CAS 2025/A/11025 FC Partizan v. Ericksson Patrick Correia Andrade

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr Kepa Larumbe, Attorney-at-law in Madrid, Spain

in the arbitration between

FC Partizan, Serbia

Represented by Mr Zoran Damajnovic and Ms Ksenija Damjanovic, Attorneys-at-law in Belgrade, Serbia and Dr Marco del Fabro, Attorney-at-law in Zürich, Switzerland

-Appellant-

and

Mr Ericksson Patrick Correia Andrade, Cape Verde

Represented by Mr José Miguel Sampaio e Nora, Attorney-at-law in Lisbon, Portugal

- Respondent-

I. PARTIES

1. FC Partizan (the "Appellant", the "Club" or "Partizan") is a Serbian professional football club based in Belgrade, Serbia, and affiliated with the Football Federation of Serbia, which in turn is also affiliated with the *Fédération Internationale de Football Association* ("FIFA").

2. Mr Ericksson Patrick Correia Andrade (the "Appellant" or the "Player") is a professional football player of Cape Verdian nationality.

II. FACTUAL BACKGROUND

A. Background Facts

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

4. On 1 July 2022, the Player and Partizan entered into an employment agreement valid until 30 June 2025 (the "Partizan Contract"). Under this contract, the Club undertook to pay the Player a net monthly salary, a sign-on fee, a loyalty fee payable in equal monthly instalments, and various performance bonuses.

5. On 20 June 2023, the Player terminated the contract with immediate effect, citing just cause. The grounds for termination were:

   - The Club's failure to pay multiple contractual obligations, including three consecutive monthly loyalty fees, a performance bonus, and housing reimbursement.

   - The Player had provided the Club with a written notice of default and a 15-day period to cure the breach, as required by Articles 14 and 14bis of the FIFA Regulations on the Status and Transfer of Players.

   - The Club did not dispute the existence of overdue payables and failed to fully remedy the default within the stipulated period.

6. On 12 July 2023, the Player and Qarabag FK ("Qarabag") concluded an employment contract (the "Qarabag Contract"). The Qarabag Contract provided, *inter alia*, as follows:

   *"**Monetary obligations***

3.1.3. *The Club shall make monthly payments to the Player to provide the performance of Player's obligations for the period and in the amount specified in Appendix N° 1, which is an integral part of this Contract:*

3.1.4. *If the Player reaches the maximum goal and assist limit during the season, then the Club gives the Player a bonus (one-time monetary gift). The amount, conditions (goal and assist limit) and payment procedure of the bonus are specified in Appendix N° 01 of the Contract.*

Othe monetary obligations

3.1.5*. The Club provides tickets, organize trip and provides the Player with a hotel and food at the expense of its own means for travel when the Player, as a member of the team, visits in the border of the Republic of Azerbaijan or in abroad in order to take part in the Premier League, Cup and international games during July-December and February-May, as well as, in training camps in January and June-July or in cases stipulated by this Contract.*

3.1.6. *The Club pays an amount as agreed in the Appendixes to the Player every month for the aim to provide the Player with a dwelling house in Baku1 the Republic of Azerbaijan;*

3.1.7. *The Club pays an amount as agreed in the Appendixes to the Player every month for the aim to provide the Player with vehicle within the territory of Baku;*

3.1.8. *The Club provides the Player and his family members (a spouse and a child) with economy class (single-return) air ticket 2 (two) times per season in accordance with the term of the Contract.*

3.1.9. *The Club organizes the procedure for obtaining a temporary residence permit from the State Migration Service of the Republic of Azerbaijan for the Player and his family members, pays state duties and other expenses.*

5. PAYMENT TERMS

5.2. *The amount of monthly payment, bonuses and other additional monetary supplements to be made by the Club to the Player agreed with this Contract, payment terms and periods, taxes and other conditions are regulated by Appendix N° 1 to this Contract.*

10. TERM AND TERMINATION

10.1. *This contract comes into force from the date of mutually signing and will be valid and binding until 30.06.2025. The Parties agree that if Club intents to extend the Contract term and decide in this regard independently, then Contract will be extended for an additional next 1 (one) year – up to 30.06.2026 with one condition that Club have to send written notification to the Player until at least May 31, 2025. The remuneration*

to be paid to Player for the next 1 (one) year and other payment terms will be agreed in Appendix N° 01.

APPENDIX Nº 01

We, on the one hand, ***Qarabag Futbol Klubu LLC*** *(hereinafter referred to as the* ***Club),*** *in the person of its director* ***l§1k Emrah Celikel,*** *on the other hand, a citizen of the Republic of Cabo Verde,* ***Ericksson Patrick Correia Andrade*** *(hereinafter referred to as the* ***Player),*** *have signed this Appendix by the requirements of Article 3.1.3; 3.1 .5; 3.1.6 and 5.2 agreed on the followings:*

1. *During the period of contractual term, the Club will make monthly payments to the Player in the amount of total and net 500 000.00 (five hundred thousand) US dollars in instalments according to the schedule below-mentioned:*

First year

30 000.00 USD	*july*	*2023*
20 000.00 USD	*August*	*2023*
20 000.00 USD	*september*	*2023*
20 000.00 USD	*october*	*2023*
20 000.00 USD	*november*	*2023*
20 000.00 USD	*december*	*2023*
20 000.00 USD	*january*	*2024*
20 000.00 USD	*february*	*2024*
20 000.00 USD	*march*	*2024*
20 000.00 USD	*april*	*2024*
20 000.00 USD	*may*	*2024*
20 000.00 USD	*june*	*2024*

Second year

30 000.00 USD	*july*	*2024*

20 000.00 USD	*August*	*2024*
20 000.00 USD	*september*	*2024*
20 000.00 USD	*october*	*2024*
20 000.00 USD	*november*	*2024*
20 000.00 USD	*december*	*2025*
20 000.00 USD	*january*	*2025*
20 000.00 USD	*february*	*2025*
20 000.00 USD	*march*	*2025*
20 000.00 USD	*april*	*2025*
20 000.00 USD	*may*	*2025*
20 000.00 USD	*june*	*2025*

3. *In case Club will use the right to extend the Contract for more 1 (one) year, Club will make monthly payments to the Player in the amount of total and net 450 000.00 (four hundred and fifty thousand} US dollars in instalments according to the schedule below-mentioned:*

Third year

35 000.00 USD	*july*	*2025*
50 000.00 USD	*August*	*2025*
35 000.00 USD	*september*	*2025*
35 000.00 USD	*october*	*2025*
35 000.00 USD	*november*	*2025*
35 000.00 USD	*december*	*2025*
35 000.00 USD	*january*	*2026*
35 000.00 USD	*february*	*2026*

50 000.00 USD	*march*	*2026*
35 000.00 USD	*april*	*2026*
35 000.00 USD	*may*	*2026*
35 000.00 USD	*june*	*2026*

4. *The Club will pay standart team (collective) bonuses to the Player according to the team results together with all team members if Board of Directors decided. AII bonus payments will be made in a lump sum payable within 10 (ten) days after the end of the season.*

5. *Considering the requirements of art. 3.1.5 and 3.1 .6 of the Contract, the following payments will be made to the Player on a monthly basis:*

Rent fee for house	*1700 azn*
Rent fee for car	*500 azn*

6. *All payments due to the Player are to be paid into the foreign country account in Euro or local account in AZN according to the currency of the date, confirmed by Central bank of Azerbaijan Republic.*

7. *Regarding the agreed net remunerations for the Player, Club will pay the taxes far above remuneration to the state tax authorities of Azerbaijan (local country) according to local tax legislation".*

7. At the conclusion of the 2024/2025 season, Qarabag decided not to extend the duration of the Qarabag Contract for the 2025/2026 season.

III. PROCEEDINGS BEFORE THE DISPUTE RESOLUTION CHAMBER OF THE FIFA FOOTBALL TRIBUNAL

8. On 9 April 2024, the Player filed a claim against the Club before the Dispute Resolution Chamber of the FIFA Football Tribunal (the "FIFA DRC") requesting the following:

"*a) Consider his unilateral breach with just cause of the Professional Player Contract dealed[sic] with the Respondent Club, in 20th June 2023;*

b) In consequence of that order the Respondent Club to pay immediatly[sic] the Player the net amount of €275.000 (two hundred seventy five thousand euros) as the amounts

already due and not paid of the article n. 2 of the article 3 of the Professional Player Contract duly attached as Schedule 2;

c) In consequence of that order the respondent Club to pay immediately[sic] the Player the net amount of €1.250.000 (one million- and five hundred twenty five euros) as the remaining amounts and not paid of the article n. 2 of the article 3 of the Professional Player Contract duly attached as Schedule 2;

d) In consequence also order the Club to pay the Player an interest rate of 5% of any amount condemned to pay the player per month of delay from the date of due till the date of effective[sic] payment regarding to the period after the purpose of this claim".

9. On 22 August 2024, the FIFA DRC issued its decision (the "Appealed Decision"). The operative part of the Appealed Decision read as follows:

"*1. The claim of the Claimant, Ericksson Patrick Correia Andrade, is partially accepted.*

2. The Respondent, Partizan, must pay to the Claimant the following amount(s):

- EUR 19,400 as outstanding remuneration plus 5% interest p.a. as from 29 May 2023 until the date of effective payment;

- EUR 200,000 net as outstanding remuneration plus 5% interest p.a. as follows:

- 5% interest p.a. over the amount EUR 50,000 net of as from 1 April 2023 until the date of effective payment;

- 5% interest p.a. over the amount EUR 50,000 net of as from 1 May 2023 until the date of effective payment;

- 5% interest p.a. over the amount EUR 50,000 net of as from 1 June 2023 until the date of effective payment;

- 5% interest p.a. over the amount EUR 50,000 net of as from 1 January until the date of effective payment;

- EUR 937,575 net as compensation for breach of contract plus 5% interest p.a. as from 20 June 2023 until the date of effective payment.

3. Any further claims of the Claimant 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 art. 24 of the Regulations on the Status and Transfer of Players, if full payment (including all applicable interest) is not made within 45 days of notification of this decision, the following consequences shall apply:

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

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

6. The consequences shall only be enforced at the request of the Claimant in accordance with art. 24 par. 7 and 8 and art. 25 of the Regulations on the Status and Transfer of Players.

7. This decision is rendered without costs".

10. On 31 October 2024, the FIFA DRC notified the grounds of the Appealed Decision, determining, *inter alia*, the following:

"34. Having stated the above, the Chamber turned its attention to the question of the consequences of the undisputed unjustified breach of contract committed by the Respondent.

35. The Chamber observed that the outstanding remuneration at the time of termination, coupled with the specific requests for relief of the Player, are equivalent to three monthly loyalty fees (i.e., March, April and May 2023) under the Contract, amounting to EUR 150,000. The Chamber reasoned that, while the Claimant also claimed the February 2023 loyalty fee as outstanding remuneration, the Respondent provided proof of payment corresponding to this amount and the Claimant, in his letter dated 20 June 2023, acknowledged receipt of the February 2023 loyalty fee.

36. Moreover, the Chamber noted that it was undisputed among the parties that not only were the loyalty fees for March, April, and May 2023 due to the Claimant, but also the EUR 50,000 net bonus for the Respondent's placement in the UEFA Conference League group competition phase, was owed to the Claimant.

37. As a consequence, and in accordance with the general legal principle of pacta sunt servanda, the Chamber decided that the Respondent is liable to pay to the Claimant the amounts which were outstanding under the Contract at the moment of the termination, i.e., EUR 200,000 net.

38. Concerning the claimed housing payments, the Chamber noted that the Claimant did not elaborate on his claim, limiting himself to stating that he was owed EUR 25,000 for his housing expenses under Article 7 of the Contract. In this sense, the Chamber recalled that the Contract did not stipulate an exact amount for a housing allowance or reimbursement and the Claimant did not provide proof to substantiate his calculations. Conversely, the Chamber recalled that the Respondent provided a Rental Agreement representing a total rent amount of EUR 30,800, as well as payment proofs amounting to EUR 11,400 for a partial reimbursement of rent to the Claimant. Thus, according to

the Respondent, only EUR 19,400 remained outstanding as housing payments to the Claimant.

39. Hence, on the basis of the evidence in the file and the general legal principle of pacta sunt servanda, the Chamber decided to award the Claimant EUR 19,400 to the Claimant.

(…)

45. The Chamber further underscored that, by the same token, the Respondent concurred in the foregoing initial calculation of the residual value of the Contract (EUR 1,250,000) without taking into account the salary in art. 3.1 of the Contract, and additionally requested that it be mitigated based on the value of the Claimant's new contract.

46. Consequently, the Chamber concluded that the amount of EUR 1,250,000 serves as the basis for the determination of the amount of compensation for breach of contract.

47. In continuation, the Chamber verified as to whether the player had signed an employment contract with another club during the relevant period of time, by means of which he would have been enabled to reduce his loss of income. According to the constant practice of the DRC as well as art. 17 par. 1 lit. ii) of the Regulations, such remuneration under a new employment contract shall be taken into account in the calculation of the amount of compensation for breach of contract in connection with the player's general obligation to mitigate his damages.

48. Indeed, the Claimant found employment with Qarabag FK. In accordance with the pertinent employment contract, the Claimant was entitled to approximately EUR 462,425 (USD 500,000). Therefore, the Chamber concluded that the Claimant mitigated his damages in that amount.

49. Subsequently, the Chamber referred to art. 17 par. 1 lit. ii) of the Regulations, according to which a player is entitled to an amount corresponding to three monthly salaries as additional compensation should the termination of the employment contract at stake be due to overdue payables. In the case at hand, the Chamber confirmed that the contract termination took place due to said reason i.e., overdue payables by the club, and therefore decided that the player shall receive additional compensation.

50. In this respect, the DRC decided to award the amount of additional compensation of EUR 150,000, i.e., three times the monthly remuneration of the player.

51. Consequently, on account of all of the above-mentioned considerations and the specificities of the case at hand, the Chamber decided that the Respondent must pay the amount of EUR 937,575 to the Claimant (i.e., EUR 1,250,000 minus EUR 462,625 plus EUR 150,000), which was to be considered a reasonable and justified amount of compensation for breach of contract in the present matter".

IV. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

11. On 20 November 2024, in accordance with Article R47 and Article R48 of the Code of Sports-related Arbitration ("CAS Code"), the Appellant filed its Statement of Appeal with the CAS against the Respondent and FIFA, challenging the Appealed Decision.

12. On 10 December 2024, the Appellant withdrew its appeal against FIFA who was thus removed as a party from this procedure.

13. On 14 December 2024, the Appellant filed its Appeal Brief in accordance with Article R51 of the CAS Code.

14. On 18 February 2024, the Respondent filed his Answer, in accordance with Article R55 of the CAS Code.

15. On 21 March 2021, the CAS Court Office, on behalf of the Deputy Division President and further to Article R59 of the CAS Code, informed the Parties that the Panel appointed to decide the present dispute was constituted as follows:

Sole Arbitrator: Mr Kepa Larumbe, Attorney-at-law in Madrid, Spain

16. On 25 March 2025, the CAS Court Office informed the Parties of the following procedural decisions of the Sole Arbitrator:

- With reference to para. 176 of the Appellant's Appeal Brief, to request a copy of the full case file from FIFA.

- To reject the request contained in lit. d) (para. 175 of the Appeal Brief), i.e., "d*) The Respondent`s written statement on any and all triggered bonus payments payable by FC Qarabag for teams and/or individual sports achievements in seasons 2023/24 and 2024/25*" [sic]. The Sole Arbitrator considered that the request was not request for document production pursuant to Article R44.3 of the CAS Code, but a request for a statement, already covered in the Answer.

- To declare the request contained in lit. e) (para. 175 of the Appeal Brief), i.e., ("*e) His previous contract with FC Qarabag*"), moot as the document had already been provided by the Respondent as exhibit 1 of his Answer.

- To invite the Respondent to provide his comments, on the requests lit. a) to lit. c) (para. 175 of the Appeal Brief), i.e., "*a) Bank statements for the period from 12 July 2024 until the day of submission regarding bank account(s) in EUR, USD and AZN with the bank Millenium bcp, in particular bank account: Page 2 b) Bank statements for the period from 12 July 2024 until the day of submission regarding his bank account in AZN with the local bank in Azerbaijan; c) Bank statements for the period from 12 July 2024 until the day of submission regarding his bank account(s) in USD*".

- To hold the Case Management Conference requested by the Appellant and to invite it to provide a list of the topics it would like to address.

17. On 28 March 2025, the Respondent provided a copy of the bank statements for the period as from 12 July 2024. The Respondent stated that he had no other bank accounts and that his salary was directly transferred by Qarabag to the same bank account.

18. On 28 March 2025, the Appellant informed the CAS Court Office that exhibit 1 of the Answer, i.e., the Qarabag Contract for the period 2020-2022, was not signed and requested a signed copy of that contract.

19. On 31 March 2025, the CAS Court Office, on behalf of the Sole Arbitrator, invited the Respondent to provide his comments with regard to the Appellant's comments on the Qarabag Contract, or to provide the signed contract in question

20. On 3 April 2025, the Respondent provided a copy of the Qarabag Contract (period 2023-2026).

21. On 3 April 2025, the FIFA case file was received by the CAS Court Office, and it was subsequently sent to the Parties.

22. On 4 April 2025, the Appellant provided the list of topics it would like to address in the Case Management Conference, *inter alia*, the following:

"1. Bank statements to be produced by the Respondent;

2. Revenues of FC Qarabag in season 2023/24 and season 2024/25 i.e. in 2023, 2024 and 2025 calendar year;

3. The written confirmation of FC Qarabag on any and all triggered bonus payments to the Player Ericksson Patrick Correia Andrade for teams and/or individual sports achievements in seasons 2023/24 and 2024/25;

4. The written confirmation of FC Qarabag that no other sources (natural persons or legal entities) had paid bonuses or made any other payment2 to i-ts player(s) on behalf of the club or based on the club' s decision;

5. Taking of and/or production of evidence regarding the team's bonuses FC Qarabag paid to its players in season 2023/24 amd season 2024/25;

6. Taking of and/or production of evidence regarding individual bonuses that FC Qarabag paid to the Respondent in season 2023/24 amd season 2024/25.

7. Further taking of evidence relevant for the outcome of this case (including but not limited to the following proposals of the Appellant: Annual Financia! Report of FC Qarabag for the years 2022-2025, to summon FC Qarabag's officials and/or (former) players chosen at discretion of the CAS Sole Arbitrator to testify on the issues of bonus payments and other forms of the additional remuneration with FC Qarabag, ...)

8. Miscellaneous".

Additionally, the Appellant corrected its request with regard to the bank statements of the Respondent, due to a "clerical error" and requested to order the Respondent to provide the bank statements as from 12 July 2023 and not 12 July 2024 as established in the Answer.

23. On 9 April 2025, the Case Management Conference of the present case was held by videoconference. In addition to the Sole Arbitrator and Ms Amelia Moore, CAS Counsel, the following persons attended the Case Management Conference:

For the Appellant:	Mr Zoran Damjanovic (Legal Counsel); Ms Ksnija Z. Damjanovic (Legal Counsel); Dr Marco del Fabro (Legal Counsel);
For the Respondent:	Mr José Miguel Sampaio e Nora (Legal Counsel).

24. At the Case Management Conference, the list of topics provided by the Appellant was discussed, and the Parties established their respective positions.

25. On 11 April 2025, after consulting the Parties, the CAS Court Office informed the Parties that the Sole Arbitrator had decided to hold a hearing in-person, further to Articles R44.2 and R57 of the CAS Code.

26. On 15 April 2025, the CAS Court Office informed the Parties that the Sole Arbitrator had made the following decisions with regard to the Appellant's requests for document production (the reasons for his decisions were to be provided in the final award and are provided below):

- Granted:

  - The Respondent is ordered to produce his bank statements from 12 July 2023 onwards.

- Rejected:

  - The request for production of the previous Qarabag employment contract was rejected. The Sole Arbitrator found that the Appellant failed to establish the relevance of the requested document. In accordance with Article 17 of the FIFA Regulations on the Status and Transfer of Players ("RSTP"), the calculation of mitigated compensation is based on the new employment contract entered into by the Player following the termination of the previous contract. Consequently, the Appellant's request did not satisfy the requirements of Article R44.3 of the CAS Code.

  - The following requests were also rejected: written confirmation from Qarabag that no other sources (natural or legal persons) had paid bonuses or made any other payments to its players on behalf of the club or pursuant to the club's decision; the

taking and/or production of evidence regarding team bonuses paid by Qarabag to its players for the 2023/24 and 2024/25 seasons; the taking and/or production of evidence regarding individual bonuses paid by Qarabag to the Respondent for the 2023/24 and 2024/25 seasons; and the further taking of evidence deemed relevant for the outcome of this case, including but not limited to the following proposals of the Appellant: the Annual Financial Report of Qarabag for the years 2022–2025, the summoning of Qarabag officials and/or (former) players at the discretion of the Sole Arbitrator to testify on the issues of bonus payments and other forms of additional remuneration at Qarabag, and written confirmation from Qarabag of any and all triggered bonus payments to the Player for team and/or individual sporting achievements in the 2023/24 and 2024/25 seasons.

The above requests were rejected for the following reasons:

- Qarabag is not a party to these proceedings; accordingly, Article R44.3 of the CAS Code is not applicable to Qarabag and the Sole Arbitrator does not have the authority to order third parties to produce documents.

- For the purpose of calculating the mitigated compensation, only payments made by Qarabag to the Respondent are relevant, not those made to other players or team members. Such relevant payments are already encompassed by the granted request for production of the Player's bank statements as from 12 July 2023.

- With respect to the request for Qarabag's financial statements, the Sole Arbitrator determined that the Appellant failed to demonstrate the relevance of the requested documents. Pursuant to Article 17 of the FIFA RSTP, mitigated compensation is calculated on the basis of the new employment contract signed by the Player following the termination of the previous contract, and not on the income or revenues of the new club. The Appellant's assertion that certain clubs share their revenues with players was not substantiated. Therefore, the Appellant's request did not meet the requirements of Article R44.3 of the CAS Code.

- Regarding the request to summon Qarabag officials and players "*at the discretion of the CAS Sole Arbitrator to testify*" the Sole Arbitrator noted that, pursuant to Article R55 of the CAS Code, it is the responsibility of the Respondent to designate witnesses, including a brief summary of their expected testimony and, if any, their witness statements in its Answer.

27. On 17 April 2025, the Respondent provided a copy of the bank statements for the period as from 12 July 2023.

28. On 19 May 2025, the CAS Court Office transmitted to the Parties the Order of Procedure, which was duly signed by the Appellant on 19 May 2025 and by the Respondent on 22 May 2025.

The Appellant handwrote the following in the signed Order of Procedure:

"*WITH REFERENCE TO THE LETTER OF 16 APRIL 2025 PLEASE NOTE THAT THE APPELLANT STILL ADHERES TO ITS PROCEDURAL AND/OR EVIDENTIARY REQUESTS, AS OUTLINED IN THE APPEAL BRIEF, LETTER DATED 04 APRIL 2025 AND RAISED DURING THE CASE MANAGEMENT CONFERENCE ON 09 APRIL 2025. DESPITE SOME REQUESTS WERE REJECTED BY SOLE ARBITRATOR, THE APPELLANT CONSIDERS SOME OF THEM (REMAIN) ESSENTIAL FOR ACCURATELY DETERMINE FACTS CRUCIAL TO THE RESOLUTION OF THE CASE*".

29. On 17 June 2025, the hearing of the present case was held in Lausanne (Switzerland). In addition to the Sole Arbitrator and Ms Amelia Moore, CAS Counsel, the following persons attended the hearing:

For the Appellant:	Mr Zoran Damjanovic (Legal Counsel); Ms Ksnija Z. Damjanovic (Legal Counsel); Dr Marco del Fabro (Legal Counsel).
For the Respondent:	Mr José Miguel Sampaio e Nora (Legal Counsel); Mr Ericksson Patrick Correia Andrade (Party); Mr Marcelo Dos Santos Cipriano (Witness).

At the outset of the hearing, the Parties confirmed that they did not have any objection as to the composition of the Arbitration Panel. As a preliminary matter, the Appellant presented nine new documents and the Respondent presented one new document. The Sole Arbitrator, after hearing the Parties' respective positions, decided to admit the new documents which were accordingly incorporated into the record.

30. During the hearing, the Parties had the opportunity to present their case, to examine and cross examine the Player and the witness Mr Dos Santos Cipriano, to submit their arguments and their final pleadings.

31. At the end of the hearing the Parties expressly declared that they did not have any objections with respect to the procedure and that their right to be heard had been fully respected. The Appellant made this declaration subject to the reservation concerning the evidence that had been excluded by the Sole Arbitrator.

V. SUBMISSIONS OF THE PARTIES

32. The following outline of the parties' positions is illustrative only and does not necessarily comprise each and every contention put forward by the parties. The Sole Arbitrator, however, has carefully considered all the submissions made by the parties, even if no explicit reference has been made in what immediately follows. The parties' written submissions, their verbal submissions at the hearing and the contents of the Appealed Decision were all taken into consideration.

A. The Appellant

33. The Appellant made the following requests for relief:

"177. As the Appellant explained above, the scope of its appeal is limited to Point (Article) 2 para.1 third indent (i.e. alinéa no.3, dash no.3) of operative part of the Appealed decision. In other words, decision of the Dispute Resolution Chamber of 22 August 2024, ref.no. FPSD 14342 is to be confirmed with the exception of point 2 para.1 third indent (i.e. alinéa no.3, dash no.3) of operative part of the Appealed decision.

178. With reference to its request to be authorized to supplement or amend its requests for relief, specifically regarding further specification of the amount of compensation for breach of contract, the Appellant herewith submits its requests for relief insofar as to the following terms and asks the CAS Sole Arbitrator as follows:

1. To uphold this appeal of the Appellant.

2. To partially annul operative part of decision of the Dispute Resolution Chamber of FIFA Football Tribunal passed on 22 August 2024, case ref.no. FPSD 14342 i.e. to annul and set aside its point70 2 para.1 third indent (i.e. alinéa no.3, dash no.3) stating that:

`` - EUR 937,575 net as compensation for breach of contract plus 5% interest p.a. as from 20 June 2023 until the date of effective payment``

and to replace it with i.e. to order (rule) that the Appellant has to pay to the Respondent:

"-EUR 414.159,20 and RSD 112.308,42 as compensation for breach of contract plus 5% p. a. as from 20 June 2023 until the date of effective payment."

3. To order the Respondent to incur all costs related to this arbitration proceedings.

4. To order the Respondent to compensate the Appellant's legal fees and expenses incurred in connection with this arbitration proceedings in the amount of 5.000,00 CHF, subject to potential further increasement which shall be notified at the hearing at the latest".

34. At the conclusion of the hearing, and based on the new documents submitted during the session, the Appellant revised the amount of the deduction for team bonuses—originally set at EUR 241,727.53 in the Appeal Brief—and adjusted it to EUR 335,000.00.

35. The Appellant's submissions, in essence, may be summarized as follows:

- The Appellant contests the calculation of mitigated compensation, arguing that the Appealed Decision failed to properly account for the Respondent's earnings under Qarabag Contract. The Appellant submits that:
    - The residual value of the terminated contract was EUR 1,250,000.

- The Respondent's new contract with Qarabag provided for:
  - USD 500,000 net over two years (converted to EUR 462,425).
  - Monthly housing and car allowances totalling AZN 2,200 (EUR 1,173.02/month), amounting to EUR 28,152.48 over 24 months.
  - Additional bonuses based on team performance, which were not considered by the DRC.
- The Appellant estimates that the Respondent earned or was entitled to at least EUR 241,727.53 in bonuses from Qarabag, based on UEFA distributions and common practices in Eastern European football. During the hearing, the Appellant amended its calculation that was finally set to EUR 335.000.
- Accordingly, the Appellant calculates the maximum mitigated compensation as EUR 320,886.73.

- The Appellant also challenges the awarding of EUR 150,000 as additional compensation, arguing that the Appealed Decision erroneously used the loyalty fee (EUR 50,000/month) instead of the contractual monthly salary (RSD 37,436.14). Under Article 17(1)(ii) RSTP, the additional compensation should be limited to three monthly salaries, totalling RSD 112,308.42.
- The Appellant alleges that the Respondent acted in bad faith by:
  - Concealing his new employment with Qarabag.
  - Structuring his new contract to defer higher remuneration to an optional third year (USD 450,000), thereby reducing the apparent income during the overlapping period.
  - Failing to disclose bonus payments and other relevant financial information.
  - The Appellant invokes Article 337c(2) of the Swiss Code of Obligations and Article 2 of the Swiss Civil Code to argue for a further reduction of 20% in the mitigated compensation due to bad faith and the specificity of sport.

B. The Respondent

36. The Respondent made the following requests for relief:

"*55. The Respondent, Ericksson Patrick Correia Andrade, hereby respectfully request that the Sole Arbitrator as follows:*

(1) To dismiss in full the appeal from the Appellant;

(2) To order the Appellant assume the entirety of the CAS administration and procedural fees, including the Sole Arbitrator's fees".

37. The Respondent's submissions, in essence, may be summarized as follows:

- The Respondent submits that the appeal lodged by the Appellant is unfounded and should be dismissed in its entirety. The Respondent confirms that the appeal does not challenge the lawfulness of the contract termination or the amounts awarded for outstanding remuneration. The appeal is limited to the quantum of compensation for breach of contract and related procedural costs.

- The Respondent fully supports the Appealed Decision and requests that it be upheld in full, particularly with respect to:

  - The award of EUR 937,575 net as compensation for breach of contract;

  - The Appellant's liability for the costs of the CAS proceedings;

  - The Appellant's obligation to reimburse the Respondent's legal fees and expenses.

- The Respondent rejects the Appellant's allegations of bad faith and manipulation of contractual terms. In particular:

  - Timing of the Qarabag Contract: the Respondent denies that he had reached an agreement with FC Qarabag prior to terminating his contract with the Appellant. The negotiations with Qarabag only began in early July 2023, after the termination on 20 June 2023.

  - Financial motivation: the Respondent asserts that the Qarabag Contract was financially less favorable than the Partizan Contract. This undermines the Appellant's claim that the Respondent acted in bad faith to maximize compensation.

  - Mitigation of damages: the Respondent contends that he acted diligently and in good faith in seeking new employment. The 25-day gap between termination of the Partizan Contract and signing of the Qarabag Contract is consistent with the dynamics of the summer transfer window.

  - Bonuses and speculative claims: the Respondent challenges the Appellant's reliance on UEFA revenue reports and anonymous sources to estimate bonus payments allegedly received from Qarabag. He argues that such claims are speculative, unsupported by evidence, and inadmissible.

  - Optional third year: the Respondent emphasizes that the third year of the Qarabag Contract is optional and subject to the club's discretion. Therefore, the Appellant's argument that the Respondent manipulated the contract structure to reduce apparent income is unfounded.

- Bonuses under the Partizan Contract: the Respondent highlights that the Appellant failed to account for substantial bonuses he was entitled to under the original contract with FC Partizan, which further supports the conclusion that the Qarabag contract was not more lucrative.

VI. JURISDICTION

38. 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 the CAS insofar as the statutes or regulations of the said body so provide or as the parties have concluded a specific arbitration agreement and insofar as the Appellant has exhausted the legal remedies available to him prior to the appeal, in accordance with the statutes or regulations of the said sports-related body".

39. In addition, Article 49.1 of the FIFA Statutes states:

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

40. The jurisdiction of CAS, which is not disputed by the Parties, is based on the abovementioned provisions. In addition, the Parties confirmed the jurisdiction of CAS by signing the Order of Procedure.

41. The Sole Arbitrator, therefore, is satisfied that CAS has jurisdiction over this dispute.

VII. ADMISSIBILITY

42. Article R49 of the CAS Code provides as follows:

"In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. After having consulted the parties, the Division President may refuse to entertain an appeal if it is manifestly late".

43. Article 50.1 of the FIFA Statutes provides that:

"Appeals against final decisions passed by FIFA and its bodies shall be lodged with CAS within 21 days of receipt of the decision in question".

44. It is undisputed that the appeal was filed within the 21 days set by Article 50.1 of the FIFA Statutes. The appeal complied with all other requirements of Article R48 of the CAS Code, including the payment of the CAS Court Office fee.

45. It follows that the appeal is admissible.

VIII. APPLICABLE LAW

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

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

47. Article 49.2 of the FIFA Statutes provides that:

> *"2. The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law".*

48. CAS panels have interpreted Article R58 of the CAS Code as follows (CAS 2017/A/5465, 2017/A/5374, CAS 2018/A/5624, etc.):

> "*Pursuant to Article R58 of the Code, in an appeal arbitration procedure before the CAS, 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". It follows from this provision that the "applicable regulations", i.e. the statutes and regulations of the sports organisation that issued the decision (here FIFA) are applicable to the dispute irrespective of what law the Parties have agreed upon. In the Sole Arbitrator's view, the Parties cannot derogate from this provision if CAS retains jurisdiction which is the case here. To conclude, therefore, the Sole Arbitrator finds that Article R58 of the Code takes precedent over the direct choice-of-law clause contained in the Parties' agreements and that, thus, the FIFA rules and regulations apply primarily*" (para. 57, CAS 2017/A/5374; para. 57, CAS 2018/A/5624).

49. The Appellant submits that the applicable law is primarily the FIFA Regulations, in particular the FIFA RSTP (February 2024 edition), and subsidiarily Swiss law, in accordance with Article R58 of the CAS Code and Article 49 of the FIFA Statutes.

50. The Respondent has not raised any objection to the legal framework proposed by the Appellant.

51. Therefore, Article R58 of the CAS Code and Article 49.2 of the FIFA Statutes apply in full, and the Sole Arbitrator shall apply primarily the FIFA Regulations, namely the

RSTP, and subsidiarily Swiss Law, since this is "*(...) the law of the country in which the federation,* association *or sports-related body which has issued the challenged decision is domiciled*" (which, in this case, is FIFA).

IX. MERITS

A. Object of the case

52. Before addressing the legal issues at stake, the Sole Arbitrator deems it useful to clarify the scope of the appeal and review.

53. The Appellant challenges the Appealed Decision, specifically the award of EUR 937,575 net as compensation for breach of contract to the Respondent. The appeal does not contest the lawfulness of the Respondent's termination of the Partizan Contract, or the amounts awarded for outstanding remuneration (EUR 19,400 and EUR 200,000 net plus interest) or the residual value of the Partizan Contract (EUR 1,250,000.00). The appeal is limited to (i) the quantum of the mitigated compensation; (ii) the alleged bad faith of the Player; and (iii) the additional compensation awarded to the Player.

54. According to Article R57 of the CAS Code, the Sole Arbitrator has full power to review the facts and the law of the case and can decide the dispute *de novo*. The Sole Arbitrator may issue a new decision which replaces the decision challenged, may annul the decision, or refer the case back to the previous instance.

55. The legal issues to be decided by the Sole Arbitrator are the following:

1. With regard to the mitigated compensation:
    a. The inclusion (or not) of the payments for housing and car allowance in the fixed salary under the Qarabag Contract.
    b. The deduction (or not) of bonuses for team achievements.
2. Did the Player act in bad faith towards the Club?
    a. In the affirmative, what are the consequences thereof?
3. The additional compensation awarded to the Player

B. The applicable standard of proof and the burden of proof

56. The Sole Arbitrator considers it necessary to address the issues of the applicable standard of proof and of the burden of proof.

57. The CAS Code is silent on what standard of proof to apply to CAS proceedings. The Sole Arbitrator observes that CAS jurisprudence is inconsistent in its approach with respect to the standard of proof applicable in civil cases according to Swiss law. On the

one hand, it is held that *"*[u]*nder Swiss law, the standard of proof normally applied to a civil claim is whether the alleged facts have been established beyond reasonable doubt, thereby leading to the judges' conviction that the claim is well founded"* (CAS 2006/A/1130). In other cases, CAS jurisprudence referred to the applicable standard of proof in civil law cases under Swiss law as "balance of probability" (e.g. CAS 2011/A/2426, no. 88, with references to CAS 2010/A/2172, no. 53; CAS 2009/A/1920, no. 85).

58. CAS Panels have also applied the standard of proof of the comfortable satisfaction in civil cases with a lack of any specific legal or regulatory requirement. The "comfortable satisfaction" standard of proof may be defined *"(…) as being greater than a mere balance of probability but less than proof beyond a reasonable doubt (CAS 2014/A/3625, with further reference to CAS 2009/A/1920, CAS 2013/A/3258, CAS 2010/A/2267, CAS 2010/A/2172). In particular, CAS jurisprudence clearly established that to reach this comfortable satisfaction, the Panel should have in mind "the seriousness of the allegation which is made*" (CAS 2014/A/3625, with further reference to CAS 2005/A/908, CAS 2009/A/1902)" (CAS 2016/A/4558, para. 70).

59. This being said, the Sole Arbitrator notes that Swiss law is not blind *vis-à-vis* difficulties of the parties when discharging their burden of proof ("*Beweisnot*"). Accordingly, Swiss law provides a number of tools in order to ease the – sometimes difficult – burden put on a party to prove certain facts. These tools range from a duty of the other party to cooperate in the process of fact finding (cf. CAS 2011/A/2384 & 2386, no. 255 *et seq*.), to a shifting of the burden of proof or to a reduction of the applicable standard of proof. The latter is, *e.g.*, the case if – from an objective standpoint – a party has no access to direct evidence (but only to circumstantial evidence) in order to prove a specific fact (SFT 132 III 715, E. 3.1; BK-ZPO/Brönnimann, 2012, Art. 157 no. 41; DIKE-ZPO/Leu, 2nd. ed. 2016, Art. 157 no. 60; BSK-ZPO/Guyan, 2nd ed. 2013, Art. 157 no. 11). In such cases, the applicable standard is lower. The required threshold of conviction is reached in these cases if the Panel deems a fact to be so likely to have occurred that the occurrence of all other alternative courses of events cannot sensibly be accepted (KuKo-ZPO/Schmid, 2nd ed. 2014, Vor Art. 150-193 no. 13; DIKE-ZPO/Leu, 2nd. ed. 2016, Art. 157 no. 71: "*für die Verwirklichunganderer Sachverhalts versionen keinernstzunehmender Raumverbleibt*").

60. In the case at hand, the Sole Arbitrator acknowledges the difficult position of the Appellant to prove the circumstances of the Qarabag Contract. In view of these evidentiary difficulties, the Sole Arbitrator is prepared to apply the standard of proof of "balance of probabilities". This standard requires that the arbitration panel be satisfied that it is more likely than not that the facts alleged by a party are true. The "balance of probabilities" is the typical standard in civil matters, meaning that the evidence must show that the occurrence of the alleged fact is more probable than its non-occurrence.

61. In accordance with FIFA regulations and Article 8 of the Swiss Civil Code, the burden of proof lies with the party asserting a fact or right. It is incumbent upon the party making an allegation to provide sufficient evidence to substantiate its claims. This principle is expressly recognized in the FIFA Procedural Rules Governing the Football Tribunal,

which state that a party claiming a right on the basis of an alleged fact must bear the responsibility of proving that fact. The Sole Arbitrator will not presume facts in favour of any party and cannot substitute the Parties in their duties; rather, each party must adduce the necessary documentary or other admissible evidence to support its position. In particular, where a party invokes an exception or a specific regulatory provision, it must provide convincing evidence that the relevant conditions are met. This allocation of the burden of proof is in line with established CAS jurisprudence and the general principles of Swiss procedural law.

C. The mitigated compensation

62. Article 17(1) ii of the FIFA RSTP states as follows:

"ii) In case the player signed a new contract by the time of the decision, the value of the new contract for the period corresponding to the time remaining on the prematurely terminated contract shall be deducted from the residual value of the contract that was terminated early (the "Mitigated Compensation"). Furthermore, and subject to the early termination of the contract being due to overdue payables, in addition to the Mitigated Compensation, the player shall be entitled to an amount corresponding to three monthly salaries (the "Additional Compensation"). In case of egregious circumstances, the Additional Compensation may be increased 30 up to a maximum of six monthly salaries. The overall compensation may never exceed the rest value of the prematurely terminated contract".

63. In accordance with Article 17 of the FIFA RSTP, the compensation due in the event of termination of contract by a Player with just cause shall be calculated with due consideration to the principle of mitigation. The injured party is therefore under an obligation to take reasonable steps to limit the damages resulting from the early termination. Consequently, any compensation awarded shall be reduced by the amount the injured party has earned in case he signs a new employment contract, through diligent efforts during the relevant period. The arbitral tribunal, in determining the final amount of compensation, shall duly assess all circumstances, including the extent to which the injured party has fulfilled its duty to mitigate the loss, in accordance with the applicable regulations and established jurisprudence.

64. The Appellant challenges the calculation of the mitigated compensation as determined by in the Appealed Decision, arguing that the DRC failed to fully account for all forms of remuneration received by the Respondent under his new contract with Qarabag. Specifically, the Appellant submits that, pursuant to Article 17(1) of the FIFA RSTP, all remuneration and benefits—both fixed and conditional—received by the player during the relevant period must be deducted from the residual value of the prematurely terminated contract.

Housing and car allowance:

65. The Appellant contends that the DRC erred by only considering the fixed salary (USD 500,000 over 24 months) under the Qarabag Contract and omitting the explicit

monthly allowances for housing (AZN 1,700) and car (AZN 500). The Appellant argues that these allowances are contractually stipulated, have a clear monetary value, and thus must be included in the calculation of the value of the new contract for mitigation purposes. The Appellant provides a conversion of these allowances to EUR 28,152.48 and asserts that the total value over the contract period should be deducted from the compensation owed.

66. The Respondent does not specifically contest the inclusion of the housing and car allowances as part of the remuneration under the new contract but maintains that all relevant contractual terms were disclosed and that the DRC's calculation was correct. The Respondent emphasizes that the Qarabag Contract was for a lower overall value than the Partizan Contract, and that he acted in good faith in seeking new employment after the termination.

67. According to established Swiss jurisprudence and doctrine, salary encompasses not only the fixed monetary payments made to the employee, but also any benefits in kind or allowances that are granted in consideration for the employee's work and which have an economic value for the employee. The Swiss Code of Obligations (SCO), specifically Article 322, provides that the employee is entitled to all remuneration that is agreed upon or customary, including both cash payments and benefits in kind such as board and lodgings, unless agreed otherwise (also confirmed by Article 329*d* SCO).

68. In the present matter, the Qarabag Contract expressly provides for a monthly car allowance and a housing allowance, each with a specified monetary value. These allowances are not discretionary or occasional but are contractually guaranteed and paid regularly throughout the term of the contract. As such, they fall squarely within the definition of "salary" under Swiss law, as they are benefits in kind granted in consideration for the Respondent's professional services and are quantifiable in monetary terms.

69. Accordingly, the car allowance and housing allowance received by the Respondent under the Qarabag Contract must be included in the calculation of the "mitigated compensation". This approach is consistent with the principle of positive interest, which seeks to place the injured party in the position he would have been in had the original contract been performed, but not in a better position.

70. In conclusion, in accordance with Article 17(1) of the FIFA RSTP, these allowances must be included in the calculation of the Respondent's mitigated compensation and deducted from the compensation payable by the Appellant.

Team bonuses

71. The Appellant further submits that the Appealed Decision failed to investigate and include conditional remuneration, specifically team (collective) bonuses, to which the Respondent was entitled under the new contract. The Appellant points to the successful sporting achievements of Qarabag during the relevant seasons, which, according to the Appellant, would have triggered substantial team bonuses. The Appellant argues that,

based on common practice in the region and the club's significant UEFA revenues, it is reasonable to assume that the Respondent received or was entitled to receive a share of these bonuses. The Appellant requests the production of documents and testimony to establish the precise amounts and insists that any such bonuses must be deducted from the residual value of the original contract as part of the mitigation calculation.

72. The Respondent strongly contests the Appellant's attempt to include hypothetical or speculative team bonuses in the mitigation calculation. It argues that such bonuses are inherently unpredictable, contingent on team performance and the discretion of the club's board and cannot be presumed or estimated based on general UEFA distributions or alleged regional practices. The Respondent asserts that the Appellant's claims regarding bonuses are unsubstantiated, based on conjecture, and unsupported by concrete evidence of actual payments to the player. The Respondent further notes that the Appellant's reliance on anonymous sources and general financial data does not meet the requisite standard of proof for inclusion in the mitigation calculation.

73. Upon thorough examination of the evidence presented in these proceedings, the Sole Arbitrator concludes that the Respondent has failed to discharge the burden of proof required to establish entitlement to any team (collective) bonuses under the Qarabag Contract. According to the applicable standard of proof—namely, the balance of probabilities—the party asserting a fact must demonstrate that it is more likely than not that the alleged fact occurred.

74. In the present case, the Respondent has not produced any documentary evidence, such as pay slips, bonus statements, or other written confirmation, evidencing the receipt of any team bonuses from Qarabag. Most notably, the bank statements submitted into evidence do not reflect any payments corresponding to team or collective bonuses during the relevant period. The absence of such entries is a strong indication that no such bonuses were paid to the Respondent.

75. Furthermore, the oral testimony provided by both the Respondent and his agent, who appeared as a witness in these proceedings, unequivocally confirms that no team or collective bonuses were received by the Respondent during his employment with Qarabag. Both individuals stated that no such payments were made, and their statements were consistent and credible. There is no evidence on record to contradict their declarations.

76. In addition, there is no evidence to suggest that Qarabag distributed any team or collective bonuses to its players during the relevant seasons. The mere fact that the club achieved sporting success and received significant revenues from UEFA competitions does not, in itself, establish that any portion of these revenues was distributed to the players as team bonuses, and more importantly to the Respondent.

77. In light of the above, the Sole Arbitrator finds that no deduction shall be made from the compensation payable by the Appellant on account of alleged team bonuses, as their receipt has not been established.

D. Did the Player act in bad faith towards the Club?

78. The Appellant alleges that the Respondent acted in bad faith by intentionally failing to earn higher amounts in the first and second years of his contract with Qarabag. The Appellant argues that the Respondent's contract with Qarabag was structured to maximize the compensation payable by FC Partizan for breach of contract. Specifically, the Appellant points to the substantial increase in the value of the third optional year of the contract, which rises from USD 250,000 in the first and second years to USD 450,000 in the third year, representing an 80% increase. The Appellant contends that this unusual difference indicates bad faith and an attempt to manipulate the terms to benefit from higher compensation from Partizan.

79. The Respondent denies the allegations of bad faith. He asserts that the increase in the third optional year is a standard practice and depends on the club's discretion to extend the contract based on the player's performance and importance to the squad. The Respondent emphasizes that he did not have any guarantee of receiving the amounts agreed for the third season and that the optional year was subject to the club's decision, what is demonstrated by the fact that Qarabag did not renew the Qarabag Contract for the third year. Furthermore, the Respondent argues that he did not hide any information and cooperated fully with FIFA during the proceedings.He also points out that he agreed to a lower-budget contract with Qarabag than he had the right to receive from Partizan, indicating his genuine efforts to remain employed with the Appellant.

80. The Appellant has not provided concrete proof that the Respondent intentionally structured his contract with FC Qarabag to maximize compensation from FC Partizan. The substantial increase in the third optional year of the contract is not uncommon and is subject to the club's discretion, which does not inherently indicate bad faith. Additionally, the Respondent's cooperation with FIFA and the lack of any hidden information further undermine the Appellant's claims.

81. Moreover, the witness statement submitted by the Player’s agent corroborates that, at the time of negotiating the Qarabag Contract, the Player was in a diminished bargaining position as a result of his underwhelming performance during the 2022/2023 season. This context reasonably justifies the lower salary agreed for the first and second seasons of the contract, as well as the discretionary nature of the third season, which was subject to the unilateral decision of the Club.

82. Finally, it has been demonstrated that the Respondent did not fulfil the third year of the Qarabag Contract. The optional year was not exercised, and the Respondent did not receive the increased amounts for the third season. This fact further supports the rejection of the bad faith allegation, as the Respondent did not benefit from the purported manipulation of contract terms.

83. The Appellant's argument is therefore dismissed.

E. The additional compensation awarded to the Player

84. The Appellant contends that the Appealed Decision erred in awarding the Respondent an amount of EUR 150,000 as additional compensation, corresponding to three times the monthly remuneration of the player. The Appellant submits that the DRC incorrectly based this calculation on the "loyalty fee" rather than the net monthly salary expressly stipulated in the Partizan Contract. The Appellant argues that, according to the wording of Article 17(1) ii) RSTP and consistent DRC jurisprudence, only the net monthly salary should be considered for the purposes of additional compensation, to the exclusion of other forms of remuneration such as loyalty fees or bonuses. The Appellant further asserts that the DRC's approach lacks regulatory basis and results in an excessive and unlawful award, exceeding the scope of the provision, which is limited to "three monthly salaries".

85. The Respondent supports the Appealed Decision and maintains that the award of additional compensation is fully consistent with the applicable regulations and established jurisprudence. The Respondent notes that the DRC correctly identified that the termination of the contract was due to overdue payables, thus triggering the entitlement to additional compensation under Article 17(1) ii) RSTP. The Respondent further submits that the DRC's calculation, based on the monthly remuneration actually received by the player under the contract, is in line with both the letter and the spirit of the regulations. The Respondent rejects the Appellant's attempt to limit the calculation to the net monthly salary, arguing that the relevant contractual remuneration, as interpreted by the DRC, properly reflects the player's actual earnings and the parties' intentions.

86. The Sole Arbitrator finds the Appellant's argument unfounded and confirms the Appealed Decision regarding additional compensation. Article 17(1) ii) of the FIFA RSTP provides that, in cases of termination due to overdue payables, the player is entitled to an amount corresponding to three monthly salaries as additional compensation. The DRC, in its decision, correctly identified the relevant monthly remuneration under the contract and applied the regulatory provision in a manner consistent with both the text of the RSTP and established jurisprudence. The DRC's approach is further supported by the principle that the calculation of additional compensation should reflect the actual value of the player's services at the time of termination, as established in the regulations.

87. The Appellant's attempt to restrict the calculation exclusively to the net monthly salary, to the exclusion of other forms of regular remuneration contractually agreed between the parties, is not supported by the wording of the FIFA RSTP. The DRC's reliance on the contractual remuneration, including loyalty fees where these constitute the principal form of monthly payment, is both reasonable and in accordance with the Partizan Contract and the regulatory framework.

    Accordingly, the Sole Arbitrator rejects the Appellant's argument and confirms the additional compensation in the amount of EUR 150,000, corresponding to three times the monthly remuneration as determined by the DRC.

F. Conclusion

88. For the reasons set out above, the Sole Arbitrator finds that the only additional mitigation duly established concerns the Player's contractually guaranteed housing and car allowances under the Qarabag Contract. These allowances constitute remuneration and, in accordance with Article 17(1)(ii) RSTP, must be deducted from the residual value of the Partizan Contract. No deduction is warranted for alleged team or collective bonuses, and the Appellant's allegations of bad faith are dismissed. The additional compensation corresponding to three monthly salaries (EUR 150,000) is upheld.

89. Accordingly, starting from a residual value of EUR 1,250,000 and deducting (i) the value of the Player's new fixed remuneration with Qarabag (approx. EUR 462,425) and (ii) the proven housing and car allowances (EUR 28,152.48), the compensation for breach of contract is fixed at EUR 909,422.52 net, plus interest at 5% p.a. from 20 June 2023 until effective payment.

X. COSTS

(…)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed on 20 November 2024 by FC Partizan against the decision rendered by the Dispute Resolution Chamber of the FIFA Football Tribunal on 22 August 2024 is partially upheld.

2. The decision rendered by the Dispute Resolution Chamber of the FIFA Football Tribunal on 22 August 2024 is confirmed, save for paragraph 2 of the operative part, which shall read as follows:

   "*2. The Respondent, Partizan, must pay to the Claimant the following amount(s):*

   - EUR 19,400 as outstanding remuneration plus 5% interest p.a. as from 29 May 2023 until the date of effective payment;

   - EUR 200,000 net as outstanding remuneration plus 5% interest p.a. as follows:

      - 5% interest p.a. over the amount EUR 50,000 net of as from 1 April 2023 until the date of effective payment;

      - 5% interest p.a. over the amount EUR 50,000 net of as from 1 May 2023 until the date of effective payment;

      - 5% interest p.a. over the amount EUR 50,000 net of as from 1 June 2023 until the date of effective payment;

      - 5% interest p.a. over the amount EUR 50,000 net of as from 1 January until the date of effective payment;

   - ***EUR 909,422,52 net*** *as compensation for breach of contract plus 5% interest p.a. as from 20 June 2023 until the date of effective payment*".

3. (…).

4. (…).

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

Seat of arbitration: Lausanne, Switzerland
Date: 17 September 2025

THE COURT OF ARBITRATION FOR SPORT

Kepa Larumbe
Sole Arbitrator