CAS 2024/A/10957 FC Chornomorets Odesa v. LA Galaxy II

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr Manfred Nan, Attorney-at-Law, Amsterdam, The Netherlands

in the arbitration between

FC Chornomorets Odesa, Odesa, Ukraine

Represented by Mr Georgi Gradev, Mr Márton Kiss and Mr Yavor Petkov, Attorneys-at-Law, SILA International Lawyers, Sofia, Bulgaria

Appellant

and

LA Galaxy II, Los Angeles, California, United States of America

Represented by Mr Matthew Bennett, Ms Alice Skupski and Ms Jennifer Norris, Attorneys-at-Law, Centrefield LLP, Manchester, United Kingdom

Respondent

* * * * *

I. PARTIES

1. FC Chornomorets Odesa (the "Appellant" or "Chornomorets") is a professional football club with its registered office in Odesa, Ukraine. Chornomorets is registered with the Ukrainian Association of Football (the "UAF"), which in turn is affiliated to the *Fédération Internationale de Football Association* ("FIFA").

2. LA Galaxy II (the "Respondent" or "Galaxy") is a professional football club with its registered office in Los Angeles, California, United States of America. Galaxy is affiliated with Major League Soccer (the "MLS") as well as with the United States Soccer Federation (the "USSF"), which in turn is also affiliated to FIFA.

3. Chornomorets and Galaxy are hereinafter jointly referred to as the "Parties".

II. INTRODUCTION

4. This procedure revolves around Galaxy's alleged entitlement to training compensation following the registration of the Mexican football player Mr Jorge Hernández, born on 8 November 2000 (the "Player"), with Chornomorets.

5. Following this registration, the Dispute Resolution Chamber of the FIFA Football Tribunal (the "FIFA DRC") rendered a decision on 8 January 2024 and notified its grounds on 3 October 2024 (the "Appealed Decision"), ordering Chornomorets to pay Galaxy an amount of EUR 224,472.94 as training compensation, plus 5% interest.

6. In the present appeal arbitration proceedings before the Court of Arbitration for Sport ("CAS"), Chornomorets is challenging the Appealed Decision, requesting the Appealed Decision to be annulled and that FIFA be ordered to reimburse the costs of the proceedings before the FIFA DRC in the amount of USD 20,000. Galaxy requests the Appealed Decision to be confirmed.

III. FACTUAL BACKGROUND

7. Below is a summary of the main relevant facts, as established based on the written submissions of the Parties and the evidence examined in the course of the proceedings. This background information is given for the sole purpose of providing a synopsis of the matter in dispute. Additional facts may be set out, where relevant, in connection with the legal discussion. While the Sole Arbitrator has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, he refers in his Award only to the submissions and evidence he considers necessary to explain his reasoning.

A. Background Facts

8. On 18 February 2022, the USSF issued the following player passport of the Player, the content of which is not in dispute in the matter at hand:

Season	Birthday	Club(s)	Registration Dates	Status
17	17th	LA Galaxy II	20.03.2017 – 30.11.2017	Amateur
17/18	17th – 18th	LA Galaxy - DA	01.07.2017 – 31.12.2017	Amateur
18	18th	LA Galaxy II	13.03.2018 – 30.11.2018	Amateur
18	18th	LA Galaxy - DA	23.04.2018 – 23.04.2018	Amateur
19	19th	LA Galaxy II	04.03.2019 – 31.08.2019	Amateur
19/21	19th – 21st	LA Galaxy II	01.09.2019 – 30.11.2021	Professional

9. On 30 November 2021, the Player's employment contract with Galaxy expired.

10. On 18 February 2022, during the course of the calendar year of the Player's 22nd birthday, the Player was registered with Chornomorets as a professional "out of contract" player, under an employment contract with a term from 1 January 2022 until 30 June 2023 (the "Chornomorets Contract").

11. On 8 March 2022, Chornomorets terminated the Chornomorets Contract.

12. In May 2022, the Player was registered with the Belgian club KV Mechelen ("KVM") as a professional "out of contract" player.

13. On 1 June 2022, Galaxy sent a letter to KVM requesting to pay training compensation to it in the amount of EUR 536,547.94.

14. On 13 June 2022, KVM rejected Galaxy's request, arguing that Galaxy is only entitled to request training compensation from FC Chernomorets.

15. On 7 July 2022, Galaxy reasserted its request vis-à-vis KVM.

16. On the same date, KVM reiterated its rejection of Galaxy's claim and provided the latter with a letter of Chornomorets to the Player by means of which the Chornomorets Contract was terminated and a copy of the Player's player passport, referring to a registration of the Player with Chornomorets between 1 January and 8 March 2022.

17. On 28 July 2022, Galaxy sent a letter to Chornomorets requesting the latter to pay training compensation to it in the amount of EUR 359,095.89. Chornomorets did not respond to this letter.

B. Proceedings before the FIFA DRC

18. On 9 May 2023, Galaxy filed a claim against both Chornomorets as well as KVM before the FIFA DRC, allowing the FIFA DRC to determine which club was responsible to pay training compensation. Galaxy primarily claimed training compensation from Chornomorets in the amount of EUR 359,095.89, plus interest, and, subsidiarily, from KVM in the amount of EUR 536,547.95, plus interest.

19. The FIFA General Secretariat informed Galaxy that, due to TMS technical issues, it was not possible to lodge a claim against two respondents, inviting Galaxy to indicate against which club it wanted to direct its claim and that, in case no further comments were received, the claim would continue against Chornomorets.

20. Since Galaxy did not respond to the FIFA General Secretariat's request, the FIFA DRC assumed Galaxy's claim was solely directed against Chornomorets.

21. On 25 May 2023, the FIFA General Secretariat submitted a proposal to the Parties, suggesting that Chornomorets would pay to Galaxy the amount of EUR 198,754.10 as training compensation, plus interest.

22. Galaxy rejected the proposal, claiming that a mistake was made in the dates on which the Player had been registered with it. Chornomorets requested an extension of the deadline to respond and then did not provide any further comments.

23. On 25 August 2023, the FIFA General Secretariat submitted a corrected proposal to the Parties, suggesting that Chornomorets would pay to Galaxy the amount of EUR 234,800.81 as training compensation, plus interest.

24. Whereas Galaxy accepted the proposal, Chornomorets rejected it, as a consequence of which the matter was referred to the FIFA DRC for its consideration.

25. On 8 January 2024, the FIFA DRC rendered the Appealed Decision, with the following operative part:

> "*1. The claim of* [Galaxy] *is partially accepted.*
>
> *2.* [Chornomorets] *has to pay to* [Galaxy] *EUR 224,472.94 as training compensation plus 5% interest p.a. as from 21 March 2022 until the date of effective payment.*
>
> *3. Any further claims of* [Galaxy] *are rejected.*
>
> *4. Full payment (including all applicable interest) shall be made to the bank account indicated in the enclosed Bank Account Registration Form.*
>
> *5. Pursuant to article 24 of the Regulations on the Status and Transfer of Players* [the "FIFA RSTP"] *if full payment (including all applicable*

interest) is not paid within 45 days of notification of this decision, the following consequences shall apply:

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

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

6. *The consequences shall only be enforced at the request of* [Galaxy] *in accordance with article 24 paragraphs 7 and 8* [FIFA RSTP].

7. *The final costs of the proceedings in the amount of USD 20,000.00 are to be paid by* [Chornomorets] *to FIFA reference to case no. TMS 12886 (cf. note relating to the payment of the procedural costs below).*" (emphasis omitted)

26. On 3 October 2024, the grounds of the Appealed Decision were notified to the Parties, which, in in their section II, provide as follows:

1. "*The claim of* [Galaxy] *is based on the subsequent registration of the player as professional with* [Chornomorets].

2. [Chornomorets] *held that it was not responsible to pay training compensation for the registration of the player because it did not benefit from it.*

3. *After 20 days of the registration of the player, he was released as a free agent due to the Russian invasion on Ukrainian territory.*

4. *The player did not play a single match with* [Chornomorets].

5. *According to the player passport issued by the USSF the player was registered with* [Galaxy] *as follows:*

   a) *From 20 March 2017 until 1 July 2017, i.e., during 104 days of the year of the player's 17th birthday;*

   b) *From 13 March 2018 until 22 April 2018 and from 24 April 2018 until 30 November 2018, i.e., during 262 days of the year of the player's 18th birthday;*

   c) *From 4 March 2019 until 31 December 2019, i.e., during 303 days of the year of the player's 19th birthday;*

d) *From 1 January 2020 until 31 December 2020, i.e., during 366 days of the year of the player's 20th birthday; and*

e) *From 1 January 2021 until 30 November 2021, i.e., during 334 days of the year of the player's 21st birthday.*

6. *Article 2, par. 1, b) of Annexe 4 of the RSTP clearly stipulates that training compensation is due when a professional is transferred between clubs of two different associations.*

7. *In casu, the player was transferred from the* [USSF] *to the* [UAF]. *Therefore, the pre-condition stated above is fulfilled.*

8. *The obligation of paying training compensation is triggered by the registration of the player, not by the profit (or not) from him. This is supported by article 3, par. 1 of Annexe 4 of the RSTP which indicates that '(...) the club with which the player is registered is responsible for paying training compensation within 30 days of registration to every club with which the player was previously been registered (...).'*

9. *It is undisputed that the player subsequently registered with* [Chornomorets] *as a professional on 18 February 2022, i.e., during the course of the calendar year of the player's 22nd birthday, as an out of contract player.*

10. *As such, training compensation is due.*

11. *Art. 3 par. 1 of Annexe 4 of the RSTP stipulates that in the case of subsequent transfers of the professional, training compensation will only be owed to his former club for the time he was effectively trained by that club.*

12. *As such,* [Galaxy] *is entitled to receive training compensation for the subsequent professional registration of the player with* [Chornomorets].

13. *In view of all the above, it is established that training compensation is due to* [Galaxy] *for the period the player was registered with* [sic] *as described in paragraph II.5.*

14. *According to art. 3 par. 2 of Annexe 4 RSTP, the deadline for payment of training compensation is 30 days following the registration of the professional with the new association.*

15. *The player registered with* [Chornomorets] *on 18 February 2022.*

16. *Thus,* [Chornomorets] *had to pay any due training compensation by 20 March 2022.*

17. *It is undisputed that to date* [Chornomorets] *did not pay training compensation to* [Galaxy].

18. *As per art. 5 par. 2 of Annexe 4 RSTP in combination with* [sic] *3 par. 1 of Annexe 4 RSTP, in the case of subsequent transfers, training compensation is calculated based on the training costs of the new club multiplied by the number of years of training with the former club, or on a pro rata basis if less than one year.*

19. [Galaxy] *is entitled to training compensation for the 1369 days the player was registered with it during the calendar years of his 17th, 18th, 19th 20th and 21st birthdays.*

20. *Therefore,* [Galaxy] *shall receive training compensation in the amount of EUR 224,472.94.*

21. [Galaxy] *requested the award of interest rate of 5% per annum, 'as from the date on which such sum ought to have been paid'.*

22. *In this respect, the well-established jurisprudence of the DRC applies interests as from the first overdue day for the payment of training compensation.*

23. *The player was registered with* [Chornomorets] *on 18 February 2022. According to art. 3 par. 2 of Annexe 4 RSTP, training compensation was to be paid to the training club(s) 30 days after said date, i.e., until 20 March 2022.*

24. *As a result,* [Galaxy] *is entitled to receive 5% interests per annum as from the date at which training compensation became overdue to* [Galaxy]*, that is to say as from 21 March 2022. The interest rate of 5% per annum on EUR 224,472.94 shall apply until the date of effective payment of the outstanding training compensation and its applicable interest.*

25. *In view of all the above, the claim of* [Galaxy] *is partially accepted and* [Galaxy] *shall receive EUR 224,472.94, as training compensation, plus 5% interest p.a. on that amount, as from 21 March 2022 until the date of effective payment.*

26. *According to art. 25 par. 2 of the* [FIFA Procedural Rules Governing the Football Tribunal – the "Procedural Rules"]*, procedural costs are payable for disputes between clubs regarding the payment of solidarity contribution* [sic].

27. [Galaxy] *is being awarded EUR 224,472.94, an amount above USD 200,000.00.*

28. *Therefore, procedural costs levied in this respect are fixed to USD 25,000 (cf. art. 2 of Annexe 1 to the Procedural Rules).*

29. *According to art. 25 par. 5 of the Procedural Rules, the chamber will decide the amount that each party is due to pay, in consideration of the parties' degree of success and their conduct during the procedure, as well as any advance of costs paid. In exceptional circumstances, the chamber may order that FIFA assumes all procedural costs.*

30. *In view* [sic] *the specific circumstances of the case, procedural costs shall be set at USD 20,000.00.*

31. *In view of the outcome of the claim, said costs shall be borne by* [Chornomorets].

32. *Art. 24, paragraphs 7 and 8 are applicable.*"

IV. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

27. On 23 October 2024, Chornomorets filed a Statement of Appeal with CAS, challenging the Appealed Decision, in accordance with Articles R47 and R48 of the 2023 edition of the Code of Sports-related Arbitration (the "CAS Code"). In this submission, Chornomorets named Galaxy and FIFA as respondents and requested that the case be submitted to a three-member panel and nominated an arbitrator.

28. On 4 November 2024, Galaxy informed the CAS Court Office, that FIFA and Galaxy agreed to jointly appoint an arbitrator.

29. On the same day, Chornomorets filed its Appeal Brief, in accordance with Article R51 CAS Code.

30. On 9 November 2024, Chornomorets filed amended requests for relief, including a request to submit the matter to a sole arbitrator.

31. On 13 November 2024, FIFA informed the CAS Court Office that it considered that it should be excluded from the procedure as it relates to a dispute between the Parties and does not concern FIFA.

32. On 18 November 2024, Galaxy informed the CAS Court Office that it did not agree to Chornomorets' request to appoint a sole arbitrator. Galaxy also objected to Chornomorets' amended requests for relief. Further, Galaxy made an application for Security for Costs in the sum of CHF 40,000 to be paid into a CAS escrow account, arguing that this would be the sum it anticipated it would request the Panel to order as a contribution towards its costs in the event the appeal would be dismissed.

33. On 19 November 2024, Chornomorets informed the CAS Court Office that it withdrew its appeal against FIFA.

34. On 20 November 2024, the CAS Court Office informed the Parties that, pursuant to Article R50 CAS Code and in light of the circumstances of this proceeding, the Deputy President of the CAS Appeals Arbitration Division had decided to submit the present case to a sole arbitrator.

35. On 12 January 2025, Galaxy filed its Answer, in accordance with Article R55 CAS Code, *inter alia*, reiterating its objection against Chornomorets' amendment of its requests for relief and maintaining its application for Security for Costs as submitted in its letter dated 18 November 2024.

36. On 13 January 2025, the CAS Court Office informed the Parties that, pursuant to Article R54 CAS Code, and on behalf of the Deputy President of the CAS Appeals Arbitration Division, the arbitral tribunal appointed to hear the appeal was constituted as follows:

Sole Arbitrator: Mr Manfred Nan, Attorney-at-Law in Amsterdam, The Netherlands

37. On the same date, the CAS Court Office invited the Parties to express their position regarding their preference for a hearing to be held or for the Sole Arbitrator to issue an award based solely on the Parties' written submissions. Furthermore, the Parties were invited to inform the CAS Court Office whether they requested a case management conference to be held.

38. On 17 January 2025, Chornomorets requested a second round of written submissions limited to 10 pages each, informing the CAS Court Office that it "*would be open to agreeing that no hearing takes place, allowing the Sole Arbitrator to issue an award based solely on the parties' written submissions*".

39. On 20 January 2025, Galaxy informed the CAS Court office that it did not consider a case management conference and/or a hearing necessary, inviting the Sole Arbitrator to determine this matter based on the Parties' written submissions.

40. On 21 January 2025, and on behalf of the Sole Arbitrator, the CAS Court Office informed the Parties that no case management conference would be held, that the Parties were granted a second round of submissions *in lieu of* a hearing, and inviting Chornomorets i) to address Galaxy's objection to the requested amendment of Chornomorets' prayers for relief; and ii) to submit its position regarding Galaxy's application for Security for Costs.

41. On 23 January 2025, Chornomorets filed its comments regarding Galaxy's objection to the requested amendment of Chornomorets' prayers for relief and Galaxy's application for Security for Costs, requesting that Galaxy's objection and its application for Security for Costs be dismissed.

42. On 24 January 2025, Galaxy requested the Sole Arbitrator to disregard certain parts of Chornomorets' submission related to Galaxy's application for Security of Costs.

43. On 27 January 2025, on behalf of the Sole Arbitrator, the CAS Court office informed the Parties as follows:

> "[…] *the Sole Arbitrator notes that, in its submissions, the Appellant made reference to an ongoing CAS procedure, to which the Respondent objects. In this respect, the Appellant is kindly requested to refrain from referring to other ongoing and/or confidential CAS proceedings. As a consequence, the Sole Arbitrator will ignore the Appellant's citation.*
>
> *Furthermore, please be advised that the Sole Arbitrator, having considered the parties' positions regarding i) the amendment of the Appellant's requests for relief, and ii) the Respondent's application for security of costs, has decided as follows:*
>
> *i) The Appellant's amendment of its requests for relief:*
>
> *The Sole Arbitrator finds that the amended request for relief no. 2, as filed by the Appellant on 9 November 2024, is inadmissible. The Sole Arbitrator finds that no exceptional circumstances in the sense of Article R56 CAS Code are applicable, nor have they been invoked by the Appellant. Although the Appellant's time limit to file its Appeal Brief had not expired on 9 November 2024, the Appellant opted to file its Appeal Brief already on 4 November 2024. Legal certainty requires that by submitting the Appeal Brief and the confirmation of the filing of the Appeal Brief by the CAS Court Office to the Respondent on 5 November 2024, any amendments to the Appellant's requests for relief falls under the scope of Article R56 CAS Code, also because the time limit for the Respondent to file its Answer had already commenced.*
>
> *ii) Respondent's application for security of costs:*
>
> *The Sole Arbitrator finds that the Respondent did not demonstrate that the Appellant is likely incapable of paying a potential costs award. Indeed, the Appellant succeeded in paying the CAS Court Office fees and the advance of costs in the present proceedings (including the Respondent's share thereof), which also serves as a warranty that the Respondent will likely not have to claim back any administrative costs from the Appellant. As to a potential contribution towards the legal fees and other expenses incurred in connection with the present arbitration proceedings, such contributions are usually around CHF 5,000 and the Respondent failed to demonstrate why such amount should be significantly higher in the matter at hand (considering also that no hearing will be held). A relatively small of amount of around CHF 5,000 does not warrant upholding an application for security of costs. Consequently, the Respondent's application for security of costs is dismissed.*"

44. On 7 February 2025, Chornomorets filed its Reply.

45. On 27 February 2025, Galaxy filed its Rejoinder.

46. On 3 March 2025, the CAS Court Office informed the Parties that, pursuant to Article R57 CAS Code, the Sole Arbitrator deemed himself to be sufficiently well informed and confirmed his decision to not hold a hearing.

47. On 4 and 7 March 2025 respectively, Chornomorets and Galaxy returned duly signed copies of the Order of Procedure provided to them by the CAS Court Office on 4 March 2025, in which they, *inter alia*, confirmed that they had no objection as to the constitution and composition of the arbitral tribunal and that their right to be heard had been respected.

48. On 10 March 2025, on behalf of the Sole Arbitrator and in accordance with Article R59 CAS Code, the CAS Court Office informed the Parties that the evidentiary proceedings were closed.

V. SUBMISSIONS OF THE PARTIES AND REQUESTS FOR RELIEF

49. The Sole Arbitrator confirms that he carefully heard and considered in his decision all of the submissions, evidence, and arguments presented by the Parties, even if they have not been specifically summarised or referred to in the present arbitral award.

A. The Appellant

50. Chornomorets' submissions in its Appeal Brief, in essence, may be summarised as follows:

- Although the numerous flaws of the FIFA proceedings are cured by the Panel's *de novo* power pursuant to Article R57(1) CAS Code, it is a breach of the established procedure and the rules of due process by FIFA not to include the Belgian club KVM as co-respondent in the first instance proceedings.

- Article 20 and Annexe 4 FIFA RSTP do not stipulate whose responsibility it is to pay training compensation to the training club in case of a subsequent transfer. The FIFA Commentary on the Regulations on the Status and Transfer of Players (edition 2023 – the "FIFA Commentary") provides that it is the responsibility of the "new club" to pay training compensation. Pursuant to the definition of "new club" in the FIFA RSTP, this is "*the club that the player is joining*". According to well-established CAS jurisprudence, the "new club" is the one that benefits from the player's services.

- With reference to four CAS awards, in a situation where a player was registered as a professional for a short period with a middle club that did not benefit from his services and for which he did not play in official matches, the player's subsequent club, which benefits from his services, is

usually found to be the "new club" for the purposes of Article 20 FIFA RSTP and compelled to pay training compensation.

- In light of the undisputed facts of the case, particularly that the Player was registered with Chornomorets for 20 days only, did not participate in any official match, and because Chornomorets did not benefit from the Player's services, Chornomorets does not have standing to be sued based on Article 20 and Annexe 4 FIFA RSTP and is not liable to pay training compensation to Galaxy.

- Finally, if the Appealed Decision is annulled, FIFA cannot retain the procedural costs paid by Chornomorets in the amount of USD 20,000 as required by the Appealed Decision, as this would constitute an unjust enrichment. FIFA shall therefore reimburse Chornomorets with this amount.

51. On this basis, Chornomorets submits the following prayers for relief in its Appeal Brief:

> "*1. Annul the Appealed Decision.*
>
> *2. Order FIFA to reimburse USD 20,000 to the Appellant.*
>
> *3. Order the Respondents – severally or jointly – to bear all costs incurred with the present procedure.*
>
> *4. Order the Respondents – severally or jointly – to pay the Appellant a contribution towards its legal and other costs in an amount to be determined at the Panel's discretion.*"

B. The Respondent

52. Galaxy summarised its submissions in its Answer as follows:

- "*In summary,* [Chornomorets] *does not dispute that it acquired the Player by way of a Qualifying Registration for the purposes of the TC Rules in February 2022 or that* [Galaxy] *has invested in training and developing the Player. The Appeal is therefore based exclusively on the premise that* [Chornomorets] *should nevertheless be exempt from the obligation to pay Training Compensation which would ordinarily fall upon it under the TC Rules, because it did not 'profit' from its registration of the Player.*

- [Chornomorets'] *position cannot be correct and the Appeal therefore falls to be dismissed because:*

  - *the TC Rules are clear and unequivocal that a Qualifying Registration of the Player has taken place and* [Chornomorets] *is*

the 'new club' which is liable to pay Training Compensation in respect of the same;

- *the TC Rules do not provide any scope for a new club's Training Compensation liability to be adjusted or extinguished based on an assessment of the value or profit it has received from a player. This would, in any event, be unworkable in practice, given that Training Compensation is required to be paid within the first thirty days of a Player's registration with a 'new club', at a time when such value is unlikely to be discernible;*

- *the CAS jurisprudence relied upon by* [Chornomorets] *is not relevant to the present matter, as it shows only that the question of whether any 'benefit' has been obtained by a new club from a player can be taken into account as an evidential factor when determining whether an unlawful 'bridge transfer' has taken place – this scenario is entirely distinct from the present matter;*

- *the effects of the Russian Invasion on international football regulatory matters has been thoroughly considered and legislated for in Annex 7 and this does not include any concessions in respect of the TC Rules in* [Chornomorets'] *circumstances. It can therefore be averred that FIFA legislators have made a deliberate decision that the TC Rules should apply to* [Chornomorets] *in the ordinary way and therefore that Training Compensation is due to* [Galaxy] *in respect of the Player irrespective of the impact of the Russian Invasion, as held by the FIFA DRC; and*

- *the absence of KVM from the FIFA Proceedings was the result of a deliberate choice by* [Galaxy] *to bring a claim against* [Chornomorets] *and did not have any bearing on the ultimate outcome of the case, given that it was always open to the FIFA DRC to find that* [Chornomorets] *was not liable to pay Training Compensation based on the facts and the applicable regulations irrespective of the involvement (or not) of KVM. The fact that it did not do so is therefore a legally sound decision which must be upheld.*"

53. On this basis, Galaxy submits the following prayers for relief in its Answer:

"*I. this Answer is admissible and well-founded;*

II. the Appellant's appeal is dismissed in its entirety and the Appealed Decision is upheld in full;

III. the Appellant must pay the costs of these appeal proceedings in full; and

IV. The Appellant must pay in full, or, in the alternative a significant contribution towards, the legal costs and expenses of the Respondent pertaining to these appeal proceedings before the CAS, pursuant to Article R64.5 of the CAS Code."

C. The Appellant

54. Chornomorets summarised its submissions in its Reply as follows:

- "[Galaxy's] *arguments are inconsistent and contradict its prior submissions before FIFA.* [Chornomorets] *did not benefit from the Player's services and was prevented from doing so by force majeure.* [Galaxy] *misapplied CAS jurisprudence and selectively changed its legal strategy.*

- [Galaxy's] *contradictory arguments before FIFA and CAS demonstrate a clear case of venire contra factum proprium, violating fundamental principles of consistency, fairness and good faith. By shifting its stance on key issues – such as the identity of the 'new club', the relevance of benefitting from the Player's services, the applicability of bridge-transfer jurisprudence, and the impact of the war on* [Chornomorets] – [Galaxy] *has acted in bad faith, manipulating the process to its advantage rather than pursuing a just resolution.*

- *Such conduct undermines the integrity of sports arbitration and must not be tolerated. Given that KVM acquired the Player for free and benefitted from his services, imposing the financial burden of training compensation on* [Chornomorets] *is both legally and morally unjustifiable. Consequently,* [Chornomorets] *urges CAS to reject* [Galaxy's] *claims and uphold the principles of fairness and procedural consistency.*"

D. The Respondent

55. Galaxy summarised its submissions in its Rejoinder as follows:

- "*In summary, the Reply takes* [Chornomorets'] *case no further. As is abundantly clear,* [Galaxy] *has acted in good faith throughout this matter and has sought to defend its legal entitlement to Training Compensation in a way which is consistent, reasonable and legally sound.*

- [Galaxy] *reiterates that: i) it is undisputed between the parties that* [Galaxy] *provided training and development to the Player; ii) the Player's registration was subsequently transferred from* [Galaxy] *to* [Chornomorets] *during the season of his 22nd birthday; iii) the transfer occurred before the Russian Invasion was commenced; iv) as a*

> *consequence of the transfer,* [Chornomorets] *was required to pay Training Compensation to* [Galaxy] *pursuant to the TC Rules; and iv)* [sic] *the Appealed Decision was consequently correct and should be upheld.*"

VI. JURISDICTION

56. While the 2022 edition of the FIFA Statutes was in force at the time the Appealed Decision was rendered, when the grounds of the Appealed Decision were notified and Chornomorets filed its appeal, the 2024 edition of the FIFA Statutes had entered into force.

57. According to the principle of *tempus regit actum*, substantive aspects are governed by the regulations in force at the time of the relevant facts, while procedural matters are governed by the rules in force at the time when the procedural action occurs (CAS 2020/A/6834, para. 128, with further references to CAS 2016/O/4683, CAS 2016/O/4883).

58. On this basis, the Sole Arbitrator finds that the 2024 edition of the FIFA Statutes is applicable with respect to the jurisdiction of CAS, which edition however does not fundamentally differ from the 2022 edition of the FIFA Statutes with respect to the issues at stake in the present appeal arbitration proceedings.

59. The jurisdiction of CAS, which is not disputed, derives from Article 50(1) FIFA Statutes (2024 edition), as it determines that "[a]*ppeals against final decisions passed by FIFA and its bodies shall be lodged with CAS within 21 days of receipt of the decision in question*", and Article R47 CAS Code. The jurisdiction of CAS is not contested and is further confirmed by the Order of Procedure duly signed by the Parties.

60. It follows that CAS has jurisdiction to adjudicate and decide on the present dispute.

VII. ADMISSIBILITY

61. The appeal was filed within the deadline of 21 days set by Article 50(1) FIFA Statutes. The appeal complied with all other requirements of Article R48 CAS Code, including the payment of the CAS Court Office fee.

62. It follows that the appeal is admissible.

VIII. APPLICABLE LAW

63. Article R58 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 that the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision.*"

64. Article 49(2) FIFA Statutes (2024 edition) provides as follows:

> "*The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law.*"

65. Chornomorets submits that, in accordance with Article R58 CAS Code and Article 56(2) FIFA Statutes (2022 edition), the Sole Arbitrator shall primarily apply the various regulations of FIFA and, additionally, Swiss law.

66. Galaxy contends that, in accordance with Article R58 CAS Code and Article 56(2) FIFA Statutes (2022 edition), the CAS shall primarily apply the FIFA RSTP in order to determine this matter and, additionally, Swiss law in respect of any matters which are not expressly provided for in the FIFA RSTP.

67. The Sole Arbitrator finds that, as undisputed between the Parties and in accordance with what was held in the Appealed Decision, the present proceedings are primarily governed by the various regulations of FIFA, more specifically the FIFA RSTP (edition August 2021) and, additionally, Swiss law.

IX. MERITS

A. The Main Issues

68. Based on the Parties' written submissions, the main issues for determination are the following:

i) Did Chornomorets have standing to be sued?
ii) Did Galaxy act venire contra factum proprium and/or did it breach principles of fairness and consistency?
iii) Were there any procedural flaws in the proceedings before the FIFA DRC?
iv) Is Galaxy entitled to training compensation as awarded in the Appealed Decision?

69. The following provisions of the FIFA RSTP are of relevance in this matter.

70. Article 20(1) FIFA RSTP:

"*Training compensation shall be paid to a player's training club(s): (1) when a player signs his first contract as a professional, and (2) each time a professional is transferred until the end of the calendar year of his 23rd birthday. The obligation to pay training compensation arises whether the transfer takes place during or at the end of the player's contract. The provisions concerning training compensation are set out in Annexe 4 of these regulations. The principles of training compensation shall not apply to women's football.*"

71. Article 1(1) of Annexe 4 FIFA RSTP:

"*A player's training and education takes place between the ages of 12 and 23. Training compensation shall be payable, as a general rule, up to the age of 23 for training incurred up to the age of 21* […]."

72. Article 2(1) of Annexe 4 FIFA RSTP:

"*Training compensation is due when:*

a) a player is registered for the first time as a professional; or

b) a professional is transferred between clubs of two different associations (whether during or at the end of his contract) before the end of the season of his 23rd birthday. […]."

73. Article 3 of Annexe 4 FIFA RSTP:

"*1. On registering as a professional for the first time, the club with which the player is registered is responsible for paying training compensation within 30 days of registration to every club with which the player has previously been registered (in accordance with the players' career history as provided in the player passport) and that has contributed to his training starting from the calendar year of his 12th birthday. The amount payable is calculated on a pro rata basis according to the period of training that the player spent with each club. In the case of subsequent transfers of the professional, training compensation will only be owed to his former club for the time he was effectively trained by that club.*

2. In both of the above cases, the deadline for payment of training compensation is 30 days following the registration of the professional with the new association.

[…]"

74. Article 5 of Annexe 4 FIFA RSTP:

"*1. As a general rule, to calculate the training compensation due to a player's former club(s), it is necessary to take the costs that would have been incurred by the new club if it had trained the player itself.*

2. Accordingly, the first time a player registers as a professional, the training compensation payable is calculated by taking the training costs of the new club multiplied by the number of years of training, in principle from the calendar year of the player's 12th birthday to the calendar year of his 21st birthday. In the case of subsequent transfers, training compensation is calculated based on the training costs of the new club multiplied by the number of years of training with the former club.

3. To ensure that training compensation for very young players is not set at unreasonably high levels, the training costs for players for the calendar years of their 12th to 15th birthdays (i.e. four calendar years) shall be based on the training and education costs of category 4 clubs.

4. The Dispute Resolution Chamber may review disputes concerning the amount of training compensation payable and shall have discretion to adjust this amount if it is clearly disproportionate to the case under review."

75. Against the above regulatory background, the Sole Arbitrator will assess the arguments brought forward by the Parties to establish whether Chornomorets had standing to be sued and whether the prerequisites for awarding training compensation are satisfied.

i) Did Chornomorets have standing to be sued?

76. The first point of contention in these proceedings is whether Chornomorets had standing to be sued before the FIFA DRC. Whereas Chornomorets, *inter alia*, argues that it did not have standing to be sued based on Article 20 and Annexe 4 FIFA RSTP, Galaxy claims that Chornomorets had standing to be sued.

77. The question of who has standing to be sued, or *légitimation passive* in French, is a question of the merits implying that if Chornomorets' standing to be sued is denied, then the appeal, albeit admissible, must be dismissed (CAS 2020/A/7144, para. 87 of the abstract published on the CAS website, with further references to SFT 128 III 50 of 16 October 2001, at 55; SFT 4A_424/2008 of 22 January 2009, para. 3.3; CAS 2008/A/1639, para. 3).

78. According to CAS doctrine "*a party has standing to be sued only if it has some stake in the dispute because something is sought against it, and is personally obliged by the dispute at stake*" (MAVROMATI / REEB, The Code of the Court of Arbitration for Sport: Commentary, Cases and Materials, 2015, p. 411, nr. 65).

79. The Sole Arbitrator finds that Chornomorets had standing to be sued before the FIFA DRC, because Galaxy sought a ruling from the FIFA DRC ordering Chornomorets to pay Galaxy training compensation in the amount of EUR 359,095.89, plus interest. Accordingly, Galaxy clearly sought something from Chornomorets.

80. The Sole Arbitrator will address below whether the Appealed Decision was correct in deciding that Chornomorets had to pay training compensation to Galaxy, but the mere fact that a financial claim was directed at Chornomorets is sufficient to establish its standing to be sued.

81. Consequently, the Sole Arbitrator finds that Chornomorets had standing to be sued before the FIFA DRC.

ii) Did Galaxy act venire contra factum proprium and/or did it breach principles of fairness and consistency?

82. Galaxy, in its claim against Chornomorets and KVM before the FIFA DRC, primarily claimed training compensation from Chornomorets. Galaxy's subsidiary claim against KVM was pre-conditioned on the prior rejection of the primary claim against Chornomorets:

> "*The Claimant's primary position is that its right to Training Compensation must remain unaffected by the Russian Invasion and its consequences, particularly given that the FCC Training Compensation Amount was required to be paid by FCC by 31 January 2022, some weeks before the Russian Invasion was commenced. FIFA is therefore respectfully requested to order FCC to make payment to it of the FCC Training Compensation Amount (i.e. €359,095.89 (three hundred and fifty-nine thousand and ninety-five euros and eighty-nine cents)) plus interest thereon.*
>
> *However, in the event that FIFA is not minded to impose a Training Compensation obligation on FCC in respect of the Player in the circumstances, the Claimant submits that it cannot be permitted to lose out on its Training Compensation entitlement as a result. This is particularly so when KVM has acquired the Player without making any payment and regularly selected him as a member of its first team, thereby gaining the benefit of over seven years of training which has been provided by the Claimant at significant cost to it.*
>
> *The Claimant consequently submits that if the FCC Registration is deemed by the DRC to have been extinguished, and therefore have no consequence for the purposes of Training Compensation, then the logical corollary of such finding must be that the Player's transfer to KVM becomes the 'subsequent transfer' for the purposes of Training Compensation and the Claimant remains the 'former club' and retains an entitlement to Training*

Compensation." (Galaxy's Statement of Claim in the proceedings before the FIFA DRC, paras. 34-36)

83. The Sole Arbitrator finds that Galaxy, in initially pursuing a subsidiary claim for training compensation against KVM based on specific arguments that were not featured in its primary claim against Chornomorets, did not act *venire contra factum proprium* or breached any principles of fairness and consistency. Galaxy at no point in time formally waived its primary claim against Chornomorets. In fact, by not responding to FIFA's indication that in case no further comments were received, the claim would continue against Chornomorets, Galaxy tacitly chose to pursue only its primary claim against Chornomorets and waive its subsidiary claim against KVM.

84. Consequently, Galaxy did not act *venire contra factum proprium* and it did not breach principles of fairness and consistency.

iii) Were there any procedural flaws in the proceedings before the FIFA DRC?

85. As recognized by Chornomorets, any procedural flaws that may have occurred in the proceedings before the FIFA DRC are cured by the *de novo* review of CAS.

86. The Panel agrees with CAS jurisprudence (with reference to jurisprudence of the European Court of Human Rights (the "ECtHR") and the SFT") on this topic:

> "'[I]*f the hearing in a given case was insufficient in the first instance* […] *the fact is that, as long as there is a possibility of full appeal to the Court of Arbitration for Sport, the deficiency may be cured' (CAS 94/129 award of 23 May 1995, par. 59). Later the CAS has reaffirmed this principle, holding that 'the virtue of an appeal system which allows for a rehearing before an appeal body is that issues relating to the fairness of the hearing before the Tribunal of First instance 'fade to the periphery'' (CAS 98/211, award of 7 June 1999, par. 8). More recently, the CAS has further relied on the Swiss Federal Tribunal case law, which held that 'any infringement of the right to be heard can be cured when the procedurally flawed decision is followed by a new decision, rendered by an appeal body which had the same power to review the facts and the law as the tribunal of first instance and in front of which the right to be heard had been properly exercised' (CAS 2006/A/1177, award of May 2009, par. 7.3). For another recent case, see for instance, CAS 2008/A/1594 para. 109, 'However, as CAS has complete power to review the facts and the law and to rule the case de novo, the procedural deficiencies which affected the procedures before FILA disciplinary bodies may be cured by virtue of the present arbitration proceedings (see e.g. CAS 2006/A/1175 paras. 61 and 62, CAS 2006/A/1153, para. 53, CAS 2003/O/486, para. 50)'. This CAS jurisprudence is actually in line with European Court of Human Rights decisions, which in par. 41 of the Wickramsinghe Case concluded that 'even where an adjudicatory body determining disputes over civil rights and obligations does not comply with Article 6 (1) [ECHR] in some respect, no violation of the Convention will be found if the proceedings before that body*

> *are subject to subsequent control by a judicial body that has full jurisdiction and does provide the guarantees of Article 6 (1)'.*" (CAS 2022/A/8695, para. 85 of the abstract published on the CAS website, with reference to CAS 2009/A/1920, para. 87)

87. The Sole Arbitrator finds that Chornomorets' right to be heard was fully respected in the present appeal arbitration proceedings. Indeed, Chornomorets confirmed the same by signing the Order of Procedure.

88. As to the substance of Chornomorets' argument, although it was somewhat unusual for FIFA to indicate that, due to TMS technical issues, it was not possible for Galaxy to lodge a claim against two respondents, this did not adversely affect Chornomorets. If it had a negative impact on any party, it was on Galaxy, but Galaxy raised no objection.

89. FIFA provided Galaxy with the possibility to choose between filing a claim against Chornomorets or KVM and that, in case no further comments were received, the claim would continue against Chornomorets.

90. Since Chornomorets did not respond, and in the absence of any objection from Galaxy, the Sole Arbitrator finds that FIFA rightly considered Chornomorets as the sole respondent and that Galaxy thereby opted to only pursue its primary claim against Chornomorets and waived its subsidiary claim against KVM.

91. Consequently, the Sole Arbitrator finds that the alleged procedural flaws in the proceedings before the FIFA DRC did not occur and any such alleged default is in any event cured by means of the present appeal arbitration proceedings.

iv) Is Galaxy entitled to training compensation as awarded in the Appealed Decision?

92. First of all, Article 20(1) FIFA RSTP distinguishes between two types of situations that entitle training club(s) to training compensation: i) a first registration as a professional; and ii) a subsequent transfer.

93. In the matter at hand, the Player signed his first professional employment contract as a football player with Galaxy. Whether this triggered the payment of any training compensation by Galaxy is not at stake in the matter at hand. This procedure concerns the second type: a subsequent transfer from Galaxy to a new club.

94. Galaxy incurred expenses in the training and education of the Player between the ages of 12 and 21. After the Player's first professional employment contract with Galaxy expired, the Player was registered with Chornomorets on 18 February 2022 in the calendar year of his 22nd birthday.

95. Pursuant to Article 3(1) of Annexe 4 FIFA RSTP, this entitled the former club (i.e., Galaxy) to training compensation for the time the Player was effectively trained by it.

96. As argued by Chornomorets, it is true that no specific provision in the FIFA RSTP specifically provides that, in the case of a subsequent transfer, it is the next club where a player is registered that is required to pay training compensation.

97. However, the Sole Arbitrator finds that it can nonetheless generally be derived from the FIFA RSTP and the training compensation system as a whole that it is in principle the next club with which the player is registered as a professional that is required to pay training compensation.

98. With respect to the first type of situation, i.e., a first registration as a professional, Article 3(1) of Annexe 4 FIFA RSTP provides that "*the club with which the player is registered is responsible for paying training compensation*". Chornomorets did not provide any argument why this should be different for the second type of situation, i.e., a subsequent transfer. Indeed, both types of situations are addressed in Article 3(1) of Annexe 4 FIFA RSTP, so there is no reason why the afore-cited sentence should not apply to the situation of a subsequent transfer.

99. This is also confirmed by the FIFA Commentary on Article 3(1) of Annexe 4 FIFA RSTP, i.e., no distinction is made as to the entity required to pay training compensation in both types of situations:

> "*This article provides the key principles concerning the responsibility of clubs to pay, and the ability of clubs to receive, training compensation. According to these principles, it is the responsibility of the new club (the club with which the player is registered following a transfer) to pay training compensation. The extent of this obligation varies depending on whether the new club is registering the player for the first time as a professional, or if they join the new club following an international transfer as a professional player. The key principle is that, subject to all the relevant conditions being met, any club that trained a player between the calendar year of their 12th and 21st birthdays is only entitled to receive training compensation once, if at all.*" (FIFA Commentary, p. 377)

> "*Training compensation must be paid by the player's new club within 30 days of the player being registered with the member association to which the new club is affiliated.*" (FIFA Commentary, p. 381)

100. Since the Player was registered with Chornomorets as a professional football player on 18 February 2022, Chornomorets is in principle "*the player's new club*" which would be required to pay training compensation to Galaxy.

101. For the avoidance of doubt, it should be noted that the exception contemplated in Article 6(3) of Annexe 4 FIFA RSTP, i.e., that no training compensation is payable if the former club does not offer the player a contract or can otherwise justify that it is entitled thereto, only applies to players moving from one association to another inside the territory of the EU/EEA. Since Galaxy is not a member of an association inside the territory of the EU/EEA, such exception is not applicable in the matter at hand.

102. As correctly argued by Chornomorets, there have been exceptions to the general rule that it is "*the player's new club*" that shall pay training compensation. Chornomorets refers to four CAS awards in this respect.

103. However, as correctly argued by Galaxy, all four CAS awards relied upon by Chornomorets relate to so-called "bridge transfers", i.e., a practice described as follows in a CAS award, which the Sole Arbitrator considers to be a proper description of the phenomenon:

> "*A bridge transfer occurs when a club is used as an intermediary bridge in the transfer of a player from one club to another. The fictitious passage through this club is used to circumvent, for example, the payment of training compensation.*
>
> *A bridge transfer has three main characteristics:*
>
> - *A bridge transfer is made for no apparent sporting reason, there is a non-sporting purpose underlying the move.*
> - *Secondly, there are three clubs involved in this triangular structure:*
>
> *i The club where the player was firstly registered;*
> *ii The "bridge club", usually a club of a lower level;*
> *iii And the final club of destination.*
>
> - *The last characteristic is the short period of time that the player is engaged with the bridge club. Frequently, such a player does not play any match at all with this club.*" (CAS 2019/A/6639, paras. 70-71)

104. Although citing a single sentence obviously does not do full justice to the elaborate reasoning set forth in the four CAS awards, the Sole Arbitrator nonetheless considers it compelling to do so, to demonstrate that in all four CAS awards there was an element of circumvention or lack of genuineness:

- "*The Panel totally agrees with the members of FIFA DRC when concluded 'that the player's short period of registration with Svyturis was intended to circumvent the application of the relevant provisions for training compensation and that the Respondent was the club that benefitted from the training efforts of the Claimant'*." (CAS 2019/A/6639, para. 77 of the abstract published on the CAS website)

- "[…] [T]*he Panel considers that FK Ventspils, for which the Player exclusively played subsequently to the signing of his first professional contract and which effectively benefited from the efforts of training the Player invested by FC Stefan cel Mare, tried to circumvent the application of the provisions regarding the payment of training compensation.*" (CAS 2011/A/2544, para. 15 of the abstract published on the CAS website)

- "*FC Rostov benefited from the training efforts invested in the Players by FC Spartak. Without ever having trained or played for FC Mitos, the genuineness of the transfer of the Players to FC Mitos is doubtful.*" (CAS 2011/A/2477, para. 68 of the abstract published on the CAS website)

- "*The Panel also observes that it is difficult to understand why a player who is rated highly and who has captained the Hungarian under 19 team and who has attracted the attention of Inter Milan should elect to move to a club in Malta and stay there for little more than a week before moving on to Italy.*" (CAS 2009/A/1757, para. 27 of the abstract published on the CAS website)

105. Contrary to the situation in the four afore-mentioned CAS awards, the Sole Arbitrator finds that no element of circumvention or lack of genuineness is at stake in the matter at hand. The Chornomorets Contract appears to have been genuinely terminated by Chornomorets as a consequence of the Russian invasion of Ukraine. There is no indication on file suggesting that the Player's registration and subsequent deregistration with Chornomorets was somehow concocted together with KVM to reduce the amount of training compensation payable to Galaxy. Such argument has also not been advanced.

106. Rather, Chornomorets basically argues that it is not fair that it be required to pay training compensation while it never benefitted from the services of the Player.

107. Although the Sole Arbitrator has sympathy for the difficult situation Chornomorets found itself in due to the Russian invasion, arguably forcing it to release the Player from the Chornomorets Contract involuntarily, the obligation to pay training compensation is in principle triggered by the registration of the Player. Indeed, Article 3(1) of Annexe 4 FIFA RSTP provides, *inter alia*, that "*the club with which the player is registered is responsible for paying training compensation within 30 days of registration*". The Sole Arbitrator finds that this demonstrates that the extent of the benefit obtained from the registering club is in principle irrelevant. Rather, as argued by Galaxy, the training compensation system contemplated for in the FIFA RSTP is a "backward looking" system designed to reward training clubs for having invested time and money in training and developing young players, regardless of the level of success such players go on to achieve.

108. With respect to Chornomorets' argument that the FIFA DRC did not factor in the impact of *force majeure*, allegedly preventing Chornomorets from benefitting from the Player, in the Appealed Decision, the Sole Arbitrator finds that, while the situation related to the Russian invasion may potentially have been a *force majeure* situation, justifying the termination of the Chornomorets Contract, it did not impact on the Player's registration with Chornomorets, which took place before the Russian invasion. It is the registration that triggered Galaxy's entitlement to training compensation, not what happened afterwards.

109. The Sole Arbitrator feels comforted in this approach because FIFA issued regulations specifically addressing the situation related to the Russian invasion. However, as rightly

argued by Galaxy, Annexe 7 FIFA RSTP does not release clubs from their existing obligations under the rules concerning training compensation. Article 8(1) of Annexe 7 FIFA RSTP only addresses the concept of training compensation in the context of a previous registration in the UAF or the FUR and where the relevant employment contract was suspended:

> "*No training compensation is due for any player whose previous registration was in the UAF or FUR and whose contract has been suspended in order to be registered with a new club in accordance with this annexe.*"

110. Accordingly, regardless of the fact that Annexe 7 FIFA RSTP was only introduced after the Player was registered with Chornomorets, the situation in the matter at hand, i.e., a registration of a professional football player to a club affiliated with the UAF, is in any event not covered by Annexe 7 FIFA RSTP.

111. Since the argument is dismissed, the Sole Arbitrator does not consider it necessary to address Galaxy's objection to the fact that Chornomorets raised the argument related to *force majeure* only for the first time in its Reply and that it should therefore be inadmissible.

112. Even if it would be considered unfair for Chornomorets to pay training compensation, *quod non*, the Sole Arbitrator finds that it would also be unfair to require KVM to pay training compensation to Galaxy. This sets the situation in the matter at hand apart from the situation in so-called bridge transfer cases. Indeed, KVM appears to have done its due diligence and provided evidence to Galaxy demonstrating that it had documentary evidence of the termination of the Chornomorets Contract by Chornomorets. Under the applicable rules, this should normally serve as a warranty for KVM that it would not be exposed to any claim for training compensation by Galaxy. The mere fact that Galaxy nonetheless claimed training compensation from KVM on a subsidiary basis is irrelevant for present purposes, because such claim was eventually waived.

113. Since the amount of training compensation payable and the interest awarded on top *therefore* are not disputed by Chornomorets, the Sole Arbitrator has no reason to consider whether a reduction of the amount awarded by means of the Appealed Decision would be appropriate.

114. Consequently, the Sole Arbitrator finds that Chornomorets is required to pay Galaxy training compensation in the amount of EUR 224,472.94, plus interest at a rate of 5% *per annum* as from 21 March 2022 until the date of effective payment.

115. Finally, considering that the Appealed Decision is confirmed with respect to the amount of training compensation to be paid by Chornomorets to Galaxy, the Sole Arbitrator finds that Chornomorets claim to be reimbursed with the amount of CHF 20,000 by FIFA is moot. In any event, since Chornomorets withdrew its appeal against FIFA, such claim could not be entertained.

B. Conclusion

116. Based on the foregoing, the Sole Arbitrator holds that:

i) Chornomorets had standing to be sued before the FIFA DRC.
ii) Galaxy did not act *venire contra factum proprium* and it did not breach principles of fairness and consistency.
iii) There were no procedural flaws in the proceedings before the FIFA DRC and any such alleged default is in any event cured by means of the present appeal arbitration proceedings.
iv) Chornomorets is required to pay Galaxy training compensation in the amount of EUR 224,472.94, plus interest at a rate of 5% *per annum* as from 21 March 2022 until the date of effective payment.

117. Consequently, Chornomorets' appeal is dismissed, and the Appealed Decision is confirmed.

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

X. COSTS

(…)

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ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed on 23 October 2024 by FC Chornomorets Odesa against the decision issued on 8 January 2024 by the Dispute Resolution Chamber of the *Fédération Internationale de Football Association* is dismissed.

2. The decision issued on 8 January 2024 by the Dispute Resolution Chamber of the *Fédération Internationale de Football Association* is confirmed.

3. (…).

4. (…).

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

Seat of arbitration: Lausanne, Switzerland
Date: 27 June 2025

THE COURT OF ARBITRATION FOR SPORT

Manfred Nan
Sole Arbitrator