear wording of Article 10.4 of the CWC Regulations:

> "*If the FIFA Disciplinary Committee decides that two or more clubs fail to meet the criteria defined in paragraph 1 above, the FIFA general secretariat shall decide which club may be admitted to the Competition and how a club that is not admitted shall be replaced in accordance with the following principles, taking into account, in particular, the respective ranking(s) of the club(s) concerned and the applicable quota per confederation and/or member association to which the club(s) concerned is/are affiliated*".

124. It is thus manifest that a decision of substitution of Club León with another club would occur only if all three appeals were dismissed and would be *factually and logically subsequent* to the appeals here entertained by this Panel. In other words, neither the appeal in TAS 2025/A/11314 nor that in TAS 2025/A/11315, whatever their outcome, would automatically yield LDA's entry into the Competition; the same can be said of TAS

[3] See *ex multis* CAS 2021/A/8436, ¶ 73; see also CAS 2023/A/10168, ¶ 83.

2025/A/11316. That is to say, neither the annulment nor the confirmation of the Appealed Decisions would imply the "automatic right" of substitution by LDA – a matter that in any case would be subject to a subsequent decision by the FIFA General Secretariat, pertaining to a terrain whose invasion by this Panel, logically, would not be acceptable in any way.

125. Therefore, the matter of the "automatic right" that LDA alleges to have is simply not within the scope of this Panel but, in any case, is an issue that will be determined in an ulterior decision by the Secretary General, as established in Article 10.4 of the CWC Regulations. *Ad abundantiam*, the Panel notes that in CAS 2025/A/11162 LDA expressly seeks, *inter alia,* to be granted admission into the Competition: as it states in item (viii) of its prayers for relief, it there asks *"the Panel compel FIFA to admit LDA to the FCWC 2025 competition in place of the removed team"*. But the Panel in these consolidated proceedings simply cannot grant this relief that, to repeat, falls outside its scope of review.

126. In any event, no decision of which club would substitute Club León existed at the time these proceedings were initiated, which is when LDA submitted its request or when the Panel rejected LDA's intervention. In the absence of such a decision herein appealed, it is patent that LDA has no standing to participate in these proceedings, nor would it be sufficiently affected by its outcome.

127. Thus, given that LDA itself presented its request for intervention tying it explicitly and inseparably to an alleged "automatic right" of substitution, the request must be rejected.

128. For the avoidance of doubt, albeit it is unnecessary to adjudicate this issue given the previous finding, the Panel in any event is not convinced that an "automatic right" to substitution can be unequivocally asserted to exist. Such an automatic right would imply a direct substitution without further evaluation or assessment. The provision of Article 10.4 of the CWC however mentions both the exercise of the discretionary power of the FIFA SG and various criteria for selection; *i.e.,* it is evidently not an automatic provision.

129. Finally, the Panel also rejects the LDA's subsidiary request to file an *amicus curiae* since LDA does not, nor did LDA purport to, hold a public interest warranting an *amicus* status in these proceedings. Furthermore, the Panel rejects LDA's request to observe these proceedings as it finds no legal basis to grant such a request, and none was offered by LDA.

B. Evidentiary measures

130. As mentioned before (*supra* ¶ 64), the Panel ruled on several evidentiary measures, following documents requests and summons filed by the First Appellant and opposed the Respondent.

131. For reference, the First Appellant submitted the following requests for document production from the Respondent:

> "*a) Copia de los 'Acuerdos de participación en el Mundial de Clubes FIFA 2025 (breve formulario)' firmados por todos los clubes participantes en el Mundial*

de Clubes, pudiendo, si así se considera oportuno, ser anonimizados o con los datos personales ocultos, a fin de preservar su confidencialidad. Asimismo, en su caso, cartas acompañatorias a los mismos, o cualquier tipo de adenda o reserva de derechos realizada por cualquier club en relación con la remisión de este Acuerdo.

b) Informar de las fechas en las, en su caso, que dichos 'Acuerdos de participación en el Mundial de Clubes FIFA 2025 (breve formulario)' fueron remitidos por los clubes a FIFA.

c) Intercambio de correspondencia entre la Asociación de Clubes Europeos ('ECA') en relación con el 'Acuerdo de participación en el Mundial de Clubes FIFA 2025 (breve formulario)'. En particular, el correo electrónico de ECA a FIFA de fecha 7 de febrero de 2025 (o fecha inmediatamente anterior o posterior), en el que ECA informa a FIFA que ningún club que forma su asociación firmará el 'Acuerdo de participación en el Mundial de Clubes FIFA 2025 (breve formulario)'.

d) Intercambio de correspondencia entre la ECA y FIFA en relación con las conversaciones mantenidas en torno al borrador del Reglamento del Mundial de Clubes y, en particular, en relación con el Artículo 10 del mismo".

132. Additionally, the First Appellant requested FIFA to render its employee Dr M. available to appear as a fact witness before the Panel, furnishing the following as summary of the expected testimony:

> "*Dr. M. ([…] de FIFA), a fin de testificar en la audiencia del presente asunto, considerando que, en razón de su cargo, fue la persona encargada, junto con su equipo y otros empleados de FIFA, de mantener conversaciones con ECA en torno al 'Acuerdo de Participación (formulario breve)' y el borrador del Reglamento del Mundial de Clubes*".

133. The Respondent opposed all document requests and Dr M.'s summoning as a witness. The Respondent argued the following: (i) the First Appellant had not proven the relevance of the first and second requests; (ii) the third request was overly broad, the existence of the document had not been proven, and its relevance to the First Appellant's case had likewise not been proven; (iii) moreover, since the First Appellant had stated it was "*in a position to provide documentary evidence to that effect*", it should have produced said evidence along with its Appeal Brief; (iv) the First Appellant's final request was also overly broad and its relevance to the First Appellant's case was not properly proven; (v), in the same line as the other requests relating to the ECA, Dr M.'s testimony was irrelevant to the First Appellant's case as discussions with the ECA about the Participation Agreement or the draft CWC Regulations had no bearing on its case. Overall, the Respondent asserted that the lack of precision and relevance of the First Appellant's evidentiary requests constituted a fishing expedition (*i.e.*, an attempt to find documents beneficial to a party's case by submitting unreasonably broad requests).

134. The Panel upheld the first three requests filed by the First Appellant. In doing so, the Panel applied the relevant provisions of the CAS Code and took into account, *inter plurium alia*, Article 3(3) of the IBA Rules on the Taking of Evidence in International Arbitration, which are widely used in international arbitration, sporting or otherwise.

135. Firstly, in the Panel's view, the First Appellant has drafted these requests with sufficient precision. The requests sufficiently identified the documents requested being sought, namely, the signed Participation Agreements and the FIFA-ECA Email. On the latter point, the Panel considered solely the part of the request pertaining to the FIFA-ECA Email, as opposed to the more generalized formulation of any "*exchange of correspondence*".

136. Furthermore, the Panel finds the approved requests are relevant to the First Appellant's case: all three requests pertain to the signatures by other clubs of the Participation Agreement, which the Appealed Decisions mentioned among the bases for the applicability of the CWC Regulations to the Clubs and the inadmissibility – for diachronic reasons – of the León Trust. These are fundamental aspects of the Appellants' arguments. The relevance of these requested documents relates not only to a generalized argument of unequal treatment, but also to the admissibility of the presentation of the León Trust before the FIFA AC and, possibly, to its admissibility before the Panel. Finally, given FIFA's role as the organizer of the Competition, it is evident that all the requested documents were in the possession of the Respondent.

137. Considering the foregoing, the Panel ordered the Respondent to produce the documents listed in the first three requests; however, given that the Respondent had admitted that a delay in the ECA club's submission of the Participation Agreement had been produced for reasons other than Article 10 of the CWC Regulations, the Panel reserved the right to first inspect the FIFA-ECA Email in order to assess whether it contained sensitive commercial information that would fall outside the scope of these proceedings. Once the Panel had the opportunity to review the FIFA-ECA Email – the contents of which are limited to request for an extension to file the Participation Agreement – the Panel ordered for the document to be distributed to the Appellants.

138. The Panel rejected the First Appellant's fourth request for production primarily because any discussion between the FIFA and the ECA representatives as to the draft of the CWC Regulations is neither relevant to the First Appellant's case nor material to the outcome of these proceedings. In the view of the Panel, sports federations have wide discretion to engage in regulatory discussions with whom they consider opportune before enacting regulations. In addition, the Appellants did not even argue that the preparatory discussions entertained by FIFA with ECA would be relevant and necessary for the interpretation of the CWC Regulations, which are the pertinent normative base for the resolution of this case.

139. As to Dr M.'s summoning, the Panel withheld making a ruling until it could examine the FIFA-ECA email. The Panel's position in this regard was premised in the idea that, while his testimony on the previous discussions of the draft CWC Regulations were immaterial to the outcome of this arbitration, conversations *re* the Participation Agreement – in particular, on the extension of the deadline for its submission —, could potentially be relevant. But, in the absence of any indication as to a conversation between Dr M. and ECA on the Participation Agreement in the FIFA-ECA Email, the Panel decided to dismiss the First Appellant's summons of Dr M. for the same reasons as its dismissal of the fourth document request. In any event, the relevant question for this case is whether there was unequal application of the enacted rule, not in its legislative drafting history.

C. Club Pachuca's standing to appeal the First Appealed Decision

140. The Respondent submits that the First Appellant's appeal should be dismissed as it did not have standing to appeal at the time the appeal was filed nor thereafter. While the Respondent recognizes the right of direct or indirect members of a Swiss association to appeal decisions adopted by the association, as per Article 75 SCC, said right is limited to members that hold a concrete, legitimate, and personal interest ("*Rechtsschutzinteresse*", "*intérêt à agir*"). According to FIFA, given that Club Pachuca was selected by the Secretary General to take part in the Competition by the Second Appealed Decision, Club Pachuca was not affected by the First Appealed Decision, nor could it derive any practical use from its annulment. As such, the First Appellant did not hold a legitimate interest at time of filing the appeal, nor subsequently.

141. In response, the First Appellant asserted that it held an interest in its appeal as the First Appealed Decision had declared it as non-compliant with FIFA Regulations. Consequently, such a finding by a FIFA disciplinary body represented a harm to Pachuca's reputation, in particular for the public's perception.

142. Indeed, as mentioned by the Respondent, an appeal lacking standing to sue *ab initio* is inadmissible[4], while other issues of standing to sue or to be sued remain issues on the merits[5]. It has been repeatedly found that for a party to have standing to appeal an association's decision it must have been sufficiently affected by the decision[6] and must have a *direct, personal and actual interest worthy of protection* in filling the appeal[7]. An appellant's legitimate interest in the appeal has also been framed as an interest that leads to a practical usefulness in the annulment of the decision, rather than holding mere theoretical interest[8].

143. Without prejudice to the foregoing considerations, the Panel deems it necessary –prior to its ruling on Club Pachuca's standing– to make a distinction between the nature of proceedings before Swiss public courts and in the context of private arbitration. This is an important distinction. In particular, the Panel considers that, while limiting access to public judicial dockets is an understandable policy concern which warrants a strict application of the matter of standing, such considerations diminish or lose weight in the context of proceedings before private arbitral institutions. In this regard, in this case the Panel concurs with the assessment of the Sole Arbitrator in case CAS 2017/A/5054:

> "*In order for the claim to be admissible, the Appellant must have a legal interest* ("Rechtsschutzinteresse","intérêt d'agir"). *Since the requirement of a legal interest determines if in a given case whether a claimant has access to justice, the bar must be set with prudence and – in any respect – not too high […].*

[4] *Ex multis:* SFT 4A_426/2017, ¶ 3.1; CAS 2008/A/1674, ¶ 12.
[5] *Ad exemplum:* SFT 137 I 296, ¶ 1.3.1; CAS 2018/A/5746; ¶ 173, SFT 4A_426/2017, ¶ 3.1; SFT 4A_620/2015 ¶ 1.1; TAS 2021/A/7650, ¶ 80.
[6] See CAS 2013/A/3140, ¶ 8.3, citing DE LA ROCHEFOUCAULD E., *Standing to sue, a procedural issue before the CAS*, CAS Bulletin 1/2011, p. 13 *et seq*.
[7] *Vide* e.g. CAS 2018/A/5746, ¶ 173.
[8] *Ex multis,* SFT 137 II 40, ¶ 2.3; CAS 2009/A/1880-1881, ¶¶ 28-29; SFT 4A_620/2015, ¶ 1.1; CAS 2015/A/4289, ¶ 132; TAS 2021/A/7650, ¶ 79.

> *In doing so, the Sole Arbitrator does not take recourse to the Swiss law of civil procedure. In principle, the Sole Arbitrator finds that the threshold for a legal interest must be set low before an arbitral tribunal. The prerequisite of a legal interest is designed to protect the courts from being deadlocked with needless disputes. The prerequisite, thus, helps to manage the work load of the courts and to protect scarce public resources.*
> *The answer to the question, however, what disputes shall be considered 'needless' is very different in cases in which the state provides and pays for courts that adjudicate a dispute compared to cases where the parties mandate and pay (in full) a private institution to adjudicate the matter. In the latter case, a legal interest should only be denied if there is no benefit for the party whatsoever in obtaining a judgement in this matter in his or her favour*" (¶¶ 75-78, emphasis added).

144. The Panel considers this to be an appropriate standard, applicable to these proceedings. While it is true that the cases before the SFT and the CAS mentioned by the Respondent have declared appeals inadmissible on the grounds of a lack of standing, the Panel nonetheless reaffirms its conviction that a strict application of the jurisprudence cited by the Respondent can result in a *distortion* of the underlying policy consideration that frames the doctrine of standing before Swiss courts. Different circumstances require nuanced approaches. Moreover, such a strict application would represent an undue and *artificial* restriction to the First Appellant's access to justice. Instead, as the cited CAS precedent aptly puts it, the bar to access to justice must be set with *prudence* (*i.e., reasonableness*).

145. In exercising this standard, the Panel is fully aware that an appellant seeking redress from an arbitral tribunal must hold a legitimate interest worthy of protection when filing its appeal. On this point, the Panel is sufficiently satisfied – in attention of the circumstances of this case – by the First Appellant's contention that its interest lies in the reputational consequences of the First Appealed Decision. Conversely, the Respondent's assertion that the First Appellant would not derive any practical use from the First Appealed Decision's annulment, in light of the reputational concern, does not stand. As highlighted in another CAS precedent, even when a player had already served his suspension, a club still has a legal interest in overturning the decision because an adverse disciplinary decision represents a "reputational harm" for the player and its club[9].

146. Moreover, for the Panel, there is a sufficiently relevant link between the nature of the decision subject to appeal and the sufficiency of harm justifying an appeal. The Respondent has expressly defended the view that the First Appealed Decision is not *strictu sensu* a disciplinary decision, but one concerning eligibility. However, and without expressing a definite opinion on this matter, from certain of its features, the procedure implemented appears to present a hybrid or at least a *sui generis* nature.

147. In this regard, the Panel notes in particular that: (i) Article 10 is under the subheading *"Disciplinary matters and procedures"* of the CWC Regulations; (ii) Article 10(2) of the CWC Regulations prescribe the referral of cases to the FIFA DC in accordance with the

[9] See in this sense TAS 2021/A/7650, ¶ 81: "*cualquier sanción disciplinaria – inclusive, como en este caso, la ampliación de su ámbito de aplicación – conlleva también un daño a la reputación de la persona sancionada*".

FD Code; (iii) Article 10(3) of the CWC Regulations grants jurisdiction to the FIFA DC to assess compliance; (iv) the First Appealed Decision was issued by the Chairperson of the FIFA AC; and (v) the First Appealed Decision, while declaring the Clubs non-compliant in the operative part, made multiple references in its reasoning to the Clubs' "breaches" of the rules. All of these features tilt towards disciplinary aspects rather than pure eligibility aspects.

148. Thus, albeit it is reasonable to conclude with the Respondent that the First Appealed Decision in its main effects refers to the Clubs' eligibility for the Competition, it is also evident that it presents –particularly for the general public's perception– particular features or expressions that may reasonably induce to see it as a decision that has certain disciplinary characteristics or effects.

149. This holding gains weight in the practical context of this case. The Competition is the first of its kind, pitting clubs from all over the world against each other. In Club Pachuca's case, it will face Real Madrid, RB Salzburg and Al-Hilal. These games represent a unique commercial and sporting opportunity for Club Pachuca. Indeed, as argued by the Respondent, Club Pachuca's participation in the Competition is not *per se* in dispute in these arbitrations; indeed, it will take part in the Competition, but it will do so as a "non-compliant" club. In the Panel's view, this label of being a "non-compliant" club due to the "breaches" of the MCO rules, as the First Appealed Decision repeatedly states, does have a sufficiently practical impact on Pachuca, both in terms of a potential finding of recidivism in future cases and in terms of the perception of the disciplinary facets of the First Appealed Decisions in the eyes of the legally non-trained public.

150. In any case, and without expressing a definite view on the matter, the Panel notes that declaratory judgments are not unknown to Swiss law or to CAS jurisprudence. A relevant instance of which, for example, is to be found in Article 88 of the Swiss Civil Procedure Code.

151. Consequently, the Panel finds that the First Appellant has standing to appeal the First Appealed Decision.

X. MERITS

152. Having reviewed the arguments put forth and evidence adduced by the Parties, the Panel will pursue the following analytical framework for adjudicating the merits of this dispute:

A. **First issue**: *Does Club Pachuca have standing to be sued in case TAS 2025/A/11316?*
B. **Second issue**: *Does the background of the Clubs lead to a prima facie situation of non-compliance with the MCO provision of Article 10?*
C. **Third issue**: *Was the Respondent entitled to apply the CWC Regulations against the Appellants (i.e., did their application flout basic legal principles)?*
D. **Fourth issue**: *In the event that the CWC Regulations are found to be applicable, did the Respondent properly enforce the CWC Regulations?*
E. **Fifth issue**: *Is the Trust mechanism implemented by Club León sufficient to overcome the non-compliance of Article 10 CWC Regulations?*
F. **Sixth issue**: *Must the Second Appealed Decision be annulled by the Panel?*

153. To further elaborate: the first issue is a preliminary matter that has been presented by the Respondent, which objects to the non-nomination of Club Pachuca as a respondent in case TAS 2025/A/11316. The second issue is the corporate situation of the Clubs to establish that, aside from the Trust mechanism and the legal arguments questioning the applicability of Article 10 presented by the Appellants, the Clubs were in a situation of non-compliance with Article 10. The third and fourth issues concern the legal arguments presented by the Appellants before this Panel with a view to the inapplicability or unenforceability of Article 10 of the CWC Regulations. As the analysis by the Panel will show, the Respondent did apply in an inconsistently problematical manner the relevant deadline to the Appellants; this entails that the Trust mechanism adopted is *ex tempore* admissible. In addressing the fifth issue, the Panel will then proceed to evaluate the León Trust to determine if it is sufficient to overcome the pre-existing non-compliance with Article 10. Finally, in the sixth issue, the Panel will determine if there are reasons to annul the Second Appealed Decision.

A. First issue: Does Club Pachuca have standing to be sued in case TAS 2025/A/11316?

154. The Respondent has contended that the appeal against the Second Appealed Decision should be dismissed because the Second Appellant failed to name the Club Pachuca as a Respondent. In the Respondent's view, if the Second Appellant's request to annul the Second Appealed Decision is granted, the natural consequence, per Article 10.4 of the CWC Regulations, would be for Club León to be admitted into the Competition and Club Pachuca to be excluded therefrom. As such, given that cases TAS 2025/A/11314 and TAS 2025/A/11315 are distinct from case TAS 2025/A/11316, the First Appellant would not be granted the opportunity to defend itself in a matter that directly affects Club Pachuca. There is, as FIFA puts it, a necessary passive *litis consortium*.

155. In response, the Second Appellant has argued that its appeal against the Second Appealed Decision was merely accessory to the appeal against the First Appealed Decision. The Second Appellant also asserted that the object of the second appeal was not to substitute Club Pachuca in the Competition.

156. As a starting point, the Panel recalls that, according to the jurisprudence of the CAS, questions of standing to be sued are analysed as part of the merits of a case; the lack thereof resulting in the dismissal of the case[10]. It is generally understood that a party has standing to be sued when it is personally obliged by disputed right at stake in the dispute; in a nutshell: a party has standing to be sued when something is sought from it[11].

157. CAS precedents show that the analysis of standing to be sued and passive mandatory joinders is not limited to the party against whom something is sought. In this regard, CAS panels have found that a that a party has standing to be sued when it "*stands to be*

[10] *Vide:* CAS 2022/A/8737, ¶ 107; CAS 2023/A/10209, ¶ 113; MAVROMATI & REEB, *'The Code of the Court of Arbitration for Sport, Commentary, Cases and Materials'*, ¶ 65 of R48; SFT 126 III 63; CAS 2020/A/6694; CAS 2020/A/6922, ¶ 95; CAS 2016/A/4602; CAS 2015/A/4131, ¶ 95; CAS 2009/A/1869; CAS 2008/A/1639, ¶ 26; CAS 2007/A/1329 & 1330; CAS 2008/A/1620, ¶ 4.1; CAS 2007/A/1367, ¶ 37; CAS 2012/A/3032 ¶ 42.

[11] *Ex multis:* CAS 2021/A/7768, ¶ 188; CAS 2021/A/8225, ¶ 75; CAS 2023/A/10209, ¶ 114; CAS 2020/A/6922, ¶ 96; CAS 2022/A/8225, ¶ 75; CAS 2007/A/1329&1330, ¶ 27; CAS 2008/A/1620, ¶ 4.1; CAS 2007/1367, ¶ 37; CAS 2012/A/3032, ¶ 42.

sufficiently affected by the matter at hand in order to qualify as a proper respondent within the meaning of the law"[12]. This concept is often translated as a Panel being prevented to grant a request for relief that directly affects a party who has not had the opportunity to defend itself before it[13].

158. In the context of vertical disputes (*i.e.*, disputes between federations and its members, where the federation seeks to enforce its regulation[14]), while it is often understood that the federation is well suited to defend the interests of its members, a Panel may still be prevented from adjudicating the case if a particular member could be sufficiently affected by the decision[15].

159. Hence, what is crucial in assessing whether there is a passive *litis consortium* is the concrete relief sought by the Second Appellant. As put forth by the Sole Arbitrator in case CAS 2021/A/8225:

> "*Consequently, while noting that he would be in principle prevented from granting any request for relief that would directly affect the rights of an absent third party, the Sole Arbitrator deems that he must deal with the Appellant's requests for relief in accordance with the abovementioned test, i.e. in a manner which takes into account all the interests involved, the role assumed by the federation as well as the rights of defence and in particular the right to be heard of the directly affected parties*"[16].

160. *In casu*, the Panel notes that the Second Appellant submitted three sets of requests, all formulated in a similar manner but premising the annulment of the First Appealed Decision on different grounds (*i.e.*, either that Article 10.1 of the CWC Regulations were not applicable, the FIFA DC lacked competence to open proceedings against the Clubs based on the Participation Agreement or the Clubs were not in breach of Article 10.1 of the CWC Regulations). Crucially, all the sets of requests are constructed by the Second Appellant *sequentially*: it first requests the annulment of the First Appealed Decision – for the grounds summarized above – and only consequently requests the annulment of the Second Appealed Decision, using an "*(a) then (b)*" sequence. Indeed, when referring to point (b), *i.e.*, the request for annulment of the Second Appealed Decision, the Second Appellant begins the request with "*Consequently*" ("*Consecuentemente*" in the Spanish original).

161. This construction is clear: the Second Appellant is requesting for the Second Appealed Decision to be annulled *solely as a consequence of* the annulment of the First Appealed Decision. For the Panel, the framing of the appeal and its grounds by the Second Appellant is decisive: clearly, the Second Appealed Decision was not independently appealed, but in an *ancillary*, *subordinate* or *accessory* manner.

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[12] See: CAS 2017/A/5227, ¶ 35. See also, CAS 2021/A/8225, ¶ 76; CAS 2023/A/10209, ¶ 115; CAS 2016/A/4787, ¶ 109; CAS 2015/A/3910, ¶ 138; CAS 2016/A/4602, ¶ 81; CAS 2021/A/8225, ¶¶ 76-77.
[13] *Ad exemplum:* CAS 2021/A/8225, ¶ 76; CAS 2020/A/7061, ¶ 125; CAS 2019/A/6334, ¶ 57; CAS 2016/A/4642, ¶ 120; CAS 2004/A/594, ¶ 51.
[14] *Vide:* CAS 2016/A/4787, ¶ 109; CAS 2015/A/3910, ¶ 138; CAS 2016/A/4602, ¶ 81.
[15] *E.g.*: CAS 2019/A/6351;CAS 2020/A/7061, ¶ 126; CAS 2021/A/8225, ¶¶ 77-80.
[16] CAS 2021/A/8225, ¶ 81.

162. Thus, the Second Appellant has at no moment requested the inclusion of Club León in Club Pachuca's stead at the Competition. Indeed, as argued by the Respondent, the isolated request for annulment of the Second Appealed would inevitably result in the exclusion of Club Pachuca by application of Article 10.4 of the CWC Regulations (*i.e.*, when two clubs are found to be under an MCO structure, the Secretary General must choose one over the other at his discretion). But the Second Appellant's request pertaining to the Second Appealed Decision was never formulated in isolation, but always in connection –"*consecuentemente*"— with the annulment of the First Decision.

163. In the Panel's view, it is evident that the appeal by Club León against the Second Appealed Decision arose from a considered procedural strategy adopted by the Second Appellant. As admitted by the Respondent's counsel following questioning by the Panel in the hearing, had the Appellants solely appealed against the First Appealed Decision, FIFA could have argued that the Second Appealed Decision stood by itself and, thus, the Second Appellant would have been excluded anyway from the Competition notwithstanding the result of the appeal against the First Appealed Decision. Furthermore, while the Respondent's contention that this procedural strategy reflects an interdependency between the Appellants does appear plausible, still it is speculative; what is not speculative is that the Second Appellant deliberately chose not to request the exclusion of Club Pachuca from the Competition and that the Club Pachuca is henceforth not affected by the appeal in case TAS 2025/A/11316.

164. Furthermore, recalling the considerations put forth by the Panel (*supra* Section IX.C), an inflexibly dogmatic application of the doctrine of standing can lead, in particular instances, to the creation of undue artificial barriers to justice, especially in the context of private arbitral proceedings. Instead, the Panel believes the standard is to be applied with prudence (*i.e.,* reasonableness). In this case, if the Second Appellant failed to appeal the Second Appealed Decision, it would have been out of the Competition even if it succeeded in the logically prior appeal. Although Leon's decision not to request the ousting of Club Pachuca may be questioned substantively, from a *procedural* standpoint it is wholly legitimate and thus –given a reasonable understanding of the concept of standing to be sued– it must be deemed as admissible, since the Second Appellant itself decided to present its appeals in case TAS 2025/A/11316 in a purely *ancillary* or *accessory* manner to its prior appeal in TAS 2025/A/11315. Moreover, it is not for the Panel to enmesh with or question a party's underlying motives, whatever they may be, in such a case. In other words, there was no legal *necessity* to name Club Pachuca as Respondent in the Second Appealed Decision.

165. Thus, as the appeal filed against the Second Appealed Decision has been framed as accessory or dependent upon the appeals in cases TAS 2025/A/11314 and TAS 2025/A/11315, in this particular case, the Respondent's request for dismissal of the appeal in TAS 2025/A/11316 due to a missing passive *litis consortium* is rejected.

B. <u>Second issue</u>: Does the background of the Clubs lead to a *prima facie* situation of non-compliance with the MCO provision of Article 10?

166. The Panel firstly recalls the text of Article 10.1 of the CWC Regulations:

"*10.1 To ensure the integrity of the Competition, participating clubs shall meet the below criteria when submitting the Participation Agreement and shall continue to comply with the criteria until the end of the Competition:*

a) No club participating in the Competition may, either directly or indirectly:

i) hold or deal in the securities or shares of any other club participating in the Competition;

ii) be a member of any other club participating in the Competition;

iii) be involved in any capacity whatsoever in the management, administration and/or sporting performance of any other club participating in the Competition; or

iv) have any power whatsoever in the management, administration and/or sporting performance of any other club participating in the Competition.

b) No one may simultaneously be involved, either directly or indirectly, in any capacity whatsoever in the management, administration and/or sporting performance of more than one club participating in the Competition.

c) No individual or legal entity may have control or influence over more than one club participating in the Competition, such control or influence being defined in this context as:

i) holding a majority of the shareholders' voting rights;

ii) having the right to appoint or remove a majority of the members of the administrative, management or supervisory body of the club;

iii) being a shareholder and alone controlling a majority of the shareholders' voting rights pursuant to an agreement entered into with other shareholders of the club; or

iv) being able to exercise by any means a decisive influence in the decision-making of the club".

167. At this stage of the Award, the analysis will be conducted irrespective of the allegations of the Appellants that the CWC Regulations are not applicable or enforceable, and the solution of the León Trust subsequently adopted, as both those issues will be dealt with later in this Award.

168. Thus, without judging at this juncture the arguments of the Appellants regarding the inapplicability of Article 10 or unenforceability of the Participation Agreements, the Panel's analysis conducted in this sub-section will find that the Clubs were clearly in non-compliance of Article 10 and that they were in an undeniable situation of MCO.

169. During FIFA's investigations and the proceedings before the FIFA AC, the Clubs submitted that, irrespective of their ownership, they act independently from one another. Moreover, the Clubs stressed that Grupo Pachuca, given that it is merely a registered brand and not an entity with a distinct personality, did not own or control the Clubs.

170. However, these allegations are of little avail once the historical corporate situation of the Clubs is duly scrutinized. In fact, this scrutiny evidences the direct ownership and control of both Clubs by Mr A., his family, and other close associates. Moreover, beyond this

direct control, Mr A. could exercise decisive influence in the management of Club León as multiple members of his family seated in Club León's Board of Directors prior to the settlement of the León Trust and through his son's presidency of Club León. Finally, while not strictly determinant to the conclusion, the Panel notes that certain acts by Mr A. and his associates, under the guise of Grupo Pachuca, reinforces the fact that the Clubs share a MCO structure.

171. Firstly, it is evident by the documents collected by FIFA during its investigation that Mr A. hold a majority interest in both Clubs. In particular, Mr A. holds 87% of the shares in Club Pachuca (formally *[...] S.A.*) and held about 66% of the shares in Club León (formally *[...] S.A.*) prior to the settlement of the León Trust. This majority ownership is translated into effective control over both Clubs as, per both of their corporate charters, the voting rights are proportional to shares held (*i.e.*, one vote per share). As such, this common ownership directly links itself with the situation foreseen in Article 10.1(c)(i) of the CWC Regulations (*i.e.*, the prohibition that one or more individuals hold "*a majority of shareholders' voting rights*" in more than one participating club). It is a clear situation of non-compliance with this provision.

172. Secondly, the Panel takes note of the composition of the Board of Directors of the Clubs prior to the settlement of the Trust, which was the following:

Board of Directors			
Club Pachuca		**Club León**	
Name	**Position**	**Name**	**Position**
Mr A.	Chairman	Mr A.	Chairman
Mr F.	Secretary	Mr F.	Secretary
Mr J.	Treasurer	Mr J.	Treasurer
Ms G.	Member	Mr C.	Member
Ms I.	Member	Ms G.	Member
Ms H.	Member	Ms I.	Member
		Ms H.	Member

173. Prior to the constitution of the León Trust, the composition of both Boards was nearly identical, but for Mr C.'s absence in Pachuca's Board. Notably, all members of the Board, but for the Clubs' Secretary, Mr F., have a familial connection with Mr A., the Chairman. In particular, the Treasurer is Mr A.'s brother, Mrs G. is Mr A.'s wife, and the remaining members are his son, Mr C., and daughters, Ms I. and Ms H.

174. Per the statutes of both Clubs, the Board of Directors is the body tasked with the administration of the company (*i.e.*, Club Pachuca and Club León respectively). In the exercise of such administrative powers, both Boards are vested with multiple functions, including but not limited to the legal representation of the Clubs, the appointment and removal of directors, managers, technical advisors and other forms of employees, and entering into financial agreement, such as loans or other forms of financing. These powers are wielded by the Chairman of the Board, said person being Mr A. in both cases.

175. The above corporate structures, which again was in force prior to the settlement of the Trust, clearly constitutes the simultaneous direct involvement of multiple persons "*in*

the management, administration and/or sporting performance of more than one club participating in the Competition". This situation thus falls within the scope of application of Article 10.1(b) of the CWC Regulations and yields a clear situation of non-compliance with this provision. 172. By failing to meet the criteria set out by Articles 10.1(b) and (c), the Panel is sufficiently satisfied that both Clubs were indeed under the control of the A. family; in particular, of Mr A.

176. But, as highlighted above, the CWC Regulations do not limit the scope of MCO to ownership and control, but also to influence. To this end, the Panel highlights that Mr A. likely holds a considerable degree of influence over the members of the Board, the majority of which are his family members, beyond his function of Chairman. Moreover, Mr A.'s influence extends beyond the Board of Directors of both Clubs, particularly in Club León as he prompted the appointment of his young son, Mr C., as President of Club León. As a note, the Panel understands that the designation of Mr C. as "President" ("*Presidente*") is distinct to that of Chairman of the Board, which in Spanish is referred to as "*Presidente del Consejo de Administración*". However, Mr C. in various documents presents himself as "*Presidente*" (*e.g.,* when signing the Participation Agreement on behalf of Club León, in his own handwriting, using the name *Presidente*; or in the Annex to the documents provided to FIFA, where at page 8 he is enlisted as *Presidente*; also in the organization chart included in the Grupo Pachuca in the 27 June 2024 letter). Thus, Mr A. can be said to exercise influence over the decision-making of Club León also through Mr C. This, in turn, is the type of situation foreseen in Article 10.1(c)(iv) of the CWC Regulations and, therefore, a situation of non-compliance with this rule.

177. Finally, it is also true that, irrespective of the *motus* under which it was sent, the first letter sent to FIFA was submitted under the banner of "Grupo Pachuca". Albeit the Panel recognizes that Grupo Pachuca is not a legal entity but a registered brand, the letter and grouping of the Clubs under the heading is further demonstrative that, independently of whether the name Grupo Pachuca is merely a guise, or a branding exercise, the influence of Mr A. and his close family group on both Clubs cannot be seriously denied.

178. The Panel also notes that Mr A. has made several public statements evidencing his joint ownership, control and influence over the Clubs. Some of these statements include: (i) affirming that Grupo Pachuca solely acquires football clubs playing in lower division, implying that Grupo Pachuca (*i.e.*, the A. family and their associates) owns and intends to own multiple clubs; (ii) positing multiple voting rights as a benefit of owning two clubs in the same league; (iii) recognizing his ownership of both Clubs during an interview around the time of the group-stage draw for the Competition; and (iv) even after the settlement of the Trust, Grupo Pachuca made statements on behalf of both Clubs regarding a legal dispute over the broadcasting rights of matches plaid by Club León and Club Pachuca. The Panel believes that those statements are consonant with an ownership group that holds control and influence over Club Pachuca and Club León.

179. Additionally, it is well-known, as emphasized by the Respondent, that Liga MX has imposed certain restrictions on the Clubs given Mr A.'s ownership over both, in particular with regard to voting rights and inter-Clubs transfers. Perhaps more importantly, as recognized by Mr A. himself, he is obliged by Mexican sporting rules to sell his majority interest in one of the Clubs by 2027. Thus, it appears that Mr A.'s control of both Clubs

has prompted the FMF and Liga MX to set control mechanisms to protect the sporting integrity of their competitions, ultimately resorting to forcing a sale, confirming the MCO situation.

180. The Panel is thus persuaded that both Clubs were subjected to a MCO situation that subsisted until (at least) the creation of the León Trust: the evidence is overwhelming in this regard. Thus, irrespective of the controverted application of the CWC Regulations to Club Pachuca and Club León and the Trust solution, the Panel concludes that, prior to the creation of the León Trust, the Clubs were not in compliance with the MCO provision set out in Article 10 of the CWC Regulations.

181. In fact, the main thrust of the Appellants' position before the CAS has indeed been the questions of inapplicability or unenforceability of the CWC Regulations and the viability of the Trust solution, rather than a defence of the pre-existing MCO situation. The Panel will now address these issues separately.

C. Third issue: Was the Respondent entitled to apply the CWC Regulations –and particularly Article 10 – against the Appellants (i.e., did their application flout basic legal principles)?

a. Preliminary considerations

182. Indeed: in these appeals proceedings, the Appellants main defence has focused on arguments to impugn the applicability of the CWC Regulations (in particular, of Article 10.1), and the question of whether the Respondent was entitled, given the facts of the case, to apply them against the Appellants.

183. The First Appellant, while recognizing FIFA's authority to enact various regulations, asserted that FIFA failed to exercise said authority within the boundaries imposed by general principles of law, namely by adopting the CWC Regulations too late, after the Clubs had already gained the right to participate, and by imposing an overly restrictive ban on MCO. Additionally, the First Appellant stresses that representatives of FIFA, in multiple contacts with the Clubs, had conveyed the idea that the issue of MCO would be resolved amicably and were thus led by FIFA to believe another solution would be consensually arrived to.

184. The Second Appellant adheres to the First Appellant's submissions. Additionally, the Second Appellant contends that the Clubs had fulfilled the criteria set by FIFA at the time of qualification (*i.e.*, the Slot Allocation and Access Principles) and, consequently, had acquired a vested right to participate. It is Club Leon's case that this idea was reinforced by various FIFA's actions, most notably by the multiple promotional materials naming the Clubs as taking part in the Competition and by including the Clubs in the draw of the group-stage of the Competition.

185. In sum, the Appellants argue that FIFA was estopped from adding further norms that would restrict the Clubs' participation in the Competition given the relevant background facts.

186. The Respondent objected to all the Appellants' contentions. In terms of the retroactive application of the CWC Regulations, the Clubs' acquired right of participation and the subsequent legitimate expectation, the Respondent stressed the difference between sporting criteria and eligibility requirements, a concept that both Clubs are well acquainted with. Consequently, no right could have been acquired, nor a legitimate expectation of participation formed, in the absence of eligibility criteria. In any case, as to the specific restriction on MCO, the Respondent argued that Article 20 of the FIFA Statutes established a declaratory prohibition on MCO since 2015. This pre-existing restriction, the Respondent contended, preceded the actions that allegedly gave rise to the Clubs' expectations, rendering the Clubs' arguments without merit. Finally, the Respondent asserted that Article 10.1 of the CWC Regulations was not a disproportionate regulatory restriction, as it was an appropriate norm pursuing a legitimate aim and not a disciplinary sanction.

187. Taking the above into consideration, the Panel will proceed with its analysis by segmenting the Parties' submission in three subsections, addressing (a) the distinction between sporting qualification and eligibility criteria, (b) the alleged procedural vices in enacting the CWC Regulations, and (c) the scope of the restrictive criteria set out in Article 10.1 of the CWC Regulations.

b. On the distinction between sporting qualification and eligibility criteria

188. The Panel concurs with the Respondent's contention that there is indeed a valid and significant distinction between sporting qualification and eligibility criteria, and that this has important consequences for this case.

189. The dichotomy of sporting qualification and eligibility criteria is often at play in the world of football and common practice. These distinct, yet at times interlinked concepts, often clash given the commonplace juxtaposition of different regulatory frameworks that football clubs are confronted with, namely regulations imposed by domestic leagues, national federation, regional confederations, and global regulators such as FIFA. As succinctly put by the Sole Arbitrator in case CAS 2015/A/4097:

> "*The Sole Arbitrator finds that the Club was, or should have been, aware of these provisions when it applied to the RFF to be granted a license to participate in the Liga 1 National Championship. Different from ordinary businesses, football clubs are in general not automatically entitled to participate in the market (competition) they would like to participate in. Rather, participation may be made subject to certain preconditions. In order to participate in the Romanian Liga 1 National Championship* ***football clubs need to qualify on the basis of sporting merit, but football clubs also need to comply with other preconditions, such as compliance with the RFF Licensing Regulations****. The consequences for non-observance of such preconditions may obviously not contravene national law, but are in itself legitimate since football clubs accept to be bound by such limitations by applying for a license to participate*"[17].

[17] CAS 2015/A/4097, ¶ 71 (emphasis added).

190. This case dealt with a Romanian club that could not obtain its license due to ongoing bankruptcy proceedings, failing to meet financial requirements set by the Romanian Football Federation, despite having qualified from a sporting viewpoint to compete in Romania's top-flight league. This distinction should come as no surprise to anyone acquainted with the day-to-day operations of the world of football. It is not uncommon to see, for example, clubs gaining promotion to a higher league through the sporting ranking of the lower league, but falling short of financial regulation or administrative requirements, such as conditions on their corporate structure or the capacity or quality of their stadium, thus falling short of the eligibility requirements to gain the actual right to participate. As it has been held in a leading case,

> "*the Panel does not see in the Contested Rule any creation of different categories of member clubs but rather the establishment of conditions of participation in UEFA competitions. Among such conditions are also, for example, stadium safety requirements (Articles 3 and 8 of the 1998/99 Regulation of the UEFA Cup and the related booklet; see supra, para. 8"*[18].

191. As highlighted by the Respondent, such conditions for participation, beyond the performances of teams on the field, cannot be said to be unknown not only to football stakeholders in general, but to the Clubs in particular. In the context of continental competitions known to the Appellants, Concacaf sets eligibility criteria that clubs who have qualified from a sporting viewpoint to compete in the Concacaf Champions Cup – *i.e.*, the competition through which both Clubs gained their slot in the Competition – must meet in order to actually participate in that Cup. To mention but one example, the Concacaf Champion Cup Regulations establish:

> "*5.3. As a matter of principle, clubs will earn the right to be entered by their Association into the [Concacaf Champions Cup] through:*
> *5.3.1 Fair play and sporting merit.*
> *5.3.2 Compliance with their Association's Regional Club Licensing requirements.*
> *5.3.3 Financial good standing with their Association and Concacaf.*
> *5.3.4 In the event of a disagreement establishing the entry criteria, Concacaf will determine and apply the entry criteria at its sole discretion.*
> *5.3.5 Qualified clubs must submit:*
> *5.3.5.1 The signed participation agreement by the date specified by Concacaf, at which point they will be officially registered for The Competition.*
> *5.3.5.2 All other documents required by the dates specified as per Concacaf*".

192. Hence, as the Concacaf Champions Cup Regulations clearly set out that, while sporting merit forms part of the requirements for a club to gain the right to participate, it is not the only criterion necessary for that perceived right to crystallize. Clubs intending to participate in the Concacaf Champions Cup must also comply with regional licensing requirements and show good financial standing.

[18] CAS 98/200, ¶ 84 (emphasis added).

193. In his testimony, Mr A. emphasized and relied upon the words of Concacaf's President referred to winning on the field: *"para mí como presidente de Concacaf apoyo a León, porque ganó la Champions League en la cancha, nosotros esperamos que al final esté en el Mundial de Clubes"* (*i.e.,* "For me, as president of Concacaf, I support León because they won the Champions League on the field. We hope that they will ultimately be in the Club World Cup" free translation by the Panel). But, of course, the story cannot –and does not— end there; owners and executives of clubs must make sure that the sporting merit to access a competition is crystalized into actual *participation* by ensuring that the club complies with all the other conditions for participation (*i.e.* eligibility criteria).

194. In this context, the Panel cannot follow the contention that the Clubs had gained a vested right or any such concept to participate in the Competition solely on the basis of the sporting merit displayed by their players in winning the Concacaf Champions Cup. This is contrary to usual and standard practices in the football world –including, noticeably, Concacaf– and thus the usual and standard expectations: from a legal standpoint, sporting qualification to a competition is one thing, participation in such competition on the basis of eligibility criteria another thing altogether. But more importantly: it is also clearly contrary to the normative framework established by FIFA for the Competition. The Access Principles, clearly, only refer to issues of football qualification, and not to eligibility criteria. As will be further emphasized below (*infra* ¶ 210), to interpret these Access Principles as the *sole* participation requirements is quite unreasonable considering common and standard practice in the football world, including but not limited to Concacaf. Moreover, all Circulars sent to the clubs by FIFA referred – in bold letters and in the top of each document – to "clubs that have qualified" to the Competition, as a clearly *distinct* concept. Further, the invitation for the draw expressly mentioned the need to comply with the eligibility requirements (*i.e.* the MCO rule of Article 10).

195. In the Panel's view, from an objective point of view, the Slot Allocation and Access Principles could not be construed by the clubs that had qualified for the Competition to constitute the *entirety* of the regulatory framework applicable to the Competition. Even if they did, such a subjective understanding of the process to attain the right to participate in the Competition cannot be admitted. From an objective point of view, experienced actors in the world of football, such as all qualified clubs in the Competition, should have understood that their participation in the Competition would be subjected to further "eligibility" or "participation" conditions, as routinely happens in all elite football competitions for clubs.

196. There can be no question, then, of vested rights or any such concept which were in any manner acquired by the Clubs: simply put, *qualification does not entail participation*. Indeed, although necessary, the sporting qualification does not constitute, *per se*, a sufficient condition to entitle the Appellants to participate in the Competition. In any case, the fulfilment of participation –*i.e.*, eligibility– requirements is mandatory.

197. As a natural consequence, all arguments of the Second Appellant that FIFA had –through various social media publications and the like– confirmed this "right" are also of no avail. Either that right never existed in the first place, or if it had existed it was conditional to the fulfilment of other conditions: the result is the same.

198. The Panel finally remarks that on 27 June 2024, a few weeks later than Club Pachuca had won the Concacaf Champions Cup, thus qualifying for the Competition in accordance with the above quoted Access Principles, Mr A., President of the Board of Directors of Grupo Pachuca Fútbol & Negocios (a group of companies knowns as "Grupo Pachuca"), sent a letter to the FIFA President with the aim to "*aclarar algunos aspectos relevantes sobre los equipos de fútbol propiedad de Grupo Pachuca en México: Club Pachuca y Club León*" (i.e. "clarify certain relevant aspects about the football teams owned by Grupo Pachuca in Mexico: Club Pachuca and Club León"), whose content was unequivocally intended to convince FIFA that the clubs' corporate situation did not characterize an MCO. There is no evidence in the file that this letter was sent in response to any request from FIFA, much less a formal request. In any case, this circumstance, in the Panel's understanding, highlights the awareness, on the part of the clubs belonging to the Pachuca Group –*i.e.*, on the part of the Appellants—, that there could be some scrutiny regarding their situation, and that, therefore, their effective participation in the Competition would not be assured by the simple fact that they had obtained the necessary, but not sufficient, sporting qualification.

c. On the possible vices affecting the enactment of the CWC Regulations: analysis of the applicable legal principles to this case

199. There can thus be no question that FIFA, as the governing body of international football, can issue regulations which distinguish sporting merit from final participation – *i.e.,* qualification from participation.

200. However, it cannot be sufficiently emphasized that this power is –and must always be – subject to adherence to basic legal principles that are the backbone of sports law. These principles not only apply to the regulatory powers of a federation, but must also inform its behaviour towards their members, both direct and indirect. Such principles were usefully enumerated by the Panel in case CAS 2021/A/7930:

> "*Regarding the application of general principles of law, the Panel notes that prior CAS panels have held that, given the 'transnational character of international sporting competitions' and 'the global effects of the actions and omissions of international federations', national and international sports federations must conform to 'a set of unwritten legal principles – a sort of lex mercatoria for sports or, so to speak, a 'lex ludica' or 'lex sportiva' (CAS 98/200, para 156; CAS 2014/A/3776, para 269). Such general principles may include 'general principles of law drawn from a comparative or common denominator reading of various legal systems' (CAS 98/200, para 156), such as '**fairness', 'good faith', 'prohibition of arbitrary rules and measures', 'venire contra factum proprium', 'nonretroactivity of laws', 'the right to be heard', and 'proportionality'** (CAS 98/200, para 158)*"[19].

[19] CAS 2021/A/7930, ¶ 75 (emphasis added). See also, CAS 98/200, ¶ 156: "*the special power that FIFA holds as the supreme regulatory authority within its sport is accompanied by special responsibility. Albeit being a private body, FIFA must thus respect general principles of law and, in particular, those that generally bind legislators and public administrations*".

201. The Appellants have adduced that *–in casu–* FIFA did not respect these principles and thus the CWC Regulations should not be applied or enforced.

202. The Panel will deal, in this subsection, with the principle on nonretroactivity. In any event, the principles set out above will also apply to other considerations made by the Panel in subsequent sections, in particular *venire contra factum propium*, the right to be heard and proportionality.

203. In particular, the application of the principle of nonretroactivity for regulations governing MCO has already been dealt with in an early case of the CAS; the seminal case CAS 98/200, which was relied upon by all Parties and by the Chairperson of the FIFA AC in the First Appealed Decision.

204. In that case, the Panel was confronted with a UEFA regulation restricting the participation of two clubs owned by the ENIC Group, namely AEK of Athens and Slavia of Prague in the now-defunct UEFA Cup. UEFA was suddenly faced with this problem when three ENIC-owned clubs reached the quarter-finals stage of the 1997-1998 EUFA Cup Winner's Cup. Consequently, UEFA passed a regulation titled "*Integrity of the UEFA Club Competitions: Independence of the Clubs*" on 19 May 1998 to be applied to the 1998-1999 edition of the UEFA Cup. This regulation prohibited clubs in a MCO situation from participating in the competition under similar terms as Article 10.1 of the CWC Regulations (*i.e.*, prohibiting majority ownership or other forms of control over two or more qualified clubs). UEFA passed these regulations shortly after it had sent all participating clubs the applicable regulations, in particular the regulations pertaining to stadium safety, and entry forms, without making any mention of a restriction of clubs under an MCO. On the basis of this new regulation, on 25 June 1998, UEFA excluded AEK from the 1998-1999 UEFA Cup, while admitting Slavia into the competition.

205. In light of these facts, and after being presented with a request for provisional measures, the then President of the Ordinary Arbitration Division of the CAS ordered UEFA to give no effect to the regulation for the duration of the Arbitration. In the main award, the Panel ratified the decision issued by the President of the Ordinary Arbitration Division of the CAS and adhered to its criteria, as shown below:

> "*With regard to the more general requirement of respecting fair procedures, however, the Panel considers that this is a principle which must always be followed by a Swiss association even vis-à-vis non-members of the association if such non-members may be affected by the decision adopted. In this respect, the Panel notes that the President of the Ordinary Division of the CAS based its interim order of 16-17 July 1998 on the circumstance that UEFA violated the principle of procedural fairness (see supra, para. 18). The Panel agrees with the President's view that UEFA adopted the Contested Rule too late, when the Cup Regulations for the 1998/99 season, containing no restriction for multiple ownership, had already been issued. In the CAS interim order it was observed inter alia:*
>
> > *'By adopting the Regulation to be effective at the start of the new season, UEFA added an extra requirement for admission to the UEFA Cup after the conditions for participation had been finally settled and communicated to*

> *all members. It did so at a time when AEK already knew that it had met the requirements for selection of its national association. Furthermore, it chose a timing that made it materially impossible for the clubs and their owner to adjust to the new admission requirement. ...*
> *The doctrine of venire contra factum proprium ... provides that, where the conduct of one party has led to the legitimate expectations on the part of a second party, the first party is estopped from changing its course of action to the detriment of the second party ...*
> *By referring to this doctrine, CAS is not implying that UEFA is barred from changing its Cup Regulations for the future (provided, of course, the change is lawful on its merits). However, it may not do so without allowing the clubs sufficient time to adapt their operations to the new rules, here specifically to change their control structure accordingly'.*

The Panel essentially agrees with the foregoing remarks by the President of the Ordinary Division of the CAS and with the ensuing conclusion that UEFA violated its duties of procedural fairness with respect to the 1998/99 season. Indeed, a sports-governing organization such as an international federation must comply with certain basic principles of procedural fairness vis-à-vis the clubs or the athletes, even if clubs and athletes are not members of the international federation (see the Swiss Supreme Court decision in the Grossencase, in ATF 121 III 350; see also infra, para. 190). The Panel does not find a hurried change in participation requirements shortly before the beginning of the new season, after such requirements have been publicly announced and the clubs entitled to compete have already been designated, admissible. Therefore, the Panel approves and ratifies the CAS Procedural Order of 16 July 1998, which has granted interim relief consisting in the suspension of the application of the Contested Rule 'for the duration of this arbitration or for the duration of the 1998/99 season of the UEFA Cup, whichever is shorter'"[20].

206. This Panel subscribes to the criteria applied by the former President of the Ordinary Arbitration Division of the CAS and the Panel in CAS 98/200. Indeed, federations are barred from enacting regulations belatedly and applying them retroactively. Furthermore, a federation is –or must be– estopped from enforcing such a regulation in case it flouts this basic legal principle.

207. However, in the Panel's appreciation of the facts of the present proceedings, such principles when applied to this case do not prevent FIFA from applying Article 10.1 of the CWC Regulations to the Clubs.

208. The Order of Provisional Measures dictated in the paradigm case clearly outlined the factual basis to restrict the application of the rule, which was subsequently adhered to by the Panel. Firstly, in that case, the Panel agreed that UEFA had passed the regulations after "*the conditions for participation had been finally settled and communicated to all members*". Secondly, the Panel was satisfactorily convinced that the MCO clubs, in particular AEK, had actual knowledge that they had met the conditions for participation.

[20] CAS 98/200, ¶¶ 91-92, citing the Order of Provisional Measures in CAS 98/200, ¶¶ 55, 58-59 (emphasis added).

Thirdly, given that the regulations had been notified on 26 May 1998 and that the UEFA Cup had been scheduled to begin on 22 July 1998, the panel found that it was "*materially impossible for the clubs and their owner to adjust to the new admission requirement*".

209. The Panel observes that the facts of the present case do not allow to analogously apply those criteria to the Clubs.

210. As highlighted above (*supra* ¶ 194), the Slot Allocation and the Access Principles could not be understood by the qualified clubs to be the entirety of the conditions for participation. The Panel is convinced that experienced football clubs could not reasonably understand, both in substance and in form, that the entirety of the conditions of participation would consists of three media releases merely outlining, in essence, the distribution of slots amongst the Confederations, the routes for qualification, and the criteria for quantifying the Confederation's club rankings (*i.e.* solely sporting criteria). These media releases mentioned nothing of, for example, anti-doping provisions, player eligibility and registration, the signature of an entry form or participation agreement, among other common-place and fundamental provisions pertaining to club participation. Moreover, there is a further crucial distinction between the UEFA competitions in case CAS 98/200 and the Competition: there were prior regulations applicable to previous editions of the same UEFA competition, including participation conditions, while the Competition is an entirely new event without any pre-existing applicable regulations. As such, it was to be expected that FIFA would exert its regulatory authority, setting out eligibility conditions beyond the Slot Allocation and Principles of Access passed in 2023.

211. Thus, the Panel finds that the CWC Regulations did not constitute criteria added *after* the conditions for participation had been settled and communicated. Likewise, as already stressed before, the Panel cannot follow the argument of the Clubs that they believed to have already met all the conditions for participation in the Competition, since, there is evidence on the record that the issue of MCO was being discussed between the Parties as early 27 June 2024 (*i.e.*, only a few weeks after Pachuca's qualification), though the letter sent by Grupo Pachuca to FIFA (see *supra* ¶ 12). The reasons behind the sending of this letter, as mentioned before, are unclear. The Appellants argue it was verbally requested by FIFA officials, while the Respondent contends it was sent spontaneously by the Appellants. However, for the Panel this controversy is irrelevant. The fact is that, by 27 June 2024, the MCO structure of the Clubs was already a point of discussion between the Parties. Thus, it could not have come as a surprise to the Appellants that, once the CWC Regulations were passed, certain restrictions on MCO could be contained within it.

212. Finally, the fact is that mentions of MCO provisions in FIFA's legal architecture are not unknown. For example, Article 20.2 of the FIFA Statutes, enacted in 2015 states:

> "*Every member association shall ensure that its affiliated clubs can take all decisions on any matters regarding membership independently of any external body. This obligation applies regardless of an affiliated club's corporate structure. In any case, the member association shall ensure that neither a natural nor a legal person (including holding companies and subsidiaries) exercises control in any manner whatsoever (in particular through a majority shareholding, a majority of voting rights, a majority of seats on the board of directors or any other form of economic dependence or control,*

etc.) *over more than one club whenever the integrity of any match or competition could be jeopardized*" (emphasis added).

213. This entails that MCO issues cannot be considered as surprising or wholly unknown in the context of FIFA regulations; quite the contrary.

214. Considering the foregoing, the Panel is not convinced by the Clubs' arguments that the introduction of the MCO participation requirement was extemporaneous or retroactive; quite the contrary: the matter had been discussed by the Clubs and FIFA four months before the enactment of the CWC Regulations –in June 2024– only a few weeks after Pachuca's sporting qualification to the event.

215. Finally, as to the alleged impossibility to meet the conditions for participation given the extemporaneous manner of the regulations, the Panel finds that the Clubs had reasonable time to find solutions that would allow them to meet the conditions of participation.

216. While in case CAS 98/200 the ENIC-owned clubs had less than two months to comply with the UEFA restrictions on MCO, the Clubs in this case had at the very least eight months (*i.e.,* from July 2024 to February 2025[21]) to implement measures that would have allowed them to compete. In any event, since the publication of the CWC Regulation on 3 October 2024, the Clubs were most definitely aware of Article 10.1. From that point on, the Clubs' owners were fully conscious of the provision and, in the Panel's view, had sufficient time to consider alternatives such as the sale of one of the Clubs – a measure that they will have to undertake in any case by 2027 – or the settlement of a trust, a measure that they eventually took five months later, on 1 March 2025.

217. The Panel is of the view that the Clubs' owners should have explored and proposed to FIFA concrete solutions soon after the publication of the CWC Regulations in October 2024. The Panel is of the view that it is not the responsibility of the regulatory entity to find solutions on behalf of members that do not meet eligibility criteria; rather, it was up to Appellants to propose concrete solutions to FIFA that could render them compliant with Article 10 of the CWC Regulations. By the meeting of 4 December 2024, the Appellants should have presented possible solutions to FIFA, and only if at that point FIFA failed to express its opinion on such solutions the Appellants could have some reason to complain. In any event, this did not happen, and the idea that a sports governing body is legally obliged to accompany clubs, "take them by the hand" so to speak, to seek alternative solutions to a clear normative rule, is simply not reasonable.

218. Part of the Appellants' argument here appears to hinge heavily on the 4 December 2024 meeting. However, the Panel cannot follow the line of argument presented by the Appellants in this point.

219. Firstly, by the time this meeting took place, the Clubs should have been more than well aware of their situation *vis-à-vis* Article 10.1 of the CWC Regulations; indeed, in the Panel's opinion the rule was very clear and the reasons for potential non-compliance could be apprehended through a plain reading of the text. Indeed, in CAS jurisprudence

[21] Or even later, to 1 May 2025, as will be further explained below: ¶¶ 259-263.

it is commonly accepted –and, undoubtedly, on solid grounds– that "*[t]here is no reason to depart from the plain text, unless there are objective reasons to think that it does not reflect the core meaning of the provision under review*"[22]. The expectation that the meeting of 4 December 2024 could somehow yield an exemption or derogation from a clear written rule does not seem reasonable. In this sense, the Panel recalls that Mr B., in the request for information sent to the clubs on 17 October 2024, not only informed that the administration of FIFA would carry out an initial examination of the matter, but also made the proper reservation regarding the competence that the FIFA DC would have at a later stage of such a process. Secondly, with regards to the "*consensual solution*" or the purported "*air of tranquillity*" that was allegedly transmitted by FIFA in relation to Article 10.1 of the CWC Regulations, these assertions were expressly contradicted by Mr B. in his testimony. In any event, the process by which the Club's compliance would be assessed was set out in detail in Article 10 of the CWC Regulations.

220. Consequently, the Panel finds no reason to conclude that the adoption of the CWC Regulations was vitiated by any breach of fundamental principles of law. In other words, the Panel finds that in the present case FIFA did not breach the principle of procedural fairness as it occurred in other cases (see, *e.g.*, CAS 2014/A/3776).

d. On the scope of Article 10.1 of the CWC Regulations and its proportionality

221. The Appellants also questioned the proportionality of the CWC Regulations. To begin its analysis, the Panel once again recalls the panel's reasoning in case CAS 98/200, where it found that sports regulators had a legitimate concern in restricting MCO in the competitions they organized, as highlighted below:

> "*As a result, the Panel finds that, when commonly controlled clubs participate in the same competition, the 'public's perception will be that there is a conflict of interest potentially affecting the authenticity of results'. This reasonable public perception, in the light of the above characterization of the integrity question within football (see supra, paras. 25-27), is enough to justify some concern, also in view of the fact that many football results are subject to betting and are inserted into football pools all over Europe. This finding in itself, obviously, does not render the Contested Rule admissible under the different principles and rules of law which still have to be analyzed. At this stage of its findings, the Panel merely concludes that ownership of multiple clubs competing in the same competition represents a justified concern for a sports regulator and organizer*"[23].

222. This assertion falls in line with the stated goal of Article 10.1 of the CWC Regulations, namely, to protect the integrity of the Competition. Notably, the panel in CAS 98/200 focused on the impact of the MCOs in the public's perception of a competition's integrity, with reference to betting markets. Thus, the necessity to adhere to the criteria set out in Article 10.1 of the CWC Regulations, as opposed to a factual analysis of whether the Clubs indeed operate independently, appears to be proportional to the aim. Simply, Article 10 of the CWC Regulations aims to both prevent possible collusion amongst participating clubs under the control and influence of a singular entity, as well as

[22] *Vide* CAS 2013/A/3365 & 3366, ¶ 89.
[23] CAS 98/200, ¶ 48.

safeguarding the public's perception of the Competition's integrity by limiting access to the Competition by MCO clubs. This is not to say that there is an outright ban of MCO clubs if appropriate measures are taken that both prevent *de facto* and perceived collusion amongst MCO clubs.

223. To that end, when analysing the proportionality of the contested rule in case CAS 98/200, the panel confirmed that the rule was proportional to the legitimate aim being sought, concluding the following:

> "*In conclusion, the Panel finds that the Contested Rule is an essential feature for the organization of a professional football competition and is not more extensive than necessary to serve the fundamental goal of preventing conflicts of interest which would be publicly perceived as affecting the authenticity, and thus the uncertainty, of results in UEFA competitions. The Panel finds the Contested Rule to be proportionate to such legitimate objective and finds that no viable and realistic less restrictive alternatives exist. As a result, also in the light of the previous findings that the Contested Rule does not appear to have the object or effect of restricting competition, the Panel holds that the Contested Rule does not violate Article 81 (ex 85) of the EC Treaty*"[24].

224. The Panel is aware of the evolution of the football market since the above-referenced decision was issued. Indeed, since the emergence of the ENIC group at the turn of the millennia, evermore ownership groups have acquired multiple clubs worldwide. As adduced by the Appellants, prominent ownership groups such as the City Football Group, Red Bull Group, Eagle Football Holdings, the Kingdom of Saudi Arabia's Public Investment Fund, the INEOS Group, the Friedkin Group, 777 Partners, Blue Co and many others have made significant investments in many clubs in practically all Confederations. The Mexican football market is no exception to this reality as other ownership groups are present there; not only Grupo Pachuca, but also Grupo Salina, Grupo Orlegi and Grupo Caliente.

225. Regardless, the Panel is not convinced that the evolving landscape of football ownership warrants a change in the determination made in CAS 98/200. MCO poses a threat to the integrity of sporting competition, both in practical terms (*e.g.*, inter-team transfers, unequal resource allocation and potentially match fixing, to name a few) and in the public's perception, absent a manifestation of the potential practical impacts listed beforehand. As the worldwide governing body of football, FIFA does have a *prima facie* legitimate aim in tackling these issues through regulatory means, particularly when it comes to its own competitions.

226. With the foregoing in mind, surveying the text of Article 10.1 of the CWC Regulations, the Panel finds that the criteria listed therein are proportional. The rule merely sets out criteria that qualified clubs must follow in order to be admitted to the Competition. These criteria are necessary, in the Panel's view, to safeguard the integrity of the Competition as they seek to prevent one entity from exercising control and influence over more than on participating club. The criteria, while may be considered strict, are not so onerous as

[24] CAS 98/200, ¶ 136.

to deprive owners from having two clubs participate, as long as they can demonstrate that only one participating club is under their direct control and influence. A solution to meeting these criteria may be the outright sale of one of the clubs, but it may also be that other legal instruments would allow both clubs to comply, such as –for example– the settlement of a so-called blind trust. Here, the Panel notes the First Appellant's line of questioning and Prof. O.'s answer, when asked about a trust's capacity to severe both ownership and influence. In his answer, Prof. O. asserted that a trust can effectively severe ownership and significantly curve influence when constructed correctly. On the latter assertion, falling short of a complete break in influence, the Panel notes that Article 10.1(c)(iv) of the CWC Regulations prevents "*decisive influence*". As such, the Panel believes that the consequence of the application of the CWC Regulations does not necessarily lead to the sale of one club as the only possible solution, as implied by the First Appellant.

227. Finally, the Panel is not convinced by the First Appellant's assertions that, hypothetically, Article 10.1 of the CWC Regulations would fall foul of the competition law of the European Union. Simply, the Panel cannot presume how the European Commission, or the European Court of Justice for that matter, would interpret the criteria set out in Article 10.1 of the CWC Regulations should they be applied to an MCO group controlling (*inter alia*) a club based in the territory of the European Union. Moreover, the Panel is equally not convinced that FIFA is bound to act in a manner similar to other confederations, such as UEFA or the AFC, nor that the regulations or practices of these confederations render FIFA's approach disproportionate *per se*.

228. Consequently, the Panel finds that Article 10.1 of the CWC Regulations is proportionate to the aim of safeguarding the Competition's integrity when prescribing a set of criteria to prevent two clubs from participating in the Competition when under the control and/or decisive influence of one entity.

e. Conclusion of this part of the analysis: the CWC are applicable to the Clubs

229. To sum up: the Panel concludes that the CWC Regulations are indeed applicable to the Clubs since:

i. the distinction between sporting merit and eligibility criteria is well known to experienced operators of the football world (including within Concacaf) and, thus, the Clubs could not have reasonably expected to have a vested right to participate in the Competition merely because they had qualified to it through their sporting results;

ii. the Respondent did not breach any fundamental principles of laws in enacting the CWC Regulations, as their applicability would not be retroactive since no eligibility criteria had been passed and the Clubs had sufficient time to comply with Article 10 of the CWC Regulations; and,

iii. Article 10.1 of the CWC Regulations pursues a legitimate aim proportionally, by setting out criteria preventing multiple clubs from participating in

the Competition while under the control or influence of a single entity without unreasonably banning MCO altogether.

230. Hence, the Panel dismisses the Appellants contentions analysed in this subsection regarding alleged violations of basic legal principles by the Respondent.

D. Fourth issue: In the event the CWC are found applicable, did FIFA properly enforce the CWC Regulations?

a. Preliminary considerations

231. In addition to the applicability of the CWC Regulations, the Appellants also impugned the way the Respondent proceeded to enforce them. In line with the same arguments posed in relation to the legitimate expectation of participation, the Appellants further argued that the request to sign the Participation Agreement under a short deadline came as a surprise, as they expected a dialogue to be initiated prior to any enforcement action. Posed with a difficult decision, the Appellants sought an extension to the deadline, which they assert was denied by FIFA (via Mr B.), following which they chose to sign the Participation Agreement with a "reservation of rights", which is sufficient to make Article 10 of the CWC unenforceable against them.

232. Following the signature of the Participation Agreement, which included an affirmation of compliance with, *inter alia*, Article 10 of the CWC Regulations, proceedings were initiated by the FIFA DC. The Appellants interpreted this as the Respondent intentionally having led them into a scenario where either club would be excluded from the Competition. Moreover, the Appellants argued, at the time and in these proceedings, that the Respondent had failed to provide them with the charges brought against them, consequently depriving them of their right to defend themselves. This was compounded by the quick referral of the proceedings to the FIFA AC. Additionally, the Appellants contend that both the FIFA DC and the FIFA AC ignored their reservation of rights and, thus, had initiated proceedings under the wrong premise that they had agreed to be bound by the CWC Regulations and had confirmed their compliance with Article 10.1 of the CWC Regulations.

233. In these proceedings, the First Appellant requested documentation pertaining to the time in which all other qualified clubs submitted their Participation Agreement, alleging clubs represented by the ECA had been allowed to sign the Participation Agreement at a later date. This was confirmed later, when the Respondent produced the requested documents, which reflected the fact that ECA had asked for an extension on behalf of a group of European clubs, which indeed signed the Participation Agreement on 25 April 2025 and delivered to FIFA it only on 1 May 2025. The Appellants contend that the tolerance shown towards those European clubs, allowing them to submit the Participation Agreement three months later than they had, to constitute discrimination and unequal treatment against them. The Appellants also pointed to Manchester City and Al Ain's participation, both owned by siblings, as well as pointing to MLS clubs being under one entity as further instances of discriminatory behaviour by the Respondent since these clubs were allowed to participate in the Competition.

234. In response, the Respondent argued that the letter notifying the Appellants of the proceedings before the FIFA DC listed Article 10.1 of the CWC Regulations as the source of the presumptive non-compliance. This, in addition to the preceding investigations, was sufficient information for the Appellants to mount a defence. Regarding the Participation Agreement, the Respondent alleged that the requirement to sign the Agreement before the deadline did not constitute duress as there was no threat (*i.e.*, the communication merely referred to the possibility of exclusion in the absence of the signature) and, in any event, FIFA would not materially benefit from the Clubs' exclusion. As to the reservation of rights, the Respondent argued that such declarations have no legal basis since allowing participating clubs to derogate from provisions of the CWC Regulations by way of a reservation of rights would render the CWC Regulations without practical use. On the point of unequal treatment, the Respondent argued that the difference in the dates of submission was due to the fact that ECA had requested an extension, while the Appellants had failed to do so, placing them in different circumstances. Moreover, in terms of the allegation as to other MCO clubs being allowed to participate, the Respondent affirmed that FIFA had conducted preliminary investigations on all qualified clubs, with only the Appellants giving rise to the Secretary General's doubt about their compliance with Article 10.1 of the CWC Regulations.

235. In light of the above, the Panel will proceed to analyse the enforcement of the CWC Regulations by FIFA against the Appellants in two subsections: the first will deal with the alleged procedural faults before FIFA's Judicial Bodies and the second on the other allegations surrounding the Participation Agreement, including the alleged unequal treatment.

b. On the proceedings before FIFA's Judicial Bodies and the alleged procedural deficiencies

236. As already found (*supra* ¶ 219), the Panel deems that Article 10.1 of the CWC Regulations is sufficiently clear in its meaning as to the requirements necessary for participation in the Competition with regards to the question of MCO. As such, given that the communication sent by the Respondent explicitly stated this Article as the source of the proceedings, the Panel is sufficiently satisfied that the Appellants were furnished with sufficient information in order to mount a defence. In particular, the notification of the proceedings, dated 11 February 2025, clearly stated the following:

> "*En atención a lo anterior y de acuerdo con lo dispuesto en el art. 55 del Código Disciplinario de la FIFA (CDF), les informamos que mediante la presente se inicia un procedimiento disciplinario contra el Club Pachuca y el Club León, por la presunta violación del siguiente precepto:*
>
> *Artículo 10.1 RMCF – Propiedad de varios clubes*
>
> *Asimismo, nos gustaría indicar que, en el marco de la investigación en curso, el presidente de la Comisión Disciplinaria de la FIFA ha acordado la siguiente diligencia:*
>
> *'Que se incorpore al presente procedimiento disciplinario los diferentes documentos remitidos por el Club Pachuca y el Club León, así como cualquier otra documentación que se haya recibido a requerimiento de la División Legal y de Cumplimiento de la FIFA en el periodo de octubre 2024 a diciembre 2024'*".

237. Thus, not only was the specific Article –which was the *fons juris* for the investigation– clearly communicated to the Appellants, but the letter also made reference to the previous investigative process by adding the documentation collected in said investigation into the record of these proceedings, of which the Appellants were of course fully aware, having sent FIFA abundant information regarding the specific matter of MCO (*supra* ¶¶ 16-24). The Panel further notes that the Appellants submitted many arguments broadly similar to those also submitted in these proceedings, thus duly exercising their right of defence.

238. In terms of the referral to the FIFA AC, such referral was executed pursuant to Article 56.3 of the FD Code. The Panel finds the reasoning provided by the Respondent in the communication dated 24 February 2025 was sufficiently appropriate ("*la urgencia derivada de las potenciales consecuencias disciplinarias que, en su caso, pudieran derivarse de la aplicación de los artículos 10.3 y 10.4 del Reglamento del Mundial de Clubes FIFA 2025, y ello en atención a las fechas oficiales en las que la citada competición se llevará a cabo (14 de junio al 13 de julio de 2025)*") and in line with the provisions of the applicable regulations (*i.e.,* FD Code and CWC Regulations).

239. The Panel thus finds the referral to the FIFA AC to be a reasonable exercise of the discretionary powers conferred to the Chairperson of the FIFA DC by Article 56.3 of the FD Code in light of the imminent start of the Competition.

240. In any event, pursuant to the *de novo* principle, enshrined in Article R57 of the CAS Code, it is unequivocal that the Appellants have had ample opportunity to present their case in these proceedings and before this Panel. Moreover, the Appellants have confirmed that their right to be heard has been respected throughout these proceedings. As a consequence, any alleged procedural deficiencies experienced before FIFA's Judicial Bodies has been cured during these proceedings.

241. In light of the foregoing, the Panel dismisses the Appellants' contentions as to the alleged procedural deficiencies in the previous instances.

c. Participation Agreement: on the arguments regarding duress and the reservation of rights

242. With regards to the Participation Agreement, Article 4.4 of the CWC Regulations states:

> "*All participating clubs shall confirm their participation in the Competition by submitting the Participation Agreement and any other required documentation as communicated by FIFA via the corresponding circular(s), duly signed by the deadline(s) set by FIFA. The timely submission to FIFA of any such documents is of the essence. All participating clubs shall provide FIFA with all information and/or documentation reasonably requested within the stipulated deadlines*" (emphasis added).

243. FIFA's Team Services department sent the Participation Agreement to all qualified clubs on 3 February 2025 in accordance with this rule. The Participation Agreement, *inter alia*, stated that: "*[t]his form shall be sent back by no later than 7 February 2025, failing which it may be considered that the Club has waived its right to participate in the Competition*" (emphasis added).

244. The Panel is of the view that the Appellants' contention that the Participation Agreement was signed under duress cannot be sustained. As correctly stated by the Respondent, a *threat* is necessary for there to be duress and, in the Panel's view, a warning related to the requirement to sign a Participation Agreement that had already been foreseen (four months earlier) in Article 10.1 of the CWC Regulations may not be understood to be an actual threat for the purposes of Article 30 SCO.

245. In any event, Article 30.2 SCO provides that "*[t]he fear that another person might enforce a legitimate claim is taken into consideration only where the straitened circumstances of the party under duress have been exploited in order to extort excessive benefits from him*" (emphasis added). That is, for the Appellants' claim of duress to be upheld, they must prove that FIFA would have gained a material benefit from requiring the Appellants to sign the Participation Agreement by 7 February 2025. However, this is not found in this case.

246. The Panel notes that, as stated in the First Appealed Decision, the FIFA DC only became competent to open proceedings against the Appellants once the Participation Agreements were signed (Article 10.2 and 10.3 of the CWC Regulations). Both the Chairperson of the FIFA AC and the Respondent have argued that the signature of the Participation Agreement represented an assertion of compliance with, *inter alia*, Article 10.1 of the CWC Regulations, meaning that any further action taken by the Clubs to bring themselves into compliance after 6 February 2025 was and is not admissible (in particular, the establishment of the León Trust). While the Appellants present these elements, in light of their perception of representations allegedly made by FIFA officials (in particular Mr B.), coupled with the request to submit the signed Participation Agreement by 7 February 2025, as a scheme to "exclude" one of the Clubs from the Competition, there is simply no evidence on file to suggest that this was what FIFA *actually* intended, or that any underlying motives other than the strict application of the rules existed.

247. In effect, irrespective of the apprehension of the Appellants, FIFA at this point limited itself to acting according to the procedures established in the regulations. Furthermore, as noted previously, the Panel is not convinced by the Appellants' assertion that FIFA officials – in particular, Mr B. – presented a false impression or illusion of the regulations and enforcement mechanisms, such that they could either ignore the non-compliance with the regulations or that they would find an "amicable solution" to the Clubs' non-compliance. To repeat: FIFA, as a regulatory body, does not have the responsibility to bring its members into compliance with the CWC Regulations (or, in principle at least, to any other regulation). To the contrary: it is incumbent on clubs to do so.

248. In any case, there is no evidence on file to suggest that FIFA would have gained any benefit from excluding Club León or Club Pachuca from the Competition. Moreover, the Panel also does not deem this to be the case, or that any other occult intention is found, other than the application of the pertinent regulations.

249. The Panel is likewise not persuaded by the Appellants' assertions that they executed a reservation of rights that precludes the enforcement of the CWC Regulations.

250. Firstly, the reservation of rights does not explain why Article 10.1 of the CWC Regulations should not be applicable or in which sense the Clubs should be understood as in compliance with Article 10.1. Secondly, and more importantly, a "reservation of rights" may not allow applicants to "pick and choose" selectively which provisions of a competition's regulations will apply to them. Thirdly, there must exist a right to "reserve" and, arguably, here there was no such right to participate in the Competition while under a MCO structure.

251. Consequently, due to these three related but independent reasons, for the Panel, the "reservation of rights" cannot have the effect intended by the Appellants.

252. However, considering the evidence produced in these proceedings, the same cannot be said of the allegations of unequal treatment by FIFA, as will be established by the Panel in the next sub-section.

d. Participation Agreements: on FIFA's problematically inconsistent application of the deadline and the unequal treatment in the enforcement of the deadline

253. In effect: the Panel is convinced in this point by the allegations brought forth by the Appellants, particularly after the production of the evidence regarding the execution of the Participation Agreements, and the fact that the ECA was given an extension well beyond the timeline offered to the two Mexican Clubs.

254. In this sense, the Panel begins its analysis by reaffirming its conviction that general principles of law serve as both the *foundation* and the *limit* of the ample regulatory and enforcement powers that associations such as FIFA have (*supra* ¶ 200); among these, the principle of equal treatment has without a doubt an important place.

255. The Panel identifies this principle in the same vein as the jurisprudence of the CAS, which has found that a violation of the principle of equal treatment arises when similar situations are treated differently, following the elementary idea of justice that *like cases are to be treated alike*. As the Panel in, *ex multis*, CAS 2013/A/3297 has fittingly put it: "*the principle of equal treatment is violated only when two similar situations are treated differently*"[25].

256. In analysing the facts of the case, the Panel finds that the Respondent indeed violated the principle of equal treatment. Essentially, it did this by allowing ECA clubs to submit their signed Participation Agreement months after the stated deadline, while all other qualified clubs –including, *crucially*, the Appellants– had to do so by 7 February 2025. In the Panel's view, all qualified clubs were under the same circumstance, being requested to sign the Participation Agreement by 7 February 2025, which *inter alia*, confirmed their fulfilment of the criteria under Articles 4, 5 and 10 of the CWC Regulations and thus confirmed their "participation" in the Competition.

257. In light of the above, the Panel is not convinced by the Respondent's contention that the ECA clubs and the Appellants were not in the same circumstances. Firstly, while the

[25] CAS 2013/A/3297 ¶¶ 8.38-8.39. See also CAS 2022/A/9017, ¶¶ 213-226.

Panel understands that the belated submission of the Participation Agreement by ECA clubs did not relate to Article 10 of the CWC Regulations –as is demonstrated by the ECA-FIFA email– the fact remains that all qualified clubs had been requested to file the Participation Agreement within a specific deadline, pursuant to Article 4.4 of the CWC Regulations, but an important number of clubs (*i.e.,* all the European clubs with the exception of Real Madrid) were allowed to do so later, and with no consequences as to their right of participation. This manifestly flouts the idea of equal treatment.

258. The Respondent's second argument as to there being different circumstances must also be dismissed. Indeed, there is no evidence on file that the ECA clubs were formally granted an extension of the deadline by the FIFA's Team Services department or any other FIFA body. Consequently, to find that ECA exercised its procedural rights and the Appellants did not – which would lead to the conclusion that both parties were in different situations – there needs to be evidence that the extension of the deadline was formally granted by FIFA. In the absence of such evidence, the Panel is not satisfied that the ECA clubs where in a procedurally different situation as the Appellants.

259. Given the foregoing, the Panel is sufficiently convinced by the Appellants' contention that they were subject to an unequal treatment by the Respondent.

260. As stated above, FIFA allowed some clubs to file the Participation Agreement at a time considerably after 7 February 2025. In other words, FIFA acted as if the deadline was of no consequence. However, like cases *must* be treated alike; this is an unwaivable principle of justice, inherent to the idea of law itself.

261. Therefore, the Panel finds that FIFA is estopped from enforcing said deadline against the Appellants. This idea is of course but a natural emanation of the good faith principle enshrined in Article 2(1) of the SCC and the *venire contra proprium factum* doctrine immanent to this principle, which has been consistently recognized in CAS jurisprudence[26]. In a nutshell: a sport governing body that allows a given party to ignore a deadline and submit its entry form to a competition (*i.e.* the signed Participation Agreement) months after the expiry of such deadline may not enforce that same deadline against another party –in the same situation as the first party— without violating both the principle of unequal treatment *and* the principle of good faith.

262. Nevertheless, it is emphasized that the circumstances giving rise to unequal treatment are not only determinant to the finding of the violation, but also to its consequences. In this sense, the Panel does not agree that the manner in which the unequal treatment arose gives rise to the invalidity *in toto* of the Participation Agreement, as argued by the Appellants. The source of the unequal treatment was not the substance of the Participation Agreement (*i.e.*, the submission of compliance with the CWC Regulations), but rather the enforceability by the stated deadline. In this sense, the application of this *estoppel*/*venire* principle does not nullify the Participation Agreement as such. What the estoppel/*venire*

[26] The *venire* principle is commonly found in CAS jurisprudence: *ex multis,* CAS 2015/A/4195 (which also quotes an earlier precedent: "*As maintained in CAS jurisprudence, the Sole Arbitrator understands that the doctrine of venire contra factum proprium is recognized by Swiss law, and provides that 'where the conduct of one party has induced legitimate expectations in another party, the first party is estopped from changing its course of action to the detriment of the second party'* (CAS 2008/O/1455, ¶ 16 of abstract published on CAS website)".

principle entails is that the deadline of 7 February 2025 cannot be enforced against the Clubs, since this would put them in an unequal and discriminatory position *vis-à-vis* the ECA clubs.

263. The application of this estoppel/*venire* principle, thus, has an important consequence for this case: the First Appealed Decision cannot be confirmed in its finding that the establishment of the León Trust was belated, since it was in fact created well before the date in which the ECA clubs submitted their signed Participation Agreements: 1 March 2025 and 1 May 2025, respectively. Therefore, per FIFA's own acts (*i.e., factum proprium*), the Panel is of the view that the Clubs were rightly entitled to try and prove their compliance with Article 10.1 of the CWC Regulation until at least 1 May 2025.

264. Hence, the Panel must analyse the León Trust as an at least potentially viable solution to the provisions of Article 10.1 of the CWC Regulations, since the deadline of 7 February 2025 may not be enforced by FIFA against the Clubs, for the already expounded reasons.

E. Fifth issue: Is the Trust mechanism adequate to overcome the Clubs' non-compliance with Article 10 CWC Regulations?

265. Having found that the León Trust is admissible *in tempore* due to the violation of the principle of equal treatment by FIFA, the Panel must proceed to assess the León Trust under the lens of Article 10.1 of the CWC Regulations. Preliminarily, the Panel observes that there is no evidence on file refuting the Appellants' contention that the León Trust was established in a *bona fide* attempt by the Clubs' common owner to comply with Article 10.1. However, even if established in good faith, this cannot guarantee *per se* that the features conferred to the León Trust are sufficient to bring about the needed compliance with Article 10.1.

a. The Parties' positions

266. The Second Appellant settled the Trust after its Board of Directors approved the draft Trust Agreement on 1 March 2025. When submitting the Trust before the Chairperson of the FIFA AC on 17 March 2025, the Second Appellant presented a letter signed by the Settlors regarding the settlement of the Trust, stating, in summary, the following:

- The Trust was created with the aim of guaranteeing Club León's full independence by transferring "*all voting rights and managerial powers related to the ownership, operation, and administration of*" *Club* León to the Trustees.
- The Trustees would exercise their powers independently, using their discretion over administrative, operational and strategic matters. In doing so, the Settlors were prevented from communicating, directly or indirectly, with the Trustees or from exercising any control, influence or involvement in Club León.
- With the aim of ensuring compliance with Article 10.1 of the CWC Regulations, FIFA was given the right to audit, inspect and verify the operations of the Trust at any time. Moreover, FIFA was also granted the authority to review and amend the structures of the Trust Agreement.

- The Trust was irrevocable until 31 July 2025 or until the end of the Competition.
- Beyond the provisions of the Trust, the Settlors conveyed they would refrain from (i) establishing any further commercial, financial or technical cooperation between the Clubs during the duration of the Trust, (ii) executing any inter-Club player transfers; and (iii) providing any financial support to Club León.
- Finally, additional measures were taken by Club León's Board of Directors, namely (i) the resignation of all owners from the Board of Directors; (ii) the appointment of new and independent members to the Board of Directors; and (iii) the suspension of any existing powers granted to the Settlors.

267. The Second Appellant reaffirmed in his Appeal Brief that the Trust is an instrument which brings Club León into compliance with Article 10.1 of the CWC Regulations, thus allowing FIFA to reach its legitimate aim of protecting the Competition's integrity in a proportional manner (*e.g.*, without having to resort to sale of the Club). During the hearing, the Second Appellant stated that the present proceedings should not be centred around the León Trust, but rather around the purported breaches of fundamental principles of law committed by the Respondent.

268. However, given that those arguments have been dismissed by the Panel, the central and fundamental remaining question is the Clubs' compliance with Article 10.1 of the CWC Regulations. Considering that the Panel has held that the León Trust is admissible *ratione temporis*, this instrument is the only element on file that could potentially allow both Clubs to participate in the Competition.

269. However, the Respondent submits, on the basis of the expert report and testimony of Professor O., that the Trust fails to place the Clubs into compliance with Article 10.1 of the CWC Regulations. Briefly, the Respondent argues that (i) the Trust did not treat either Grupo Pachuca or the Clubs' representation before Liga MX; (ii) the new members of Club León's Board of Directors, Messrs D. and E., were long-standing associates of the A. family and, thus, not independent; (iii) the Trustees do not have the expertise to manage a football club during the Competition; (iv) the power of substitution, allowing the Settlors to reclaim their shares in Club León at any time, preserved "*the substance of control while only momentarily relinquishing its form*"; (v) the designation of the Trustees as Nominees allows for constant communication between the Trustees and the Settlors, further reaffirming the Settlor's influence over Leon; and (vi) the independence of the Trustee is further eroded by the organizational freeze imposed by the Trust and by the possibility of the Settlors bringing actions against the Trustees for breach of fiduciary duty.

270. Additionally, the Respondent contends that the Trust is not legally binding under U.S. and Texas law since the contradiction in the dual designation of Trustees and Nominees is conceptually and functionally incompatible, given that trustees are intended to be principal, while nominees are agents. Another defect of the Trust adduced by the Respondent is the failure to include Club León as a party to the Trust, with the consequence that it is not bound by it. As a final flaw of the Trust leading to its invalidity, the Respondent illustrated ways in which, per U.S. and Texas law, the León Trust would be disregarded as to creditors' rights proceedings or for tax purposes. The Respondent

also contests the powers of supervision purportedly granted to FIFA as they never accepted them, exercising them could open FIFA up to litigation from the Settlors, and it is not within FIFA's remit to supervise and amend the internal corporate arrangement of clubs.

b. The deficiencies of the Trust mechanism vis-à-vis Article 10.1: the evidence presented and the structural inadequacies of the vehicle

271. After carefully considering the Parties' submissions and evidence on file, in particular the expert opinion of Prof. O., the Panel finds that the Trust fails to bring the Clubs into compliance with Article 10.1 of the CWC Regulations in several ways. In particular, it is insufficient since: (i) Mr A. can reacquire his majority stake in Club León at any time and without any practical restrictions; (ii) the Settlors retain a decisive influence in both Clubs; and (iii) the Trust does not address all vehicles of decisive influence held by Mr A., *e.g.,* through his son Mr C. This can also be confirmed (iv) by other factors which also reaffirm the unviability of the Trust as an alternative.

272. Before proceeding to analyse these deficiencies of the Trust, however, the Panel must underline that the Trustees, who were called by the Appellants as witnesses, did not appear to present their testimony at the hearing. Hence, no evidence whatsoever, other than its own allegations contained in their briefs, was exhibited by the Appellants with regards to the viability of the León Trust as an instrument to bring the Clubs into compliance with the CWC Regulations [27]. Therefore, the written and oral expert evidence of Prof. O. remained essentially unchallenged. Besides this evidence, however, the Panel notes that even its own examination and interpretation of the Trust Agreement and Nominee Agreements leads to the inevitable conclusion that the León trust is insufficient to satisfy the requirements of Article 10.1 of the CWC Regulations.

c. First deficiency: Mr A. right of substitution and the continued control and influence

273. Firstly, the Panel is convinced of the soundness of Prof. O.'s opinion that the "*[t]he Agreements Place Few Practical Limits on the Clubs Owner's Influence and Control*".

274. In particular, as to Mr A.'s majority ownership of Club León, Article XIX of the Trust Agreement, titled "*Income Taxation*", provides the following:

> "*Unless the right conferred upon the SETTLORS under this Article XIX shall be released by the SETTLORS, jointly or severally, by written instrument delivered to the TRUSTEE,* ***the SETTLORS, at any time or from time to time, shall have the right to reacquire all or any portion of the assets*** *of any trust created by or pursuant to this Settlement by substituting therefor other property of an equivalent value, valued on the date of substitution. Notwithstanding any other provision in this Settlement, this power is* ***exercisable by the SETTLORS without the consent of any other person (including the TRUSTEE)****. Although this power is exercisable by the SETTLORS in a non-fiduciary capacity without the consent of the TRUSTEE,*

[27] The Panel here recalls that the *onus probandi* rule in Swiss law is established in Article 8 of the SCC: "*Unless the law provides otherwise, the burden of proving the existence of an alleged fact shall rest on the person who derives rights from that fact*".

> *the SETTLORS shall only have the power to substitute assets of a trust for other assets that the TRUSTEE believes to be of equivalent value. Such power is not assignable and any attempted assignment will make the power void"* (emphasis added).

275. As noted by Professor O., Article XIX of the Trust Agreement allows whatever restrictions created by the Trust to "*be undone at a moment's notice if the Club Owners decide to reclaim their shares*", as it empowers the Settlors to "*effectively terminate the Trustees' control whenever they like*". The only practical restriction placed in the exercise of this power, *i.e.*, replacing the shares for something of equal value, is an easily satisfiable condition such that it cannot be understood to safeguard the Trust's integrity in relation to its stated purpose of allowing for Club León's participation in the Competition. The requirement to perform a transfer of equal value into the León Trust is so minimal in nature that, as the Expert Witness states, were the Settlors choose to exercise it, they would recover whatever assets they convened in a matter of mere weeks of executing the substitution or could even be fulfilled by "*offering a mere promissory note to pay in the future*".

276. The aim of this contractual provision actually appears to be discharging the Trustees from any tax burden by granting them "*grantor tax status*". As explained by Professor O., "*this status would treat the Club Owners as the owners of the Trust property for U.S. federal income tax purposes*". The practical implications of this provision are fatefully inadequate to the Appellants' *bona fide* intention to comply with the CWC Regulations.

277. As provided by the first paragraph of Article 10.1 of the CWC Regulations, "*participating clubs […] shall continue to comply with the criteria until the end of the Competition*". Thus, a substitution right that allows Mr A. to reacquire his majority stake at any point of the Competition, without consent from the Trustees and with the simple requirement to replace such shares with something of equal value, poses a concrete risk that the Clubs would fall back into non-compliance during the course of the Competition.

278. As such, this concrete risk, irrespective of the tax purpose of Article XIX of the Trust Agreement, is incompatible with the legitimate aim of Article 10 of CWC Regulations, *i.e.*, safeguarding the integrity of the Competition. Simply, FIFA cannot admit two participating clubs into the Competition on the basis that they have complied with the MCO criteria via a trust instrument that could easily cease to perform its function during the Competition. It is worth noting that, even if FIFA would have accepted the supervisory powers granted to it in Article II of the Trust Agreement –which it has not done, nor is it obliged to do so– the ease with which the Settlors could trigger its right of substitution is such that it renders any audit powers void of value.

279. Consequently, the Panel finds that even with the Trust Agreement in place, the Clubs fails to comply with Article 10.1(c)(i) of the CWC Regulations (*i.e.*, *"[n]o individual or legal entity may have control or influence over more than one club participating in the Competition*").

d. Second deficiency: the Settlors' decisive and continued influence in the Clubs

280. But there is more: the decisive influence held by Mr A. and his family over both Clubs is likewise not resolved by the León Trust. Indeed, based on the Panel's own analysis of the León Trust, supported by Prof. O.'s expert opinion, the Panel finds that the Settlors retain a significant degree of influence in Club León through (at least) the following mechanisms:

- Power of substitution: even in the absence of the Settlors triggering their right to reclaim the shares, the undisputed nature of this right erodes the Trustees' purported independence. The Trustees, in particular and given their lack of experience in football club management, are unlikely to make decisions they could perceive as running contrary to the Settlors' wishes, given that they could simply take away all decision-making power from the Trustee by reclaiming their shares, effectively revoking the Trust.

- Communication between the Trustees and Settlors: the Trust Agreement places no significant restrictions on the communication between the Trustees and the Settlors. In particular, while Article II.B.4 establishes that the Settlors are barred from instructing or in any way interfering with Club León's Board of Directors, no such restrictions exist for the Settlors instructing the Trustees. In the absence of such restrictions, coupled with the Trustees' fiduciary duty and lack of proven experience in football administration, the likelihood of the Trustees seeking instruction from the Settlors is not minor. In the Panel's view, this real possibility of communication is tantamount to decisive influence as the Settlor's effective control over the decision-making process of Club León has only been removed by one degree, *i.e.*, instead of making decisions as members of Club León's Board of Directors, they now merely have to instruct the Trustees to have the new members of the Board of Directors do so on their behalf.

- Possible litigation: the Trustees are further incentivised in acting under the direction of the Settlors due to the possibility of litigation, as posited by Prof. O. Indeed, both trustees and nominees are bound by fiduciary duties in favour of the beneficiaries or principals respectively. Any perceived dereliction of this duty by the beneficiaries, irrespective of the likelihood of success in the merits, can lead to litigation being brought in the U.S. against the trustees and/or nominees for breach of fiduciary duty. In the case of the León Trust, since the Settlors are also Beneficiaries and principals in the Nominee Agreement, they could use the threat of litigation as a further measure to exert influence over the Trustees.

281. The Panel concludes that, since the León Trust allows for communication between the Trustees and the Settlors, this entails that, were the Respondent to admit the Clubs into the Competition, it would have to solely rely on the Appellants' assurance that they would not influence the Trustees. This cannot be understood as compliance with the CWC Regulations.

e. Third deficiency: a relevant factor of influence by Club Pachuca's owner which remains outside the bounds of the León Trust

282. The Panel also notes that at least another factor of influence, which is outside the strict bounds of the Trust, also exists in this case.

283. In this sense, the Panel refers to Prof O.'s conclusion that "*Crucially, C. remains as the Club's President. As the President, he likely has direct authority to manage the Club. Mr. C. is a large stockholder of the Club and is the son of the Club's majority stockholder, A.*"[28]. Moreover, as is also there expressed, "*Mr. C.'s control is made especially strong by the fact that the Trustees cannot remove him. Article II.B.3 of the Trust Agreement provides that '[t]he officers, employers [sic], legal representatives, auditors and advisors of Club León shall continue their activities and shall remain in their position in order to guarantee the effective and efficient operation of Club León'*"[29]. Neither of these assertions were rebutted by the Appellants. Thus, Mr A.'s influence over Club León by way of his young son –thus the club's decision-making process– cannot be discarded: the Panel finds it reasonable to infer that Mr C. would not only have the normal filial relationship but also owe a considerable debt of gratitude to Mr A., given that the latter placed the former as president of a football club at a very young age: as put by Mr A. himself, this made his son into the "youngest club president" in Mexican football history. As such, this debt of gratitude, reinforced by the paternal link, arguably gives Mr A. a not immaterial degree of influence in the decision-making of Club León, the Trust Agreement notwithstanding.

284. Consequently, the Panel finds that the Trust failed to address mechanisms of decisive influence, resulting in non-compliance of Article 10.1(c)(iv) of the CWC Regulations.

f. Other relevant factors which confirm the unviability of the Trust solution

285. While the Panel finds the previous three sets of deficiencies in the Trust sufficient to reach the conclusion that the Appellants remain in non-compliance with the CWC Regulations even with the León Trust, it still notes two of the other opinions submitted by Prof. O. In particular: his opinions that "*[t]he Agreements are not legally valid*", given the incompatibility of the Trustee and Nominee designations, and that the "*Agreements would be disregarded by laws that prioritize substance over form*".

286. The Panel finds the distinction between form and substance of relevance to its determination. Indeed, while a trust, in principle, might have allowed the Clubs to comply with the CWC Regulations (depending on its concrete features), the mere settlement of any trust whatsoever cannot lead to a presumption of compliance. Instead, it was incumbent on the Appellants to establish a Trust Agreement that had a material effect on their ownership, control and influence over Club León. In fact, the Appellants had the burden to prove[30] that the León Trust indeed complied with all criteria set out in

[28] See Prof O.'s opinion at ¶ 48.
[29] See Prof O.'s opinion at ¶ 49.
[30] Again, the Panel refers to the rule of Article 8 of the SCC ("*Unless the law provides otherwise, the burden of proving the existence of an alleged fact shall rest on the person who derives rights from that fact*").

Article 10.1 of the CWC Regulations and remedied the original non-compliance of the Clubs. Considering the foregoing, the Appellants failed in both of these respects[31].

287. Finally, the Panel considers that the non-inclusion of Club León in the Trust Agreement further negates its effectiveness in pursuing the objective that supposedly justified its structuring, since the Club itself was not bound by it. This is a serious flaw that taints the León Trust beyond repair.

g. Conclusion: even allowing ex tempore the León Trust, the Clubs are non-compliant with Article 10.1 of the CWC Regulations

288. Considering the foregoing, the Panel rules that the Appellants are in non-compliance with Articles 10.1(c)(i) and 10.1(c)(iv) of the CWC Regulations, the trust mechanism notwithstanding.

289. Consequently, the Panel dismisses the Appellants claims in cases TAS 2025/A/11314 and TAS 2025/A/11315 and upholds the First Appealed Decision, albeit for the different reasons stated in this Award.

F. Sixth issue: In relation to the Second Appealed Decision, must the Secretary General's decision be annulled?

290. In light of the dismissal of the Appellants' appeals on cases TAS 2025/A/11314 and TAS 2025/A/11315, it is evident that the fate of the appeal by Club León against the Second Appealed Decision in TAS 2025/A/11316 is sealed, and that it must be dismissed.

291. Indeed: considering the Second Appellant's own decision to *motu proprio* circumscribe its appeal of the Second Appealed Decision as purely ancillary or accessory to the annulment of the First Appealed Decision (*supra* ¶¶ 160-164), if the first decision remains, then there is no possibility of annulling the Second Appealed Decision. To put it another way: given that the Second Appellant itself decided that its appeal in case TAS 2025/A/11316 would not seek to oust Club Pachuca from the Competition, but would be accessory to the destiny of the First Appealed Decision, there can be no question of annulling the Second Appealed Decision if the First Appealed Decision stands.

292. Had the appeal been directed towards Club Pachuca as a respondent, and premised on the exclusion of this team, the Panel could perhaps have considered, and analysed, whether the decision by the Secretary General was arbitrary, and not merely discretionary. But this is not the case, and this is due to Club León's own decision. Thus, the appeal cannot be entertained as a purely theoretical or lyrical exercise.

[31] The only respect in which the actions of the Appellants as of 1 May 2025 cured a compliance issue was the resignation of the members of León's Board of Directors. In doing so, the Appellants complied with Article 10.1(b) of the CWC Regulations by ensuring that no person, at least as from what the Panel can perceive from the evidence on file, was simultaneously involve *"in the management, administration and/or sporting performance of more than one club participating in the Competition"*. Notably, this was an action taken in connection with, but not strictly linked, to the settlement of the Trust. However, this does not in any way cure the other deficiencies stated above.

293. Furthermore, the Panel does not have at hand any element to judge whether Club León had any sporting advantage over Club Pachuca, to which it can contrast the Secretary General's decision. Therefore, even if procedurally the Panel could revise the Second Appealed Decision after affirming the First Appealed Decision, it would have no basis or grounds to conduct this revision.

294. The Panel thus dismisses the Second Appellant's claims in TAS 2015/A/11316 and upholds the Second Appealed Decision.

XI. COSTS

(…)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeals filed by Club de Fútbol Pachuca and Club León against the decision rendered on 20 March 2025 by the Appeals Committee of *Fédération Internationale de Football Association* are dismissed.

2. The decision rendered on 20 March 2025 by the Appeals Committee of *Fédération Internationale de Football Association* is confirmed.

3. The appeal filed by Club León against the decision rendered on 21 March 2025 by the Secretary General of *Fédération Internationale de Football Association* is dismissed.

4. The decision rendered on 21 March 2025 by the Secretary General of *Fédération Internationale de Football Association* is confirmed.

5. (…).

6. (…).

7. (…).

8. (…).

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

Seat of arbitration: Lausanne, Switzerland
Operative part: 6 May 2025
Award with grounds: 30 May 2025

THE COURT OF ARBITRATION FOR SPORT

Roberto Moreno
President of the Panel

Daniel Cravo Souza
Arbitrator

Massimo Coccia
Arbitrator

Adrián Hernández
Ad-hoc Clerk