

CAS 2025/A/11669 Apollon Limassol FC v. Pablo Javier Machin Diez

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr Hervé Le Lay, Attorney-at-Law in Paris, France

in the arbitration between

Apollon Limassol FC, Limassol, Cyprus

Represented by Mr Alkiviadis Papantoniou of AP Sports Law Office, Athens, Greece

Appellant

and

Pablo Javier Machín Diez, Spain

Represented by Mr José Manuel Ortega Calderón and Mr Guillermo López Arana, Madrid, Spain and Mr Marc Cavaliero, Mr Jaime Cambreleng Contreras, Mr Francis Berney and Ms Carmen Carmen Cañete García-Ferrer of Cavaliero & Cambreleng, Geneva, Switzerland

Respondent

I. PARTIES

1. Apollon Limassol FC (the “Appellant” or the “Club”) with registered office in Agiou Andreou 204, Limassol, Cyprus, PO. Box 53205, 3031, is a professional football club, affiliated to the Cyprus Football Association (the “CFA”), which in turn is a member of the *Fédération Internationale de Football Association* (“FIFA”).
2. Mr Pablo Javier Machín Diez (the “Respondent” or the “Coach”) is a football coach and citizen of Spain.
3. The Appellant and the Respondent are collectively referred to as the “Parties”.

II. FACTUAL BACKGROUND

4. Below is a summary of the main relevant facts selected by the Sole Arbitrator after thorough review and consideration of the Parties’ written and oral submissions and adduced evidence in their entirety. This background information is given for the sole purpose of providing a synopsis of the matter in dispute. Additional facts and allegations may be set out, where relevant, in connection with the discussion of law and merits that follows.

A. The Employment Relationship between the Club and the Coach

5. On 23 December 2023, the Parties entered into a series of contracts governing their employment relationship, valid from the date of signature until 30 June 2025, notably:
 - a) The Codified Employment Contract of Technical Staff Members agreed between the Cyprus Football Association and the Cyprus Football Coaches Association (the “Federative Contract”), a standard employment contract prescribed by the CFA for all employment relationships between its members and their technical staff;
 - b) The Employment Contract (the “Employment Contract”), fixing certain specific conditions of the employment relationship between the Club and the Coach; and
 - c) The Supplementary Agreement (Annex to Employment Contract) between Apollon Football Public Ltd and Pablo Javier Machín Diez (the “Supplementary Agreement”), fixing additional conditions of their employment relationship.
6. The three contracts are jointly referred to as the “Contracts”.

B. The Termination of the Employment Relationship

7. On 12 May 2024, the Club played its last match of the 2023/2024 season.
8. On 13 May 2024, one-to-one meetings between the Coach, the coaching staff and the general director of the Club took place. At this occasion, the members of the coaching staff were informed that their employment contracts were being terminated, with effect

as of 1 July 2024. The Club further informed the Coach of its intention to terminate the Contracts.

9. On 14 May 2024, at the first day of the off-season, the Coach departed Cyprus to take his holidays. The Coach returned to Cyprus on 22 May 2024.
10. On 17 May 2024, the Coach informed the Club that he would agree to the mutual termination of the Contracts, against compensation in the amount of EUR 300'000.
11. On 27 and 30 May 2024, the Club reverted to the Coach's proposal and submitted a counteroffer of 40%, increased on 30 May 2024 to 50% "*of the total amount of next year*", as well as outstanding salaries. These counteroffers were refused by the Coach respectively on 27 and 30 May 2024.
12. On 1 June 2024, the Club entered into a new employment relationship with a different head coach.
13. On 28 June 2024, the Club sent a termination notice to the Coach (the "Termination Notice").
14. On 4 July 2024, the Coach replied to the Termination Notice, stating that the Club had terminated the Contracts without just cause and requested payment of the total amount of EUR 418'590 as outstanding remuneration for the 2023/2024 season as well as compensation for the termination of the employment relationship under the Contracts.
15. On 15 July 2024, the Club replied to the Coach's request indicating that (i) the compensation clause of the Supplementary Agreement was not valid; (ii) even if it was valid, the compensation clause would only apply to the amounts of the Supplementary Agreement and (iii) the amounts requested by the Coach as outstanding salaries were wrongly calculated.
16. On 24 November 2024, the Coach found new employment with the Qatari football club Umm Salal Sport Club Co., valid from 25 November 2024 until 30 June 2025. This employment relationship was prematurely terminated by the Qatari club on 21 January 2025.

C. Proceedings before the FIFA Players' Status Chamber

17. On 6 November 2024, the Coach filed a claim against the Club before the Players' Status Chamber of the FIFA Football Tribunal (the "FIFA PSC"), which was notified to the Club on 29 November 2024.
 - On 9 December 2024, the Club submitted its response to the claim to the FIFA PSC.
18. On 24 June 2025, the FIFA PSC rendered its decision Ref. No. FPSD-16966 (the "Appealed Decision"). In particular, the Appealed Decision provides as follows:

"1. The claim of the [Coach], is partially accepted.

2. *The [Club] must pay to the [Coach] the following amount(s):*
 - *EUR 19,000 net as outstanding remuneration plus 5% interest p.a. as from 1 April 2024 until the date of effective payment;*
 - *EUR 19,000 net as outstanding remuneration plus 5% interest p.a. as from 1 May 2024 until the date of effective payment;*
 - *EUR 19,000 net as outstanding remuneration plus 5% interest p.a. as from 1 June 2024 until the date of effective payment; and*
 - *EUR 360,000 net as compensation for breach of contract plus 5% interest p.a. as from 28 June 2024 until the date of effective payment.*
 3. *Any further claims of the [Coach] are rejected.*
 4. *The claim of the [Club] is rejected.*
 5. *Full payment (including all applicable interest) shall be made to the bank account indicated in the enclosed Bank Account Registration Form.*
 6. *Pursuant to art. 8 of Annexe 2 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 [Club] 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.*
 7. *The consequences shall only be enforced at the request of the [Coach] in accordance with art. 8 par. 7 and 8 of Annexe 2 and art. 25 of the Regulations on the Status and Transfer of Players.*
 8. *This decision is rendered without costs.”*
19. Thereby, in the Appealed Decision, the FIFA PSC granted the Coach’s claims in their entirety, considering notably that (i) it had jurisdiction over the present dispute per Article 4 of the Supplementary Agreement, (ii) the Club terminated the employment relationship without just cause, (iii) the Coach did not contribute to the termination of the employment relationship, and that, accordingly (iv) the Club was to compensate the Coach for termination without just cause pursuant to the Contracts. In this regard, the FIFA PSC considered that compensation should be calculated pursuant to Article 2 of the Supplementary Agreement, which was neither imbalanced nor disproportionate, and that accordingly, the Coach was entitled to payment of the residual value of the

Contracts, amounting to a global amount of EUR 417'000 (i.e., EUR 360'000 and EUR 57'000 in outstanding salaries) plus interest at a rate of 5% per annum.

20. The Appealed Decision was notified to the Parties on 21 July 2025.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

21. On 11 August 2025, the Appellant filed a Statement of Appeal before the Court of Arbitration for Sport ("CAS") against the Respondent with respect to the Appealed Decision, pursuant to Article R47 of the Code of Sports-related Arbitration (2025 Edition) (the "CAS Code"), Articles 49(1) and 50(1) of the FIFA Statutes and Article 24(5) of the FIFA RSTP. The Appellant, inter alia, requested to refer the dispute to a sole arbitrator.
22. On 22 August 2025, the Respondent agreed to the appointment of a sole arbitrator.
23. On 30 September 2025, after several extensions of its time limit, the Appellant filed an Appeal Brief (the "Appeal Brief"), which the CAS Court Office circulated to the Respondent on 1 October 2025.
24. On 2 December 2025, the CAS Court Office, on behalf of the President of the Appeals Arbitration Division, informed the Parties of the appointment of the sole arbitrator as follows (the "Sole Arbitrator"):

Sole Arbitrator: Mr Hervé Le Lay, Attorney-at-law, Paris, France
25. On 12 January 2026, after several extensions of its time limit, the Respondent submitted his Answer to the Appeal Brief (the "Answer").
26. On 3 February 2026, after having consulted the Parties, the CAS Court Office informed the Parties of the Sole Arbitrator's decision to hold a hearing on 18 March 2026 by video-conference.
27. On 16 February 2026, the CAS Court Office issued the Order of Procedure, which was duly signed by the Parties.
28. On 18 March 2026, a hearing was held by video-conference. Besides the Sole Arbitrator, who was assisted by Ms Delphine Deschenaux-Rochat, Counsel to CAS, the following persons attended the hearing:

For the Appellant:

- Mr Alkiviadis Papantoniou, counsel;
- Mr Vasileios Fotiou, counsel.

For the Respondent:

- Mr Jesús Manuel Ortega Calderón, counsel;
- Mr Jaime Cambreleng Contreras, counsel;
- Ms Carmen Cañete García-Ferrer, counsel.

29. At the outset of the hearing, both Parties confirmed not having any objections to the way the proceedings had been conducted up to this stage. Both Parties were given full opportunity to present their case, submit their arguments and answer the questions posed by the Sole Arbitrator. Before the hearing was concluded, both Parties expressly confirmed that they had no objections on the way the procedure or the hearing had been conducted.

IV. SUBMISSIONS OF THE PARTIES

30. The following outline is a synthesis of the Parties' arguments and submissions which the Sole Arbitrator deems relevant to decide the present dispute. Although this summary does not comprise each and every contention advanced by the Parties and may not include explicit reference to all their arguments, the Sole Arbitrator has nonetheless carefully considered all the submissions made by them. The Parties' written and oral submissions, documentary and witness evidence, and the content of the Appealed Decision were all taken into consideration.

A. The Appellant

31. In its Appeal Brief dated 30 September 2025, the Appellant submitted the following prayers for relief:

"In view of the arguments presented with our Appeal Brief, we request by the honourable Sole Arbitrator to overturn the Challenged Decision and decided that:

E.1 The Respondent was liable for the termination of the employment relationship.

The Club terminated the employment relationship with just cause and the Respondent was liable for the termination of the contract and shall pay compensation to the Club, as per article 6 Annex 2 FIFA RSTP. The compensation shall be equal to:

- I. EUR 340,000, as the remaining value of the terminated Employment Contract and Supplementary Contract, plus*
- II. EUR 120,000, as the replacement costs that the Club incurred in order to replace the Claimant, plus,*
- III. EUR 359,000 as the amounts that the Coach gained from his new employment after the termination of the employment relationship with the Club, plus:*
- IV. 5% interest p.a. as from the date that the Club submitted its Counter-claim before the FIFA PSC, i.e. from 09.12.2024.*

E.2 The Respondent contributed to the premature termination of the employment relationship.

Subsidiarily, in case Your Court finds that the Club had no just cause to terminate the employment relationship, we hereby request by Your Chamber to decide that the Respondent equally contributed to the Termination of the employment relationship and that, on this basis, no compensation shall be awarded to the Respondent.

E.3 The calculation of the compensation

Subsidiarily, and in case Your Court finds that the Club shall pay compensation to the Respondent, we present the following requests:

- I. To decide that the compensation shall be calculated on the basis of art. 6 para. 2 Annex 2 FIFA RSTP, and that it shall be subject to mitigation by the deduction of the amounts received by the Respondent from his new employment and the adjustment of the compensation due to the contribution of the Respondent from his new employment and the adjustment of the compensation due to the contribution of the Respondent to the early termination of the employment relationship. In addition, we request that*
- II. the compensation payable to the Respondent shall not include the amounts in relation to allowances and the GHS fees (i.e. total amounts of EUR 20,000 and EUR 3,180 respectively).*
- III. Subsidiarily, in case Your Court finds that art. 2.2 of the Supplementary Agreement is exclusively applicable, we request that the compensation payable to the Respondent shall be calculated exclusively upon the amounts of article 1.2 of the Supplementary Agreement and that the said amount shall be further reduced by the court, due to the general conduct of the Respondent which contributed to the premature termination of the employment relationship. We request that the compensation payable to the Respondent under this clause shall not include the amounts in relation to allowances (i.e. total amount of EUR 20,000).*
- IV. Subsidiarily, in case Your Court finds that art. 2.2 of the Supplementary Agreement applies in combination with art. 6 para. 2 Annex 2 FIFA RSTP, we request that the compensation payable to the Respondent shall not include the amounts in relationship to allowances and the GHS fees (i.e. total amounts of EUR 20,000 and EUR 3,180 respectively), and that the said compensation shall be further reduced by your Court, due to the general conduct of the Respondent which contributed to the premature termination of the employment relationship.*
- V. Subsidiarily, in case Your Court finds that article 2.2 of the Supplementary Agreement extends to the amounts provided in both the Supplementary Agreement and the employment Contract, we request by Your Chamber to decide that the compensation shall not include the amount sin relation to allowances and the GHS fees (i.e. total amounts of EUR 20,000 and EUR 3,180 respectively), and that the said compensation shall be further reduced by Your Court, due to the general*

conduct of the Respondent which contributed to the premature termination of the employment relationship. Also, we request that the total compensation shall be further reduced, considering the general conduct of the Respondent and his contribution to the premature termination of the employment relationship.”

32. The submissions of the Appellant, as contained in its written submissions and oral pleadings, may be summarized, in essence, as follows:

a. Principally, the Coach breached the Contracts and shall pay compensation to the Club for the early termination of the employment relationship

- The termination of the Contracts was justified by the Coach’s misconduct. In particular, the Coach, (i) was unjustifiably absent from the Club’s activities and seat for a period of 45 days without any communication or information about the day of his return to the Club’s facilities and activities; (ii) was unjustifiably absent from the Club’s pre-season preparation and activities, not providing coaching and training services to the Club’s players; (iii) did not show any interest regarding the recruitment of his coaching staff, and consequently the first team did not have a complete coaching team at the start of the pre-season. Further, the Coach (iv) violated his obligations relating to the scheduling of training and preparation of friendly matches of the team; (v) did not participate in the planning for the incoming and outgoing transfers and releases of players for the new season; (vi) did not fulfil his exclusive obligation of managing the first team; (vii) was not diligent and professional in the provision of his services to the Club, and generally (viii) was not interested at all for his role as Head Coach and his responsibilities to prepare for the new season.
- As the Contracts were terminated with just cause, the Club is entitled to receive compensation from the Coach pursuant to Article 6, para. 2, Annex 2 of the FIFA RSTP.
- Accordingly, the Coach shall be ordered to pay compensation corresponding to (i) EUR 340’000, for the residual value of the Contracts, (ii) EUR 120’000, for replacement costs incurred by the Club, (iii) USD 359’100, for excess amounts received by the Coach compared to what he would have earned under the Contracts.

b. Subsidiarily, no compensation shall be paid as the Coach contributed to the early termination of the Contracts

- In case of regulatory lacuna in the FIFA Regulations, Swiss law applies. Pursuant to Article 44 of the Swiss Code of Obligations (SCO”), compensation can be reduced or eliminated entirely where the injured party contributed to the incurred damage. Pursuant to Article 337b SCO, the Sole Arbitrator has discretion in determining the amount of compensation when termination is not exclusively caused by one party.
- The Coach’s contractual breaches contributed to the early termination of the Contracts, leaving the Club no reasonable alternative but to terminate the Contracts.

- As the Coach equally contributed to the early termination of the Contracts, he is not entitled to any compensation.
- c. *Subsidiarily, if compensation is due, it must be calculated pursuant to Article 6, para. 2, Annex 2 of the FIFA RSTP, as the compensation clause in the Supplementary Agreement is inapplicable*
- Contrary to the assessment in the Appealed Decision, the compensation clause is neither clear nor unequivocal: FIFA and CAS have the possibility, under the clause, to test it against “the circumstances of this specific case”;
 - In the circumstances of this specific case, the compensation clause is excessive and disproportionate considering the real damages suffered by the Coach and his contribution to the early termination;
 - The compensation clause is inapplicable as it is disproportionate considering that (i) the Coach provided services for only 4 ½ months and was employed by the Club for only 6 months, whereas the liquidated damages clause foresees compensation corresponding to 18 months of services; and (ii) the Coach had found new employment on 25 November 2024, at which time the Coach would have received three full salaries if the employment relationship had not been terminated.
 - As the compensation clause of the Supplementary Agreement is inapplicable, the compensation shall be calculated pursuant to Article 6, para. 2, Annex 2 of the FIFA RSTP;
 - The compensation shall therefore be calculated as follows: the residual value of the employment relationship, minus the value of the Coach’s income from his employment with the new Club, i.e., US\$ 359’100.
- d. *Subsidiarily, if the Panel decides that the compensation clause is applicable, compensation shall be calculated exclusively on the basis of the amounts due under the Supplementary Agreement*
- The compensation clause provides that “*the breaching party shall compensate the other with the full residual economic value of the present contract*”, thereby the Parties expressly agreed that compensation shall be calculated solely on the basis of the amounts due pursuant to the Supplementary Agreement;
 - Even if the terms of this clause are not clear, and the common intention of the Parties cannot be determined by the Panel, the *in dubio contra stipulatorem* principle justifies applying compensation restrictively (as limited to the terms of the Supplementary Agreement) as the compensation clause was drafted by the Coach;
 - Furthermore, any allowances foreseen under the Supplementary Agreement shall not form part of the compensation as they were conditioned to the incurrence of expenses for accommodation in Limassol and business travel for external matches;

- The compensation shall be further mitigated considering that the Coach contributed to the early termination of the contract.
 - The liquidated damages clause should be reduced pursuant to Articles 163(3) SCO on the grounds that it is excessively high or manifestly unjust.
- e. *Subsidiarily, if the Panel finds that compensation shall include all amounts contained in the Supplementary Agreement and in the Employment Contract, compensation shall not include allowances and shall be reduced by 2,65%*
- Allowances payable for the 2024/2025 season shall not form part of the compensation as the Coach did not incur any expenses regarding accommodation in Limassol and flight tickets to and from Limassol in relation to his professional obligations after the employment relationship was terminated;
 - The compensation shall be further reduced considering that the Coach contributed to the early termination of the contract;
 - The compensation shall be further reduced by 2,65% pursuant to the terms of the Employment Contract, corresponding to the contribution to the General Healthcare System, deducted from the net monthly salary.

B. The Position of the Respondent

33. In his Answer dated 13 January 2026, the Respondent filed the following prayers for relief:

“To dismiss the present appeal and fully uphold the Decision of the Players’ Status Chamber passed on 24 June 2025;

To order the Appellant to bear the costs of the arbitration and to contribute substantially to the legal fees incurred by Mr. Pablo Machin in, at least, CHF 25,000.”

34. The submissions of the Respondent, as contained in his written submissions and oral pleadings, may be summarized, in essence, as follows:

a. *The Coach did not contribute to the early termination of the Contracts by the Club*

- The Club has repeatedly altered its position as to the alleged breach first alleging the Coach’s “*departure*” from Limassol to be the cause for termination, which then became an “*unjustified absence*” and lastly a mere “*absence*”.
- In these proceedings, the Club claims, *inter alia*, that the absence from Limassol for a period of 45 days justifies the termination of the Contracts. The period of absence fell in a period of sporting inactivity between the end of the previous season (13 May 2024) and the start of the pre-season (on 8 July 2024). It is customary and even encouraged for players and sporting staff to take their holidays during this

period; The Club was aware that the Coach would take his holidays and depart Cyprus during this period.

- If the Club genuinely understood the Coach to be “*unjustifiably absent*” it should have contacted the Coach or at least issued a warning prior to the termination, allowing the Coach to remedy the alleged breach, which the Club did not do; Such prior warning was mandatory as demonstrated by CAS case law. The Case law referred to by the Appellant confirms that the non-mandatory character of the prior warning is limited to certain cases and instances of exceptionally serious breaches which cannot be applied to the present case.
- The Club’s CEO made settlement offers to the Coach, precisely during the period in which the Club now retrospectively alleges the Coach was committing serious contractual violations. This shows that the Club did not consider the Coach to be in breach at the time.
- It is irrelevant that the Club was not informed of the Coach’s exact return date as the pre-season was only to start on 8 July 2024 (which was publicly announced) and they agreed that they would be “separating for summer”.
- The Coach also participated in the Club’s planning for the 2024/2025 season; The Coach, together with his staff, prepared a training program for the players, including a precise schedule covering the period between the end of the 2023/2024 and the start of the 2024/2025 pre-season already in April 2024; The first version of the pre-season training plan was shared with the Club’s team manager, Mr Socratis Socratus, on 23 April 2024; This version was modified after further consultation with the teams’ doctor; The pre-season training plan comprised notably (i) the date set for the player’s arrival, (ii) the date set for medical tests, (iii) the off-season plan for the players’ to stay in shape, (iv) the training sessions taking place in Limassol, (v) the training sessions taking place in Platres (mountain training), (vi) the period in which the first team would travel abroad, (vii) the potential friendly matches and (viii) the expected competition period for the 2024/2025 season.
- It can also not be reproached that the Coach was “[not involved] *in the Club’s planning for the new season*” as the Contracts were terminated before the start of the pre-season.
- The Coach could also not reasonably be expected to provide “*coach and training services to the players of the club*” during the alleged period of absence, between 14 May 2024 and 8 July 2024, as during the off-season the players were equally on holiday; The Coach had prepared an off-season program to be put in place by the players, but the official training was only to resume on 8 July 2024.
- It also does not amount to a breach of the Contracts that the Coach allegedly did not show the “*slightest interest regarding the recruitment of his coaching staff*”; The Club unilaterally and prematurely terminated the contracts of the Coach’s assistant coaches without prior notice and without previously informing the Coach; The Coach could not reasonably be expected to assemble a new coaching staff (i)

within one month, (ii) that were willing and available to relocate to Cyprus and (iii) that agreed to join a Club which abruptly dismissed all assistant coaches and (iv) owed salary payments to both its head coach and the players.

- In any event, if the Club seriously expected the Coach to perform any of these obligations, it would have reached out to him in this regard. No such communication took place.
- The Coach could also not reasonably be expected to “*participate in the planning for the incoming and outgoing transfers and releases of players for the new season*”; The Coach’s duties did not include any such obligations as they fall into the duties of the sports and executive management of the Club (carried out by the sporting director and the CEO of the Club); The Coach tried to propose several new players during the 2023/2024 season, which were refused by the Club.
- The Club breached itself the Contracts by negotiating the conditions for the employment of a new head coach and signing a contract with the successor of the Coach while the Contracts were still running.

b. The Club wrongfully terminated the Contracts and therefore owes compensation under the compensation clause as well as outstanding salaries

- The compensation clause is valid and applicable; It clearly provides for compensation in case of a premature termination of the Contracts, applicable to either party (reciprocity) and foresees a proportional compensation (i.e., the residual value of the Contracts).
- Furthermore, the compensation clause expressly excludes the application of Art. 6, paras. 1-2, of Annex 2 of the FIFA RSTP except if the competent body of FIFA decides the compensation clause to be inapplicable; This is not the case in the present circumstances.
- In any event, the Club cannot argue, on the one hand, that the liquidated damages clause is invalid and/or inapplicable for the Coach to claim compensation, while being the valid and applicable standard for calculating the compensation owed to the Club.
- The Supplementary Agreement containing the liquidated damages clause is an inextricable part of the Employment Contract and Standard Employment Contract; The Supplementary Agreement expressly provides for as much; Since the conclusion of the Federative Contract and the Employment Contract itself are mandatory and are standard contracts included in all employment contracts for coaches and players in Cyprus, it is common practice that the specific provisions of an employment relationship between a coach and a club are regulated in an additional agreement, as was done in the present case via the Supplementary Agreement.

- The wording of the Supplementary Agreement and of the compensation clause confirm as much as they expressly refer to the Federative Contract and the Employment Contract, the compensation clause providing expressly that the residual value of the contract must be understood according to all the documents governing the employment relationship (i.e., the Federative Contract, the Employment Contract and the Supplementary Agreement).
- There is no reason to apply a 2,65% deduction on the compensation amounts as such a deduction was foreseen for contributions payable to the General Healthcare System in Cyprus for the duration of the Contracts; Since the Contracts were terminated, the Club no longer has an obligation of paying these contributions and the corresponding amounts shall not be deducted from the compensation.
- There is also no reason not to include the fixed allowances granted for the 2024/2025 season in the compensation; According to CAS case law, such allowances are not subject to the fulfillment of any precondition and are to be included in the calculation of the “full residual economic value” of the Contracts.
- Accordingly, the Coach is entitled to receive compensation and outstanding remuneration in the following amounts:
 - (i) EUR 360'000, full residual economic value under the Contracts for the 2024/2025 season (i.e., EUR 120'000 pursuant to the Employment Contract, EUR 220'000 pursuant to Art. 1.2 of the Supplementary Agreement and EUR 20'000 pursuant to Art. 1.4 of the Supplementary Agreement);
 - (ii) EUR 57'000, outstanding remuneration for the 2023/2024 season.
- The Contracts do not provide for an applicable interest rate. Absent a provision on interest in the Contracts, the statutory interest rate is applicable. Pursuant to Article 73 SCO, the applicable interest rate is 5% per annum. This interest rate shall be applied to both, outstanding salaries and compensation for breach of contract (as of 28 June 2024).

V. CAS JURISDICTION

35. Article R47 of the CAS Code provides as follows:

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

36. Articles 49(1) and 50(1) of the FIFA Statutes provide as follows:

Article 49(1): *“FIFA recognises the independent Court of Arbitration for Sport (CAS) with headquarters in Lausanne (Switzerland) to resolve disputes between FIFA, Members, Confederations, Leagues, Clubs, Players, Officials, intermediaries and licensed match agents.”*

Article 50(1): *“Appeals against final decisions passed by FIFA’s legal bodies and against decisions passed by confederations, member associations or leagues shall be lodged with CAS within 21 days of receipt of the decision in question.”*

37. The Panel notes that the jurisdiction of CAS is not disputed by the Parties. Furthermore, the CAS jurisdiction is confirmed by the Order of Procedure, duly signed by the Parties.

38. In view of the above, the Sole Arbitrator is satisfied that CAS has jurisdiction to decide the present dispute.

VI. ADMISSIBILITY

39. Article R49 of the CAS Code provides, in its relevant part, as follows:

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

40. The Appealed Decision constitutes a *“decision”* within the meaning of Articles R47 and R49 of the CAS Code.

41. As for the deadline to file an appeal, Article 50(1) of the FIFA Statutes, provides as follows:

“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.”

42. The Appealed Decision was notified to the Appellant on 21 July 2025. The Appellant filed its Statement of Appeal with CAS on 11 August 2025. The Sole Arbitrator further notes that the admissibility of the present appeal is not contested.

43. Consequently, the Sole Arbitrator is satisfied that the present appeal is admissible.

VII. APPLICABLE LAW

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

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

45. Article 49(2) of the FIFA Statutes provides in the relevant part that:

“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.”

46. Neither of the Contracts provides for an applicable law provision.
47. Both Parties have based their submissions on the applicable FIFA Regulations without contesting their application.
48. Consequently, the present dispute will be decided pursuant to the FIFA Statutes, rules and regulations and subsidiarily, Swiss law, should the necessity arise to fill gaps in the various regulations of FIFA.

VIII. MERITS

49. The Parties are in dispute over the characterization of the termination of the employment relationship between the Club and the Coach and over the amount of compensation that may be due to either Party, depending on whether there was just cause justifying the premature termination.
50. The Appellant submits that it terminated the employment relationship with just cause and that it is therefore entitled to compensation. In the alternative, the Appellant argues that the responsibility for the termination of the employment relationship should be shared, with the result that the Coach would not be entitled to any compensation from the Club. In a further alternative, the Appellant contends that, if the Sole Arbitrator finds that the Club terminated the employment relationship without just cause, and that the responsibility for the premature termination is not shared between the Parties, any compensation due to the Coach shall not be calculated pursuant to the liquidated damages clause, but rather pursuant to Article 6, para. 2, Annex 2 of the FIFA RSTP. In a further alternative, if the Sole Arbitrator find the liquidated damages clause to be applicable, the Appellant submits that the calculation of compensation should be limited to amounts owed under to the Supplementary Agreement, to the exclusion of the Employment Contract. Finally, if compensation is found to include amounts owed under both the Supplementary Agreement and the Employment Contract, the Appellant argues that such amounts should exclude any “allowances” and should, in any event, be reduced by 2,65% in accordance with the Employment Contract.

51. The Respondent submits that he neither breached the terms of the Contracts nor contributed to the early termination of his employment relationship with the Club. As the Club bears full responsibility for terminating the employment relationship without just cause, the Respondent argues that he is entitled to compensation pursuant to the liquidated damages clause set out in Article 2 of the Supplementary Agreement. The Respondent further submits that such compensation shall include all amounts due under both the Supplementary Agreement and the Employment Contract, including allowances, and should not be reduced by 2,65%, as the Coach is no longer required to pay contributions to the Cypriot health care system.
52. Accordingly, the main issues to be addressed by the Sole Arbitrator are:
- A. Whether the employment relationship was terminated with or without just cause and whether the liability for the premature termination shall be shared between the Parties?
 - B. Whether the liquidated damages provision contained in Article 2 of the Supplementary Agreement is applicable?
 - C. Which financial consequences shall be attached to the Sole Arbitrator's decision?
- A. Whether the Club terminated the employment relationship with or without just cause?**
53. As a preliminary matter, the Sole Arbitrator notes that neither the Contracts, nor the applicable FIFA regulations, contain a definition of "just cause".
54. Pursuant to established CAS case law, the principle of "just cause" within the meaning of the FIFA regulations, can be assimilated to the principle of "good cause" or "good reason" existing under Swiss law (see f. ex. CAS 2006/A/1062, CAS 2016/A/4846, CAS 2017/A/5465). The Sole Arbitrator therefore refers to the concept of "good cause" under Swiss law, i.e., the substantive law applicable in case of regulatory lacuna. Article 337 SCO provides as follows:
- "1. Both the employer and employee may terminate the employment relationship with immediate effect at any time for good cause; the party doing so must give his reasons in writing at the other party's request.*
 - 2. In particular, good cause is any circumstance which renders the continuation of the employment relationship in good faith unconscionable for the party giving notice. [...]"*
55. Pursuant to the FIFA Commentary on the FIFA RSTP, "[w]hether a party has a just cause to prematurely terminate a binding contract must be assessed for each individual case and in consideration of all the specific circumstances. [...] Good cause (and thus just cause) to lawfully terminate an employment contract exists when the fundamental terms and conditions which formed the basis of the contractual arrangement are no

longer respected by one of the parties.” (FIFA RSTP Commentary, Article 14, No.2(B)(a)).

56. In application of this principle, only a breach of a certain severity may result in the immediate termination of an employment relationship and to establish that a breach is sufficiently severe, there need to be objective criteria which do not reasonably permit an expectation that the employment relationship between the parties be continued (CAS 2004/A/587; CAS 2006/A/1180; CAS 2006/A/1100; CAS 2011/A/2567). In any event, the early termination of the employment relationship can only be the ultima ratio measure (see f. ex. FIFA RSTP Commentary, Annexe 2, Articles 3 to 8, No. 2(A)(a)).
57. The Sole Arbitrator further notes that, pursuant to the *actori incumbit probatio principle*, the burden of proving the existence of an alleged fact falls upon the party who derives rights from that fact.
58. In application of this principle, if the Club alleges that it had just cause for the early termination of the employment relationship, it needs to establish the existence of such just cause and that such termination took place as an ultima ratio measure. The standard for establishing that just cause for terminating an employment relationship existed is therefore rather high.
59. In assessing whether a breach of sufficient severity has been established, the Sole Arbitrator considers, among other factors, the existence of a prior warning concerning the alleged breaches. Although the Sole Arbitrator does not consider the giving of a prior warning to constitute an absolute obligation, such a warning is indicative of the circumstances surrounding the termination of the employment relationship and therefore constitutes a particularly relevant element for the assessment of whether or not at the time of the termination, breaches of sufficient severity existed. In the words of the CAS panel in CAS 2006/A/1100, with which the Sole Arbitrator concurs : *“the Appellant must – before he terminates the Contract – let the Respondent know firstly that he is complaining that the Respondent’s conduct is not in accordance with the Contract and secondly that he is not prepared to accept such breaches of contract in future”*.
60. In the present case, it is undisputed between the Parties that, prior to the unilateral termination of the employment relationship by the Club, the Parties envisaged the termination of the employment relationship by mutual agreement:
 - On 13 May 2024, at a one-to-one meeting between the president of the Club and the Coach, the Club informed the Coach of its intention to end the employment relationship. At this occasion, the Coach conditioned his entering into settlement negotiations upon the prior payment by the Club of his outstanding salaries for the 2023/2024 season.
 - On 17 May 2024, the Coach informed the Club that he would agree to the mutual termination of the Contracts, if the Club agrees to the payment of compensation in the amount of EUR 300,000, corresponding to the residual value of his contract, in addition to his outstanding salaries.

- On 27 May 2024, the Club reverted to the Coach's proposal and submitted a counteroffer of 40% "*of the total amount of next year*" as well as outstanding salaries. This counteroffer was refused by the Coach on the same day.
 - On 30 May 2024, the Club increased the amount of its counteroffer to 50%, proposition which was equally rejected by the Coach.
61. Following this last rejection, the Club unilaterally terminated the Contracts with the Coach on 28 June 2024. The Termination Notice reads as follows:

"TERMINATION NOTICE

Dear Mr Machin,

By virtue of the present Notice we would like to inform you of the decision of the Club to terminate our employment relationship with immediate effect.

In addition, we hereby invite You to discuss and agree with the Club on the amount of a potential compensation to be paid for the termination of the Contract.

Thank you in advance for your cooperation.

For Apollon Limassol

[signature]

Alkis Papantoniou

Attorney-at-law"

Athens, 28/06/2024

62. The first time that the Club officially provided reasons for the early termination was in its correspondence of 15 July 2024, i.e., two weeks after the Termination Notice and only after the Coach had contested the validity of said termination and claimed compensation.
63. In said correspondence, the Club put forward several arguments relating to the Coach's conduct during the period between 14 May 2024 and 28 June 2024, i.e. after the Club had informed the Coach of its intention of terminating the employment relationship. The Club notably argued that the Coach's performance fell far below professional standards, which therefore justified its termination of the employment relationship with just cause. In particular, the Club considers that the Coach:
- a) was unjustifiably absent from the Club activities and seat for a period of 45 days without any communication or information about the day of his return to the Club's facilities and activities;
 - b) was unjustifiably absent from the Club's pre-season preparation and activities, not providing coaching and training services to the players of the club;
 - c) did not show any interest regarding the recruitment of his coaching staff, and consequently the first team did not have a complete coaching team at the start of the pre-season;

- d) violated his obligations relating to the scheduling of training and preparation of friendly matches of the team;
 - e) did not participate in the planning for the incoming and outgoing transfers and releases of players for the new season; and
 - f) In general, was not diligent and professional in the provision of his services to the Club.
64. It is not contested that, prior to the Termination Notice, no warning or notification regarding the alleged breaches of his contractual obligations was given to the Coach.
65. It is also not contested in these proceedings that the Club signed a contract with a new head coach, replacing Mr Machín Diez, on 1 June 2024, i.e., nearly one month before it terminated the employment relationship with the Coach.
66. In these circumstances, the Sole Arbitrator finds that the Club has not established the existence of a breach by the Coach of his contractual obligations under the Contracts, let alone that such breaches were sufficiently severe that the continuation of the employment relationship could not reasonably be expected.
67. *First*, as regards the Coach's alleged absence from the Club's seat for 45 days without information regarding the date of return, the Sole Arbitrator notes that the alleged contractual breaches fall in a period of sporting inactivity (in between the 2023/2024 and 2024/2025 sporting seasons) during which players and coaching staff are generally expected to take their holidays. The Coach demonstrably departed from Limassol on 14 May 2024 – the first day of the off-season – and returned to Limassol on 22 May 2024, i.e., well before the announced start of the Club activities during the pre-season on 8 July 2024. No sporting activities and/or trainings were scheduled between 14 May 2024 and 8 July 2024. Considering that the Coach was not absent from any Club or sporting activities and that it is further not submitted that the Coach failed to participate in any Club meetings, his absence from Limassol during the off-season was not only to be expected but did also not cause any prejudice to the Club. The Sole Arbitrator also notes that the Club has not pointed towards any express obligation arising out of the Contracts, that would have required the Coach to be present at the Club's seat during this period of time.
68. The Sole Arbitrator further notes that, between 14 and 30 May 2024, the Club and the Coach exchanged various messages through the Coach's agent – notably concerning the compensation which the Club would have to pay for the early termination of the Contracts. At no point during these conversations did the Club issue a warning regarding any of the alleged breaches, nor did it request the Coach to return to its premises, which could have been reasonably expected, if the Club was sincerely concerned about the Coach's absence at that time.
69. In these circumstances, the Coach's absence from the Club's seat cannot be considered a breach of his contractual obligations, and certainly not one of such severity as to render the continuation of the employment relationship unreasonable.

70. *Second*, as regards the allegations that, the Coach was unjustifiably absent from the Club's pre-season preparation and activities, not providing coaching and training services to the players of the Club, that he violated his obligations relating to the scheduling of training and preparation of friendly matches of the team and that he was generally not interested at all for his role as Head Coach and his responsibilities to prepare for the new season, the Sole Arbitrator notes that the Coach had, prior to his termination, prepared and coordinated with the medical staff of the Club a detailed training plan for both the off- and the pre-season. This training plan foresees notably (i) a period of vacation for the players from 14 May 2024 to 2 June 2024, (ii) a period of individual training from 3 June 2024 to 6 July 2024, (iii) a period for medical tests upon the players' return to Limassol from 5 to 12 July 2024, and (iv) the start of the pre-season training from 15 July 2024 onwards. The Coach coordinated this schedule in April 2024 with the Club's medical staff.
71. During the period of the alleged absence from the Club's pre-season preparation and activities, during which the Coach allegedly failed to provide coaching and training services to the players of the Club, the training plan notably foresees a detailed, individual work-out plan to be followed by the Players while they are not physically at the premises of the Club. Similarly, the Coach prepared, at the beginning of May 2024, a pre-season plan, which foresaw (i) a training period in the Cypriot mountains, (ii) a training period at a location abroad, and (iii) five friendly matches, scheduled to potentially take place on 26 July 2024, as well as on 1, 7, 10 and 17 August 2024. The Sole Arbitrator notes that, pursuant to the Club's submissions, the team eventually participated in five friendly matches which were announced on 27 June 2024 to take place on 19, 26 and 31 July 2024, as well as on 3 and 7 August 2024.
72. In view of the above, the Sole Arbitrator does not find that the Coach had failed to provide coaching and training services to the players of the Club, nor that he had failed to participate in the preparation of the team's training and friendly matches during the pre-season. The Sole Arbitrator further finds that there is simply no evidence demonstrating the alleged lack of interest of the Coach in his role as Head Coach and in his responsibilities to prepare for the new season.
73. In these circumstances, the Sole Arbitrator considers that the Coach did not breach his contractual obligations as regards the preparation of the off- or of the pre-season, and in any event that the alleged lack of preparation is not of such severity as to render the continuation of the employment relationship unreasonable.
74. *Third*, as regards the Coach's alleged lack of interest regarding the recruitment of the new coaching staff, which would have led to the Club's first team not having a complete coaching team at the start of the pre-season, and of his alleged lack of participation in the planning for the incoming and outgoing transfers and releases of players for the new season, the Sole Arbitrator preliminary notes that, the proof of establishing that the Coach had such an obligation, and that such obligation has been breached lies with the Appellant. The Sole Arbitrator considers that such an obligation does also not arise out of the Contracts which, pursuant to Article 2.3 of the Employment Contract, limit the Coach's obligations as follows:

“Mr. Pablo Javier Machin will be responsible, among other functions, for the technical direction as Head Coach of the first team of Apollon Football Public Ltd, being the exclusive responsibility of the Head Coach (together with his assistant coaches), among others, training and coaching the players, selecting and elaborating the line-ups and team to take part in matches and competitions, making tactical choices during matches and competitions, the establishment of the training days and schedules, the weekly rest days, as well as those other activities that are inherent to the position. The Head Coach is therefore responsible for managing the First Team of the Club to the best of his abilities, which includes, among others, setting the strategy and tactics that the team will try to implement on the pitch.”

75. The Appellant does not refer to any other source which could have allegedly founded the Coach’s obligation to participate in the recruitment. In these circumstances, the Sole Arbitrator considers that the Club did not sufficiently demonstrate that the Coach was under an obligation to participate in the recruitment of the new technical staff or in the planning for the incoming and outgoing transfers and releases of players for the new season.
76. For the sake of good order, the Sole Arbitrator notes that even if the Coach had such an obligation, the timeline in the present case shows that the Club had terminated the entire coaching staff, with the exception of the Coach, on 13 May 2024, with effect as of 1 July 2024 and that the Club entered into a new employment relationship with a new head coach on 1 June 2024. It is not unreasonable to think that, in these circumstances, the new coach would have brought with him a new technical staff, making any effort that the Coach could hypothetically have made redundant in this regard. Similarly, the Sole Arbitrator is not convinced that the Club could have reasonably expected the Coach to participate in the planning for the incoming and outgoing transfers and releases of players for the new season once it had already signed on a new coach for its first team.
77. In these circumstances, the Sole Arbitrator considers that the Coach was under no contractual obligation to participate in the hiring of a new technical staff or of the incoming and outgoing transfers and releases of players for the new season and that therefore any alleged lack of participation in such activities cannot amount to a breach of its contractual obligations. However, the Sole Arbitrator considers that even if the Coach was under such an obligation, the alleged breach is not of such severity as to render the continuation of the employment relationship unreasonable.
78. Lastly, as regards the allegations that the Coach did not fulfil his exclusive obligation to manage the first team and in general was not diligent and professional in the provision of his services to the Club, the Sole Arbitrator considers that the Club has not provided any evidence supporting these allegations. On the contrary, the Sole Arbitrator considers that there is ample evidence on file which suggests that the Coach acted diligently and professionally in the provision of his services throughout the season and in preparation of the off- and of the pre-season and showed an interest in his work for the Club.
79. In these circumstances, the Sole Arbitrator finds that the Club has not sufficiently demonstrated that the Coach was not diligent and professional in the provision of his

services and therefore has not established any breach of the Coach's contractual obligations.

80. In view of the above, the Sole Arbitrator finds that the Club terminated the employment relationship without just cause, and, considering that the Sole Arbitrator finds that the Coach did not breach any of its contractual obligations, the liability for the early termination of the employment relationship lies with the Club alone.

81. As a direct consequence of the above, compensation for the early termination of the Contracts is due by the Club to the benefit of the Coach.

B. Whether the liquidated damages clause in Article 2 of the Supplementary Agreement is applicable?

82. The Sole Arbitrator first notes that, in order to define the consequences of a breach of contract, it has first to turn to the relevant provisions set forth in the FIFA regulations.

83. Article 6, para. 2, Annex 2 of the FIFA RSTP provides in the relevant part as follows:

“Unless otherwise provided for in the contract, compensation for the breach shall be calculated as follows:

Compensation due to a coach

a) In case the coach did not sign any new contract following the termination of their previous contract, as a general rule, the compensation shall be equal to the residual value of the contract that was prematurely terminated.

b) In case the coach 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 coach shall be entitled to an amount corresponding to three monthly salaries (the “Additional Compensation”). In case of egregious circumstances, the Additional Compensation may be increased up to a maximum of six monthly salaries. The overall compensation may never exceed the residual value of the prematurely terminated contract.

c) Collective bargaining agreements validly negotiated by employers' and employees' representatives at domestic level in accordance with national law may deviate from the principles stipulated above. The terms of such an agreement shall prevail.”

84. The Sole Arbitrator notes that, as has been confirmed by established CAS case law (see f. ex. TAS 2006/A/1082&1104; CAS 2015/A/3999&4000), parties are free to include compensation clauses, which establish in advance an amount to be paid by each party in the event of an early termination of their employment relationship, in their agreements.

85. The Sole Arbitrator further notes that Article 2 of the Supplementary Agreement constitutes such a compensation clause. It provides as follows:
- “2.1 *As per the FIFA Regulations on the Status and Transfer of Players, the parties have agreed the following condition which shall apply in case of the termination of the present contract without just cause (thus, neither the criteria set forth in Article 6.2 of the Annex 2 to the RSTP nor the method of final calculation and/or mitigation should apply, unless FIFA competent body - after assessment of the circumstances of this specific case – finds the following compensation not applicable).*
- 2.2 *In the event the Standard Employment Contract of the CFA, the Employment Contract with its annex(es) or, in general, the employment relationship is terminated by either party without just cause, the breaching party shall compensate the other with the full residual economic value of the present contract (i.e., the total amounts that the Head Coach was to receive from the termination date until the initial expiry date of this contract, according to the provisions of the Standard Employment Contract, the Employment Contract and this annex). Such compensation shall equally apply in case of termination carried out by either party with just cause [sic], when claiming a compensation.”*
86. The Appellant notably considers that any compensation shall be calculated on the basis of Article 6, para. 2, Annex 2 of the FIFA RSTP as the liquidated damages provision in Article 2 of the Supplementary Agreement is manifestly inapplicable. The Appellant submits that, in view of the express terms of this clause, the Arbitral Panel has the power to decide not to apply the clause.
87. On the substance, the Appellant raises two arguments which allegedly establish the disproportionate character of Article 2 of the Supplementary Agreement and therefore require the Sole Arbitrator to decide not to apply this provision: First, the Club raises that the liquidated compensation clause is disproportionate in view of Coach’s conduct, which, in the Appellant’s view, has led to the early termination of the employment relationship, and second, the Appellant considers the compensation foreseen under this clause to be excessive, compared to the actual financial damages suffered by the Coach. In this regard, the Appellant notably points towards the fact that the Coach found new employment on 24 November with the Club Umm Salal Sport Club Co and therefore received a remuneration for his services from this point onwards.
88. The Respondent considers that “*the clause itself expressly provides that the compensation shall apply ‘unless FIFA competent body (...) finds the following compensation not applicable’, a condition that has manifestly not been met*” as “*on the contrary, FIFA has proceeded precisely in the opposite way*” finding that the clause was clear and unequivocal, proportionate and established a reciprocal obligation.
89. The Respondent rejects the Appellant’s argument that Article 2 of the Supplementary Agreement is inapplicable as it is disproportionate. The Respondent notably raises that this clause is both proportionate (as it is based on the residual value of the contract) and appropriate (as it provides for a reciprocal obligation to pay compensation in case of an early termination without just cause). The Coach further points out that the moment of

the early termination, on 28 June 2024, effectively prevented him from finding alternative employment, as at this point of the season, most professional football clubs have already appointed their respective head coaches.

90. The Sole Arbitrator preliminary notes that CAS, as the competent appeals court over decisions rendered by FIFA bodies, has the same powers as FIFA and accordingly the Sole Arbitrator has the authority to decide not to apply the contractual liquidated damages provision, pursuant to the express terms of Article 2.1 of the Supplementary Agreement, if he finds this clause “*after assessment of the circumstances of the specific case*” not to be applicable.
91. The Sole Arbitrator further notes that a liquidated damages clause is generally deemed proportionate, if it establishes that the compensation payable corresponds to the residual value of the contract (see f.ex. CAS 2015/A/3999&4000). Further, a liquidated damages clause which exceeds the actual damage suffered by the injured party is not automatically considered excessive (see f.ex. CAS 2010/A/2202; CAS 2017/A/5304).
92. In addition, a liquidated damages clause may be considered non-applicable, if it does not meet the requirement of reciprocity, i.e., if the liquidated damages clause does not trigger the same or similar consequences for either party to the contract (see f. ex. CAS 2017/A/5366).
93. In the present case, the Sole Arbitrator notes that Article 2 of the Supplementary Agreement provides that the compensation for a premature termination of the employment relationship without just cause corresponds to “*the full residual economic value of the present contract (i.e., the total amounts that the Head Coach was to receive from the termination date until the initial expiry date of this contract, according to the provisions of the Standard Employment Contract, the Employment Contract and this annex)*” and that “*the breaching party shall compensate the other*”, i.e., irrespective whether the breaching party is the Club or the Coach.
94. In these circumstances, the Sole Arbitrator finds that Article 2 of the Supplementary Agreement, which provides for compensation amounting to the residual value of the Contracts, due by either party, does not violate the principles of proportionality and reciprocity. The Sole Arbitrator therefore sees no reason why compensation shall not be calculated pursuant to this clause.
95. Although not determinative, the Sole Arbitrator is comforted in his findings by the fact that the Club itself requested compensation pursuant to the liquidated damages clause, if the Sole Arbitrator considered that the Club had just cause for prematurely terminating the employment relationship.

C. Which financial consequences arise from the Sole Arbitrator’s decision?

96. The Appellant submits that, as the liquidated damages clause provides that “*the breaching party shall compensate the other with the full residual economic value of the present contract*”, the Parties expressly agreed that any compensation awarded pursuant to this clause shall be calculated exclusively on the basis of the amounts due under the

Supplementary Agreement. The Appellant further contends that, even if the Sole Arbitrator were to find the terms of this provision to be ambiguous, such ambiguity should be interpreted in favour of the Club, pursuant to the *in dubio contra stipulatorem* principle, as the liquidated damages clause was drafted by the Coach.

97. In any event, the Appellant suggests that the “*full residual economic value*” does not include any allowances under the Contracts, as the payment of such sums is conditional upon the incurrence of expenses for accommodation in Limassol and business travel for away matches, which the Coach did not incur following the termination of the employment relationship.
98. Lastly, the Appellant submits that any sums due under the Employment Contract should be reduced by 2,65%, as Article 2.5 of the Employment Contract provides that an amount equal to 2.65% of each monthly salary shall be deducted from the Respondent’s net monthly salary and paid directly by the Club as a contribution to the Cyprus General Healthcare System.
99. The Respondent rejects these arguments considering that (i) the Supplementary Agreement, which contains the liquidated damages clause, forms an inextricable part of the Employment Contract and of the Standard Employment Contract, such that the “*full residual value*” necessary comprises all amounts owed pursuant to all three contracts, and that (ii) Article 2 of the Supplementary Agreement expressly confirms this, as it provides that the full residual value of the contract consists of “*the total amounts that the Head Coach was to receive from the termination date until the initial expiry date of this contract, according to the provisions of the Standard Employment Contract, the Employment Contract and this annex*”, with “*this annex*” referring to the Supplementary Agreement.
100. The Respondent further submits that neither the Contracts themselves, nor established CAS case law make the payment of allowances subject to the fulfilment of any conditions and that, accordingly, allowances are included in the “*residual economic value*” of the Contracts.
101. Lastly, the Respondent rejects the argument that any sums owed under the Employment Contract should be reduced by 2,65%. In this respect, the Respondent submits that the deduction of 2,65% provided for in Article 2.5 of the Employment Contract can no longer apply, as such contributions are no longer due following the termination of the employment relationship.
102. The Sole Arbitrator firstly notes that Article 2 of the Supplementary Agreement provides, in the relevant part, that “*the breaching party shall compensate the other with the full residual economic value of the present contract (i.e., the total amounts that the Head Coach was to receive from the termination date until the initial expiry date of this contract, according to the provisions of the Standard Employment Contract, the Employment Contract and this annex)*”. Given that the clause expressly refers to all three contracts for the purpose of calculating compensation, the Sole Arbitrator finds no merit in the interpretation of the terms “*the present contract*” as excluding any sums owed under the Employment Contract or under the Standard Employment Contract.

This conclusion follows from a literal interpretation of the liquidated damages clause, such that there is no need to rely on the principle of *in dubio contra stipulatorem*.

103. The Sole Arbitrator further concurs with the Respondent that neither the Contracts themselves nor CAS jurisprudence make the payment of allowances conditional upon the incurrence of corresponding expenses.
104. The Sole Arbitrator also notes that, pursuant to Article 1 of the Supplementary Agreement, the Club agreed to pay the Coach the following additional remuneration:

*“In addition to the remuneration the Head Coach is entitled to for his services as a Head Coach as per the abovementioned Employment Contract and Standard Employment Contract, the Parties have agreed on the NET * remuneration set forth herein:*

ADDITIONAL SALARIES

1. *HEAD COACH shall be entitled to receive the amount of €85.000 net as additional salary for season 2023-2024 in 5 equal installments of €17.000 payable from 31/1/2024 until 31/5/2024.*
2. *HEAD COACH shall be entitled to receive the amount of €220.000 net as additional salary for season 2024-2025 in 10 equal installments of €22.000 payable from 31/8/2024 until 31/5/2025.*
3. *Each monthly instalment shall be paid, at the latest, the last day of the relevant month.*

ALLOWANCES

4. *HEADCOACH shall be entitled to receive the amount of €10.000 net for allowances (apartment – flight tickets) for season 2023-2024 divided in 5 equal installments of €2000 from 31/1/2024 until 31/5/2024 and €20.000 for 2024-25 divided in 10 equal installments of €2000 from 31/8/2024 until 31/5/2025.*
5. *Each monthly allowance shall be paid, at the latest, the last day of the relevant month.* [Emphases added]
105. The Sole Arbitrator notes that the express terms and structure of Article 1 confirm that allowances form part of the Coach’s remuneration (on the same account as the Coach’s additional salaries). In addition, paragraphs 4 and 5 of Article 1 do not contain any stipulation suggesting that the payment of these allowances is conditional upon the incurrence or proof of any expenses.
106. In these circumstances, the Sole Arbitrator finds that the “*full residual economic value*” of the Contracts includes any allowances owed to the Coach pursuant to Article 1, paragraphs 4 and 5 of the Supplementary Agreement.
107. Lastly, the Sole Arbitrator finds that there is no reason to reduce any compensation by 2,65%. The Sole Arbitrator considers that Article 2.5 of the Employment Contract,

which provides that an amount equal to 2.65% of each monthly salary shall be deducted from the Respondent's net monthly salary and paid directly by the Club as a contribution to the Cyprus General Healthcare System, serves the sole purpose of enabling the Club to make such contributions. As the Coach is no longer employed by the Club, the Club is no longer required to make such contributions on the Coach's behalf. In view of the foregoing, no reduction of the compensation seems justified.

108. In application of the foregoing, the Sole Arbitrator calculates the "*full residual economic value*" under the Contracts as follows:
- Pursuant to Article 2.5.2 of the Employment Contract, the Coach is entitled to ten times EUR 12'000, i.e., an overall amount of EUR 120'000;
 - Pursuant to Article 1.2 of the Supplementary Agreement, the Coach is entitled to EUR 220'000 as net additional salary for season 2024/2025;
 - Pursuant to Article 1.4 of the Supplementary Agreement, the Coach is entitled to allowances of EUR 20'000 for season 2024/2025.
109. The "*full residual economic value*" under the Contracts thus amounts to EUR 360'000, which the Coach is entitled to receive as compensation for the premature termination of the employment relationship by the Club without just cause.

D. Outstanding remuneration

110. Lastly, and independently of the Club's claims regarding the wrongful termination of the Contracts, the Respondent seeks payment in the amount of EUR 57'000 as outstanding remuneration, corresponding to the third, fourth, and fifth instalments of the Coach's additional salary for the 2023/2024 season pursuant to the Contracts, namely EUR 51'000 under Article 1.1 of the Supplementary Agreement and EUR 6'000 under Article 1.4 of the Supplementary Agreement.
111. The Sole Arbitrator notes that FIFA awarded the requested amount of EUR 57'000 in the Appealed Decision and that neither the entitlement to such payments nor the amount claimed is contested by either party in the present proceedings.
112. Accordingly, the Sole Arbitrator finds that the Respondent's claim for outstanding remuneration pursuant to Articles 1.1 and 1.4 of the Supplementary Agreement is well-founded and that, on this basis, the Club shall pay the amount of EUR 57'000 to the Coach.

E. Interest

113. Lastly, the FIFA PSC considered in its decision that, in the silence of the Contracts, the Swiss statutory interest rate of 5% per annum pursuant to Article 73 SCO shall apply to all amounts due.
114. For the outstanding remuneration, such interest should start to run from their respective due dates:

- for the third installment in the amount of EUR 19'000, interest shall start to run from 1 April 2024;
 - for the fourth installment in the amount of EUR 19'000, interest shall start to run from 1 May 2024; and
 - for the fifth installment in the amount of EUR 19'000, interest shall start to run from 1 June 2024.
115. For the amounts due as compensation for breach of contract, the FIFA PSC considered that interest should start to run from the date of termination (i.e., 28 June 2024) until the date of effective payment.
116. While the Appellant has submitted an appeal against all counts of the Appealed Decision, it has requested the payment of interest at “5% *p.a.* as from the date that the Club submitted its Counter-claim before the FIFA PSC, i.e. from 09.12.2024”. The Respondent has neither contested the applied interest rate and has, to the contrary, requested that the Appealed Decision be confirmed on all accounts.
117. As neither the principle that interest shall accrue on compensation and outstanding remuneration, nor the applicable interest rate have been contested by either party, the Sole Arbitrator confirms the findings of the FIFA PSC and, accordingly, finds that interest shall accrue at the applicable statutory rate of 5% per annum.
118. The Sole Arbitrator further confirms the start date for the different amounts due.
119. For the outstanding remuneration, interest shall accrue from the due dates of the relevant installments (for the third installment, interest accrue from 1 April 2024; for the fourth installment, interest accrue from 1 May 2024; and for the fifth installment interest accrue from 1 June 2024).
120. For the amounts due as compensation for breach of contract, interest shall accrue from the date of the premature termination of the Contracts without just cause, i.e., from 28 June 2024.

IX. CONCLUSION

121. Based on the foregoing, and after taking due consideration of all the evidence produced and all the arguments made, the Sole Arbitrator finds that:
- a) The Club has prematurely terminated the employment relationship without just cause and without any contribution of the Coach to the termination.
 - b) Consequently, the Club owes compensation to the Coach. Such compensation shall be calculated by application of Article 2 of the Supplementary Agreement which the Sole Arbitrator considers to be proportionate and appropriate.

- c) The compensation to be paid by the Club includes (i) all sums under both the Supplementary Agreement and the Employment Contract, (ii) any allowances under the Supplementary Agreement, and (iii) shall not be reduced by 2,65% pursuant to Article 2.5.4 of the Employment Contract. Accordingly, the compensation that the Club shall pay to the Coach amounts to EUR 360'000, plus interest at a statutory rate of 5% per annum, accruing from the date of the termination, i.e., 28 June 2024 until full payment.
 - d) In addition, and as this is not contested between the Parties, the Club shall pay the Coach outstanding remuneration, corresponding to the third, fourth, and fifth instalments of the Coach's additional salary for the 2023/2024 season pursuant to the Contracts, in the total amount of EUR 57'000, plus interest at a statutory rate of 5% per annum, accruing from the respective due dates of the installments (for the third installment, interest accrue from 1 April 2024; for the fourth installment, interest accrue from 1 May 2024; and for the fifth installment interest accrue from 1 June 2024).
122. In view of the Sole Arbitrator's findings, no ground exists to set aside the Appealed Decision and the Appellant's appeal is entirely dismissed.

X. COSTS

(...)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed Apollon Limassol FC on 11 August 2025 against the decision rendered on 24 June 2025 by the FIFA Players' Status Chamber is dismissed.
2. The decision rendered on 24 June 2025 by the FIFA Players' Status Chamber is confirmed.
3. (...).
4. (...).
5. All other motions or prayers for relief are dismissed.

Seat of the arbitration: Lausanne, Switzerland

Date: 17 September 2026

THE COURT OF ARBITRATION FOR SPORT

Hervé Le Lay
Sole Arbitrator